

# SENATE COMMERCE COMMITTEE

## STATEMENT TO

### SENATE, No. 142

# STATE OF NEW JERSEY

DATED: MAY 16, 2022

The Senate Commerce Committee reports favorably Senate Bill No. 142.

This bill modifies applicable business filing statutes contained in the “New Jersey Business Corporation Act” by adding domestication and conversion provisions across all business entity types. Conversion is the process of converting from one type of business entity to another type. Domestication is the process of an out-of-state business entity converting to a domestic corporation. New Jersey law currently does not permit these actions. This bill will make New Jersey a more attractive State for the incorporation of businesses, by bringing it in line with many other states that allow domestication and conversion.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.