



ALLIANCE *for* CONSUMERS

**CONSUMER
PROTECTION REPORT**

Shady Trial Lawyer Pipeline Update: The Shady Eight Revisited

A Look Into How Trial Lawyers Use Public Contracts With State And Local Governments To Boost Left-Wing Political Efforts While Diverting Money Away From Consumers

April 2024

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.

THE SHADY EIGHT

**Morgan & Morgan
Lieff Cabraser
Motley Rice
Baron & Budd
Grant & Eisenhofer
Berger Montague
Cohen Milstein
Simmons Hanly**

These eight law firms are archetypal participants in the Shady Trial Lawyer Pipeline. Each has been ranked by the National Law Journal or Legal500 as a leader amongst plaintiff-side trial firms. And each is powered in part by public contracts on prominent litigation. Simmons Hanly has represented local governments in major opioid litigation, Motley Rice has won the Elite Trial Lawyers Award for government representation from American Lawyer Magazine, and Morgan & Morgan, Lieff Cabraser, Baron & Budd, Grant & Eisenhofer, Berger Montague, and Cohen Milstein have benefited from state contracts in places like Indiana, Kentucky, Mississippi, New Mexico, and New Jersey.

Alliance For Consumers provided a Shady Eight Update last year, looking beyond 2020 to the federal political activity of these law firms through the 2022 mid-term elections. This Alliance For Consumers Consumer Protection Report builds off those initial reports, adding the federal political activity by the so-called Shady Eight during 2023, in the early lead up to the 2024 elections.

\$20+ MILLION
in combined
political donations

These “Shady Eight” firms generated over \$20 million in combined political donations from 2017-2023 to committees and candidates in the Federal Election Commission (FEC) tracking system. That is the total given by the firms directly, their 1,300 or so combined lawyers, and other employees and staff. Of that, almost \$1.5 million was generated by the firms during 2023 alone.

99% of donations
to Democrats
& Their Allies

The partisan slant to this money remains unrelenting. The Shady Eight sent 99% of their combined federal donations during 2023 to Democratic campaigns and allied political committees, continuing the 99% commitment to Democrats and their allies from the previous two Shady Trial Lawyer Pipeline Updates covering 2017-2022.

Only two members of the Shady Eight gave less than 99% of their total federal donations to Democrats and their allies over the course of 2023— Morgan & Morgan at 97%, and Simmons Hanly at 89%.

On the other hand, three firms demonstrated a total commitment to Democrats and their allies—Lieff Cabraser, Cohen Milstein, and Baron & Budd. Combined, these firms generated well more than \$750,000 in federal donations in 2023, while registering no money at all to Republican candidates or allied committees.

Three Members Of The Shady Eight Recorded Not A Single Dollar To Republican Candidates or Allied Committees During 2023

As for the specifics of where the money went, that too reveals quite a bit about the Shady Eight's partisan agenda.

More than 50% of the combined money generated in 2023 by the Shady Eight went to the political committees that form the professionalized superstructure of the Democratic Party—party committees at the state and federal level, leadership committees like the Nancy Pelosi Victory Fund, and other similar organizations.

President Biden was the single biggest recipient of the Shady Eight's support during 2023, with his affiliated committees receiving over one-third of the total Shady Eight giving, totaling almost \$600,000.

Midterm Senate races were also a priority for the Shady Eight. Besides the support going to President Biden, the top candidates receiving monetary support from the Shady Eight were all sitting Democratic Senators: Sheldon Whitehouse (D – RI), Jon Tester (D – MT), Jacky Rosen (D – NV), and Bob Casey (D – PA).

TOP RECIPIENTS OF THE SHADY EIGHT POLITICAL DONATIONS IN 2023

Joe Biden (D)

Sheldon Whitehouse (D, RI)

Jon Tester (D, MT)

Jacky Rosen (D, NV)

Bob Casey (D, PA)

SHADY EIGHT FIRM-BY-FIRM PARTISANSHIP

LIEFF CABRASER – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2023. The firm sent more than 60% of the over \$500,000 in donations it generated in 2023 toward President Biden's re-election efforts, and more than 30% to Democratic candidates for U.S. Senate, including over \$50,000 each to Senator Jon Tester of Montana and Senator Jacky Rosen of Nevada. The firm also sent \$50,000 to the Nancy Pelosi Victory Fund.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been almost \$4.5 million, with 99% of that flowing to Democratic candidates and allied committees.

MORGAN & MORGAN – 97% of the FEC-recorded donations by the firm and its employees went to Democrats and their allies in 2023. The firm generated more than \$120,000 in FEC donations in 2023, with over two-thirds of that money going to support organizations that form the professionalized superstructure of the Democratic Party that supports liberal candidates for state and federal office, including \$50,000 to the Kentucky State Democratic Central Executive Committee.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been over \$4.5 million, with 99% of that flowing to Democratic candidates and allied committees, including over \$1.8 million flowing to support President Biden.

MOTLEY RICE – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2023. The firm generated more than \$100,000 in FEC donations in 2023, with almost 30% of that money going to support Democratic Senator Sheldon Whitehouse of Rhode Island.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been over \$2.5 million, with 98% of that flowing to Democratic candidates and allied committees.

BARON & BUDD – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2023. The firm generated more than \$200,000 in FEC donations in 2023, with more than 50% of that money going to organizations that form the professionalized superstructure of the Democratic Party that supports liberal candidates for state and federal office, including sending over \$50,000 in combined money to groups focused on retaining Democratic control of the United States Senate, including the DSCC and Blue Senate 2024.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been over \$1.75 million, with 100% of that flowing to Democratic candidates and allied committees.

COHEN MILSTEIN – 100% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2023. The firm generated more than \$75,000 in FEC donations in 2023, with no money going to Republican candidates and groups. The two largest recipients of the money generated by the firm in 2023 were President Joe Biden's campaign efforts and Democratic Senator Jacky Rosen of Nevada.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been over \$1 million, with 99% of that flowing to Democratic candidates and allied committees.

GRANT & EISENHOFER – 99% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2023. The firm generated more than \$125,000 in FEC donations in 2023, with a mere \$1,000 to Republican candidates and groups. Of the nearly

\$125,000 that the firm generated in 2023 for Democratic candidates and groups, over \$35,000 went to the DNC and over \$20,000 to the American Association for Justice PAC—the primary trial lawyer political action committee.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been almost \$1.5 million, with 99% of that flowing to Democratic candidates and allied committees.

BERGER MONTAGUE – 99% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2023. The firm generated more than \$100,000 in FEC donations in 2023, with more than \$100,000 going to Democratic candidates and allied groups against a mere \$600 to Republican candidates and groups. The two largest recipients of the money generated by the firm in 2023 were the DNC and Democratic Senator Bob Casey of Pennsylvania.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been over \$1.9 million, with 98% of that flowing to Democratic candidates and allied committees.

SIMMONS HANLY – 89% of the FEC-recorded donations from the firm and its employees went to Democrats and their allies in 2023. The firm generated more than \$125,000 in FEC donations in 2023, with a majority of that money going to support Democratic candidates for U.S. Senate, including nearly \$50,000 to Democratic Senator Sheldon Whitehouse of Rhode Island and over \$20,000 each to Democratic Senator Chris Murphy of Connecticut and Democratic Senator Bob Casey of Pennsylvania.

Since the beginning of 2017, over the full set of Shady Eight Reports, the firm's total federal donations have been almost \$2.5 million, with 99% of that flowing to Democratic candidates and allied committees.

This partisan political giving is supported by money from public contracts signed by politicians and public officials; money that belongs to the taxpayers and consumers

PERCENTAGES OF SHADY EIGHT DONATIONS TO DEMOCRATS AND ALLIED COMMITTEES

LIEFF CABRASER	MORGAN & MORGAN	MOTLEY RICE	BARON & BUDD
100%	97%	100%	100%
COHEN MILSTEIN	GRANT & EISENHOFER	BERGER & MONTAGUE	SIMMONS HANLY
100%	99%	99%	89%

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 protections, even though trial lawyers often

The Shady Eight are stark examples—although far from the only ones—of how the Shady Trial Lawyer Pipeline works

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 Eight demonstrate—but they make no sense if your goal is to help consumers and protect taxpayers.

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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 concerns 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 “Shady Eight” are stark examples—although far from the only ones—of how the Shady Trial Lawyer Pipeline works, with politicians feeding

sweetheart contracts to trial lawyers who give 99% of their political donations to liberals and will happily turn around and pump millions of dollars into left-leaning candidates, committees, and allied organizations.

Good governance and honest stewardship call for 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.

SHADY 8 DONATIONS 2017-2023										
FIRM	TOTAL DEM	SENATE (D)	HOUSE (D)	DEM ORGS	DEM PRIMARY	BIDEN	% DEM	GOP	OTHER	OVERALL TOTAL
Baron & Budd	\$1,783,210	\$388,605	\$107,515	\$943,930	\$16,374	\$326,786	100	\$4,845	\$0	\$1,788,055
Berger Montague	\$1,873,691	\$352,402	\$255,243	\$898,757	\$23,020	\$344,270	98	\$17,136	\$15,497	\$1,906,324
Cohen Milstein	\$1,074,609	\$373,328	\$123,065	\$353,814	\$11,651	\$212,752	99	\$3,960	\$7,177	\$1,085,746
Grant Eisenhofer	\$1,468,796	\$250,822	\$86,520	\$884,283	\$6,356	\$240,816	99	\$12,600	\$250	\$1,481,646
Lieff Cabraser	\$4,449,214	\$1,465,125	\$319,015	\$2,019,135	\$71,332	\$574,606	99	\$30.00	\$31,375	\$4,480,619
Morgan & Morgan	\$4,604,393	\$290,182	\$183,078	\$2,204,398	\$78,135	\$1,848,600	99	\$34,616	\$6,594	\$4,645,603
Motley Rice	\$2,610,215	\$1,364,215	\$548,413	\$554,453	\$13,676	\$129,458	98	\$46,914	\$0	\$2,657,129
Simmons Hanly	\$2,430,818	\$1,212,029	\$380,075	\$398,579	\$13,546	\$426,590	99	\$30,700	\$250	\$2,461,768
TOTAL	\$20,294,947	\$5,696,708	\$2,002,923	\$8,257,349	\$234,090	\$4,103,877	99	\$150,801	\$61,143	\$20,506,891

SHADY 8 DONATIONS 2023							
FIRM	TOTAL DEM	SENATE (D)	HOUSE (D)	DEM ORGS	% DEM	GOP	OVERALL TOTAL
Baron & Budd	\$237,281	\$60,600	\$17,500	\$159,181	100	\$0	\$237,281
Berger Montague	\$112,250	\$36,250	\$39,500	\$36,500	99	\$600	\$112,850
Cohen Milstein	\$77,875	\$46,500	\$4,250	\$27,125	100	\$0	\$77,875
Grant Eisenhofer	\$124,828	\$9,100	\$11,900	\$103,828	99	\$1,000	\$125,828
Lieff Cabraser	\$538,831	\$207,600	\$23,975	\$307,256	100	\$0	\$538,831
Morgan & Morgan	\$121,226	\$29,167	\$8,100	\$83,959	97	\$3,495	\$124,721
Motley Rice	\$117,522	\$46,000	\$17,100	\$54,422	100	\$147	\$117,669
Simmons Hanly	\$123,082	\$111,000	\$7,050	\$5,032	89	\$15,000	\$138,082
TOTAL	\$1,452,895	\$546,217	\$129,375	\$777,303	99	\$20,242	\$1,473,137



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