

Bill Summary
1st Session of the 58th Legislature

Bill No.:	SB 984
Version:	HASB
Request No.:	
Author:	Sen. David
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Bill Analysis

SB 984 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 measure 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,
- 4) 10% of that portion of any amount recovered that is \$20-\$25 million. and
- 5) 5% of that portion of any amount recovered that is greater than \$25 million.

Additionally, the measure 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. Agencies with a reason to believe that fees and fines associated with retaining private representation are required to initiate a request for proposal from at least 3 qualified private attorneys or firms. The measure 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. The measure authorizes the President Pro Tempore of the Senate, Speaker of the House, and Governor exempt a legal matter from the requirements of the measure if an exemption is deemed to be in the best interest of the state upon request by an official of the agency. The provisions of

the measure shall not apply to any agency that invests funds on behalf of its beneficiaries or any entity exempted from Article I of the Administrative Procedures Act.

Prepared by: Kalen Taylor

House Amendments

HA's to the measure adds language exempting any agency that invests funds on behalf of its beneficiaries or any entity exempted from Article I of the Administrative Procedures Act.

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