

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 136** SLS 16RS 260

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 15, 2016	2:58 PM	<b>Author:</b> WARD
<b>Dept./Agy.:</b> Attorney General		<b>Analyst:</b> Matthew LaBruyere
<b>Subject:</b> Special Attorneys		

JUSTICE DEPARTMENT RE SEE FISC NOTE GF EX See Note Page 1 of 1  
Provides relative to the employment of special attorneys or counsel. (gov sig)

Present law provides that the attorney general, or any state agency, board, or commission, not including any public postsecondary education institution, cannot incur fees for legal services in excess of the greater of (1) \$500 per hour per person or (2) the maximum rate approved by the Attorney Fee Review Board. Proposed law changes the limitation to \$1,000 per hour per person. Proposed law provides that any contract with an hourly fee of \$750 or more, paid from the Dept. of Justice Legal Support Fund, shall be reported to the Joint Legislative Committee on the Budget within 90 days of the contract's execution.

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

The proposed legislation may increase state general fund expenditures as a result of increasing the maximum special attorney rate from \$500 per hour to \$1,000 per hour. To the extent any agency, board or commission hires outside counsel that has an hourly rate over \$500, expenses will increase. The increase is indeterminable since it is unknown how many agencies will hire outside counsel that will have an an hourly rate above \$500 and how many hours will be billed to an agency. For illustrative purposes, if any agency does hire outside counsel at the maximum rate of \$1,000 per hour, once the outside counsel bills the agency for 200 hours, the cost will be \$100,000 (\$500 maximum rate increase x 200 hours).

According to the Department of Justice, there is one legal contract within the department that has one contract attorney at the maximum rate of \$500 per hour. At this time it is unknown if any other state agencies are paying outside counsel the maximum rate of \$500 per hour.

NOTE: The proposed legislation provides that any contract with an hourly fee of \$750 or more, paid from the Dept. of Justice Legal Support Fund, shall be reported to the Joint Legislative Committee on the Budget within 90 days of the contract's execution. The LFO anticipates that such contracts will be reported during regularly scheduled meetings of the JLCB and no additional expenditures are likely.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------|
| <u>Senate</u>                                                               | <u>Dual Referral Rules</u>                                                                 | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |              |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |              |

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**