



**Date:** July 11, 2025

**To:** Legislative Advisory Commission Members

Senator Erin P. Murphy  
Senate Majority Leader

Senator John Marty, Chair  
Senate Finance Committee

Senator Tou Xiong, Chair  
State and Local Government Committee

Representative Lisa Demuth  
Speaker of the House

Representative Zack Stephenson, Co-Chair  
Ways and Means Committee

Representative Ginny Klevorn, Co-Chair  
State Government Finance and Policy Committee

**From:** Erin Campbell, Secretary, Legislative Advisory Commission

**RE:** Submission of Proposed Legal Services Contract

I received from the Minnesota Office of the Attorney General the attached proposed contract for legal services. I am forwarding the contract to you for your possible recommendation under Minn. Stat. § 8.065.

Minnesota Statutes Section 8.065 provides:

“The attorney general may not enter into a contract for legal services in which the fees and expenses paid by the state exceed, or can reasonably be expected to exceed, \$1,000,000 unless the attorney general first submits the proposed contract to the Legislative Advisory Commission and waits at least 20 days to receive a possible recommendation from the commission.”

If you require additional information on this agreement, please contact Liz Kramer, Minnesota Office of the Attorney General, at [Liz.Kramer@ag.state.mn.us](mailto:Liz.Kramer@ag.state.mn.us) or (651) 757-1010. To respond with a recommendation on the proposed legal service agreement before August 1, please email Dan Hintz, Minnesota Management and Budget, at [Daniel.Hintz@state.mn.us](mailto:Daniel.Hintz@state.mn.us).

Attachment

cc: Emily Adriaens, Chief Fiscal Analyst, House Fiscal Analysis Department  
Eric Nauman, Principal Fiscal Analyst, Minnesota Senate Counsel, Research and Fiscal Analysis  
Michelle Yurich, Executive Director, Legislative Coordinating Commission  
Liz Kramer, Solicitor General, Minnesota Office of the Attorney General  
Chris McNulty, General Counsel, Minnesota Management and Budget



The Office of  
**Minnesota Attorney General Keith Ellison**  
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July 8, 2025

**Via U.S. Mail and email: Erin.Campbell@state.mn.us**

Commissioner Erin Campbell  
Minnesota Management and Budget  
400 Centennial Building  
658 Cedar Street  
Saint Paul, MN 55155

**Re:** Proposed Legal Services Contract for Legislative Advisory Commission approval  
Law firm of Motley Rice in re: Sex Trafficking

Dear Commissioner Campbell:

Attached is a proposed special attorney appointment for review pursuant to Minn. Stat. § 8.065. The agreement will allow our office to expand our work fighting sex trafficking in Minnesota. It follows our solicitation of multiple vendors and selection of the experienced team at Motley Rice. Motley Rice will only be entitled to fees if they are successful; our Office is submitting this for approval in an abundance of caution because there is some chance that the firm could recover over a million dollars.

We request that the 20 day Legislative Advisory Commission review process begin as soon as possible. Please call me if you need any further information. Thank you for your continued assistance with these agreements.

Very truly yours,

LIZ KRAMER  
Solicitor General

(651) 757-1010 (Voice)  
(651) 282-5832 (Fax)  
[liz.kramer@ag.state.mn.us](mailto:liz.kramer@ag.state.mn.us)

Enclosure

cc: Chris McNulty

|#6124923-v1

**STATE OF MINNESOTA  
OFFICE OF THE ATTORNEY GENERAL  
SPECIAL ATTORNEY APPOINTMENT**

I, KEITH ELLISON, Attorney General of the State of Minnesota, by virtue of the authority vested in me by statute, do hereby constitute and appoint:

*Linda Singer, Esq. and the law firm of Motley Rice LLC*

as Special Attorneys to serve at the pleasure of the Attorney General specifically to provide legal services related to the investigation and potential litigation against inns, hotels, and other locations of public accommodation that aid, support, or benefit from sex trafficking in Minnesota subject to the terms and conditions set forth.

1. **DUTIES.** The Special Attorneys, who shall not be considered state employees and shall not be eligible for any state employee leave or other benefits except those expressly provided herein, shall provide legal services for the representation of the State of Minnesota by its Attorney Keith Ellison in his *parens patriae* capacity in the investigation and potential litigation against inns, hotels, and other locations of public accommodation that aid, support, or benefit from sex trafficking in Minnesota. The Special Attorney's work will be directed and supervised by Assistant Attorneys General Noah Lewellen, Adam Welle, Jason Pleggenkuhle, and Deputy Attorney General Jessica Whitney.
2. **COMPENSATION AND EXPENSES.** As Compensation for the satisfactory performance of the duties described, the Special Attorney shall be compensated as follows:

**The Special Attorneys shall receive 25% of the first \$10 million recovered, 20% of the next \$5 million recovered, 15% of the next \$35 million recovered, 10% of the next \$50 million recovered, and 5% of any amount recovered over \$100 million.**

The costs provided under this Special Attorney Appointment shall be subject to the policies and procedures attached hereto as Exhibit A.

The Special Attorneys shall be reimbursed for costs from monies recovered from defendants as allowed pursuant to Exhibit A. If there is no monetary recovery from defendants, then costs or other expenses will not be reimbursed.

Monetary relief pursued in potential litigation may include recovery of costs and fees. To the extent the Attorney General receives an award or judgment for costs incurred by Special Attorneys—whether based on a court-approved settlement, adjudicated judgment, or other means—the Special Attorneys shall be entitled to reimbursement from that portion of the award or judgment. Any costs reimbursed to Special Attorneys pursuant to such an award or judgment shall reduce the costs otherwise recoverable by Special Attorneys under this appointment. To the extent the Attorney General receives an award or judgment for fees attributable to time reasonably expended by Special Attorneys, such an award shall be

included in the amount recovered and subject to the formula for Compensation defined above along with other monetary recoveries.

3. ***FINAL AUTHORITY.*** The Attorney General, as Chief Legal Officer of the State, retains final authority over all aspects of the legal representation of the State in this Case. Special Attorneys shall consult in advance with and advise the Attorney General or his designees regarding all substantive and strategic issues affecting this Case, including cooperation with other states' attorneys general, which defendants to bring legal proceedings against, what claims to bring, the complaint, dispositive motions and briefs, selection of consultants and experts, unusual or uniquely expensive discovery, outsourcing work to a third party, pretrial proceedings, the trial, trial briefs, proposed findings of facts and conclusions of law, appeals, settlement negotiations, and settlements. Special Attorneys will provide advance notice to the Attorney General prior to the selection of experts or consultants, and the Attorney General shall have the right to reject proposed experts or consultants. In addition to advance consultation regarding all legal strategy, and regular updates regarding the progress of litigation, Special Attorneys shall cooperate with the Attorney General's Office and make all records and documents related to the representation available to the Attorney General's Office in a timely fashion upon request.
4. ***BILLING STATEMENTS.*** The Special Attorneys shall provide quarterly billing statements detailing the attorneys' time and costs incurred. These statements shall be sent via email to [outsidecounsel@ag.state.mn.us](mailto:outsidecounsel@ag.state.mn.us). The legal services and costs provided under this Special Attorney Appointment shall be subject to the policies and procedures attached hereto as Exhibit A. Billing is for informational and recordkeeping purposes; if there is a monetary recovery, the costs will be reimbursed based on these statements to the extent the monetary recovery allows. Statements must set forth in detail the expenses and including either receipts for the claimed expenses or an explanation for how the expense is calculated.
5. ***ARTIFICIAL INTELLIGENCE TECHNOLOGY.*** The Special Attorney may use generative artificial intelligence tools, large language models, or similar technologies ("AI Technology") in the performance of the services or the creation of any work, provided that: (1) any output generated by AI Technology must be reviewed and verified for accuracy by the Special Attorney before it is provided to anyone; (2) the Special Attorney must disclose the use of generative AI Technology to the Attorney General's Office, and (3) the Special Attorney expressly take full responsibility for all of their work product, including any content created using AI Technology. This responsibility includes ensuring the accuracy, appropriateness, and compliance with all applicable ethical and legal standards of any AI-generated content and indemnifying, defending, and holding harmless the Attorney General's Office, to the extent allowable by the Attorney General, from all claims, damages, losses, liabilities, and expenses (including reasonable attorneys' fees) arising out of the use of AI Technology, including, but not limited to, third-party claims arising from software malfunctions, data breaches, incorrect outputs, and intellectual property infringement. The Special Attorney's use of AI Technology does not diminish their professional obligations or liability with respect to any work performed under this appointment.

6. ***AVOIDANCE OF CONFLICTS.*** The Special Attorney shall not undertake legal work outside of the scope of this appointment for the Attorney General or represent a party involved in a claim, dispute or transaction of any kind which would create a conflict of interest for the Special Attorney unless and until the Special Attorney has informed the Attorney General or his delegate of the proposed representation and received written approval to proceed. The Special Attorney also agrees to inform their clients in any case involving a potential conflict.
7. ***STATE AUDITS AND DATA PRACTICES.*** All records, documents and accounting procedures and practices of the Special Attorney relevant to this appointment shall be subject to examination by the Attorney General, and the Minnesota Legislative Auditor. The Special Attorney must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by the State in accordance with this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Special Attorney in accordance with this Agreement. In the event the Special Attorneys receive a request to release the data referred to in this clause the Special Attorney must immediately notify the Attorney General's Office. The Attorney General's Office will give the Special Attorney instructions concerning the release of the data to the requesting party before it is released.
8. ***MALPRACTICE INSURANCE.*** Special Attorney represents that they will maintain malpractice insurance during the services provided pursuant to this appointment, as well as for six years after the services conclude.
9. ***LAWS AND FORUM.*** This appointment is governed by the laws of the State of Minnesota. Any litigation regarding the parties' agreement or their attorney-client relationship shall be venued in Ramsey County District Court.
10. ***TERM.*** This appointment is effective **July XX**, 2025, may be terminated by either party at any time by the giving of seven (7) calendar days' written notice, and shall remain in effect until so terminated.

Executed in St. Paul, Minnesota, **this** \_\_\_\_\_ day of \_\_\_\_\_, 2025.

KEITH ELLISON  
Attorney General

BY: \_\_\_\_\_  
LIZ KRAMER  
Solicitor General

STATE OF [X] )

) ss.

COUNTY OF [X] )

I, **XXXXXXX**, for the law firm of **Motley Rice LLC**, does swear that we will support the Constitutions of the United States and of the State of Minnesota and that we will faithfully discharge the duties of the position of Special Attorney under the terms and conditions of this appointment to the best of our judgment and ability.

BY: \_\_\_\_\_

**XXXXXXX**

**for Motley Rice LLC**

Subscribed and sworn to before me  
on this \_\_\_\_ day of June, 2025.

\_\_\_\_\_  
NOTARY PUBLIC

## EXHIBIT A

### **POLICIES AND PROCEDURES GOVERNING SPECIAL ATTORNEYS AND OUTSIDE COUNSEL RETAINED BY THE MINNESOTA ATTORNEY GENERAL'S OFFICE**

These policies and procedures govern your appointment as a Special Attorney for the State of Minnesota (the "State"). By agreeing to represent the State, you acknowledge acceptance of these policies and procedures. Any deviation from these policies and procedures must be approved by the case manager assigned to the case by the Attorney General's Office.

#### *General Statement*

1. The State holds you accountable for managing the costs of the representation effectively. Reimbursable costs are limited to expenses that are reasonably incurred as a result of the representation and subject to the restrictions provided in this document and the attached Special Attorney Reimbursement Guidelines.
2. The State expects you to devote the time and skill level appropriate to the tasks at hand. All work product should be high quality and reflect well on the State.
3. The State expects your fees, costs, and disbursements to be reasonable.
4. The State expects you to comply with the Rules of Professional Conduct and the highest ethical standards. You should avoid taking extreme advocacy positions that are not likely to have a substantive impact on the litigation. Coercive, delaying, or obstructive tactics shall not be used.
5. You and your staff should not speak to any media representatives about the work covered by your appointment without the prior approval of the Attorney General's communications director, a chief deputy attorney general, solicitor general or a deputy attorney general.
6. Compensation for attorney time and like legal services, including by attorneys or legal staff that are not your employees and are retained on a contract basis, pursuant to this contract and the Special Attorney's representation of the State shall be made via the contingency fee provided under this contract and shall not in any way be compensable as a cost.

#### *Project Team*

7. Your client contacts will primarily be: **(1) Noah Lewellen, Assistant Attorney General; (2) Adam Welle, Supervising Assistant Attorney General; (3) Jason Pleggenkuhle, Manager of the Consumer Protection Division and Assistant Attorney General; and (4) Jessica Whitney, Deputy Attorney General.**

8. Your client contacts will provide direction regarding the specific tasks during the representation.
9. You are responsible for providing regular updates on your work to the client contacts. You should discuss with the client contacts the most effective way to provide those updates.
10. Provide the client contacts all significant documents prepared or exchanged during the appointment.

### *Reporting Costs and Fees*

Your Special Attorney appointment requires contemporaneous time entry and documentation of all reimbursable costs. Special Attorneys must agree to cooperate with any State audit. Additional procedures are as follows:

#### *Reimbursable Costs*

11. On a quarterly basis, you must submit clear and understandable statements that detail any reimbursable costs. All reimbursable costs must be substantiated by itemized third party invoices and/or itemized receipts. All such records should be sufficient to allow the AGO to verify such costs and disbursements.
12. The invoice should reflect current costs as well as the aggregate of costs.
13. Travel related expenses shall be billed in accord with Minnesota Management and Budget (“MMB”) guidelines found in the Commissioner’s Plan for the applicable year range; such Plans are found here: <https://mn.gov/mmb/employee-relations/labor-relations/labor/commissioners-plan.jsp>. See also the attached “Special Attorney Reimbursement Guidelines” attached hereto as “Exhibit B.” To the extent any conflict arises between the attached “Special Attorney Reimbursement Guidelines,” (Exhibit B) and the above-referenced MMB guidelines (Exhibit C), the MMB guidelines shall control.
14. Special Attorneys will not seek reimbursement for the following services: copying, printing, messengers, computerized research, faxes, and transportation or meals except when travelling. Other services will be billed at actual cost, and only to the extent the charge is reasonable. Special Attorneys shall not charge more for messengers than would be paid an unaffiliated third-party vendor.
15. The State will not reimburse for costs ordinarily considered overhead such as conference room rentals, secretarial work, word processing, clerical tasks, or similar charges.



16. A separate statement should be provided for each lawsuit or matter brought pursuant to the contract.

*Fees*

17. On an annual basis, and upon request by the State, the Special Attorneys must submit a statement that details the name, status, and billing rate of each person rendering services, the date the work was performed, and the amount of time billed. The statement should contain a detailed description of tasks performed.
18. The amount of time billed should be reflected in 10-minute increments.

## **EXHIBIT B**

### **SPECIAL ATTORNEY REIMBURSEMENT GUIDELINES**

The following items are taken from the State of Minnesota Rules and Procedures governing reimbursement of state employees for certain expenses incurred in the performance of their jobs. Certain other reimbursable expenses have been added to specify what additional expenses the state will reimburse when they are incurred by Special Attorney. The policies and procedures in Exhibit A to the Special Attorney Appointment take precedence over any conflicting language in these reimbursement guidelines.

#### **1. Motor Vehicle Expenses**

Reimbursement for Minnesota mileage is based on the most direct route according to Transportation Department mileage tables or odometer readings. Reimbursement for out-of-state mileage is based on the most direct route as recorded by the car odometer or reported in standard mileage tables.

##### **a. Mileage Allowance Rate**

These rates are adjusted periodically to reflect changes in the price of gasoline and other operating costs. The reimbursement rate is the Internal Revenue Service mileage rate (currently 70 cents per mile in 2025) based on actual miles for the most direct route either from the Special Attorney's permanent work location or from a temporary work location, whichever is less. (Invoice should state purpose of trip, destination, and number of miles.)

#### **2. Bus and Cab Expenses**

Payment for these expenses is reimbursed. No receipts are required if less than \$25. The invoice should indicate the destination and purpose of the trip.

#### **3. Airline Expenses**

Receipts for airline tickets will be reimbursed. *Prior approval needs to be obtained.* The invoice should indicate the destination and purpose of the trip. If a meal is served on the flight, no additional claim can be made for that meal under "Meal Allowance."

#### **4. Parking Fees and Toll Charges**

Payments of toll charges and parking fees are reimbursed. Receipts are required for parking ramp/lot parking. No receipts are required for meter parking.

## **5. Meal Allowance**

Reimbursement for meals is the actual cost of the meal, including tax (reimbursement is not allowed for alcoholic beverages) and a reasonable gratuity, and is currently being reimbursed according to the following schedule.

Reimbursement for meals is permissible if the staff member is in travel status more than 35 miles away from his/her normal office or is away from home overnight.

### **a. Breakfast (\$11.00 maximum)**

In order to claim a breakfast when not away from home overnight the previous evening, the person must state on his/her reimbursement request that he/she left home before 6:00 a.m.

### **b. Lunch (\$13.00 maximum)**

Lunch reimbursement may be claimed if the person is in travel status and the work assignment extends over the normal noon meal period.

### **c. Dinner (\$19.00 maximum)**

In order to claim a dinner when not away from home overnight the same evening, an employee must state on his/her reimbursement request that he/she returned home after 7:00 p.m.