

REFERENCE TITLE: corporations; entities; political spending; prohibitions

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SCR 1053

Introduced by
Senator Kuby

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE XIV, CONSTITUTION OF ARIZONA, BY ADDING SECTION 20; RELATING TO CORPORATIONS OTHER THAN MUNICIPAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. Article XIV, Constitution of Arizona, is proposed to be amended by adding section 20 as follows if approved by the voters and on proclamation of the Governor:

20. Corporations; artificial entities; powers; prohibition on political spending; definitions

SECTION 20. A. A CORPORATION AND OTHER ARTIFICIAL ENTITY POSSESSES ONLY THOSE POWERS AND PRIVILEGES GRANTED BY THIS STATE AS OTHERWISE PROVIDED BY STATUTE, AND THIS STATE MAY LIMIT THE POWERS OF A CORPORATION OR OTHER ARTIFICIAL ENTITY AS A CONDITION OF GRANTING A CHARTER OR OTHER LEGAL STATUS AND PROTECTION FROM LIABILITY. ANY ACTION TAKEN BY A CORPORATION OR OTHER ARTIFICIAL ENTITY THAT IS OUTSIDE THE POWERS GRANTED TO IT BY THIS STATE IS DEEMED VOID AND ULTRA VIRES.

B. A CORPORATION AND OTHER ARTIFICIAL ENTITY DOES NOT HAVE POLITICAL SPENDING POWER AND ANY ACTION TAKEN TO MAKE POLITICAL CONTRIBUTIONS, MAKE OTHER EXPENDITURES OR PROVIDE ANY THING OF VALUE TO INFLUENCE AN ELECTION SHALL RESULT IN THE LOSS OF THE CORPORATION'S OR ARTIFICIAL ENTITY'S POWERS AND PRIVILEGES BY OPERATION OF LAW. THE POWERS AND PRIVILEGES OF A CORPORATION OR ARTIFICIAL ENTITY MAY BE REINSTATED ONLY THROUGH PROCEDURES AUTHORIZED BY STATUTE.

C. FOR THE PURPOSES OF THIS SECTION:

1. "ARTIFICIAL ENTITY":

(a) MEANS AN ENTITY WHOSE EXISTENCE OR PROTECTION FROM LIABILITY, OR BOTH, IS CONFERRED BY THE LAWS OF THIS STATE.

(b) INCLUDES AN ENTITY THAT IS ORGANIZED OR EXISTING UNDER THE LAWS OF ANOTHER JURISDICTION AND THAT IS AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE OR IS OTHERWISE TRANSACTING BUSINESS IN THIS STATE OR HOLDING PROPERTY IN THIS STATE.

2. "POLITICAL SPENDING POWER":

(a) MEANS THE LEGAL CAPACITY TO SPEND MONEY OR PROVIDE ANY THING OF VALUE TO INFLUENCE AN ELECTION.

(b) DOES NOT INCLUDE THE DISTRIBUTION OF BONA FIDE NEWS, COMMENTARY OR EDITORIAL CONTENT UNLESS THE PUBLISHING ENTITY IS OWNED OR CONTROLLED BY A POLITICAL PARTY, A POLITICAL COMMITTEE OR A CANDIDATE.

3. "TRANSACTING BUSINESS IN THIS STATE" INCLUDES TO DIRECTLY OR INDIRECTLY UNDERTAKE, FINANCE, CONTRIBUTE TO OR DIRECT THE EXERCISE OF POLITICAL SPENDING POWER IN THIS STATE

1 AND BY AN ENTITY THAT IS ORGANIZED OR EXISTING UNDER THE LAWS
2 OF ANOTHER JURISDICTION.
3 2. The Secretary of State shall submit this proposition to the
4 voters at the next general election as provided by article XXI,
5 Constitution of Arizona.