

### ALLIANCE for CONSUMERS

## CONSUMER PROTECTION REPORT

# Shady Trial Lawyer Pipeline Update: The Shady Trial Lawyer PACs Revisited

A Look Into The Deepening Ties Between The Primary Trial Lawyer-Affiliated Federal Political Action Committees And Left-Wing Groups. One of the biggest consumer protection problems we face is the growing trend of trial lawyers and public officials diverting money from victims and everyday consumers.

A stark example of this problem is the Shady Trial Lawyer Pipeline—politicians handing out lucrative public contracts to trial lawyers who give millions of dollars to liberal political campaigns. This is often done under the guise of consumer protection. But, while the Shady Trial Lawyer Pipeline helps politicians funnel public money toward left-wing politics, it leaves everyday consumers and taxpayers with a horrible deal.

Alliance For Consumers launched a series of Shady Trial Lawyer Pipeline Updates in 2022, starting with a look at federal political giving from 2017-2020 by eight law firms—referred to as the Shady Eight—that serve as Shady Trial Lawyer Pipeline posterchildren.

Alliance For Consumers has also been looking into the money being put to work by the web of federal political action committees (PACs) that are affiliated with trial lawyers and bolstered by the Shady Trial Lawyer Pipeline.

This Alliance For Consumers Consumer Protection Report builds off the initial reports on this web of PACs, collectively referred to as the Shady Trial Lawyer PACs, with a focus on money put to work during 2023.

## SHADY TRIAL LAWYER PACS

AAJ PAC
Justice 2018 PAC
Justice 2020 PAC
Justice 2022 PAC
Justice 2024 PAC

Truth And Justice Fund Company

The centerpiece of this web is AAJ PAC, which is affiliated with the American Association for Justice, the trade group formerly known as the Association of Trial Lawyers of America. The rest of the web consists of Truth And Justice Fund Company and a series of Justice PACs that are set up for each two-year election cycle (Justice 2018, Justice 2020, Justice 2022, etc.). Each is closely tied to plaintiff-side trial firms and powered by money flowing out of firms that have contracts with States or local governments. This includes significant sums of money out of the Shady Eight firms that are covered in other Alliance For Consumers Consumer Protection Reports.

## \$26 MILLION

## In Total Support For Democratic Candidates And Allied Committees

Altogether, the Shady Trial Lawyer PACs have consistently put 99% of their money to work for Democrats. 99% of their money supported Democratic candidates and aligned committees in 2023. And 99% of their money has supported Democratic candidates and aligned committees from 2017 through 2023. Combined, the Shady Trial Lawyer PACs have put \$26 million to work supporting Democratic candidates and aligned committees since the beginning of 2017, with over \$2 million of that just during 2023.

## \$2 MILLION

In Total Support For Democratic Candidates And Allied Committees In 2022 Alone

99%

Support For Democratic Candidates And Allied Committees

The specifics of where the Shady Trial Lawyer PACs sent their money demonstrates the reach of the Shady Trial Lawyer Pipeline and its importance to national Democratic causes.

Combined, the Shady Trial Lawyer PACs put at least 2/3 of their total money toward U.S. House and Senate races in 2023. And since 2017, they have put at least \$17 million toward races for the U.S. House and Senate. This includes more than \$9 million toward supporting Democratic candidates for U.S. Senate in addition to money spent on independent expenditures and money sent to outside committees like the Democratic Senatorial Campaign Committee and Senate Majority PAC that focus on electing Democrats to the U.S. Senate. This also includes more than \$8 million going to support Democratic candidates for the U.S. House and outside committees targeting those races.

#### CANDIDATES RECEIVING SIX FIGURES OF SUPPORT IN 2023

#### Sherrod Brown (D - OH) John Tester (D - MT)

While the Shady Trial Lawyer PACs support a long list of individual candidates, the support from the Shady Trial Lawyers PACs primarily flows to a handful of groups and candidates sitting at key fulcrums or focused on certain progressive ideologies. In recent years this support has flowed in large measure to hub organizations with aggressive progressive leanings, like Emily's List, American Bridge, and America Votes. And in 2023 the support for candidates flowed in large measure to longtime Democratic Senators trying to defend seats in right-leaning states: Sherrod Brown of Ohio and John Tester of Montana.

### TOP GROUPS RECEIVING ASSISTANCE FROM SHADY TRIAL LAWYER PACS IN 2023

# America Votes American Bridge National Democratic Redistricting Committee RuralVote.org Emily's List

#### SHADY TRIAL LAWYER PAC WEB PAC-BY-PAC

AAJ PAC - AAJ PAC is affiliated with the American Association for Justice (formerly known as the Association of Trial Lawyers of America). AAJ PAC touts itself as being bipartisan, but 98% of the disbursements to candidates and committees that AAJ PAC disclosed from 2017 through the end of 2023 benefited Democrats and their allies. AAJ PAC put over \$20 million to work in support of candidates and committees during this time period, with over \$19.9 million of that going to liberal efforts; this includes over \$2.5 million to Senate Majority PAC (affiliated with Majority Leader Schumer), at least \$1.3 million to America Votes, at least \$750,000 to Priorities USA Action, over \$600,000 to the National Democratic Redistricting Committee and American Bridge 21st Century, and over \$500,000 to Emily's List.

#### TRUTH AND JUSTICE FUND COMPANY - Truth

And Justice Fund Company is an independent expenditure vehicle that has received over \$800,000 from AAJ PAC and put over \$2.5 million in independent expenditures into United States Senate races in swing states over recent election cycles, boosting Democratic candidates in pivotal swing states like North Carolina.

**JUSTICE 2018, 2020, 2022, AND 2024** – These iterative Justice PACs have put over \$3 million toward Democratic candidates for United States Senate since the start of 2017.

## TOP OUTSIDE GROUPS RECEIVING SUPPORT IN 2023

Beyond the money these PACs put to work directly in support of specific Democratic candidates and into leadership-affiliated outside groups that specifically support Democrats running for seats in the U.S. House and Senate, the Shady Trial Lawyer PACs send substantial money to outside organizations that serve as progressive political hubs, with five groups in particular garnering the most support during 2023.

**AMERICA VOTES** – The Shady Trial Lawyer PACs sent at least \$100,000 in 2023 to America Votes, a 501(c)(4) organization that bills itself as the "the coordination hub of the progressive community." America Votes was founded in 2004 by a cadre of operatives that included Emily's List founder Ellen Malcolm. It received the biggest single outlay from the Arabella Advisors-linked 1630 Fund in 2020, and partners with various progressive partners on a national level, including the Brady Campaign to Prevent Gun Violence, the Center for Secure and Modern Elections, Emily's List, Equality Federation, the Human Rights Campaign, NARAL Pro-Choice America, and Planned Parenthood Action Fund. Since the beginning of 2017, the Shady Trial Lawyer PACs have sent America Votes at least \$1.3 million.

AMERICAN BRIDGE 21ST CENTURY – The Shady Trial Lawyer PACs sent at least \$100,000 in 2023 to American Bridge 21st Century, a 501(c)(4) organization that bills itself as "the largest research, tracking, and rapid response operation in the Democratic Party," and "also runs large-scale paid media programs. The group was founded by liberal activist David Brock. Since the beginning of 2017, the Shady Trial Lawyer PACs have sent American Bridge 21st Century over \$600,000.

THE NATIONAL DEMOCRATIC REDISTRICTING COMMITTEE – The Shady Trial Lawyer PACs sent at least \$100,000 in 2023 to The National Democratic Redistricting Committee that is chaired by President Obama's Attorney General, Eric Holder, and serves as a "centralized hub for executing comprehensive redistricting strategy,"

that includes "shifting the balance of power away from total Republican control of redistricting, raising awareness of redistricting ... and filing lawsuits ...."
The formation of the National Democratic Redistricting Committee arose after coordination with progressive groups like Emily's List and Planned Parenthood, and fundraising efforts that were spearheaded by House Speaker Nancy Pelosi and other leading D.C. Democratic leaders. Since the beginning of 2017, the Shady Trial Lawyer PACs have sent NDRC over \$600,000.

RURALVOTE.ORG – The Shady Trial Lawyer PACs sent at least \$100,000 in 2023 to RuralVote.org, a political action committee based in Columbus, Ohio, that describes itself as: "a national network of civic leaders and organizers working to elect Democratic candidates fighting for small towns and rural communities."

RuralVote.org explains its mission as: "keep[ing] the Senate blue while planting the seeds for future cycles" by "directly grow[ing] our national network of civic leaders and volunteers working to elect progressive candidates."

**EMILY'S LIST** – The Shady Trial Lawyer PACs sent at least \$35,000 in 2023 to Emily's List, a political action committee that has as its tagline: "We elect Democratic pro-choice women to office." Emily's List touts its involvement as more than just fundraising, explaining its mission as: "We recruit, train, and support Democratic pro-choice women running for office up and down the ballot." Emily's List has had a longstanding campaign "to improve Kamala Harris' public standing," by "spending 'tens of millions of dollars' to defend and prop up the vice president during the 2024 election." As part of that ongoing initiative, Emily's List recently announced a \$2 million advertising campaign focused on Vice President Harris's leadership in support of abortion. Since the beginning of 2017, the Shady Trial Lawyer PACs have sent Emily's List nearly \$700,000.

#### THREAT TO CONSUMERS AND TAXPAYERS

This partisan political giving is supported by money from lucrative public contracts signed by politicians and public officials, money that really belongs in the pockets of taxpayers and consumers.

Consumers and taxpayers lose out from the Shady Trial Lawyer Pipeline in many ways, but one particularly dire aspect is how the public contracts that are the gateway to the Shady Trial Lawyer Pipeline are so often missing basic protections (including basic ethics protections) that should be in all outside-counsel contracts. The contracts can at times be only a few pages long, sometimes look like they were written by the trial lawyers themselves, and have glaring weaknesses, such as:

 The contracts often have no expiration date or clear language tying the engagement to a particular defendant or case;

- The contracts rarely include appropriate conflicts protection, even though trial lawyers often represent multiple governments that may have very different interests in the same case;
- The contracts usually fail to require that the trial lawyers provide the best pricing terms that lawyers are offering to any other governmental client on the same matter; and
- The contracts almost never ensure that contingency fees for the trial lawyers will not be taken out of money set aside for restitution to victims.

These types of weak, under-protective, giveaway contracts make some sense if the goal is to fund left-wing campaigns—as the political activities of the Shady Trial Lawyer PACs demonstrate—but they make no sense if your goal is to help consumers and protect taxpayers.

Alliance For Consumers is focused on putting more money in the pockets of everyday consumers and ensuring that consumers and the rule of law are not left behind by trial lawyers and public officials. Raising concern about the Shady Trial Lawyer Pipeline is central to the mission of Alliance For Consumers because the Shady Trial Lawyer Pipeline undercuts this mission.

The web of Shady Trial Lawyer PACs is a stark example—although far from the only one—of how the Shady Trial Lawyer Pipeline works, with

politicians feeding sweetheart contracts to trial lawyers who have multiple avenues through which to funnel 98% or more of their political donations to liberals and pump millions of dollars into left-leaning candidates, committees, and allied organizations.

Good governance and honest stewardship call or better. The consumer should never be on the losing side of a left-wing political money game like what is on display in the Shady Trial Lawyer Pipeline.

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FIRM	TOTAL DEM	SENATE (D)	HOUSE (D)	DEM ORGS	DEM %	GOP	OTHER	OVERALL TOTAL
Justice PACS	\$3,405,598.94	\$3,397,920.73	\$0.00	\$7,678.21	100	\$0.00	\$0.00	\$18,734,741
Truth and Justice Fund	\$2,608,689.25	\$2,608,689.25	\$0.00	\$0.00	100	\$0.00	\$0.00	\$3,182,403
AAJ PAC	\$19,819,241.00	\$830,000.00	\$7,024,500.00	\$12,036,741.00	98	\$255,000.00	\$108,500.00	\$2,608,689
TOTAL	\$25,905,529.19	\$6,836,609.98	\$7,024,500.00	\$12,044,419.21	99	\$255,000.00	\$108,500.00	\$24,525,833

TRIAL LAWYER PACs IN 2023											
FIRM	TOTAL DEM	SENATE (D)	HOUSE (D)	DEM ORGS	DEM %	GOP	OVERALL TOTAL				
Justice PACS	\$223,195.79	\$223,195.79	\$0.00	\$0.00	100	\$0.00	\$223,195.79				
Truth and Justice Fund	\$0.00	\$0.00	\$0.00	\$0.00	0	\$0.00	\$0.00				
AAJ PAC	\$1,890,000.00	\$135,500.00	\$1,048,500.00	\$706,000.00	99	\$22,500.00	\$1,912,500.00				
TOTAL	\$2,113,195.79	\$2,113,195.79	\$1,048,500.00	\$706,000.00	99	\$22,500.00	\$2,135,695.79				

