

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB604

Hearing Date: Thursday February 17, 2011
Committee On: Executive Board
Introducer: Conrad
One Liner: Adopt the Private Attorney Retention Sunshine Act

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

Aye:	7	Senators Christensen, Fischer, Flood, Langemeier, Nelson, Pahls, Wightman
Nay:		
Absent:		
Present Not Voting:	2	Senators Karpisek, Lathrop

Proponents:
Senator Danielle Conrad

Representing:
Introducer

Opponents:
David Cookson
Dale Comer

Representing:
Nebraska Attorney General
Nebraska Attorney General

Neutral:

Representing:

Summary of purpose and/or changes:

Section-by-section summary of the Bill:

Section 1.

Creates the Private Attorney Retention Sunshine Act.

Section 2.

The Private Attorney Retention Sunshine Act is intended to ensure that when the Attorney General hires a private attorney or firm, the attorneys will handle the lawsuit in a manner that furthers the public's interests, rather than their own profitability. In addition, the Act creates a mechanism for oversight and accountability regarding legal service contracts.

Section 3.

For purposes of this Act, "contract for legal services exceeding \$50,000" means a contract in which the fee paid to a private attorney or firm, plus expenses, exceeds or can be expected to exceed \$50,000.

Section 4.

Prohibits the Attorney General from retaining a private attorney or law firm until undertaking an open and competitive

bidding process.

Section 5.

The open and competitive bidding process is required on all contracts for legal services exceeding \$50,000.

Section 6.

Sets out the following process for review of proposed contracts for legal services over \$50,000:

The proposed contract would be filed with the Appropriations Committee if the Legislature is in session and with the Executive Board if the Legislature is not in session.

Within ten days after the filing, there would be a public hearing on the proposed contract and thereafter issue a report to the Attorney General. The report would include any proposed changes to the proposed contract approved by the Committee or Executive Board.

The Attorney General would review the report and adopt a proposed final contract as considered appropriate in view of the Committee's or Executive Board's findings. This final contract would be filed with the Committee or Executive Board.

If the proposed contract does not include the changes proposed by the Committee or Executive Board, the Attorney General would include an explanation as to why not. No earlier than 30 days after sending the proposed final contract and any explanation to the Committee or Executive Board, the Attorney General could enter into a final contract.

If the Committee or Executive Board recommends no changes to the initial proposed contract within 45 days, the Attorney General could proceed to finalize it.

Section 7.

The Act shall not be construed to expand the authority of the Attorney General to enter into any contract if no such authority otherwise exists.

Sections 8.

At the end of a legal proceeding for which an attorney or law firm has been retained on a contingent-fee basis, the Attorney General would be required to receive a statement of hours worked, expenses incurred, the aggregate fee amount, and a breakdown of the hourly rate, calculated based on hours worked divided into fee recovered, less expenses.

Legal fees can not be greater than \$1,000 per hour and if the disclosure statement indicates a rate in excess of \$1,000 per hour, the fee would be reduced to \$1,000 per hour.

Section 9.

The Act applies to contracts entered into after the effective date of this act.

Section 10.

Severability clause.

John Wightman, Chairperson