

SENATE BILL No. 242

By Committee on Judiciary

2-6

Proposed Amendments to SB 242 - AG  
Senate Judiciary Committee  
Prepared by the Office of Revisor of Statutes  
March 18, 2025

1 AN ACT concerning contingent fee contracts for legal services; relating to  
2 contracts entered into for legal services by a political subdivision;  
3 requiring an open meeting before a political subdivision may approve  
4 such a contract; requiring the attorney general to approve such contract  
5 before it becomes effective.  
6

7 *Be it enacted by the Legislature of the State of Kansas:*

8 Section 1. (a) A political subdivision may only enter into a contingent  
9 fee contract for legal services if the governing body of the political  
10 subdivision:  
11

or agenda

12 (1) Calls a meeting for the purpose of ~~considering the contract and~~  
13 provides, in the notice of the meeting issued pursuant to K.S.A. 75-4318,  
14 and amendments thereto, the:

15 (A) Reasons for pursuing the matter that is the subject of the legal  
16 services of which the attorney or law firm would be retained and the  
17 desired outcome of pursuing the matter;

or considered for selection

18 (B) qualifications, experience and competence of the attorney or law  
19 firm selected by the governing body;

20 (C) nature of any relationship, regardless of how short, between the  
21 political subdivision or governing body and the attorney or law firm that is  
22 a party to the contract;

23 (D) reasons the legal services cannot be adequately performed by the  
24 attorneys and supporting personnel of the political subdivision;

25 (E) reasons the legal services cannot be reasonably obtained from  
26 attorneys under a contract providing for an hourly rate payment structure  
27 as opposed to a contingency fee structure; and

28 (F) reasons entering into a contingent fee contract for legal services is  
29 in the best interest of the residents of the political subdivision;

30 (2) makes a finding, in writing, that:

31 (A) There is a substantial need for the legal services that are the  
32 subject of the contingent fee contract;

33 (B) the legal services cannot be adequately performed by the  
34 attorneys and supporting personnel of the political subdivision; and

35 (C) the legal services cannot reasonably be obtained from attorneys  
36 under a contract providing for an hourly rate payment structure because  
the nature of the legal matter that is the subject of the contract or the

It is in the best interest of the residents of the political subdivision  
to contract for the legal services or

1 political subdivision does not have the funds necessary to pay the  
 2 estimated cost of the legal services provided under a contract providing for  
 3 an hourly rate payment structure; and  
 4 (3) approves the contract in an open meeting after discussion and  
 5 consideration of the items described in paragraph (1).

6 (b) (1) Before a contingency fee contract for legal services approved  
 7 by a political subdivision pursuant to subsection (a) is effective and  
 8 enforceable, the political subdivision shall obtain approval of the contract  
 9 by the attorney general. The political subdivision shall provide to the  
 10 attorney general:

11 (A) A copy of the proposed contract;

12 (B) a description of the legal matter that is the subject of the proposed  
 13 contract;

14 (C) a copy of the notice issued pursuant to subsection (a)(1), the date  
 15 such notice was issued and a description of the method for providing such  
 16 notice;

17 (D) a copy of the written findings made pursuant to subsection (a)(2).

18 (2) Within 90 days after the political subdivision has provided the  
 19 attorney general with the information described in paragraph (1), the  
 20 attorney general shall:

21 (A) Approve the contract; or

22 (B) refuse to approve the contract and provide the political  
 23 subdivision with one of the following reasons for the refusal to approve:

24 (i) The legal matter that is the subject of the contract presents one or  
 25 more questions of law or fact that are in common with a matter the state  
 26 has already addressed or is pursuing;

27 (ii) pursuit of the legal matter by the political subdivision will not  
 28 promote the just and efficient resolution of the matter; or

29 (iii) the contract does not comply with the Kansas rules of  
 30 professional conduct for attorneys adopted by the Kansas supreme court.

31 (3) If the attorney general has not taken action on a contract pursuant  
 32 to paragraph (2) within 90 days after receipt, such contract shall be  
 33 deemed approved.

34 (c) In any judicial or quasi-judicial proceeding in which a political  
 35 subdivision is represented by an attorney providing legal services under a  
 36 contingent fee contract for legal services that does not comply with the  
 37 provisions of this section, the attorney general may appear in such  
 38 proceeding and request that the proceeding be dismissed. If the court or  
 39 quasi-judicial body concludes that the contract for legal services does not  
 40 apply with the provisions of this section, the court or quasi-judicial body  
 41 shall dismiss the matter without prejudice.

42 (d) Any contingent fee contract for legal services that was entered  
 43 into by a political subdivision prior to July 1, 2025, shall be submitted to

or would pay substantially more for

and agenda

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and, if the request involves a matter of purely local concern that does not  
 implicate any statewide interest, shall do so promptly

for

lawsuit, demand or settlement asserting or resolving claims

the legal matter involves claims or issues that are more appropriately  
 within the scope of state enforcement and the pursuit of the matter  
 independently by the political subdivision could lead to inconsistent  
 legal outcomes or undermine the state's unified position

If the attorney general refuses to approve the contract, the attorney  
 general shall provide notice to the political subdivision in writing with a  
 detailed explanation of the reason for refusing to approve the contract.

and provided the political subdivision notice of such action

or intervene and recover damages on behalf of the political  
 subdivision

comply

or allow the attorney general to intervene on behalf of the  
 political subdivision

between July 1, 2024 and

may

1 the attorney general by the political ~~subdivision~~ on or before July 1, 2026.  
 2 The attorney general ~~shall~~ review the contract and approve or refuse to  
 3 approve the contract pursuant to subsection (b). Any judicial or quasi-  
 4 judicial proceeding that is ongoing involving a contingent fee contract for  
 5 legal services entered into by a political subdivision shall proceed unless  
 6 the attorney general appears in such proceeding as described in subsection  
 7 (c).

8 (e) As used in this section:

9 (1) "Contingent fee" means any fee that is contingent on the outcome  
 10 of the ~~matter for which the service is rendered~~; and

11 (2) "political subdivision" means:

12 (i) ~~(A)~~ A political or taxing subdivision of the state, including municipal  
 13 and quasi-municipal corporations, board, commissions, authorities,  
 14 councils, committees, subcommittees and other subordinate groups or  
 15 administrative units thereof, receiving or expending and supported, in  
 16 whole or in part, by public funds; and

17 ~~(B)~~ any municipality as defined in K.S.A. 75-1117, and amendments  
 18 thereto

19 (f) The provisions of this section ~~shall expire on July 1, 2029.~~

20 Sec. 2. This act shall take effect and be in force from and after its  
 21 publication in the statute book.

(A) "legal services" means all services:

(i) Performed by or under authority of a law firm or attorney whether or not such  
 services are performed by someone admitted to practice law in Kansas; and  
 (ii) that constitute the practice of law in Kansas;

(B) "legal services" does not include services performed by:

(i) Bond counsel or other attorneys to assist a political subdivision with services  
 related to bonds, temporary notes, no-fund warrants, state infrastructure loans or  
 lease financing;

(ii) attorneys or other persons to assist a political subdivision in the collection of  
 unpaid debts, fees, fines, costs, restitution, taxes or utility bills;

(iii) attorneys to recoup costs, including deductibles, from an at-fault party's  
 insurance company;

(iv) attorneys to assist with the sale of property; or

(v) court trustees to assist the enforcement of support orders pursuant to K.S.A.  
 20-375 et seq., and amendments thereto;

(3)

Renumber paragraphs

(B) "political subdivision" does not include water utilities as defined in K.S.A.  
 19-3504, and amendments thereto

