

SENATE, No. 4710

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 1, 2026

Sponsored by:
Senator BRITNEE N. TIMBERLAKE
District 34 (Essex)

SYNOPSIS

Establishes “Stop Corporate Money in Politics Act”; restricts right of certain business entities to make contributions and expenditures for certain political purposes.

CURRENT VERSION OF TEXT

As introduced.



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1 AN ACT concerning the rights of certain business entities to make
2 contributions and expenditures for certain political purposes,
3 amending N.J.S.14A:3-4 and N.J.S.15A:3-3, and supplementing
4 Title 14A of the New Jersey Statutes.

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. (New section) This act shall be known and may be cited as
10 the “Stop Corporate Money in Politics Act.”

11
12 2. (New section) As used in this act, P.L. , c. (C.)
13 (pending before the Legislature as this bill):

14 “Business entity” means and includes a corporation organized
15 pursuant to N.J.S.14A:1-1 et seq., a nonprofit corporation organized
16 pursuant to P.L.1983, c.127 (C.15A:1-1 et seq.), a credit union
17 established pursuant to P.L.1984, c.171 (C.17:13-79 et seq.), a
18 partnership or limited liability partnership established pursuant to
19 P.L.2000, c.161 (C.42:1A-1 et seq.), a limited partnership
20 established pursuant to P.L.1983, c.489 (C.42:2A-1 et seq.), a
21 limited liability company organized pursuant to P.L.2012, c.50
22 (C.42:2C-1 et seq.), and any organization organized under any other
23 law of this State or any law of any jurisdiction other than this State
24 pursuant to which business entities may be organized; except that,
25 “business entity” shall not include any committee, as defined in this
26 section, any entity expressly identified by law as a public body
27 corporate and politic, or any agency or instrumentality of this State
28 or its political subdivisions.

29 “Candidate” means the same as that term is defined in section 3
30 of P.L.1973, c.83 (C.19:44A-3).

31 “Committee” means and includes candidate committees, joint
32 candidate committees, political committees, continuing political
33 committees, legislative leadership committees, and independent
34 expenditure committees, as those terms are defined in section 3 of
35 P.L.1973, c.83 (C.19:44A-3).

36 “Contributions” and “expenditures” mean the same as those
37 terms are defined in section 3 of P.L.1973, c.83 (C.19:44A-3).

38
39 3. (New section) a. Notwithstanding any law, rule, or
40 regulation to the contrary, the creation, organization, and existence
41 of a business entity shall not be deemed a right but shall be a
42 conditional grant of legal status by this State and shall remain
43 subject to complete withdrawal at any time.

44 b. (1) A business entity shall not have the power to make
45 contributions or expenditures for or to any candidate or committee

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 in this jurisdiction or to make, incur, or authorize any expenditures
2 in furtherance of the nomination, election, or defeat of any
3 candidate, or in aid of the passage or defeat of any public question,
4 or to provide political information on any candidate or public
5 question to be voted on at an election in this jurisdiction. Under no
6 circumstances shall any such contribution or expenditure be deemed
7 necessary or convenient for a business entity's lawful purpose or
8 affairs.

9 (2) The provisions of this subsection shall apply notwithstanding
10 the provisions of sections 3 through 11 of P.L.2004, c.19
11 (C.19:44A-20.4 through C.19:44A-20.12), P.L.2005, c.51
12 (C.19:44A-20.13 et seq.), sections 2 and 3 of P.L.2005, c.271
13 (C.19:44A-20.26 and C.19:44A-20.27), or any other law to the
14 contrary.

15 (3) The provisions of this subsection shall not be construed to
16 apply to any bona fide news item or editorial contained in any
17 publication of bona fide general circulation.

18 c. A foreign business entity shall have no greater rights or
19 privileges than, and shall be subject to the same duties, restrictions,
20 penalties, and liabilities as a domestic business entity, as provided
21 by this section. A foreign business entity that is authorized to
22 transact business, is otherwise transacting business, or holds
23 property in the State shall be subject to this section. A foreign
24 business entity that directly or indirectly undertakes, finances, or
25 directs election activity or ballot-issue activity in the State shall be
26 conclusively deemed to be transacting business in the State.

27 d. Any provision of the articles of incorporation, bylaws, or
28 other organizational documents of a business entity purporting to
29 grant or confer any power expressly prohibited by this section shall
30 be void.

31 e. Any act undertaken by a business entity in violation of this
32 section shall be ultra vires and void. A business entity that
33 exercises any power in violation of this section shall be subject to
34 any applicable sanctions or penalties pursuant to section 4 of
35 P.L. , c. (C.) (pending before the Legislature as this bill).

36
37 4. (New section) Upon a finding that a business entity has
38 violated the provisions of P.L. , c. (C.) (pending before the
39 Legislature as this bill), the Attorney General may bring an action
40 in a court of competent jurisdiction seeking such penalties as may
41 be necessary and appropriate to remedy the violation. Those
42 penalties may include, but need not be limited to:

43 temporarily suspending the business entity's authority to operate
44 in the State, transact business in the State, or otherwise exercise its
45 lawful purposes in the State;

46 prohibiting the business entity from entering into a public
47 contract awarded pursuant to the State procurement process;

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1 revoking the business entity's State tax exempt status, if
2 applicable;
3 requiring additional reporting by the business entity;
4 revoking the business entity's charter, certificate, or other
5 instrument authorizing the entity to operate in the State, transact
6 business in the State, or otherwise exercise its lawful purposes in
7 the State; and
8 involuntarily dissolving the business entity in the State.

9

10 5. N.J.S.14A:3-4 is amended to read as follows:

11 14A:3-4. (1) Any corporation organized for any purpose under
12 any general or special law of this State, unless otherwise provided
13 in its certificate of incorporation or by-laws, or unless prohibited by
14 subsection b. of section 3 of P.L. , c. (C.) (pending before
15 the Legislature as this bill), shall have power, irrespective of
16 business benefit, to aid, singly or in cooperation with other
17 corporations and with natural persons, in the creation or
18 maintenance of institutions or organizations engaged in community
19 fund, hospital, charitable, philanthropic, educational, scientific or
20 benevolent activities or patriotic or civic activities conducive to the
21 betterment of social and economic conditions, and the board may
22 authorize the making of contributions for those purposes in money,
23 securities, including shares of the corporation, or other property, in
24 such reasonable amounts as the board may determine; provided, that
25 a contribution shall not be authorized hereunder if at the time of the
26 contribution or immediately thereafter the donee institution shall
27 own more than 10% of the voting stock of the donor corporation or
28 one of its subsidiaries.

29 (2) The provisions of this section shall not be construed as
30 directly or indirectly minimizing or interpreting the rights and
31 powers of corporations, as heretofore existing, with reference to
32 appropriations, expenditures or contributions of the nature above
33 specified.

34 (cf: P.L.1988, c.94, s.12)

35

36 6. N.J.S.15A:3-3 is amended to read as follows:

37 15A:3-3. a. Any corporation, unless otherwise provided in its
38 certificate of incorporation or bylaws, and subject to the purposes
39 specified in its certificate of incorporation , and unless prohibited
40 by subsection b. of section 3 of P.L. , c. (C.) (pending
41 before the Legislature as this bill), may, irrespective of business
42 benefit, aid, singly or in cooperation with other business entities
43 and with natural persons, in the creation or maintenance of
44 institutions or organizations engaged in activities for the purpose of
45 which a corporation may be organized under this act; including
46 institutions or organizations engaged in community fund, hospital,
47 charitable, philanthropic, educational, scientific or benevolent
48 activities or patriotic or civic activities conducive to the betterment

1 of social and economic conditions. The trustees may appropriate,
2 spend or contribute for the purposes reasonable sums as they may
3 determine.

4 b. The provisions of this section shall not be construed as
5 directly or indirectly minimizing or interpreting the rights and
6 powers of corporations, provided for prior to the effective date of
7 this act, with reference to appropriations, expenditures or
8 contributions of the nature set forth in subsection a. of this section.

9 (cf: N.J.S.15A:3-3)

10
11 7. This act shall take effect one year following the date of
12 enactment.

13 14 15 STATEMENT

16
17 This bill establishes the “Stop Corporate Money in Politics Act”
18 and restricts the right of certain business entities to make
19 contributions and expenditures for certain political purposes.

20 The bill declares that the creation, organization, and existence of
21 a business entity is not a right, but a conditional grant of legal status
22 by the State that is subject to complete withdrawal at any time.

23 Under the bill, any business entity would be unable to make
24 contributions or expenditures for or to any candidate or committee
25 in this State or to make, incur, or authorize any expenditures in
26 furtherance of the nomination, election, or defeat of any candidate,
27 or in aid of the passage or defeat of any public question, or to
28 provide political information on any candidate or public question to
29 be voted on at an election in this State. The bill does not prohibit
30 business entities from communicating with employees,
31 shareholders, and the public on the issues implicated by an election.

32 The prohibition established by the bill would apply equally to
33 domestic business entities and foreign business entities that are
34 authorized to transact business, are otherwise transacting business,
35 or hold property in the State.

36 Upon finding a violation of the bill’s provisions has occurred,
37 the Attorney General may bring an action in a court of competent
38 jurisdiction seeking such penalties as may be necessary and
39 appropriate to remedy the violation. Such penalties may include:

40 temporarily suspending the business entity's authority to operate
41 in the State, transact business in the State, or otherwise exercise its
42 lawful purposes in the State;

43 prohibiting the business entity from entering into a public
44 contract awarded pursuant to the State procurement process;

45 revoking the business entity's State tax exempt status, if
46 applicable;

47 requiring additional reporting by the business entity;

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1 revoking the business entity's charter, certificate, or other
2 instrument authorizing the entity to operate in the State, transact
3 business in the State, or otherwise exercise its lawful purposes in
4 the State; and
5 involuntarily dissolving the business entity in the State.
6 The bill defines a “business entity” to mean and include a
7 corporation, a nonprofit corporation, a credit union, a partnership or
8 limited liability partnership, a limited partnership, a limited liability
9 company, and any organization organized under the laws of this
10 State or any other jurisdiction. However, the definition excludes
11 certain political committees, any entity expressly identified by
12 statute as a public body corporate and politic, and any agency of
13 instrumentality of this State or its political subdivisions. Under the
14 bill, “committee” includes candidate committees, joint candidate
15 committees, political committees, continuing political committees,
16 legislative leadership committees, and independent expenditure
17 committees.