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## SENATE BILL NO. 488

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Privileges and Elections  
on January 21, 2020)

(Patrons Prior to Substitute—Senators Petersen and Ebbin [SB 889])

A BILL to amend the Code of Virginia by adding in Chapter 9.3 of Title 24.2 an article numbered 3.1, consisting of sections numbered 24.2-948.5 through 24.2-948.8, and by adding in Article 8 of Chapter 9.3 of Title 24.2 a section numbered 24.2-953.6, relating to campaign finance; campaign contribution limits; civil penalty.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 9.3 of Title 24.2 an article numbered 3.1, consisting of sections numbered 24.2-948.5 through 24.2-948.8, and by adding in Article 8 of Chapter 9.3 of Title 24.2 a section numbered 24.2-953.6 as follows:

## Article 3.1.

## Contribution Limits.

## § 24.2-948.5. Limits on contributions to candidates for statewide office and the General Assembly.

A. No person, campaign committee, or political committee shall contribute more than \$20,000 to any one campaign committee of a candidate for Governor, Lieutenant Governor, Attorney General, or the General Assembly in any one candidate election cycle, as defined in § 24.2-947.

B. No candidate or campaign committee shall solicit or accept contributions in excess of the limits set forth in this section.

C. The limits set forth in this section shall not apply to contributions by (i) the candidate to his own campaign; (ii) the candidate's spouse, child, parent, or sibling to his campaign; and (iii) a political party committee to the candidate.

D. Any contribution or portion thereof that is returned to the contributor within 60 days after receipt shall not be deemed to be a contribution for the purposes of applying the limits set forth in this section.

## § 24.2-948.6. Aggregation of contributions; prohibition on indirect contributions.

For purposes of applying the contribution limits set forth in § 24.2-948.5:

1. All direct or indirect contributions made by a person, campaign committee, or political committee to benefit a candidate, including any contributions that are knowingly earmarked or otherwise directed through any other person, campaign committee, or political committee, shall be deemed to be contributions from such person to such candidate.

2. All contributions made by a person, campaign committee, or political committee whose contribution or expenditure activity is financed, maintained, or controlled by any other person, campaign committee, or political committee, including a parent, subsidiary, branch, division, department, corporation, labor organization, or association, or local unit of such corporation, labor organization, or association, or by any group of such persons, shall be deemed to be made by the same person, campaign committee, or political committee; and

3. For entities not described in subdivision 1, two or more entities shall be deemed to be a single entity sharing the same contribution limit if the entities (i) share the majority of members on their boards of directors and share two or more officers, (ii) are owned or controlled by the same majority shareholder or shareholders, (iii) are in a parent-subsidiary relationship, or (iv) have bylaws stating that one organization has the power to control the other.

## § 24.2-948.7. Attribution and aggregation of family contributions.

For purposes of applying the contribution limits set forth in § 24.2-948.5:

1. Contributions by spouses shall be deemed to be separate contributions and shall be aggregated per individual; and

2. Contributions by unemancipated children under 18 years of age shall be considered contributions by their parents, and 50 percent of the contributions shall be attributed to each parent or, in the case of a single custodial parent, the total amount shall be attributed to the parent.

## § 24.2-948.8. Restrictions on loans.

Any loan to the campaign committee of a candidate for Governor, Lieutenant Governor, Attorney General, or the General Assembly shall be deemed to be a contribution from the maker and the guarantor of the loan and is subject to the contribution limits set forth in § 24.2-948.5. A loan to a candidate or the candidate's campaign committee must be by written agreement. The proceeds of a loan made to a candidate's campaign committee shall not be subject to the contribution limits stated in § 24.2-948.5 if the loan is made by the candidate to his own campaign committee or is made by a commercial lending institution in the regular course of business and on the same terms ordinarily available to members of the public and is secured or guaranteed only by the candidate or his campaign

60 committee.

61 **§ 24.2-953.6. Violation of contribution limits; civil penalty.**

62 A. Any candidate for Governor, Lieutenant Governor, Attorney General, or the General Assembly  
63 whose campaign committee knowingly accepts, or any contributor who knowingly makes to such  
64 candidate, contributions in excess of the limits imposed in Article 3.1 (§ 24.2-948.5 et seq.) shall be  
65 subject to a civil penalty of up to two times the amount by which the contribution exceeds the limit. The  
66 State Board shall assess and collect such civil penalties, which shall be payable to the State Treasurer  
67 for deposit to the general fund.

68 B. Any person who knowingly subdivides contributions into smaller amounts or uses other entities as  
69 a conduit for the purpose of evading contribution limits imposed in Article 3.1 (§ 24.2-948.5 et seq.)  
70 shall be subject to a civil penalty of up to two times the amount by which the contribution exceeds the  
71 limit. The State Board shall assess and collect such civil penalties, which shall be payable to the State  
72 Treasurer for deposit to the general fund.