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Commentary

John Boehner: Follow the money trail to see why Dem Congress shields trial lawyers

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WASHINGTON -

A scandal has been emerging in the trial lawyer industry. It points to a potentially cancerous growth in our economy that is killing jobs and hampering prosperity at a time when families are being pummeled by the rising cost of living. What are Democrats in Congress planning to do about it? So far, the answer has been: nothing.

On May 19, trial lawyer [William Lerach](#) is expected to report to federal prison to begin serving the sentence he received after pleading guilty to charges of criminal conspiracy in conjunction with a class-action scheme involving his law firm, formerly known as [Milberg Weiss](#).

According to federal investigators, Milberg Weiss officials masterminded a \$250 million illegal kickback scheme involving their clients, and then lied in court about their actions. "The scope and the breadth of this conspiracy was breathtaking," said [U.S. District Judge John Walter](#), who sentenced Mr. Lerach, adding that the crimes involved go "to the core of our judicial system."

More disturbingly, Mr. Lerach himself told [The Wall Street Journal](#) his illegal conduct and that of his law partners was an "industry practice." At his sentencing, one of his supporting letters quoted Mr. Lerach as saying, "Everybody was paying plaintiffs so they could bring their cases."

If in fact Mr. Lerach's crimes are an "industry practice," then the Milberg Weiss scandal has revealed a clear and present threat to our nation's prosperity. Congress has an obligation to take action — by holding hearings to determine the extent of the scandal and the threat, identifying appropriate remedies and sending them to the president.

Nearly three months have passed since Mr. Lerach was sentenced, but Democrats in Congress have yet to conduct a single hearing to determine the extent to which crimes such as his are occurring in the rest of the industry.

The trial lawyer industry is, of course, a major source of campaign cash for the Democratic majority, which has happily accommodated the industry's agenda. At the behest of the trial lawyer lobby, [Speaker Nancy Pelosi, D-Calif.](#), has stonewalled a bipartisan national security bill needed to allow [U.S.](#) intelligence personnel to listen in on conversations involving [al Qaeda](#) terrorist operatives.

The bill passed the Senate with a lopsided bipartisan vote and appeared destined for the president's desk. But then the trial lawyer industry — which opposes the bipartisan bill because it prevents patriotic companies from being sued after cooperating with the government's terrorist surveillance efforts — called in its chits. House Democratic leaders have subsequently refused to allow the bipartisan bill to see the light of day.

The relationship manifested itself again this week when housing legislation was considered by Congress. Tucked into the housing bill was a \$35 million taxpayer-funded slush fund for trial lawyers seeking to cash in on the housing downturn. The bill, if enacted into law, would "require that [\$35] million ... be used for grants to state and local legal organizations with experience in foreclosure law." A bill portrayed as an effort to help struggling homeowners was used to line the pockets of the Democratic majority's trial lawyer allies, courtesy of American taxpayers and homeowners truly in need of help.

Last week, [Rep. Lamar Smith, R-Texas](#), and I asked the chairman of the [House Judiciary Committee, Rep. John Conyers Jr., D-Mich.](#), to schedule a hearing on the Milberg Weiss trial lawyer scandal by May 19, the date on which Mr. Lerach is expected to report to federal prison. A copy of our letter to Chairman Conyers was also sent to Speaker Pelosi. To date, there has been no response.

A complete investigation of the trial lawyer scandal is needed to examine the scope of the threat to our economy. But a recent analysis by [Congressional Quarterly](#) observed that "[t]he majority Democrats in Congress, so many of whom are beholden to the financial largesse of trial lawyers, are unlikely to undertake that investigation."

I hope that independent prediction proves wrong. Inaction in the face of a clear and present danger to our economy is negligence. But inaction for the purpose of protecting major campaign donors is corruption — the very scourge the current congressional leadership pledged to obliterate when it asked Americans to put it in charge.

I remain hopeful Chairman Conyers will put politics aside and schedule a hearing by May 19 that will allow the facts in the Milberg Weiss trial lawyer scandal to be examined in an appropriate and bipartisan way.

[Rep. John Boehner, R-Ohio](#), is minority leader of the [U.S. House of Representatives](#).

Examiner
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