

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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HOUSE BILL 1562

Short Title: "No Hush Money/Severance Pay".

(Public)

Sponsors: Representatives Mitchell; M. Crawford, Setzer, and Shubert.

Referred to: Judiciary I.

June 6, 2002

A BILL TO BE ENTITLED
AN ACT TO REQUIRE THE ATTORNEY GENERAL TO REVIEW AND REPORT
TO THE JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL
OPERATIONS ALL PROPOSED AGREEMENTS ENTERED INTO BY THE
STATE TO RESOLVE LITIGATION OR POTENTIAL LITIGATION THAT
INVOLVES THE PAYMENT OF PUBLIC MONIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 114-2.4 reads as rewritten:

"§ 114-2.4. Attorney General to render opinion on settlement agreements.

(a) The Attorney General shall review the terms of all proposed agreements entered into by the State or a State department, agency, institution, or officer to settle or resolve litigation or potential litigation, that involves the payment of public ~~monies in the sum of seventy five thousand dollars (\$75,000) or more.~~ monies. In order for such an agreement or contract to be effective against the State, the Attorney General shall submit to the State or the State department, agency, institution, or officer a written opinion regarding the terms of the proposed agreement and the advisability of entering into the agreement, prior to entering into the agreement. The written opinion required by this section shall be maintained in the official file of the final settlement agreement. The Attorney General by rule may delegate to a deputy or assistant Attorney General or to another subordinate the authority to approve settlement agreements.

(b) The Attorney General shall report to the Joint Legislative Commission on Governmental Operations on all agreements entered into by the State or a State department, agency, institution, or officer to settle or resolve litigation or potential litigation, that involves the payment of public ~~monies in the sum of seventy five thousand dollars (\$75,000) or more.~~ monies."

SECTION 2. This act is effective when it becomes law.