FACT SHEET (July 13, 2026)

The Corporate Power Reset: Connecticut Action

A state-by-state strategy to remove corporate and dark money from elections

What Is the "Corporate Power Reset"

The Corporate Power Reset (CPR or Reset) is a legal strategy developed by Tom Moore, a senior fellow at the Center for American Progress (CAP) and former chief of staff to FEC Commissioner Ellen Weintraub. Rather than asking the U.S. Supreme Court to overturn *Citizens United v. FEC* states may change the powers they grant corporations:

- Corporations have only the powers that states give them. This is the core legal premise: corporations are "creatures of state law." For more than two centuries, courts have affirmed that states have broad authority to define, modify, and withdraw the powers they grant to corporations chartered or doing business within their borders.
- Citizens United held that a corporation that already has the power to spend on elections has a First Amendment right to do so. The Reset doesn't fight that holding — it removes the underlying power. If a state declines to grant corporations, LLCs, nonprofits, and similar entities the power to spend money or anything of value to influence elections or ballot measures in the first place, the constitutional right to exercise that power becomes moot.

Montana: A Citizen Ballot Initiative in Progress

What It Does

- "The Montana Plan," is a ballot initiative that seeks to eliminate corporate and dark money from Montana politics without running afoul of Citizens United. Today, Montana, like most states, grants its corporations (any corporation doing business in the state) every power held by an individual to do all things necessary or convenient to carry out its business and affairs. The initiative if passed would change that to eliminate the power to spend in politics.

Status and Obstacles

- Montana's Attorney General twice rejected the constitutional version on "single-subject" grounds. After the initiative was revised with narrower language, on April 1, 2026, the Montana Supreme Court unanimously cleared the ballot initiative (Ballot Issue 10).
- To qualify, organizers needed about 30,000 signatures, which they surpassed on June 16, 2026 by more than 20,000, to force a statewide vote in November. Industry groups, including mining interests, have challenged the measure as unconstitutionally restricting protected speech.

Hawaii: First State To Enact It Into Law

What Passed

- Gov. Josh Green signed S.B. 2471 (Act 011) on May 14, 2026, making Hawaii the first state in the nation to enact a Corporate Power Reset law. It passed both chambers with near-unanimous, bipartisan support and takes effect July 1, 2027.
- The law: (1) declares that corporations and other "artificial persons" (LLCs, partnerships, nonprofit and for-profit corporations, associations) hold only the powers the state confers by statute; (2) repeals and re-grants the full slate of standard corporate powers; (3) deliberately

withholds the power to spend money or contribute anything of value to influence candidate elections or ballot measures; (4) applies equally to out-of-state ("foreign") entities authorized to do business in Hawaii; and (5) authorizes enforcement actions and penalties for violations.

- In early June 2026, the Grassroots Initiative of Hawaii filed a 'lawsuit to have Act 11 declared "unconstitutionally void and unenforceable," arguing that the law violates the First Amendment of the U.S. Constitution.' Hawaii has not yet responded (as of July 13, 2026).

California's AB 1984 – Model To Watch?

California's AB 1984 Framed as a change to corporate powers, it aims to do three big things at once.

- First, it revokes corporate powers not expressly granted in California law. Second, it would declare that "election activity authority" and "ballot issue activity authority" are not among those powers. Third, it would make the prohibition bite by treating violations as ultra vires — beyond the corporation's lawful authority — with the possibility of losing charter privileges (think limited liability and other state-conferred benefits) if a corporation steps over the line.
- It is early: The bill has been introduced and is awaiting committee consideration.
- Significance is obvious: if a state as large and economically central as California tries this approach, it becomes harder to dismiss it as a boutique reform theory.
- AB 1984 is also notable because it's built to be copied. Its language, structure, and enforcement concept match a broader "reset" model appearing in other states this year. (Billtrack50.org) See also Digital Democracy CalMatters

Where Connecticut Stands

- No Corporate Power Reset bill has yet been introduced or passed in the Connecticut General Assembly. Discussion to date has been at the advocacy/op-ed stage — for example, Senator Anwar's December 2025 CT Insider Op-ed raised the possibility, and a March 2026 CT Mirror commentary urged Connecticut to "join with Montana" and adopt the approach, citing the state's existing Citizens' Election Program as a complementary, not competing, reform.
- Connecticut already has its own public campaign-financing system (the Citizens' Election Program, created in 2005) and a state contractor contribution ban, both run by the State Elections Enforcement Commission (SEEC); any Corporate Power Reset proposal might need to be designed alongside — not in place of — these existing structures.
- Connecticut SB 461 (An Act Concerning Political Spending and State-Granted Corporate Powers) prohibits both in-state and out-of-state corporations from making political expenditures unless they use a dedicated political action committee. SB 461 passed out of committee in 2026 but did not get floor vote.

Key Questions for Connecticut To Answer

Legal & Drafting Questions

- Should Connecticut pursue this through ordinary legislation (Hawaii's and California's approach) or a constitutional amendment/ballot question (Montana's dual approach)? Connecticut's constitutional amendment process is more cumbersome than a citizen-initiative state like Montana — what does that mean for timeline and strategy? Are we correct to favor legislative approach?
- How much of this can be modelled after the state contractor ban?
- How should a Connecticut bill define "artificial persons" and the revoked/re-granted powers?

- Other legal questions – see Vermont working group paper linked below.

Scope & Enforcement Questions

- What counts as “election activity” or “ballot-issue activity” under the law, and how is that line drawn for issue advocacy, lobbying, and member communications that aren’t election spending? Again, look to the state contractor ban (which it appears to define very broadly)?
- What penalties or enforcement mechanisms apply to violators — forfeiture of charter privileges, fines, loss of the right to do business in Connecticut — and which state agency (SEEC (as in state contractor ban), Secretary of the State, Attorney General) would enforce them? (See California’s proposed penalties.)
- How would the law interact with Connecticut’s existing Citizens’ Election Program and state contractor contribution ban — as a complement, or could it create overlapping or conflicting compliance obligations?

Political & Practical Questions

- What would a carefully drafted CPR statute accomplish vs. what was expected with SB 461? Why did SB 461 direct corporate spending to made via PACs vs. more restrictive language? Why wouldn’t SB 461 allow independent expenditures (IE PACS) to be unlimited? Are IE PACs included or excluded in the bill?
- CT is a viewed as a leader in campaign finance, how can we continue to lead through this initiative?
- Is there a realistic path to bipartisan support in Connecticut, as occurred in Hawaii and Montana or will the measure proceed on a party-line basis, as has been the pattern in most other states so far (all proposals have been D led to date)?
- What is the implementation runway? Hawaii’s law passed in May 2026 but does not take effect until July 2027 — what lead time would Connecticut businesses, nonprofits, and the SEEC need to prepare for compliance?
- What happens if the law is enjoined or struck down in litigation before or shortly after taking effect —fallback reform(s)?

Sources in Brief

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https://www.billtrack50.com/info/blog/the-corporate-powers-reset-movement-how-states-are-trying-to-outflank-citizens-united *Stephen Rogers, Feb 25, 2026, Bill Track 50*

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Background

Working Group Report Vermont Legislature – Judiciary 2026 Extensive introduction with substantive legal analysis (page 19) and usefully footnoted:

https://legislature.vermont.gov/Documents/2026/Workgroups/Senate%20Judiciary/Bills/S.322/Witness%20Testimony/S.322~Tom%20Moore~The%20Corporate%20Power%20Reset%20That%20Makes%20Citizens%20United%20Irrelevant%20-%20Center%20for%20American%20Progress~3-12-2026.pdf

Center for American Progress articles. Note: see particularly: *Addressing Questions Surrounding Hawaii's Bold Move to Undo Citizens United.*

https://www.americanprogress.org/?s=Corporate+Power+Reset