## Jim Nash State Representative 48A



## Minnesota House of Representatives

April 9th, 2024

Attorney General Keith Ellison Minnesota Attorney General 102 State Capitol 75 Dr. Rev. Martin Luther King, Jr. Blvd. Saint Paul, Minnesota 55155

Attorney General Ellison,

We have followed with interest the reporting by *Energy in Depth* and materials published by Government Accountability and Oversight (the "GAO") regarding the origins and funding of the *State of Minnesota v*. *American Petroleum Institute, et al.* matter, pending in the Ramsey County District Court and brought by your Office against a select group of energy companies and a trade association (the "Minnesota climate litigation"). As we understand it, the litigation was initially proposed by, among others, the New York-based Rockefeller Family Fund, the D.C.-based Center for Climate Integrity and Minnesota-based Fresh Energy organizations, and your Office applied for and received two Special Attorneys General (Leigh Currie¹ and Peter Surdo) to prepare and handle the litigation.² The Special Assistant Attorneys General are not being paid by your Office or otherwise by the State of Minnesota but, instead, are funded entirely by New York billionaire Michael Bloomberg through the New York University School of Law's State Energy & Environment Impact Center.³

Against this backdrop, we were surprised to learn that your Office has separately engaged the San Francisco-based law firm Sher Edling, LLP through a highly lucrative fee agreement. <sup>4</sup> A copy of the contract is attached to this letter, and contemplates the firm being "paid 16.67% of the first \$150 million recovered" in the Minnesota climate litigation, and "7.5% for any portion greater than \$150 million." You previously estimated that the litigation may result in the State recovering damages "akin to Minnesota's \$7 billion 1998 settlement with the tobacco industry," and if that is correct, your contract contemplates paying Sher Edling **more than half a billion dollars**.

We understand that your Office, through Management and Budget Commissioner Jim Schowalter, submitted the Sher Edling contract to the Legislative Advisory Commission on September 2, 2020.<sup>6</sup> As

<sup>&</sup>lt;sup>1</sup> We understand Leigh Currie is no longer working on the Minnesota climate litigation, and has been replaced by another Special Attorney General, Joseph T. Heegard. His salary is also being funded by Mr. Bloomberg via NYU.

<sup>&</sup>lt;sup>2</sup> Activists Convinced Minnesota Attorney General To File Climate Lawsuit (eidclimate.org); MN-OAG-NYU-Application.pdf (climatelitigationwatch.org); Currie\_welcome\_look\_forward\_letter.jpg (climatelitigationwatch.org); https://eidclimate.org/minnesota-attorney-general-claims-ignorance-when-pressed-on-donor-influence/

<sup>&</sup>lt;sup>3</sup> Lawsuits Seek Transparency on Coordination Between State Attorneys General Offices and Outside Organizations (eidclimate.org); Minnesota Senate advances bill limiting hiring of outside attorneys by state AG's office – Legal Newsline; Fellows Program – The State Energy & Environmental Impact Center (stateimpactcenter.org)

<sup>&</sup>lt;sup>4</sup> AGO-LAC.pdf (govoversight.org)

<sup>&</sup>lt;sup>5</sup> Minnesota Sues Oil Companies, Institute Over Climate Change (apnews.com)

<sup>&</sup>lt;sup>6</sup> AGO-LAC.pdf (govoversight.org)

part of the submission process, your Office told Commissioner Myron Frans that it engaged in "significant financial negotiations with" Sher Edling.<sup>7</sup> It appears some, but not all, Commission members recommended the State enter into the contract.<sup>8</sup> After entering into the contract, however, you did not disclose it to the public, which is different from how your Office handled the retention of the Robins Kaplan LLP and Zimmerman Reed LLP firms for the lawsuit against JUUL Labs, Inc.<sup>9</sup> Instead, the contract was made public only when it was produced by the Office of Management and Budget "in response to an open records request," and published by GAO.<sup>10</sup>

Public records also indicate that in submitting the Sher Edling contract to the Commission, your Office did not disclose that it had already availed itself of the Bloomberg-funded lawyers from NYU and that they would be working on this matter full time. Even more troubling, we now understand Sher Edling has been paid millions of dollars from numerous special interest groups with no connection to Minnesota, and that these payments were made to help pay for lawsuits including the Minnesota climate litigation. By way of example, between 2017 and 2022, Sher Edling appears to have received more than \$13 million from special interest groups outside of Minnesota, including:

- **2017**: \$432,129 from Resources Legacy Fund (which appears to have received substantial grants from the DiCaprio Foundation<sup>11</sup>)
- **2018**: \$1,319,615 from Resources Legacy Fund
- **2019**: \$1,110,000 from Resources Legacy Fund
- **2020**: \$4,788,000 from Resources Legacy Fund
- 2021: \$3,000,000 from New Venture Fund and \$55,775 from Resources Legacy Fund
- **2022**: \$2,499,916 from New Ventures Fund and \$235,000 from Tides Foundation

Recent news reporting also indicates the Rockefeller Brothers fund has been funding Sher Edling's operations. 12

Given the challenges in researching monies paid to a private law firm, we suspect the above may represent only a fraction of the total amount of financial support that has been funneled to Sher Edling to pay for ongoing climate litigation in Minnesota and elsewhere.

None of this information was disclosed to the Commission, and none of it was otherwise made public by your Office. The extensive and opaque network of private interests funding your Special Assistant Attorneys General and Sher Edling, as well as the exorbitant contingency agreement with Sher Edling, raise several questions. The State and its citizens deserve to know more about what has happened here, why Sher Edling was engaged when your Office already has fully funded counsel from NYU, and a complete accounting of who is providing financial support for Sher Edling's work in Minnesota. We ask you provide the following information:

1. Explain why it was necessary for your Office to retain Sher Edling to litigate the Minnesota climate litigation, despite having already having two Special Assistant Attorneys General working on this litigation "full time" in addition to your existing staff.

<sup>&</sup>lt;sup>7</sup> AGO-LAC.pdf (govoversight.org)

<sup>&</sup>lt;sup>8</sup> AGO-LAC.pdf (govoversight.org)

<sup>&</sup>lt;sup>9</sup> December 4, 2019 Press Release (state.mn.us)

<sup>&</sup>lt;sup>10</sup> <u>Uncovered Documents Show Out-of-State Lawyers Stand to Make Millions on Minnesota Climate Lawsuit (eidclimate.org)</u>

<sup>&</sup>lt;sup>11</sup> Leonardo DiCaprio funneled grants through dark money group to fund climate nuisance lawsuits, emails show – Fox News

<sup>&</sup>lt;sup>12</sup> https://www.foxnews.com/politics/billionaire-fueled-rockefeller-fund-coordinated-climate-lawsuits-dem-state-aginternal-documents

- 2. Explain why your Office did not publicly disclose the Sher Edling contract until being compelled to do so by an open-records request, despite having previously disclosed such contracts to the public.<sup>13</sup>
- 3. Explain the extent to which you were aware of Sher Edling's funding sources when you negotiated the fee agreement with them and, to the extent your Office know about the millions of dollars paid by special interest to Sher Edling, why this was not disclosed to the Commission.
- 4. Disclose the identities of all third parties and special-interest groups that have funded Sher Edling's work on the climate litigation throughout the country, including the Minnesota climate litigation, and the amount of funding Sher Edling has received from each of those entities annually.
- 5. Disclose the extent to which Sher Edling, or any Sher Edling attorneys, donated to your 2022 reelection campaign.<sup>14</sup>

Please provide this information by April 30<sup>th</sup>. This information is critical to our and the Minnesota public's understanding of the full context of your Office's retention of Sher Edling and the Bloomberg-funded Special Assistant Attorneys General to bring the Minnesota climate litigation on your behalf.

Thank you for your attention to our questions, and please contact us if you require clarification.

Sincerely,

Jim Nash State Representative Republican Caucus Whip District 48A Andrew Mathews State Senator District 27

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<sup>&</sup>lt;sup>13</sup> December 4, 2019 Press Release (state.mn.us)

<sup>&</sup>lt;sup>14</sup> AG did not fully disclose campaign contributions from firm tapped to lead fight against JUUL – KSTP.com 5 Eyewitness News