

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1574</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>6800</b>
<b>Author:</b>	<b>Rep. Echols</b>
<b>Date:</b>	<b>3/8/2017</b>
<b>Impact:</b>	<b>Attorney General: minimal, absorbed by agency</b>

**Research Analysis**

The committee substitute for HB1574 requires the Attorney General (AG) to make a written determination, prior to the state entering into a contingency-fee contract with a private attorney, whether the decision is both cost-effective and in the public interest. The bill limits the contingency fee afforded to a private attorney contracting with the state at \$50,000,000 and establishes the following formula to be used in determining the fee:

- 25 percent of any recovery up to \$10,000,000; plus
- 20 percent of any portion of the recovery between \$10,000,000 and \$15,000,000; plus
- 15 percent of any portion of the recovery between \$15,000,000 and \$20,000,000; plus
- 10 percent of any portion of the recovery between \$20,000,000 and \$25,000,000; plus
- 5 percent of any portion of the recovery exceeding \$25,000,000.

The measure also makes the schedule of fees submitted by any attorney wishing to contract with the state and records regarding contingency-fee contracts available for public view.

Furthermore, the measure establishes the following set of requirements that must be met throughout the duration of any contract for contingency-fee attorney services entered into by the state and overseen by the AG:

- the AG will retain complete control over the course and conduct of the case;
- the AG will have veto power over any decisions made by outside counsel;
- a defendant that is a subject of the litigation may bypass the contingencyfee counsel and contact the lead government attorneys directly;
- a designated government attorney with supervisory authority for the case will participate in all settlement conferences; and
- the AG will have exclusive discretion over decisions regarding settlement of the case.

Prepared By: Quyen Do

**Fiscal Analysis**

The CS on HB 1574, upon review by the Oklahoma Attorney General, will have a minimal cost for their agency which will not result in a fiscal impact.

Prepared By: Kristina King

**Other Considerations**

None.

