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LA. LAW FIRM TO SHARE IN TOBACCO SETTLEMENT OF \$575 MILLION

By Carl Redman
Capitol news bureau

Attorneys with 17 law firms, including 13 based in Louisiana, will share legal fees that are being paid out of a pot of money set up for that purpose by tobacco companies.

The legal team acted as assistant state attorneys general under an agreement with Louisiana Attorney General Richard Ieyoub.

In a statement, Ieyoub pointed out that the legal fees are being paid by the tobacco companies and that the lawyers will not receive any public funds.

Ieyoub said Louisiana received hundreds of millions of extra dollars because of the work of its legal team. "Again, it didn't cost Louisianians a dime," Ieyoub noted.

In 1998, 46 states and several U.S. territories settled multistate lawsuits against tobacco companies over the public costs of tobacco-related illnesses.

The settlement is projected to bring to the states \$206 billion in payments for tobacco interests.

Louisiana state government is slated to receive \$4.6 billion in payments as its share of the settlement.

Louisiana received its first \$104 million in December.

Under the settlement agreement, the attorney's negotiated their own legal fees with a special arbitration panel.

The arbitration panel consists of one person chosen by the tobacco industry, one by the Louisiana legal team and one agreed upon by both parties.

The law firms representing the state's interests got involved in a case in 1993 and assumed all of the costs associated with the state's lawsuit against tobacco interests, including hiring expert witnesses, hundreds of legal filings and other out-of-the-pocket expenses.

Rafael Bermudez, a spokesman for the Louisiana legal team, said the law firms will decide how to divvy up the

\$575-million among themselves and that the distribution is a private matter.

The Louisiana legal team received its first payment under its compensation agreement in mid-January. Payments are expected to continue quarterly for the next 20 to 25 years.

Here is a list of the lead attorney and his law firm sharing in the \$575 million in legal fees for representing Louisiana in the tobacco case:

- Jerry McKernan, McKernan Law Firm, Baton Rouge

***More than a dozen
Louisiana law firms
will get a share of
\$575 million over the
next 25 years for
representing the
state's interest in its
case against the
tobacco industry.***
