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BY FACSIMILE

November 20, 1992

MEMORANDUM TO THE POLICY COMMITTEE

Re: 1993 Texas Products Liability Effort

Our political advisers (Messrs. Mozingo and Murray for RJR, Hooper and Morris for TI, and Dillard and Robinson for PM) have conferred among themselves and with the Texas Civil Justice League (TCJL), and have met with a number of legislative advisers in Texas regarding the TCJL lobby team for the 1993 Texas products liability effort. TCJL is proposing the following individuals as their 1993 products liability lobbying team, at the specified rates of payment:

Nub Donaldson (Team Leader)	\$100,000
Jack Roberts (Senate Coordinator)	85,000
Rusty Kelly (House Coordinator)	85,000
Jack Gullahorn	75,000
Kraege Polan	75,000
Gibb Lewis	75,000
Contingency for Other Legislative Advisers	75,000
Total	<u>\$570,000</u>

The amounts listed reflect only the fee arrangements; no agreement has been reached concerning lobbying expenses.

The 1993 TCJL budget includes an item for "legal experts" to cover the costs of Texas lawyers who will assist in any negotiations, briefings of legislators, and other matters. It is expected that Shannon Ratliff will serve as TCJL's chief legal adviser, but Shannon will need assistance. The TCJL estimated legal budget for Texas lawyers is \$200,000.

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By way of comparison, the TCJL products liability lobby team was paid approximately \$1,130,000 (retainer & expenses) in 1991. Total 1991 expenditures for Texas legal counsel were approximately \$373,250.

There will be other components to the 1993 TCJL budget to cover such items as public communications and grassroots. Specific budget figures for these items have not yet been determined.

We have tentatively agreed, subject to Policy Committee approval, to support TCJL at a level sufficient to cover these project costs. I will try to reach each of the companies in the next couple of days to see whether this proposal meets with your approval.

Keith A. Teel

cc: Mr. Ainsworth
Mr. Dillard
Mr. Donahue
Ms. Linehan
Mr. Malmgren
Mr. Mozingo
Mr. Oechler
Mr. Pepples
Mr. Robinson
Mr. Simeonidis
Mr. Stevens
Mr. Wall
Mr. Wells

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