

Subject Minnesota Chamber of Commerce vs. Choi

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Summary

During the 2023 legislative session, the legislature enacted a new law to prohibit “foreign-influenced corporations” from making independent campaign expenditures or campaign contributions to influence elections in Minnesota. A “foreign-influenced corporation” was defined to include corporations that are fully or partially owned by foreign investors based on certain thresholds of equity interests or by participation in corporate decision-making with respect to political activities.

Following the 2023 session, the Minnesota Chamber of Commerce filed a lawsuit challenging the new law as unconstitutional, in violation of the first amendment right to free speech. The chamber prevailed in their claim, and in February of this year, the court hearing the case issued a permanent injunction against the law’s enforcement.

As a principle of federal law, plaintiffs can be awarded attorney fees if they successfully claim that a federal or state government has violated a protected civil right, including a constitutional right. The judge in this case has not yet made a decision on the award of attorney fees, but an order is expected later this year.

This bill provides an appropriation of \$900,000 to the Campaign Finance and Public Disclosure Board to cover the cost of paying any awarded attorney fees, on behalf of all named defendants in the case.