

Bill Summary
2nd Session of the 57th Legislature

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| Bill No.: | SB 1820 |
| Version: | CS |
| Request No.: | 3912 |
| Author: | Sen. David |
| Date: | 03/02/2020 |

Committee Substitute (CS)

The CS for SB 1820 allows state agencies to select a law firm to represent the agency and directs the Attorney General to add law firms, when applicable, to the list of legal entities eligible to represent state agencies. The Attorney General is also directed to publish the list. Contingency fee contracts are capped by the CS at:

- 1) 25% of that portion of any amount recovered that is \$10 million or less,
- 2) 20% of that portion of any amount recovered that is \$10-\$15 million,
- 3) 15% of that portion of any amount recovered that is \$15-\$20 million, and
- 4) 10% of that portion of any amount recovered that is \$20-\$25 million.
- 5) 5% of that portion of any amount recovered that is greater than \$25 million.

Additionally, the CS directs the Attorney General to develop a standard clause for inclusion in every contract for contingent fee attorney services. The clause shall include provisions providing for government attorneys to retain control of the case, supervisory authority, veto power over decisions made in the case, contract with defendants, and final decision-making authority. The CS also directs the Attorney General to publish all contingency fee contracts on its website within 5 business days after the date the contract is executed. All payments made in accordance with contingency fee contracts must be published within 15 days of the after payment is delivered. Private attorneys must maintain records documenting all expenses, disbursements, charges, credits, underlying receipts and invoices and other financial transactions related to the attorney services for at least 4 years after the contract is completed.

The measure also directs agencies to notify the Attorney General of any past or present relationship between a lawyer or firm and the state agency and its employees. Agencies must also notify the Attorney General about any contingency fees and the justification for using private attorneys. The Legislative Office of Fiscal Transparency and Contingency Review Board shall receive a copy of the expense report provided to the Attorney General. Any contract between an agency and firm/lawyer wherein the case, transaction or matter will equal or exceed \$1 million must be forwarded to the Legislative Oversight Committee overseeing the Office.

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