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HOUSE BILL 531

**51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

INTRODUCED BY

Gail Chasey

AN ACT

RELATING TO LAWSUITS; AUTHORIZING THE ATTORNEY GENERAL TO  
CONTRACT FOR LEGAL SERVICES ON A CONTINGENT FEE BASIS; CREATING  
A FUND; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of Chapter 8, Article 5 NMSA  
1978 is enacted to read:

"[NEW MATERIAL] COMPENSATION UNDER CONTINGENT FEE  
CONTRACTS--ATTORNEY GENERAL CONTINGENT LEGAL SERVICES FUND  
CREATED.--

A. The attorney general may contract for legal  
services for litigation on a contingent or partially contingent  
fee basis. The contract shall be awarded pursuant to the  
provisions of the Procurement Code. The campaign contribution  
disclosure required by the Procurement Code shall include all

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1 campaign contributions made to:

2 (1) the governor;

3 (2) the attorney general; or

4 (3) a political committee formed to aid or  
5 promote the nomination or election of a candidate to a state  
6 office when that committee is controlled by, established by,  
7 established in consultation with or established at the request  
8 of:

9 (a) the governor;

10 (b) the attorney general; or

11 (c) an agent of the governor or the  
12 attorney general.

13 B. The "attorney general contingent legal services  
14 fund" is created in the state treasury to make disbursements  
15 and transfers pursuant to this section. The fund shall be  
16 administered by the office of the attorney general, and money  
17 in the fund is appropriated to the office to pay legal fees of  
18 contingent fee contracts for legal services and reasonable  
19 costs and expenses associated with a claim. Money from the  
20 fund shall be disbursed on warrants signed by the secretary of  
21 finance and administration pursuant to vouchers signed by the  
22 attorney general or the attorney general's authorized  
23 representative.

24 C. When pursuing a claim and using legal services  
25 on a contingent or partially contingent fee basis, all money

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1 received as satisfaction of the claim shall be deposited in the  
2 attorney general contingent legal services fund. The office of  
3 the attorney general shall disburse the amount that is due a  
4 legal contractor and any other costs and expenses associated  
5 with the claim. The balance that remains shall be for:

6 (1) an action brought pursuant to the Unfair  
7 Practices Act, transferred to the attorney general's consumer  
8 protection fund;

9 (2) an action concerning an investment or  
10 other loss suffered by a program or fund of the state,  
11 transferred to the program or fund that suffered the loss; and

12 (3) a case awarding restitution to New Mexico  
13 residents, disbursed according to the terms of the court order  
14 or settlement agreement."

15 SECTION 2. EMERGENCY.--It is necessary for the public  
16 peace, health and safety that this act take effect immediately.