



CITY OF TOPEKA

Legal Department
215 SE 7th Street, Room 353
Topeka, KS 66603

Amanda Stanley, City Attorney
Tel: (785) 368-3883
www.topeka.org

To: Senate Committee on Judiciary
From: Amanda Stanley, City of Topeka
Date: March 3, 2025
Re: Written Only Opponent Testimony for SB 242 (Neutral if amended as agreed)

Thank you for the opportunity to submit testimony regarding SB 242. While we appreciate the intent behind the legislation and the desire to ensure transparency and fairness in legal fee arrangements while not interfering with state litigation, we must express our opposition to the bill as currently drafted. Specifically, we are concerned about the significant impact this legislation would have on existing collection arrangements, bond counsel agreements, and recovery on subrogation claims.

Cities, including the City of Topeka, generally do not use contingency fee agreements. At the City of Topeka, we employ two in-house litigators and, when necessary, hire supplemental defense attorneys on an hourly basis. The primary exception to this is in the area of collections. Unfortunately, debt collection is unavoidable for past-due water bills, municipal court fines, parking tickets, and other outstanding obligations. In order to promote fairness for all taxpayers, it is necessary to collect these debts, and contingency arrangements are the most practical way to do so.

The second category where contingency agreements are used is in bond counsel arrangements. Bond counsel provides essential financial and legal guidance to local governments and public entities, often with payment structures contingent on successful financing transactions. Restricting or delaying these agreements through an additional Attorney General approval is unnecessary and a restriction on our constitutional authority to contract for specific legal expertise.

Lastly, contingency agreements are also commonly used for subrogation claims. As a self-insured entity, the City of Topeka must recover costs when third parties are responsible for damages. Engaging attorneys on a contingency basis for these claims is an efficient and cost-effective way to ensure taxpayers are not unfairly burdened with these costs.

We appreciate the willingness of the Attorney General's office to engage in discussions to address our concerns, and we welcome continued dialogue to refine this legislation in a way that maintains necessary oversight without disrupting existing, lawful legal practices. If the discussed amendments are adopted to reasonably accommodate our concerns, we would be willing to move to a neutral position on the bill, even though we still do not support it in its entirety.

Again, we appreciate the opportunity to provide this testimony and urge the Committee to consider revisions that would preserve the ability of cities to engage in contingency fee arrangements where they are most necessary. We look forward to working collaboratively to ensure any final legislation balances oversight with practicality.

Thank you for your time and consideration. I am happy to answer any questions the Committee may have.