

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4147

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DATE	D-PG	OFFICIAL STATUS
03/04/2026	6486	Introduction and first reading Referred to Elections
03/05/2026	6523	Author added Marty
03/12/2026	6631a	Comm report: To pass as amended and re-refer to Judiciary and Public Safety
03/17/2026	6754	Author added Rest
03/23/2026	6883a	Comm report: To pass as amended and re-refer to State and Local Government
	6919	Author added Maye Quade

1.1 A bill for an act

1.2 relating to business organizations; revoking and regranting certain powers;

1.3 providing for administrative dissolution, civil penalties, and reinstatement;

1.4 proposing coding for new law in Minnesota Statutes, chapter 300.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **[300.80] DEFINITIONS.**

1.7 Subdivision 1. **Scope.** For purposes of sections 300.80 to 300.86, the following terms

1.8 have the meaning given.

1.9 Subd. 2. **Legal entity.** (a) "Legal entity" means an entity whose existence, legal status,

1.10 or limited liability is conferred by Minnesota law. Legal entity includes but is not limited

1.11 to: (1) an entity governed by chapters 302A, 308A, 308B, 317A, 318, 321, 322C, and 323A;

1.12 and (2) a foreign entity that is authorized to transact business, is transacting business, or

1.13 holds property in this state.

1.14 (b) Legal entity does not include the state or an agency, instrumentality, authority,

1.15 political subdivision, or public body corporate and politic of the state.

1.16 Subd. 3. **Legal entity powers.** "Legal entity powers" means the powers necessary or

1.17 convenient to carry out the legal entity's lawful business, charitable, cooperative, or

1.18 organizational purposes. Legal entity powers do not include political spending powers.

1.19 Subd. 4. **Political spending powers.** (a) "Political spending powers" means the power

1.20 to directly or indirectly pay, contribute, expend, transfer, or disburse money or anything of

1.21 value to:

2.1 (1) aid, promote, support, or defeat the endorsement, nomination, or election of a federal,
 2.2 state, or local candidate;

2.3 (2) produce or disseminate an electioneering communication as defined in section
 2.4 10A.201 or United States Code, title 52, section 30104;

2.5 (3) aid, promote, support, or defeat the interests of any political party, political committee
 2.6 or fund, or similar entity; or

2.7 (4) aid, promote, support, or defeat the passage of a ballot question, recall, constitutional
 2.8 amendment, charter amendment, or other question formally submitted to voters.

2.9 (b) Political spending powers does not include the distribution of bona fide news,
 2.10 commentary, or editorial content through the facilities of a broadcasting station, newspaper,
 2.11 magazine, or other periodical publication, including print, online, or digital formats, unless
 2.12 the facilities are owned or controlled by a political party; federal, state, or local candidate;
 2.13 political committee or fund; or other similar entity.

2.14 **Sec. 2. [300.81] REVOCATION AND REGRANT OF POWERS.**

2.15 (a) Simultaneously on the effective date of this section:

2.16 (1) all powers, including implied powers, previously granted to legal entities under
 2.17 Minnesota law are revoked; and

2.18 (2) every legal entity operating under the jurisdiction of this state possesses only the
 2.19 legal entity powers as provided under sections 300.80 to 300.86 and no others.

2.20 (b) The revocation and regrant under paragraph (a) must be construed as a single,
 2.21 integrated redefinition of the powers of legal entities under Minnesota law.

2.22 (c) No provision of statutes may be construed to directly or indirectly grant or recognize
 2.23 political spending powers in a legal entity, except as provided under section 300.84.

2.24 (d) Notwithstanding any other law to the contrary, political spending powers are not
 2.25 necessary or convenient for a legal entity to carry out the legal entity's lawful business,
 2.26 charitable, cooperative, or other organizational purpose.

2.27 (e) Any provision of articles of incorporation, articles of organization, a partnership
 2.28 agreement, an operating agreement, bylaws, a trust instrument, a statement of authority, or
 2.29 other organizational document that grants or purports to grant political spending powers is
 2.30 void.

3.1 Sec. 3. **[300.82] CERTAIN ACTS VOID.**

3.2 (a) An act by a legal entity that constitutes the exercise of political spending powers is
3.3 ultra vires and void.

3.4 (b) An act described in paragraph (a):

3.5 (1) is void from inception;

3.6 (2) may not be ratified or validated;

3.7 (3) creates no enforceable rights, obligations, or defenses; and

3.8 (4) is not validated by consent, estoppel, waiver, reliance, course of dealing, or any
3.9 equitable doctrine.

3.10 Sec. 4. **[300.83] ENFORCEMENT; PENALTIES.**

3.11 Subdivision 1. **Administrative dissolution; enforcement.** (a) If a legal entity violates
3.12 section 300.81, the attorney general may petition the secretary of state to issue a certificate
3.13 of administrative dissolution. Upon receipt of the petition, the secretary of state must issue
3.14 a certificate of administrative dissolution. The secretary of state must provide a copy of the
3.15 certificate of administrative dissolution, a copy of the attorney general's petition, and a
3.16 notice describing the process for reinstatement to the legal entity.

3.17 (b) A legal entity that is administratively dissolved under this subdivision may be
3.18 reinstated under subdivision 2. During the period a legal entity is administratively dissolved,
3.19 the legal entity's liabilities must be determined and limited under the applicable law.

3.20 (c) The authority provided under this section is in addition to any other authority provided
3.21 by law, including but not limited to the attorney general's powers under sections 8.31,
3.22 501B.40, and 501B.41 to investigate and bring actions to secure compliance.

3.23 (d) A foreign entity that directly or indirectly undertakes, finances, or directs political
3.24 spending powers in this state, or with respect to any election or ballot measure submitted
3.25 to the electors of this state, is transacting business in this state for jurisdiction and
3.26 enforcement purposes.

3.27 Subd. 2. **Reinstatement.** A legal entity subject to administrative dissolution under
3.28 subdivision 1 may be reinstated by the secretary of state only if the legal entity:

3.29 (1) fully disgorges to the general fund all money or things of value expended to exercise
3.30 political spending powers; and

3.31 (2) certifies future compliance with sections 300.80 to 300.86.

4.1 Subd. 3. **Challenge.** A legal entity subject to administrative dissolution under this section
4.2 may challenge the secretary of state's decision to issue a certificate of administrative
4.3 dissolution by bringing an action in district court.

4.4 Sec. 5. **[300.84] POLITICAL COMMITTEE EXCEPTION.**

4.5 A political committee, political fund, political party, political party unit, principal
4.6 campaign committee, or committee organized solely to exercise political spending powers
4.7 under state or federal law may exercise political spending powers, provided that limited
4.8 liability is the only charter privilege conferred on the entity under Minnesota law.

4.9 Sec. 6. **[300.85] SAVINGS; NATURAL PERSONS; PUBLIC BODIES.**

4.10 (a) Nothing in sections 300.80 to 300.86 regulates or restricts the constitutional rights
4.11 of a natural person acting in the natural person's individual capacity.

4.12 (b) Sections 300.80 to 300.86 do not apply to the state or an agency, instrumentality,
4.13 authority, political subdivision, or public body corporate and politic of the state.

4.14 (c) Nothing in sections 300.80 to 300.86 invalidates, impairs, or modifies a contract,
4.15 debt instrument, security, or other legal obligation lawfully entered into before the effective
4.16 date of this section.

4.17 Sec. 7. **[300.86] SUPERSESSON; NONREVIVAL.**

4.18 (a) Sections 300.80 to 300.86 supersede and prevail over a statute that may be construed
4.19 to grant or recognize political spending powers to a legal entity.

4.20 (b) No power, privilege, or capacity revoked by sections 300.80 to 300.86 may be revived,
4.21 reinstated, or implied by operation of law or judicial construction.

4.22 Sec. 8. **EFFECTIVE DATE.**

4.23 This act is effective July 1, 2026, and applies to acts occurring on or after that date.