

Texans For Lawsuit Reform

How The Texas
Tort Tycoons
Spent Millions
In The 2000
Elections

TEXANS FOR PUBLIC JUSTICE • NOVEMBER 2001



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Texans For Public Justice is a non-profit, non-partisan advocacy and research organization that tracks the role of money in Texas politics. This report was made possible by support from the Arca Foundation.

Illustrations by Jason Stout.

I. Summary

- The PAC of Texans for Lawsuit Reform (TLR) raised \$1.5 million and spent \$1.4 million in the 2000 election cycle, making it Texas' fifth-largest PAC.
- Just five wealthy families that made fortunes in litigious industries supplied almost half of the money that TLR raised. Moreover, TLR got 80 percent of its money from the families of just 24 tycoons. Altogether, these 24 king makers spent \$4.5 million to influence Texas politics in the 2000 cycle, with Houston homebuilder Bob Perry spending an astounding \$912,500.
- Republicans received 92 percent of all the money that TLR spent. Just two GOP senate candidates (Todd Staples and Bob Deuell) received 73 percent of TLR's money. New Senator Todd Staples got almost half of his TLR money in the last week of the campaign, thereby hiding the extent of his dependence on this special-interest group until after the election.
- New Senator Leticia Van de Putte received a third of the \$111,293 that TLR gave to Democrats. With no GOP challenger, Van de Putte used this money to defeat a trial lawyer in the Democratic primary.
- After its big-ticket races, TLR had enough money left over to contribute an average of \$2,201 to more than 100 Texas incumbent statewide and legislative officeholders enough to assure access to most state legislators.
- Not content to just influence lawmakers, TLR contributed \$54,000 to judicial candidates. Three supreme court justices received 69 percent of this money; TLR used the rest to start influencing lower appellate courts.

II. Background

The three Houston tycoons who founded Texans for Lawsuit Reform (TLR) in 1994 personify their group's goals. TLR's founders—like the funders who still supply most of its PAC money—made fortunes in industries with heightened legal liabilities. These men (see the profiles starting on page 5) are united by a shared fate: they will become even wealthier if they get politicians to lower the costs that businesses face when they harm customers, workers or communities.

Co-founders Richard Weekley and Leo Linbeck, Jr. both made their fortunes in construction, an industry that prompts endless contract disputes and that leads the state in its grossly disproportionate share of on-the-job fatalities. TLR's third founder, Richard Trabulsi, Jr., owns a liquor store chain. The special liabilities of Trabulsi's industry stem from the fact that alcohol-related diseases and accidents are the nation's third leading cause of preventable deaths.

These personal finances provide insight into the agenda of TLR, which has tirelessly promoted policies that further enrich its wealthy donors. TLR advanced this agenda in its first legislative session in 1995 and—to a lesser degree—in 1997. Liability limits pushed by TLR and passed in those sessions include:

- Punitive Damages: Juries use punitive damages to punish the worst wrongdoers. A
 1995 law caps punitives at \$200,000 or two times the economic damages inflicted
 (whichever is greater);
- **Deceptive Trade:** Texas' Deceptive Trade Practices Act punishes deceitful business practices with triple damage awards. A 1995 law eliminates this penalty for sales exceeding \$500,000 and for personal injury or death claims.¹
- Joint & Several Liability: To be held jointly liable, defendants once had to be at least 11 percent responsible for harming a plaintiff. A 1995 law raised this threshold to 51 percent.²
- Venue: Additional tort laws limit where Texas lawsuits can be filed and who can file them. A 1995 law requires suits to be filed where the defendant has his or her principal place of business rather than, for example, where the plaintiff's injury occurred. A 1997 law retroactively dismissed all lawsuits filed by out-of-state asbestos victims.³

Since its 1995 honeymoon session, however, TLR's legislative agenda has floundered; the headline of its own newsletter published at the end of the 1997 session read, "Tort Reform Dies!" Indeed, after TLR got so much of what it wanted in 1995, some lawmakers were disgusted to see the group return to demand more hand outs in 1997.⁴ Key tort bills that failed in that and subsequent sessions would have:

- Curtailed class-action lawsuits:
- Shielded accountants who attest to the validity of bogus financial statements;

¹ It also makes it harder to get such damages from deceitful professionals or for mental anguish.

² This ended accountability for those who sell alcohol to intoxicated customers, since drunk drivers are almost always more than 50 percent responsible for their actions.

³ Lawmakers exempted Alabama's Robert Beatty, who testified that he did not want to die from asbestosis cancer before seeing justice done.

⁴ See "Suit-Reform Group Finds Money Can't Guarantee Action," Dallas Morning News, May 30, 1997; "Tort-Reform Advocate Getting Under Legislators' Skin," Austin American-Statesman, April 26, 1999.

- Protected property owners—including nursing homes and slum lords—for injuries and violent crimes that reasonable security measures could have prevented; and
- Put further limits on third-party liabilities.

TLR even played defense in 2001 to kill two bills that would have increased the liabilities of certain businesses. The so-called "Ford-Firestone" bill, which never made it out of legislative committee, would have increased penalties for companies that knowingly sell dangerously defective products.⁵ Another 2001 bill that did pass the legislature would increase the liability of health insurers that fail to pay medical bills promptly. After the session ended, Governor Rick Perry told a Texas Hospital Association meeting that this bill was one of the chief medical milestones of the session. But shortly thereafter Perry—who received \$3.2 million from TLR members over the preceding five years—vetoed this and three other bills on TLR's kill list.6

Given TLR's agenda, it is not surprising that this group has found considerable common ground with the reigning champion of preventable deaths. TLR has admitted that it received \$15,000 in early seed money from the tobacco industry. TLR also teamed up with Phillip Morris on a secret 1995 smear campaign that was seeking to portray Texas consumer and environmental organizations as tools of wealthy trial lawyers. The targeted groups—which oppose pollution, tobacco and liability limits—included the Sierra Club, Audubon Society, Public Citizen and Consumers Union.7

TLR and the tobacco industry also have shared a common pool of lobbyists and spin doctors. Lobbyists who simultaneously represented TLR and tobacco interests in the 1997 legislative session included Michael Toomey, Stan Schleuter, Randy Schleuter, Ed Lopez and Eddie Cavazos. TLR and big tobacco also depended on the same PR firms: State Affairs Co. and Temerlin McClain (which has since been bought out by BSMG Worldwide/Southwest).

In 1998 TLR helped organize Texans for Reasonable Fees to criticize the huge contingency fees that lawyers received under the \$17 billion settlement that the state reached in its lawsuit against the tobacco industry. Joining this effort were the tobacco-funded Citizens for a Sound Economy and the Texas Association of Business and Chambers of Commerce (which has had Philip Morris lobbyist Jack Dillard on its board).

TLR also has collaborated with New Right proponents of school vouchers in their efforts to establish a GOP majority in both chambers of the Texas Legislature. The Dallas Morning News uncovered a 1998 fund-raising letter from voucher group Putting Children First that solicited wealthy, out-of-state New Right funders such as Wal-Mart heir John Walton and Amway founder Betsy DeVos. The letter said that Putting Children First was teaming up with TLR to try to oust Democratic House Speaker Pete Laney.8 Texas New Right powerhouse James Leininger is a major funder of both TLR and Putting Children First.

⁵ "Bill Targets Hidden Safety Defects," Austin American-Statesman, March 22, 2001; "Bush's 'Tort Reform' in Texas May Benefit Firestone in Tire Cases," Wall Street Journal, November 8, 2000.

⁶ "Suit-Limits Group Is Top Perry Donor," Dallas Morning News, August 19, 2001.

 ^{7 &}quot;Texas Group Targeting Consumer Organizations," Dallas Morning News, October 17, 1996.
 8 "Bullock Quits School-Voucher Group," Dallas Morning News, March 6, 1998.

III. Who Financed TLR's PAC?

In the 2000 election cycle, the TLR PAC spent \$1.4 million, up from the \$1.2 million that it spent in the 1998 cycle. This spending makes it Texas' fifth most powerful PAC.9

The latest PAC data reveal that TLR is increasing its dependence on a small pool of wealthy tycoons who have a keen interest in weaker tort laws. TLR's top five donor families (see table) accounted for almost half (\$691,000) of the \$1.5 million that TLR raised in the 2000 cycle. Moreover, the top 24 donors contributed almost \$1.2 million, or 80 percent of TLR's take.

Top TLR Donors in the 2000 Election Cycle

Big TLR Donor	Donor's Tort Interest	City	Money To TLR in 2000	Total TX 2000 Contributions*
Gordon Cain	Sterling Group (chemicals) Trammell Crow (real estate) Weekley Homes/Properties Cogen Tech. (electric utilities) Perry Homes	Houston	\$200,000	\$335,500
Harlan Crow		Dallas	\$150,000	\$253,826
Dick Weekley		Houston	\$126,000	\$208,925
Robert C. McNair		Houston	\$125,000	\$354,825
Bob J. Perry		Houston	\$90,000	\$912,500
James R. Leininger	Kinetic Concepts (hospital beds) Sterling Group (chemicals) M. Stevens Interests (apartments) First City Bancorp Enterprise Products (oil/gas)	Sn Antonio	\$75,000	\$655,212
William A. McMinn		Houston	\$75,000	\$459,000
Michael S. Stevens		Houston	\$50,000	\$139,175
James A. Elkins, Jr.		Houston	\$30,000	\$129,250
Dan L. Duncan		Houston	\$25,000	\$74,500
Ken L. Lay	Enron (gas) WWN Corp (fastener testing lab) TRT Holdings (oil/gas/hotels) Valhi/Contran (corporate raids) Everen Securities	Houston	\$25,000	\$247,000
Walter Negley		Houston	\$25,000	\$102,450
Robert B. Rowling		Dallas	\$25,000	\$66,000
Harold Simmons		Dallas	\$25,000	\$126,000
David M. Underwood		Houston	\$25,000	\$70,852
Ernst & Young	(accounting) (accounting) Electrospace Systems (defense) Denitech (copier leasing) Collmer Semiconductor	Houston	\$17,097	\$17,097
Price Waterhouse		Houston	\$16,666	\$26,666
James R. Lightner		Dallas	\$11,000	\$93,500
Dennis R. Berman		Irving	\$10,000	\$45,500
Joseph Jan Collmer		Dallas	\$10,000	\$65,850
William R. Cooper	Paragon Group (apartments)	Dallas	\$10,000	\$10,000
Ray L. Hunt	Hunt Oil/Woodbine Development	Dallas	\$10,000	\$82,000
Jeff Davis Sandefer	Sandefer Capital Partners	Austin	\$10,000	\$35,500
Texas Industries	(cement/toxic incineration)	Dallas	\$10,000	\$26,750
TOTAL:			\$1,175,763	\$4,537,878

^{*}Includes contributions by named individuals and their immediate family members. Statewide totals include contributions to all Texas statewide and legislative races, as well as to other Texas candidates and PACs that filed electronic disclosure reports (including TLR).

⁹ The only larger PACs in 2000 were the state's two major parties, the trial lawyers' Texas 2000 PAC and the Texas Association of Realtors.

The people who provided most of TLR's PAC money made fortunes in industries with heavy legal liabilities. As shown in the accompanying table, these industries include: the chemical and energy industries (toxic pollution, accidents); builders (injured workers and lemon homes); property managers (premises liability); accounting and investment firms (securities lawsuits) and medical manufacturers (patient injuries).

In Texas—where there are no limits on most political contributions—the influence of the TLR tycoons extends far beyond their tort money. TLR's top 24 donors spent a total of at least \$4.5 million to influence Texas politics in the 2000 election cycle. Houston homebuilder Bob Perry spent an astounding \$912,500 in the 2000 cycle. In fact, all but three of TLR's top 15

donors gave more than \$100,000 apiece to Texas PACs and candidates. Such donors go beyond mere political influence: they are king makers whose personal checks can determine who wins or loses a competitive race.

Dick Weekley

he family of strip mall developer and TLR President Richard Weekley owes much of its fortune to homebuilding. With 2000 revenues of \$711 million, Forbes ranked David Weekley Homes as the nation's 384th largest privately held company.

The Weekleys have been parties to plenty of lawsuits. In 1995, 11 Spring, Texas homeowners filed suit, alleging that their new Weekley homes cracked up because they were built on bad foundations. Plaintiff Carlos Murillo complained that the builder refused to finish his house until he put up a yard sign that said, "Come Talk To Me Before You Buy a David Weekley Home." The owner of a home security business, Murillo figured out that the security system that he installed on his new home kept going off because its motion sensors picked up on his crackling foundation long before he did. He and neighboring plaintiffs sought damages under Texas' Deceptive Trade Practices Act, a consumer-protection law that TLR got lawmakers to gut the year that Murillo sued Weekley Homes.¹⁰

After Murillo's neighborhood cracked up, the Texas Natural Resources Conservation Commission (TNRCC) began uncovering Weekley Homes construction waste in fly-by-night illegal dumps outside San Antonio and The Woodlands. A 1996 TNRCC warning letter reminded Weekley Homes that waste generators are legally responsible for the "transportation, processing, storage and disposal of their wastes, even when these activities are performed by another party."

Weekley Homes barred Occupational Safety and Health Administration (OSHA) inspectors from a Colorado construction site for two years—until a federal judge ordered the company to grant access to inspectors. In 1996, OSHA levied the largest worker safety fine in Colorado history on Weekley Homes for six "willful" violations of safety laws. The Occupational Safety and Health Review Commission threw out these fines in 2000, ruling that OSHA failed to prove that Weekley Homes was aware of the violations, which involved contract workers.¹¹

Given this history, it is not surprising that Dick Weekley's TLR has lobbied Texas legislators to slash the liability that businesses face for subcontract workers and for incidents in which they are only partly responsible for harming customers, workers or communities. ¹²

^{10 &}quot;Slab O' Trouble," Houston Press, June 27, 1996.

^{11 &}quot;David Weekley Homes to Contest \$221,500 Fine," Denver Post, June 13, 1996; OSHRC decision, Docket No. 96-0898, September 28, 2000.

¹² For example, SB28 enacted in 1995 and the failed 1997 bills SB429 and HB1020.

IV. Who Did TLR's PAC Finance?

What did TLR do with the PAC money that it raised? TLR spent almost three-quarters of this money on just two Republican Senate candidates. Nonetheless, it had enough money left over to buy access to most legislators and to finance some state appeals judge candidates.

A. Two Republicans Got 73 Percent of the Money

Remarkably, just two non-incumbent Republican Senate candidates—Todd Staples and Bob Deuell—accounted for 73 percent of the \$1.4 million that TLR's PAC spent in the 2000 election cycle.

Former Rep. Todd Staples won the East Texas Senate seat vacated by vice-squad-stung Sen. Drew Nixon. TLR spent an extraordinary \$535,082 (39 percent of its total) to help Staples beat trial lawyer David Fisher in Texas' most expensive legislative race. With TLR providing 16 percent of his total war chest, Staples won 61 percent of the vote. Staples received almost half of his TLR cash (\$242,901) in the last week of the campaign. This hid

the extent of Staples' dependence on this special-interest group until after the election. Under Texas elections law, contributions received this late are poorly disclosed until January of 2001.

A recent book on Texas political money puts the \$535,082 that Staples took from TLR into some perspective. Commenting on another state senator who got \$100,000 from Richard Weekley's TLR PAC, lobbyist A.R. "Babe" Schwartz said, "Hell, that state senator doesn't have a vote anymore—Weekley has a vote." Schwartz added, "Anybody who accepts \$100,000 from a PAC belongs, body and soul, to that PAC. And I would defy anybody to find me a vote for any motion or committee action, where that person wasn't a slave to that \$100,000 contribution." 13

Under the Radar: TLR Aid To Staples in Last Week of Campaign

Check Date	Check Amount
11/7/00	\$10,000
11/2/00	\$15,515
11/2/00	\$40,000
11/1/00	\$177,386
TOTAL	\$242,901

TLR's other favorite candidate was Bob Deuell, who lost his bid to unseat Sen. David Cain, D-Dallas. Cain retained his seat with 53 percent of the vote despite the fact that TLR gave \$490,434 to his opponent (35 percent of TLR's total PAC expenditures). TLR accounted for one out of every three dollars that Deuell raised.

A Republican PAC

Recipient's Party	TLR Contributions	%	No. of Recipients	Average Contribution
Democrat	\$111,293	8%	25	\$4,452
Republican	\$1,266,156	92%	97	\$13,053
TOTAL	\$1,377,449	100%	122	\$11,291

¹³ See "Too Much Money Is Not Enough: Big Money and Political Power in Texas," By Sam Kinch, Jr. with Anne Marie Kilday, Campaigns for People, Austin, Texas, 2000.

All in all, 97 Republicans walked away with 92 percent (\$1,266,156) of TLR's 2000 PAC money; the remaining \$111,293 went to 25 Democrats. Significantly, one third of the money that TLR spent on Democratic candidates went to new Senator Leticia Van de Putte—who had no Republican challenger in her bid for the Senate seat vacated by former Senator Greg Luna. TLR moved \$40,042 to Van de Putte prior to the March 2000 Democratic primary. Van de Putte won 54 percent of the vote in the Democratic primary, defeating David McQuade Leibowitz, a trial lawyer who specializes in toxic torts. Few voters in the primary could have known the extent of Van de Putte's TLR debt: she received 37 percent of this money just seven days before her primary election day.

Politicians Who Got the Most TLR Money in 2000

Name	Party	Sum	Office	Status	Outcome
Todd Staples	R	\$535,082	S3	0	W
Bob Deuell	R	\$490,434	S2	С	L
Leticia Van de Putte	D	\$40,042	S26	0	W
Paul Woodard	R	\$32,730	H11	0	L
Wayne Christian	R	\$27,500	H9		W
Al Gonzales	R	\$25,000	SC		W
Jill Warren	R	\$11,660	H48	0	L
John Whitmire	D	\$10,000	S15		W
David Gaultney	R	\$10,000	9thCA	0	W
John Cornyn	R	\$10,000	AG		NA
Tom Ramsay	D	\$10,000	H2		W
Betty Brown	R	\$10,000	H4		W
Rick Perry	R	\$7,500	Gov	0	NA
Rob Junell	D	\$7,500	H72		W
Nathan Hecht	R	\$7,000	SC		W
Rebecca Simmons	R	\$5,000	4thCA	С	L
Ken Armbrister	D	\$5,000	S18		NA
David Sibley	R	\$5,000	S22		NA
Judith Zaffirini	D	\$5,000	S21		W
Priscilla Owen	R	\$5,000	SC	-	W
Robby Cook	D	\$5,000	H28		W
Robert Duncan	R	\$5,000	S28		NA
Teel Bivins	R	\$5,000	S31	-	NA
Bill Ratliff	R	\$5,000	S1		NA

Status: I=Incumbent; C=Challenger; O=Open Seat.

Outcome: W=Winner; L=Loser; NA=Incumbent who did not face a 2000 election.

Two other candidates who received more than \$25,000 in TLR money were both Republicans running contested House races. Republican Paul Woodward, Jr., got \$32,730 from TLR for his failed bid to replace Todd Staples in the House. Woodward was defeated by Chuck Hopson, a Democrat who won 53 percent of the vote. TLR also gave \$27,500 to incumbent Rep. Wayne Christian to fend off Democratic challenger Joe Evans. Christian prevailed with 55 percent of the vote.

B. Most Politicians Got Some of the Left Overs

Although iust two Republican Senate candidates received 73 percent of TLR's 2000 PAC money, TLR had enough money left over to buy access to most of Texas' statewide and legislative incumbents (including some senators and statewide candidates who were not up for reelection in 2000).14 More than 100 Texas incumbents received a check from TLR. The average size of these checks was \$2,201. enough assure access to most Texas legislators.

Leo Linbeck, Jr.

LR Chair Leo Linbeck, Jr., heads a construction firm that had 2000 revenues of \$239 million. He also co-founded Americans for Fair Taxation, which seeks to replace federal income taxes with a national sales tax that would shift more of the tax burden from the rich to the poor.

Linbeck is best known for heading Texas A&M's probe into the 1999 bonfire tragedy that killed 12 people. Stacked with three TLR PAC contributors, Linbeck's five-member panel never asked a basic question. That question is: Did Texas' \$500,000 cap on the liability of state entities encourage A&M to ignore the foreseeable risks of letting thousands of poorly supervised students work around the clock stacking telephone-pole-sized logs on top of one another?

Certainly Linbeck knows the liabilities posed by dangerous work sites. Linbeck Construction was a party to more than 125 Houston lawsuits between 1978 and 1995. 15 Some of these lawsuits reflect the fact that construction is Texas' deadliest industry, accounting for 6 percent of the state's workforce and 26 percent of its on-the-job fatalities. 16 A 43-year-old employee, Jerry Jordan, was electrocuted to death at a Linbeck Construction site in Beaumont in 1985, for example, when the crane he was operating hit a dangling power line carrying 7,600 volts. A crane collapsed at a Linbeck site in Dallas two years later, killing three contract workers and hospitalizing a Linbeck worker.

Government inspectors have recommended a paltry \$12,565 in fines against Linbeck Construction for 31 "serious" health and safety violations since 1985. The company so far has negotiated these fines down to just \$8,790.

Juries often are tougher than regulators. Working for \$7 an hour for a Linbeck Construction subcontractor in 1995, Mexican national Rodrigo Martinez was paralyzed after falling into an open basement. In a resulting lawsuit, the trial judge instructed the jury that Linbeck Construction "failed to comply with their duty to preserve evidence." Finding that the company acted with malice, a jury ordered Linbeck Construction to pay Martinez \$6 million in actual damages and \$1 million in the punitive damages that juries use to punish particularly irresponsible behavior. The parties confidentially settled before the judge entered a final judgment in the case. ¹⁷ In another case, contract worker Edilberto Martinez sued Linbeck Construction for rollover injuries that he sustained after being ordered to drive a truck up a steep dirt embankment in 1994. The parties settled that suit for \$100,000 in 1996. 18

TLR has pushed bills to further diminish construction firms' responsibility for contract workers who get injured on their work sites. Defending such legislation in 1997, Linbeck said that workers turn their injuries into "a lottery ticket" by collecting workers compensation insurance and then collecting damages all over again from contractors. 19 In fact, state workers compensation laws only compensate workers for a fraction of their true injury costs.

¹⁴ TLR made large contributions to two statewide incumbents who did not face an election in 2000, giving \$10,000 to Attorney General John Cornyn and \$7,500 to then-Lieutenant Governor Rick Perry.
¹⁵ "They Know Whereof They Speak," Houston Post, April 12, 1995.

They know whereof They Speak, Houston Post, April 12, 1995.

16 "Fatal Occupational Injuries in Texas, 1999," Texas Workers' Compensation Commission, January 2000; "Texas Construction Workers Dying in Record Numbers," Dallas Morning News, September 9, 2001.

17 "Punitive Damages Awarded in Construction," Fort Worth Star-Telegram," August 8, 2000; Tarrant County District Court 141, Case 141-170634-97.

18 State District Court 113, Case 9447831.

¹⁹ "Lawsuit Abuse Now Built Into System," Balous Miller and Leo Linbeck, Jr., San Antonio Express-News, February 6, 1997. The bills, which failed, were SB 429 and HB 1020.

TLR Buys Access to Most Incumbents

Recipient's Status	TLR Contributions	%	No. of Recipients	Average Contribution
Incumbent	\$235,500	17%	107	\$2,201
Challenger	\$502,934	37%	7	\$71,848
Open Seat	\$639,015	46%	8	\$79,877
TOTAL:	\$1,377,449	100%	122	AVG: \$11,291

C. TLR Targets the Courts

Not content to merely invest in lawmakers, TLR also bankrolled candidates who were seeking to interpret Texas laws. In the past, TLR's judicial focus has been on electing Texas Supreme Court justices. In the 2000 election cycle, TLR began to act on a 1998 pledge to bankroll candidates for lower state courts, too. All of TLR's judicial contributions benefited Republicans.

TLR contributed \$54,000 to judicial candidates in the 2000 cycle, with 69 percent of this money (\$37,000) going to the three incumbent Supreme Court justices who were up for election. TLR moved most of this money prior to the March primaries. The two justices who received the most TLR judicial money—Al Gonzales and Nathan Hecht—faced relatively more competition in the primary than in the general election.²⁰ On the eve of the primary, TLR made a special fundraising appeal that said Gonzales was vulnerable because, "as the newest member of the Court, [he] is not well known to the electorate." Gonzales won with 58 percent of the primary vote, thanks in part to \$25,000 in direct TLR money and \$30,000 more that he collected in response to TLR's urgent fundraising appeal.²¹

TLR's \$54,000 Bench Press

Candidate	State Court Sought	TLR Co	ntribution
Al Gonzales	Supreme Court		\$25,000
David Gaultney	9th Court of Appeals (Beaumont)		\$10,000
Nathan Hecht	Supreme Court		\$7,000
Priscilla Owen	Supreme Court		\$5,000
Rebecca Simmons	4th Court of Appeals (San Antonio)		\$5,000
Sarah Duncan	4th Court of Appeals (San Antonio)		\$1,000
Paul Green	4th Court of Appeals (San Antonio)		\$1,000
	TO	OTAL:	\$54,000

²⁰ The GOP denounced these incumbents' primary challengers as disguised Democrats who ran as Republicans because they had no hope of winning on a Democratic ticket.
²¹ Gonzales has since been named White House Counsel.

TLR also invested \$17,000 in four GOP candidates for lower appellate court benches. Most of this money (\$10,000) went to David Gaultney, a Mehaffy & Webber defense attorney who won an open seat on Beaumont's Ninth Court of Appeals with 54 percent of the vote. TLR gave the rest of this appellate court money to three candidates for seats on San Antonio's Fourth Court of Appeals. Most of this money (\$5,000) went to Akin Gump litigator Rebecca Simmons' failed bid to topple incumbent Democrat Alma Lopez. Lopez retained her seat with just 52 percent of the vote. TLR also contributed \$1,000 apiece to incumbent Fourth Court of

Appeals Justices Sarah Duncan and Paul Green, who narrowly prevailed over Democratic challengers.

Richard Trabulsi, Jr.

TLR co-founder Richard Trabulsi, Jr. owns Richard's Liquors and Fine Wines, a Houston liquor store chain founded by his father. Alcohol-related diseases and accidents are the nation's third leading cause of preventable deaths. ²² In recent years, families that have been devastated by alcohol-related accidents have demanded greater accountability from venders for the foreseeable consequences of selling alcohol to drunks or to kids. Trabulsi, who owned a liquor store facing Lamar High School, fought a 1996 Houston City Council proposal to establish "alcohol-free zones" around schools. ²³

The booze industry's biggest TLR coup came with the 1995 enactment of severe limits on so-called joint and several liability laws. Under the revised law, individuals who knowingly sell alcohol to someone who is visibly drunk cannot be held responsible for the resulting damages unless a jury finds that they were at least 51 percent responsible. According to the Texas chapter of Mothers Against Drunk Driving, this virtually eliminated the alcohol industry's liability for drunk drivers, since drivers almost always will be found to be more than 50 percent responsible for their destructive behavior. State bills backed by Mothers Against Drunk Driving to increase this industry's liability for selling alcohol to people who are visibly intoxicated never made it out of committee in 1997 and 1999. Trabulsi contributes money to the political action committee of the Texas Package Stores Association, an industry group that opposed one of these bills in 1997.²⁴

Richard's Liquors also faces generic premises liabilities that require retailers to provide a safe environment for their employees and customers. Trabulsi himself led TLR's doomed 1997 push to radically rollback Texas' premises liability laws. Lawmakers balked when they learned that TLR's broad bill would protect everyone from slum lords who fail to invest in the security of their tenants to negligent nursing-home owners. "Don't let our lousy draftsmanship wreck the public policy interest here," Trabulsi begged fed-up members of the House Civil Practices Committee.²⁵

Despite TLR's purported aversion to lawsuits, Richard's Liquors sued Walgreens in 1986 to enforce residency requirements that prevented that discount store from competing with Texas-based liquor stores—like the ones that Trabulsi owns.

²⁵ "Slipping & Falling; Tort Reform Stumbling in 75th Session," Texas Lawyer, April 14, 1997.

²²Alcohol comes after tobacco and cardio-vascular diseases linked to poor diet and exercise habits. See "Substance Abuse and Mental Health Statistics Source Book 1998," U.S. Department of Health and Human Services.
²³ "Liquor Stores Charge Zones Unfair," Houston Chronicle, April 17, 1996.

²⁴ The Package Stores Association opposed H.B. 2679 in 1997. See also a similar 1999 bill: H.B. 1095.