

HCS HB 1654 -- CONTINGENCY FEE CONTRACTS

SPONSOR: Cornejo

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Litigation Reform by a vote of 10 to 0. Voted "Do Pass" by the Rules- Legislative Oversight Committee by a vote of 9 to 0.

This bill provides that a private attorney retained by the state is not entitled to a fee, exclusive of costs and expenses, of more than a set percentage determined by the dollar amount recovered. The total fee payable to retained private attorneys in any matter subject to a contingency fee shall not exceed \$10 million, exclusive of costs and expenses provided for in the contracts and actually incurred by the attorneys. The bill specifies that a contingency fee is payable only from money actually received under a judgment or settlement agreement and shall not be based on any amount attributable to a fine or civil penalty.

This bill is similar to 598 (2017).

PROPONENTS: Supporters say that this bill provides a reasonable and fair cap on attorney fees in certain cases because of the reduced risk involved in cases screened by the Attorney General.

Testifying for the bill were Representative Cornejo; Missouri Chamber of Commerce And Industry; Property Casualty Insurers Association of America; The Doctors Company; Missouri Insurance Coalition; Unites States Chamber Institute On Legal Reform; American Tort Reform Association; Pfizer, Inc.; and Associated Industries of Missouri.

OPPONENTS: There was no opposition voiced to the committee.