

HB 3396 -- POWERS OF ARTIFICIAL PERSONS

SPONSOR: Thomas

This bill creates the "Missouri Corporate Power Reset Act".

This bill modifies the powers of artificial persons, which are entities like corporations, limited liability companies, and partnerships, by prohibiting them from engaging in "political spending power".

"Political spending power" is defined as the ability to pay, contribute, expend, transfer, or disburse money or anything of value to support or oppose candidates, political parties, political committees, or ballot measures in Missouri, with an exception for the distribution of news or commentary unless the publishing entity is controlled by a political entity or a candidate.

This bill revokes all previously granted powers to artificial persons, requiring them to only have those powers specifically granted by the new legislation, and explicitly states that political spending power is not considered a necessary or convenient power for any artificial person.

Furthermore, any artificial person that exercises political spending power not explicitly permitted by law for political committees will be considered to have acted beyond its authority (ultra vires), rendering such actions void and leading to the forfeiture of its "charter privileges", which include benefits like limited liability and perpetual existence conferred by the state.

The bill also clarifies that foreign entities engaging in political spending power within Missouri will be conclusively deemed to be transacting business in the State for jurisdictional and enforcement purposes. This bill contains a delayed effective date of January 1, 2027.