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HOUSE BILL NO. 1302

Offered January 21, 2022

A BILL to amend and reenact §§ 24.2-945.1, 24.2-947.4, 24.2-949.5, 24.2-950.4, 24.2-951.3, and 24.2-952.3 of the Code of Virginia and to amend the Code of Virginia by adding in Article 1 of Chapter 9.3 of Title 24.2 a section numbered 24.2-945.3, relating to elections; campaign finance; contributions from persons that are not individuals; source of funds reporting requirements.

Patron—Helmer

Referred to Committee on Privileges and Elections

Be it enacted by the General Assembly of Virginia:

1. That §§ 24.2-945.1, 24.2-947.4, 24.2-949.5, 24.2-950.4, 24.2-951.3, and 24.2-952.3 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 1 of Chapter 9.3 of Title 24.2 a section numbered 24.2-945.3 as follows:

§ 24.2-945.1. Definitions.

A. As used in this chapter, unless the context requires a different meaning:

"Authorization" means express approval or express consent by the candidate, the candidate's campaign committee, or an agent of the candidate or his campaign committee after coordination.

"Bundled contribution" means a contribution composed entirely of an amount or amounts that can be attributed to an individual or set of individuals who are identified by the information in subdivisions B 2 a through h of § 24.2-947.4.

"Campaign committee" means the committee designated by a candidate to receive all contributions and make all expenditures for him or on his behalf in connection with his nomination or election.

"Candidate" means "candidate" as defined in § 24.2-101.

"Contribution" means money and services of any amount, in-kind contributions, and any other thing of value, given, advanced, loaned, or in any other way provided to a candidate, campaign committee, political committee, or person for the purpose of expressly advocating the election or defeat of a clearly identified candidate or to an inaugural committee for the purpose of defraying the costs of the inauguration of a Governor, Lieutenant Governor, or Attorney General. "Contribution" includes money, services, or things of value in any way provided by a candidate to his own campaign and the payment by the candidate of a filing fee for any party nomination method.

"Coordinated" or "coordination" refers to an expenditure that is made (i) at the express request or suggestion of a candidate, a candidate's campaign committee, or an agent of the candidate or his campaign committee or (ii) with material involvement of the candidate, a candidate's campaign committee, or an agent of the candidate or his campaign committee in devising the strategy, content, means of dissemination, or timing of the expenditure.

"Designated contribution" means a contribution that is designated specifically and in writing for a particular candidate or candidates and that is made using a political committee solely as a conduit.

"Expenditure" means money and services of any amount, and any other thing of value, paid, loaned, provided, or in any other way disbursed by any candidate, campaign committee, political committee, or person for the purpose of expressly advocating the election or defeat of a clearly identified candidate or by any inaugural committee for the purpose of defraying the costs of the inauguration of a Governor, Lieutenant Governor, or Attorney General.

"Federal political action committee" means any political action committee registered with the Federal Election Commission that makes contributions to candidates or political committees registered in Virginia.

"Inaugural committee" means any organization, person, or group of persons that anticipates receiving contributions or making expenditures, from other than publicly appropriated funds, for the inauguration of the Governor, Lieutenant Governor, or Attorney General and related activities.

"Independent expenditure" means an expenditure made by any person, candidate campaign committee, or political committee that is not made to, controlled by, coordinated with, or made with the authorization of a candidate, his campaign committee, or an agent of the candidate or his campaign committee. "Independent expenditure" includes an expenditure made by a candidate campaign committee (i) that is not related to the candidate's own campaign and (ii) that is not made to, controlled by, coordinated with, or made with the authorization of a different candidate, his campaign committee, or an agent of that candidate or his campaign committee.

"In-kind contribution" means the donation of goods, services, property, or other thing of value, other than money, including an expenditure controlled by, coordinated with, or made upon the authorization of

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59 a candidate, his campaign committee, or an agent of the candidate or his campaign committee, that is
60 provided for free or less than the usual and normal charge. The basis for arriving at the dollar value of
61 an in-kind contribution is as follows: new items are valued at retail value; used items are valued at fair
62 market value; and services rendered are valued at the actual cost of service per hour. Services shall not
63 be deemed to include personal services voluntarily rendered for which no compensation is asked or
64 given.

65 "Out-of-state political committee" means an entity covered by § 527 of the United States Internal
66 Revenue Code that is not registered as a political committee or candidate campaign committee in
67 Virginia and that does not have as its primary purpose expressly advocating the election or defeat of a
68 clearly identified candidate. The term shall not include a federal political action committee.

69 "Person" means any individual or corporation, partnership, business, labor organization, membership
70 organization, association, cooperative, or other like entity.

71 "Political action committee" means any organization, person, or group of persons, established or
72 maintained to receive and expend contributions for the primary purpose of expressly advocating the
73 election or defeat of a clearly identified candidate. The term shall not include a campaign committee,
74 federal political action committee, out-of-state political committee, political party committee, referendum
75 committee, or inaugural committee.

76 "Political committee" means and includes any political action committee, political party committee,
77 referendum committee, or inaugural committee. The term shall not include: (i) a federal political action
78 committee or out-of-state political committee; (ii) a campaign committee; (iii) a political party committee
79 exempted pursuant to § 24.2-950.1; or (iv) a person who receives no contributions from any source and
80 whose only expenditures are made solely from his own funds and are either contributions made by him
81 which are reportable by the recipient pursuant to this chapter or independent expenditures which are
82 reportable by him to the extent required by § 24.2-945.2, or a combination of such reportable
83 contributions and independent expenditures.

84 "Political party committee" means any state political party committee, congressional district political
85 party committee, county or city political party committee, other election district political party
86 committee, or organized political party group of elected officials. This definition is subject to the
87 provisions of § 24.2-950.1.

88 "Primary purpose" means that 50% 50 percent or more of the committee's expenditures made in the
89 form of contributions shall be made to candidate campaign committees or political committees registered
90 in Virginia. Administrative expenditures and the transfer of funds between affiliated or connected
91 organizations shall not be considered in determining the committee's primary purpose. The primary
92 purpose of the committee shall not be determined on the basis of only one report or election cycle, but
93 over the entirety of the committee's registration.

94 "Referendum committee" means any organization, person, group of persons, or committee, that makes
95 expenditures in a calendar year in excess of (i) \$10,000 to advocate the passage or defeat of a statewide
96 referendum, (ii) \$5,000 to advocate the passage or defeat of a referendum being held in two or more
97 counties and cities, or (iii) \$1,000 to advocate the passage or defeat of a referendum held in a single
98 county or city.

99 "Residence" means "residence" or "resident" as defined in § 24.2-101.

100 "Statewide office" means the office of Governor, Lieutenant Governor, or Attorney General.

101 B. For the purpose of applying the filing and reporting requirements of this chapter, the terms
102 "person" and "political committee," shall not include an organization holding tax-exempt status under
103 § 501(c) (3), 501(c) (4), or 501(c) (6) of the United States Internal Revenue Code which, in providing
104 information to voters, does not advocate or endorse the election or defeat of a particular candidate,
105 group of candidates, or the candidates of a particular political party.

106 **§ 24.2-945.3. Contributions from persons that are not individuals; civil penalty.**

107 A. *No person that is not an individual shall make any contribution in excess of \$20,000 that is not a*
108 *bundled contribution to a candidate, campaign committee, political committee, or political party*
109 *committee. No candidate, campaign committee, political committee, or political party committee shall*
110 *solicit or accept any contribution in excess of \$20,000 that is not a bundled contribution from any such*
111 *person that is not an individual.*

112 B. *For the purposes of applying the prohibition set forth in this section, all direct or indirect*
113 *contributions made by a person that is not an individual to a candidate, campaign committee, political*
114 *committee, or political party committee, including any designated contributions or contributions*
115 *otherwise explicitly directed through any other person or committee for such purpose, shall be deemed*
116 *to be contributions from such person to such candidate, campaign committee, political committee, or*
117 *political party committee.*

118 C. *For the purposes of applying the prohibition set forth in this section, any contribution or portion*
119 *thereof that is returned to the contributor within 60 days after receipt shall be deemed to have not been*
120 *accepted.*

121 *D. Any candidate for elected office whose campaign committee knowingly accepts, or any person*
122 *who knowingly makes to such candidate, contributions in violation of the prohibition set forth in this*
123 *section shall be subject to a civil penalty of up to two times the amount of the contribution. The State*
124 *Board shall assess and collect such civil penalties, which shall be payable to the State Treasurer for*
125 *deposit into the general fund.*

126 **§ 24.2-947.4. Information to be included on campaign finance reports for campaign committees.**

127 A. The reports required by this article shall be filed on a form prescribed by the State Board and
128 shall include all financial activity of the campaign committee. All completed forms shall be submitted in
129 typed, printed, or legibly hand printed format or electronically as provided in § 24.2-946.1. Persons
130 submitting the forms shall do so subject to felony penalties for making false statements pursuant to
131 § 24.2-1016.

132 B. The report of receipts shall include:

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

136 2. For each contributor who has contributed an aggregate of more than \$100, including cash and
137 in-kind contributions, as of the ending date of the report, the campaign committee shall itemize each
138 contributor on the report and list the following information:

- 139 a. the name of the contributor, listed alphabetically,
- 140 b. the mailing address of the contributor,
- 141 c. the amount of the contribution,
- 142 d. the aggregate amount of contributions from the contributor to date,
- 143 e. the date of the contribution,
- 144 f. the occupation of the contributor,
- 145 g. the name of his employer or principal business, and
- 146 h. the city and state where employed or where his business is located.

147 For each such contributor, other than an individual, the principal type of business and place of
148 business of the contributor shall be substituted for subdivisions f and g, respectively. For each such
149 contributor other than an individual, it shall be sufficient to list the address of the contributor one time
150 on the report of receipts;

151 3. For each designated contribution received by the campaign committee from a political committee,
152 out-of-state political committee, or federal political action committee, the campaign committee shall list
153 the name of the person who designated the contribution and provide the information required by this
154 subsection; *and*

155 4. *For each bundled contribution, in addition to any information required by subdivisions 1, 2, and*
156 *3, the complete identifying information of all of the individual contributors whose contributions compose*
157 *the bundled contribution, regardless of the amount of the bundled contribution attributed to any such*
158 *individual.*

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

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

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

166 D. Each report for a candidate shall list separately those receipts and expenditures reported to the
167 candidate or his treasurer by any person, campaign committee, or political committee pursuant to
168 subsection D of § 24.2-947.3, and in the case of in-kind contributions, shall set forth in each instance
169 the source of the information reported.

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

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

178 F. The State Board shall provide for a "no activity" report that may be filed for any reporting period
179 in which the filer has no activity to report.

180 G. It is the joint responsibility of the candidate and his treasurer that the report of a candidate be
181 filed, that the report be in full and accurate detail, and that the report be received by the State Board,

182 general registrar, or both, by the deadline for filing the report.

183 **§ 24.2-949.5. Information to be included on campaign finance reports for political action**
 184 **committees.**

185 A. The reports required by this article shall be filed on a form prescribed by the State Board and
 186 shall include all financial activity of the political action committee. All completed forms shall be
 187 submitted in typed, printed, or legibly hand printed format or electronically as provided in § 24.2-946.1.
 188 Persons submitting the forms shall do so subject to felony penalties for making false statements pursuant
 189 to § 24.2-1016.

190 B. The report of receipts shall include:

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

194 2. For each contributor who has contributed an aggregate of more than \$100, including cash and
 195 in-kind contributions, as of the ending date of the report, the political action committee shall itemize
 196 each contributor on the report and list the following information:

- 197 a. the name of the contributor, listed alphabetically,
- 198 b. the mailing address of the contributor,
- 199 c. the amount of the contribution,
- 200 d. the aggregate amount of contributions from the contributor to date,
- 201 e. the date of the last contribution,
- 202 f. the occupation of the contributor,
- 203 g. the name of his employer or principal business, and
- 204 h. the locality where employed or where his business is located.

205 For each such contributor, other than an individual, the principal type of business and place of
 206 business of the contributor shall be substituted for subdivisions f and g, respectively. For each such
 207 contributor other than an individual, it shall be sufficient to list the address of the contributor one time
 208 on the report of receipts; *and*

209 3. *For each bundled contribution, in addition to any information required by subdivisions 1 and 2,*
 210 *the complete identifying information of all of the individual contributors whose contributions compose*
 211 *the bundled contribution, regardless of the amount of the bundled contribution attributed to any such*
 212 *individual.*

213 C. Upon transfer of a designated contribution to a designated candidate's campaign committee, the
 214 committee shall provide information to the campaign committee to identify the contributor as provided
 215 by § 24.2-947.4.

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

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

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

223 E. Each report for a political action committee shall list separately those receipts and expenditures
 224 reported to the treasurer or other officer of the committee by any person, candidate campaign committee,
 225 or political committee, pursuant to subsection B of § 24.2-949.4, and in the case of in-kind
 226 contributions, shall set forth in each instance the source of the information reported.

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

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

235 G. The State Board shall provide for a "no activity" report that may be filed for any reporting period
 236 in which the filer has no activity to report.

237 H. It is the responsibility of the treasurer that the report for the political action committee be filed
 238 and that the report be in full and accurate detail.

239 **§ 24.2-950.4. Information to be included on campaign finance reports for political party**
 240 **committees.**

241 A. The reports required by this article shall be filed on a form prescribed by the State Board and
 242 shall include all financial activity of the political party committee. All completed forms shall be
 243 submitted in typed, printed, or legibly hand printed format or electronically as provided in § 24.2-946.1.

244 Persons submitting the forms shall do so subject to felony penalties for making false statements pursuant
245 to § 24.2-1016.

246 B. The report of receipts shall include:

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

250 2. For each contributor who has contributed an aggregate of more than \$100, including cash and
251 in-kind contributions, as of the ending date of the report, the political party committee shall itemize each
252 contributor on the report and list the following information:

- 253 a. the name of the contributor, listed alphabetically,
- 254 b. the mailing address of the contributor,
- 255 c. the amount of the contribution,
- 256 d. the aggregate amount of contributions from the contributor to date,
- 257 e. the date of the last contribution,
- 258 f. the occupation of the contributor,
- 259 g. the name of his employer or principal business, and
- 260 h. the locality where employed or where his business is located.

261 For each such contributor, other than an individual, the principal type of business and place of
262 business of the contributor shall be substituted for subdivisions f and g, respectively. For each such
263 contributor other than an individual, it shall be sufficient to list the address of the contributor one time
264 on the report of receipts; *and*

265 3. *For each bundled contribution, in addition to any information required by subdivisions 1 and 2,*
266 *the complete identifying information of all of the individual contributors whose contributions compose*
267 *the bundled contribution, regardless of the amount of the bundled contribution attributed to any such*
268 *individual.*

269 C. Upon transfer of a designated contribution to a designated candidate's campaign committee, the
270 committee shall provide information to the campaign committee to identify the contributor as provided
271 by § 24.2-947.4.

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

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

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

279 E. Each report for a political party committee shall list separately those receipts and expenditures
280 reported to the treasurer or other officer of the committee by any person, campaign committee, or
281 political committee pursuant to subsection B of § 24.2-950.3, and in the case of in-kind contributions,
282 shall set forth in each instance the source of the information reported.

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

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

291 G. The State Board shall provide for a "no activity" report that may be filed for any reporting period
292 in which the filer has no activity to report.

293 H. It is the responsibility of the treasurer that the report for the political party committee be filed and
294 that the report be in full and accurate detail.

295 **§ 24.2-951.3. Information to be included on campaign finance reports for referendum**
296 **committees.**

297 A. The reports required by this article shall be filed on a form prescribed by the State Board and
298 shall include all financial activity of the referendum committee. All completed forms shall be submitted
299 in typed, printed, or legibly hand printed format or electronically as provided in § 24.2-946.1. Persons
300 submitting the forms shall do so subject to felony penalties for making false statements pursuant to
301 § 24.2-1016.

302 B. The report of receipts shall include:

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

305 contributions from all such contributors;

306 2. For each contributor who has contributed an aggregate of more than \$100, including cash and
307 in-kind contributions, as of the ending date of the report, the referendum committee shall itemize each
308 contributor on the report and list the following information:

- 309 a. the name of the contributor, listed alphabetically,
310 b. the mailing address of the contributor,
311 c. the amount of the contribution,
312 d. the aggregate amount of contributions from the contributor to date,
313 e. the date of the last contribution,
314 f. the occupation of the contributor,
315 g. the name of his employer or principal business, and
316 h. the locality where employed or where his business is located.

317 For each such contributor, other than an individual, the principal type of business and place of
318 business of the contributor shall be substituted for subdivisions f and g, respectively. For each such
319 contributor other than an individual, it shall be sufficient to list the address of the contributor one time
320 on the report of receipts; and

321 3. For each bundled contribution, in addition to any information required by subdivisions 1 and 2,
322 the complete identifying information of all of the individual contributors whose contributions compose
323 the bundled contribution, regardless of the amount of the bundled contribution attributed to any such
324 individual.

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

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

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

332 D. Each report for a referendum committee shall list separately those receipts and expenditures
333 reported to the treasurer or other officer of the committee by any person, campaign committee, or
334 political committee, pursuant to subsection B of § 24.2-951.2 and, in the case of in-kind contributions,
335 shall set forth in each instance the source of the information reported.

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

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

344 F. The State Board shall provide for a "no activity" report that may be filed for any reporting period
345 in which the filer has no activity to report.

346 G. It is the responsibility of the treasurer that the report for the referendum committee be filed and
347 that the report be in full and accurate detail.

348 **§ 24.2-952.3. Information to be included on campaign finance reports for inaugural committees.**

349 A. The reports required by this article shall be filed on a form prescribed by the State Board and
350 shall include all financial activity of the inaugural committee. All completed forms shall be submitted in
351 typed, printed, or legibly hand printed format or electronically as provided in § 24.2-946.1. Persons
352 submitting the forms shall do so subject to felony penalties for making false statements pursuant to
353 § 24.2-1016.

354 B. The report of receipts shall include:

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

358 2. For each contributor who has contributed an aggregate of more than \$100, including cash and
359 in-kind contributions, as of the ending date of the report, the campaign committee shall itemize each
360 contributor on the report and list the following information:

- 361 a. the name of the contributor, listed alphabetically,
362 b. the mailing address of the contributor,
363 c. the amount of the contribution,
364 d. the aggregate amount of contributions from the contributor to date,
365 e. the date of the last contribution,
366 f. the occupation of the contributor,

- 367 g. the name of his employer or principal business, and
 368 h. the locality where employed or where his business is located.
- 369 For each such contributor, other than an individual, the principal type of business and place of
 370 business of the contributor shall be substituted for subdivisions f and g, respectively. For each such
 371 contributor other than an individual, it shall be sufficient to list the address of the contributor one time
 372 on the report of receipts; *and*
- 373 *3. For each bundled contribution, in addition to any information required by subdivisions 1 and 2,*
 374 *the complete identifying information of all of the individual contributors whose contributions compose*
 375 *the bundled contribution, regardless of the amount of the bundled contribution attributed to any such*
 376 *individual.*
- 377 C. The report of disbursements shall include all expenditures and give:
- 378 1. The name and address of the person paid;
- 379 2. A brief description of the purpose of the expenditure;
- 380 3. The name of the person contracting for or arranging the expenditure;
- 381 4. The amount of the expenditure; and
- 382 5. The date of the expenditure.
- 383 The report of disbursements shall itemize any expenditure made by credit card payment.
- 384 D. Each report for an inaugural committee shall list separately those receipts and expenditures
 385 reported to the treasurer or other officer of the committee by any person, candidate campaign committee,
 386 political committee, pursuant to subsection B of § 24.2-952.2, and in the case of in-kind contributions,
 387 shall set forth in each instance the source of the information reported.
- 388 E. The report shall list separately all loans, and for each loan, shall give:
- 389 1. The date the loan was made;
- 390 2. The name and address of the person making the loan and any person who is a co-borrower,
 391 guarantor, or endorser of the loan;
- 392 3. The amount of the loan;
- 393 4. The date and amount of any repayment of the loan; and
- 394 5. For any loan or part of a loan that is forgiven by the lender, the amount forgiven listed as both a
 395 contribution and loan repayment.
- 396 F. The State Board shall provide for a "no activity" report that may be filed for any reporting period
 397 in which the filer has no activity to report.
- 398 G. It is the responsibility of the treasurer that the report for the inaugural committee be filed and that
 399 the report be in full and accurate detail.