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SENATE BILL NO. 436

Offered January 11, 2006

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A BILL to amend and reenact §§ 24.2-914 and 24.2-922 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 24.2-927.1 and in Article 5 of Chapter 9 of Title 24.2 a section numbered 24.2-930.1, relating to campaign finance; special disclosure requirements for certain large contributions; civil penalties.

Patron—Devolites Davis

Referred to Committee on Privileges and Elections

Be it enacted by the General Assembly of Virginia:

1. That §§ 24.2-914 and 24.2-922 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 24.2-927.1 and in Article 5 of Chapter 9 of Title 24.2 a section numbered 24.2-930.1, as follows:

§ 24.2-914. Information to be included on report of contributions and expenditures.

A. The report required by this chapter shall be filed on a form prescribed by the State Board and shall include all contributions and expenditures. All completed forms shall be submitted in typed, printed, or legibly hand printed format or as provided in § 24.2-914.1. Except as provided by § 24.2-910 for certain political committees, reports required by this chapter shall be received by the State Board, local electoral board, or both, by the deadline for filing the report. The State Board shall provide instructions to filers for delivery of reports within the time periods prescribed by law. The State Board shall provide instructions for candidates who seek election for successive terms in the same office for the filing of reports within each appropriate election cycle for the office and for the aggregation of contributions and expenditures within each election cycle. Solely for the purpose of filing reports pursuant to this section, an incumbent with any activity to report in a new election cycle shall be presumed to be a candidate for reelection in the succeeding election. Persons submitting the forms shall do so subject to felony penalties for making false statements pursuant to § 24.2-1016.

B. The report of receipts shall include:

1. The total number of contributors, each of whom has contributed an aggregate of \$100 or less, including cash and in-kind contributions, as of the date of the report, and the total amount of contributions from all such contributors;

2. For each contributor who has contributed an aggregate of more than \$100, including cash and in-kind contributions, as of the date of the report, the name of the contributor, listed alphabetically, the address of the contributor, the amount of the contribution included in the schedule of receipts, the aggregate amount of contributions from the contributor to date, and the date of the last contribution. For each such individual contributor, the occupation of the contributor, the name of his employer or principal business, and the locality where employed or where his business is located. For each such contributor, other than an individual, the place of business and principal business activity of the contributor. For each such contributor other than an individual, it shall be sufficient to list the address of the contributor one time on the report of receipts.

C. The report of disbursements shall include all expenditures and give:

1. The name and address of the person paid;
2. A brief description of the purpose of the expenditure;
3. The name of the person contracting for or arranging the expenditure;
4. The amount of the expenditure; and
5. The date of the expenditure.

The report of disbursements shall itemize any expenditure made by credit card payment.

D. Each report for a candidate shall list separately those receipts and expenditures reported to the candidate or his treasurer by any person, political committee, or political party committee pursuant to § 24.2-907 and shall set forth in each instance the source of the information reported.

E. The report shall list separately all loans and, for each loan, shall give:

1. The date the loan was made;
2. The name and address of the person making the loan and any person who is a co-borrower, guarantor, or endorser of the loan;
3. The amount of the loan;
4. The date and amount of any repayment of the loan; and
5. For any loan or part of a loan that is forgiven by the lender, the amount forgiven listed as both a

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59 contribution and loan repayment.

60 *F. The provisions of this subsection apply to each statewide office candidate committee that has*
61 *received from a political committee during the applicable election cycle an aggregate of more than*
62 *\$100,000, including cash and in-kind contributions, as of the date of a required report, and to each*
63 *General Assembly candidate committee that has received from a political committee during the*
64 *applicable election cycle an aggregate of more than \$25,000, including cash and in-kind contributions,*
65 *as of the date of a required report. The candidate report shall include the name of the political*
66 *committee, its registration number provided by the State Board, the amount of the contribution included*
67 *in the candidate committee report schedule of receipts, the aggregate amount of contributions from the*
68 *political committee to date, and the date of the last contribution. In addition, the candidate report shall*
69 *include as an attachment (i) a report from the political committee of its receipts and expenditures that*
70 *meets the requirements of this section and that is complete through the date of its contribution to the*
71 *candidate that aggregated more than \$100,000 in the case of a statewide candidate and more than*
72 *\$25,000 in the case of a General Assembly candidate and (ii) if applicable, the report required by*
73 *subsection G.*

74 *G. 1. The provisions of this subsection apply to any political committee for which a candidate*
75 *attaches a report pursuant to clause (i) of subsection F. The political committee shall provide to the*
76 *candidate committee of a statewide candidate the additional report required by this subsection whenever*
77 *the report of the political committee's receipts includes contributions to it aggregating more than*
78 *\$100,000 from any person or entity, other than an individual for whom the information required by*
79 *subdivision B 2 is provided, which person or entity itself receives contributions from more than one*
80 *contributor. The political committee shall provide to the candidate committee of a General Assembly*
81 *candidate the additional report required by this subsection whenever the report of the political*
82 *committee's receipts includes a contribution to it aggregating more than \$25,000 from any person or*
83 *entity other than an individual for whom the information required by subdivision B 2 is provided, which*
84 *person or entity itself receives contributions from more than one contributor.*

85 *2. The political committee shall provide to the candidate committee a report from such person or*
86 *entity of its receipts and expenditures that meets the requirements of this section and that is complete*
87 *through the date that its contribution to the political committee aggregated more than \$100,000 in the*
88 *case of a statewide candidate and more than \$25,000 in the case of a General Assembly candidate.*

89 *H. The provisions of this subsection apply (i) to each statewide office candidate committee that has*
90 *received during the applicable election cycle from any person or entity, other than an individual for*
91 *whom the information required by subdivision B 2 is provided or a political committee subject to*
92 *subsections F and G, which person or entity itself receives contributions from more than one*
93 *contributor. an aggregate of more than \$100,000, including cash and in-kind contributions, as of the*
94 *date of a required report, and (ii) to each General Assembly candidate committee that has received*
95 *during the applicable election cycle from any such person or entity an aggregate of more than \$25,000,*
96 *including cash and in-kind contributions, as of the date of a required report. The candidate report shall*
97 *include the name of the person or entity, the amount of the contribution included in the candidate*
98 *committee report schedule of receipts, the aggregate amount of contributions from the person or entity*
99 *to date, and the date of the last contribution. In addition, the candidate report shall include as an*
100 *attachment a report from the person or entity of its receipts and expenditures that meets the*
101 *requirements of this section and that is complete through the date of its contribution to the candidate*
102 *that aggregated more than \$100,000 in the case of a statewide candidate and more than \$25,000 in the*
103 *case of a General Assembly candidate.*

104 *I. Supplements to the reports required by subsections F through H shall be provided by a political*
105 *committee, person, or entity to a candidate committee within three days of the date it makes any*
106 *additional contribution to the candidate committee.*

107 *§ 24.2-922. Reports as condition to qualification for office.*

108 *A. No person shall be permitted to qualify for any office, enter upon the duties thereof, or receive*
109 *any salary or emoluments therefrom until he has filed the reports required in subsections F through I of*
110 *§ 24.2-914, subdivisions 3 through 9 of § 24.2-916; subdivisions 1, 2 and 3 of § 24.2-917; and*
111 *subdivisions B 1 and B 3 of § 24.2-918, as applicable; and a final report if required by subsection C of*
112 *§ 24.2-906.1. No officer authorized by the laws of the Commonwealth to issue certificates of election*
113 *shall issue one to any person determined to be elected to any such office, until copies of the reports*
114 *cited above have been filed as required in this article.*

115 *B. Notwithstanding the requirements of subsection A, a person who is elected to fill a vacancy at a*
116 *special election held on a general election day may qualify for the office and be issued a certificate of*
117 *election in advance of filing the postelection report required to be filed under subdivision 9 of*
118 *§ 24.2-916 in the case of a November election, or under subdivision 3 of § 24.2-917 in the case of a*
119 *May election, upon the filing of a postelection report complete through the election day.*

120 *§ 24.2-927.1. Failure to file special reports of large contributions from political committees a*

121 violation; incomplete reports; civil penalties.

122 The failure to file, late filing, or filing of an incomplete report, required by subsections F through I
123 of § 24.2-914 shall constitute a violation of this chapter subject to the penalties provided in
124 § 24.2-930.1.

125 § 24.2-930.1. Failure to file special reports of large contributions from political committees;
126 incomplete reports; civil penalties.

127 In the case of a violation of subsections F through I of § 24.2-914 or § 24.2-927.1, the violator shall
128 be assessed a civil penalty not to exceed \$10,000. In the case of a second or any subsequent such
129 violation pertaining to one election cycle, the violator shall be assessed a civil penalty of \$20,000 for
130 each such additional violation. The State Board shall assess the civil penalty imposed by this section
131 and shall notify the public through the Internet of the violation and identity of the violator. The State
132 Board shall determine the schedule of fines required to be followed by its staff in assessing penalties
133 under this section. The State Board shall assess and collect the civil penalties provided in this section
134 and, if unable to collect the penalty, shall report the violation to the attorney for the Commonwealth of
135 the City of Richmond for enforcement.