

1 SB457
2 139191-1
3 By Senator Brewbaker
4 RFD: Governmental Affairs
5 First Read: 22-MAR-12

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8 SYNOPSIS: Under existing law, persons engaged in court
9 reporting are required to be licensed by the state.

10 This bill would further provide for the
11 terms and conditions on which court reporters or
12 entities providing court reporting facilities may
13 contract for court reporting services.

14
15 A BILL
16 TO BE ENTITLED
17 AN ACT

18
19 Relating to court reporting services, to further
20 provide for contracts for providing court reporting services.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. (a) This act shall apply to any person
23 acting in the role of court reporter or any entity providing
24 court reporting services in the state.

25 (b) Entities providing court reporting services
26 shall be subject to the same rules, regulations, and statutes
27 that govern individual court reporters.

1 (c) This act shall apply to any legal proceeding
2 conducted in the state, whether all parties appear in person
3 or by remote means.

4 Section 2. (a) A legal proceeding may not be
5 reported by a court reporter or entity providing court
6 reporting services that meets any of the following:

7 (1) Has a contractual relationship with a party or
8 an attorney, representative, agent, or insurer of any party,
9 or which engages in any prohibited actions as defined in
10 Section 3.

11 (2) Is a party to the action.

12 (3) Is a relative, employee, or attorney of one of
13 the parties.

14 (4) Is an individual with a financial interest in
15 the action or its outcome.

16 (5) Is a relative, employee, or attorney of someone
17 with a financial interest in the action or its outcome.

18 (b) A court reporter or entity providing court
19 reporting services, before accepting an assignment, shall make
20 reasonable efforts to ascertain whether any arrangement exists
21 which is prohibited by this act.

22 (c) For purposes of this act, a legal proceeding
23 includes, but is not limited to, any of the following:

24 (1) A court proceeding.

25 (2) A deposition.

26 (3) An administrative hearing.

27 (4) An arbitration hearing.

1 (5) Examinations under oath.

2 (6) Sworn statements.

3 Section 3. (a) A court reporter or an entity that
4 provides court reporting services may not do any of the
5 following:

6 (1) Enter into an oral or written contractual
7 agreement for more than one case, action, or proceeding with
8 any attorney, party to an action, insurance company,
9 third-party administrator, or any other person or entity that
10 has a financial interest in the case, action, or proceeding.

11 (2) Give an economic or other advantage to any
12 party, any party's attorney, representative, agent, insurer,
13 or employee without offering it to all parties. This includes
14 failing to offer comparable services, including price or
15 credit terms, to all parties or otherwise requiring the court
16 reporter or entity providing court reporting services to
17 provide financial terms or other services that are not offered
18 at the same time and on the same terms to all other parties in
19 the legal proceeding.

20 (3) Agree to base the compensation of the court
21 reporter or entity that provides court reporting services on
22 the outcome of the proceeding or otherwise give the court
23 reporter or court reporting firm a financial interest in the
24 action. A court reporter or entity providing court reporting
25 services shall not offer or provide court reporting services
26 where payment for those services is made contingent on the
27 outcome of the action.

1 (4) Enter into an agreement for court reporting
2 services that restricts the noticing attorney from using the
3 court reporter or entity providing court reporting services of
4 the attorney's choosing and scheduling directly with that
5 court reporter or court reporting firm.

6 (5) Agree to inclusion of the court reporter or
7 entity providing court reporter services on any list of
8 preferred providers of court reporting services after reaching
9 an agreement specifying price and other terms upon which
10 future court reporting services will be provided.

11 (6) Agree to release control of the original
12 transcript, copies of the transcript, and exhibits before
13 delivery to court or counsel.

14 Section 4. The provisions of this act may not be
15 waived by disclosure, agreement, stipulation, or by any other
16 means.

17 Section 5. Governmental entities, if required by law
18 to do so, may obtain court reporting services on a long-term
19 basis through competitive bidding.

20 Section 6. If a court reporter or entity providing
21 court reporting services violates any provision of this act:

22 (1) The court may deem the transcript of the legal
23 proceeding void and ineligible for admission into a court of
24 law or for use or submission in any legal proceeding.

25 (2) The court reporter or entity that provides court
26 reporting services which willfully violates these prohibitions
27 shall be subject to a penalty or sanction by the Alabama Board

1 of Court Reporting. The fine for a first offense shall be no
2 less than one thousand five hundred dollars (\$1,500). The fine
3 for each subsequent violation may be increased by an
4 additional two thousand five hundred dollars (\$2,500) per
5 violation.

6 Section 7. This act shall become effective on the
7 first day of the third month following its passage and
8 approval by the Governor, or its otherwise becoming law.