



TO: The Honorable Members of the PA House of Representatives

FROM: Sam Denisco, Director of Government Affairs

DATE: June 7, 2011

RE: HB 1021 – Transparency in Private Attorney Contracting

On behalf of its thousands of statewide member businesses of all sizes and crossing all industry sectors, the Pennsylvania Chamber of Business and Industry is writing you to express our **support of HB 1021**. The bill is scheduled to be considered today on final passage.

The purpose of the proposed legislation is essentially to create transparency, encourage reasonable contingency fees, and preserve due process by codifying the case law requirements to ensure the State remains in control of litigation when it hires contingency fee counsel. These requirements are particularly important in Pennsylvania, because parties to a lawsuit against the government cannot challenge the government's legal representation.

The past decade has witnessed a dramatic increase in the use of private contingency fee attorneys on behalf of the state by both attorneys general and governors. While there is often a good reason for states to hire private outside lawyers in specific cases, the lack of uniform policies to govern such arrangements has the potential for abuse and conflict of interest.

This bill helps guard against abuse by assuring that the process of hiring outside contingency fee counsel can be reviewed by lawmakers and the public, by minimizing opportunities for excessive contingency fees that invite abuse, and by putting firm contract requirements in place to make sure the government, not outside lawyers with a financial interest in the lawsuit, are running the government's lawsuits.

Again, the PA Chamber respectfully asks for your support of HB 1021. If you have any questions or concerns, please contact me at 717.720.5580 or sdenisco@pachamber.org.