

18100120D

HOUSE BILL NO. 263

Offered January 10, 2018

Prefiled January 3, 2018

A *BILL to amend the Code of Virginia by adding in Title 24.2 a chapter numbered 9.6, consisting of sections numbered 24.2-960 through 24.2-966, relating to public financing of elections; Virginia Democracy Voucher Program.*

Patrons—Simon, Carter, Gooditis, Hope, Levine, Plum, Rasoul and Sickles

Referred to Committee on Rules

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 24.2 a chapter numbered 9.6, consisting of sections numbered 24.2-960 through 24.2-966, as follows:

CHAPTER 9.6.**VIRGINIA DEMOCRACY VOUCHER PROGRAM.****§ 24.2-960. Applicability.**

The provisions of this chapter shall apply to candidates for Governor, Lieutenant Governor, Attorney General, and the General Assembly.

§ 24.2-961. Democracy Vouchers.

A. On the first business day in a statewide election year, the Department of Elections shall mail to each registered voter in the Commonwealth \$100 in Democracy Vouchers (vouchers), consisting of four vouchers of \$25 each. The Department shall issue \$100 in vouchers to any person who becomes registered to vote in the Commonwealth prior to the close of registration records prior to the November general election of that year. No person who is a nonresident of the Commonwealth, a corporation or other nonhuman entity, under the age of 18, or ineligible to make political contributions under federal law shall be issued any vouchers.

B. Any candidate shall be eligible to file with the Department for participation in the Virginia Democracy Voucher Program (the Program). Candidates who have filed for participation may receive assignment of a voucher, but vouchers may not be redeemed until such candidate has been certified as qualified by the Department. Vouchers may be redeemed only by candidates who have been certified as qualified by the Department.

C. A voucher shall state the holder's name, a unique voucher identification number assigned by the Department, the election year, words of assignment with blank spaces for the holder to designate a candidate and to sign the holder's name, and any additional information deemed necessary by the Department.

§ 24.2-962. Assignment of vouchers; limitations.

A. Vouchers may be transferred or assigned only in accordance with this subsection. Any person properly issued and in possession of a voucher may assign it by writing the name of the assignee candidate, signing and dating the voucher, and delivering the voucher to the candidate, the candidate's campaign treasurer, or the Department. Delivery may be made in person, by mail, or by electronic means as authorized by the State Board.

B. Vouchers may be assigned only to candidates who have chosen to participate in the Program and have filed for participation in the Program with the Department. No voucher may be assigned after the last business day in November following the election. No voucher may be assigned to a candidate who fails to qualify for the Program.

C. Assignment or transfer of a voucher for cash or any consideration is prohibited. Offering to purchase, buy, or sell a voucher is prohibited. No voucher may be given or gifted to another person except by assignment to a candidate as permitted by this section.

§ 24.2-963. Requirements for participation; qualifying contributions.

A. To seek qualification for participation in the Program, a candidate shall file with the Department, on or after July 1 of the year immediately preceding the election year but not later than two weeks after filing his statement of qualification, a sworn statement attesting to his intent to participate in the Program and affirming that he will comply with all Program requirements and applicable campaign laws.

B. All candidates participating in the Program:

1. Shall participate in at least three public debates for the primary election and three public debates for the general election;

2. Shall comply with all spending and contributing laws as set out in this chapter and all other

INTRODUCED

HB263

59 campaign and election laws applicable to candidates generally; and

60 3. Shall not knowingly solicit money for or on behalf of any political committee or political party
61 committee.

62 C. To qualify for participation in the Program, a candidate for Governor, Lieutenant Governor, or
63 Attorney General shall receive at least 1,000 qualifying contributions from persons residing in the
64 Commonwealth, a candidate for the Senate of Virginia shall receive at least 250 qualifying contributions
65 from persons residing in the district for which he is a candidate, and a candidate for the House of
66 Delegates shall receive at least 125 qualifying contributions from persons residing in the district for
67 which he is a candidate. A qualifying contribution is one that is at least \$10 but not more than the
68 contribution limit set out in § 24.2-964.

69 **§ 24.2-964. Contribution limits.**

70 A candidate who has qualified and is participating in the Program shall not solicit or accept any
71 single contribution in excess of \$500 or any combination of contributions with an aggregate value in
72 excess of \$500 from any one person or entity in an election cycle.

73 **§ 24.2-965. Campaign spending limit; remedies for exceeding spending limit.**

74 A. For purposes of this section, "campaign spending" means the sum of (i) all money spent to date,
75 equal to prior expenditures plus debts and obligations, and the value of any in-kind contributions
76 reported; (ii) all cash on hand; and (iii) the value of all unredeemed vouchers on hand.

77 B. Candidates who have qualified and are participating in the Program shall not exceed the
78 following limits on campaign spending:

79 1. For Governor, Lieutenant Governor, or Attorney General, \$500,000 for the primary election or \$1
80 million total for both the primary and general elections.

81 2. For the Senate of Virginia, \$75,000 for the primary election or \$150,000 total for both the
82 primary and general elections.

83 3. For the House of Delegates, \$50,000 for the primary election or \$100,000 total for both the
84 primary and general elections.

85 C. If a qualified candidate demonstrates to the Department that he has an opponent whose campaign
86 spending exceeds the campaign spending limit, whether or not the opponent is a participant in the
87 Program, the Department shall determine if the amount in excess is material. If the excess is deemed to
88 be material, the Department shall allow the qualified candidate to choose to be released from the
89 campaign spending and campaign contribution limits for the Program. The candidate shall be permitted
90 to redeem all vouchers received to date, up to the amount of the campaign contribution limit.

91 D. If a qualified candidate or any citizen of the Commonwealth demonstrates to the Department that
92 a qualified candidate faces independent expenditures, either in opposition to the candidate or in support
93 of the candidate's opponent, and the sum of such independent expenditures plus the amount of the
94 opponent's campaign spending exceeds the campaign spending limit, the Department shall determine if
95 the amount in excess is material. If the excess is deemed to be material, the Department shall allow the
96 qualified candidate to choose to be released from the campaign spending and campaign contribution
97 limits for the Program. The candidate shall be permitted to redeem all vouchers received to date, up to
98 the amount of the campaign contribution limit.

99 **§ 24.2-966. Redemption of vouchers; limits on use.**

100 A. The Department shall redeem vouchers only after verifying the assignment by ensuring that any
101 such voucher was issued to a registered voter and verifying the signature on such voucher. No voucher
102 shall be redeemed if the amount redeemed would put the candidate over the campaign spending limit set
103 out in § 24.2-964.

104 B. Vouchers shall be redeemed on regular redemption dates, which shall be at least two dates per
105 month, set by the State Board. Vouchers may be redeemed on other dates if deemed practicable by the
106 State Board. Vouchers shall be redeemed only if Program funds are available.

107 C. Candidates shall use voucher proceeds only for campaign costs or debts and shall not use such
108 proceeds after a reasonable period following the election as set by the State Board.

109 D. Candidates shall not use voucher proceeds to pay the candidate or a member of the candidate's
110 immediate family except to repay or reimburse a loan to the candidate's campaign committee; to pay
111 any entity in which the candidate or a member of his immediate family has an ownership interest of 10
112 percent or greater; to pay any amount over fair market value for any services, goods, facilities, or other
113 thing of value; to pay any penalty or fine; or to pay any costs associated with inauguration or
114 officeholding.