

After Nearly 20 Years, U.S. Supreme Court Finally Recognizes Corporate Free Speech Rights, Michigan Chamber of Commerce Reports

After nearly 20 years, the U.S. Supreme Court today finally recognized that corporations have free speech rights when it reversed *Austin v. Michigan Chamber of Commerce* in the case of *Citizens United v. FEC*.

The Michigan Chamber of Commerce filed an amicus brief in the *Citizens* arguing for a reversal in the *Austin v. Michigan Chamber of Commerce* decision. Funding for the brief was provided by the Michigan Chamber Litigation Center, a nonprofit organization dedicated to championing important precedent-setting legal issues before state and federal courts.

"It's gratifying after so many years to see the U.S. Supreme Court acknowledge that corporations have a First Amendment right to express their views at election time," said Bob LaBrant, Senior Vice President & General Counsel for the Michigan Chamber.

"What this decision means is that corporations will still be prohibited from making direct contributions to candidates, but corporations will be permitted to make independent expenditures in support of or in opposition to candidates," LaBrant explained. "The issue in *Austin* was about expenditures, not contributions."

Getting to this day has been a long and arduous process, noted LaBrant. The case stemmed from an effort the Michigan Chamber launched in 1985 when the Michigan Chamber proposed to buy a quarter-page newspaper ad in the Grand Rapids Press expressly advocating the election of a candidate (Richard Bandstra) in a special election in the 93rd House District. "The Michigan Chamber, not its PAC, was going to pay for the newspaper ad," LaBrant said. "The Michigan Chamber attempted to get an injunction to prohibit enforcement of the felony provisions for publishing the ad, but the injunction was denied."

LaBrant further explained that a trial was held a year later on whether a non-profit corporation like the Michigan Chamber could spend money to buy such an ad under the First Amendment. The Michigan Chamber lost its case in federal district court but won on appeal in the 6th Circuit Court of Appeals resulting in the case reaching the U.S. Supreme Court in 1989. The U.S. Supreme Court in *Austin v. Michigan Chamber of Commerce* (1990) upheld the state's legal prohibition on corporate expenditures.

In June 2009, the U.S. Supreme Court ordered a re-argument in *Citizens United v. FEC* asking the parties to specifically address whether *Austin v. Michigan Chamber of Commerce* should be reversed. A special argument before the U.S. Supreme Court was held September 9, 2009 - ultimately leading to today's long-awaited decision in support of corporate free speech rights.

The Michigan Chamber of Commerce is a statewide business organization representing approximately 7,000 employers, trade associations and local chambers of commerce. The Michigan Chamber was established in 1959 to be an advocate for Michigan's job providers in the legislative, political and legal process. It is one of only four state chambers of commerce in the nation accredited by the U.S. Chamber of Commerce.

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