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**HOUSE BILL NO. 1690**

Offered January 14, 2015

Prefiled January 11, 2015

*A BILL to amend and reenact § 24.2-948.4 of the Code of Virginia and to amend the Code of Virginia by adding in Article 3 of Chapter 9.3 of Title 24.2 a section numbered 24.2-948.5, relating to the Campaign Finance Disclosure Act; unlawful conversion of campaign contributions to personal use; penalty.*

Patrons—Simon and Rasoul

Referred to Committee on Privileges and Elections

**Be it enacted by the General Assembly of Virginia:**

**1. That § 24.2-948.4 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 3 of Chapter 9.3 of Title 24.2 a section numbered 24.2-948.5 as follows:**

**§ 24.2-948.4. Final report requirement; disbursement of surplus funds.**

A. A final report shall be filed by every campaign committee which sets forth (i) all receipts and disbursements not previously reported, (ii) an accounting of the retirement of all debts, and (iii) the disposition of all surplus funds as provided in subsection D. The final report shall include a termination statement, signed by the candidate, that all reporting for the campaign committee is complete and final. Once a campaign committee's final report has been filed, no further report relating to that election shall be required.

B. A final report shall be required when (i) a candidate no longer seeks election to the same office in a successive election, (ii) a candidate seeks election to a different office, or (iii) the candidate is deceased.

C. If the candidate is deceased, the final report shall be filed and signed by the treasurer. If the candidate was serving as his own treasurer, his executor shall file and sign the final report. Any excess contributed funds shall be disposed of pursuant to the provisions of subsection D.

D. Amounts received by a candidate or his campaign committee as contributions that are in excess of the amount necessary to defray his campaign expenditures may be disposed of only by one or any combination of the following: (i) transferring the excess for use in a succeeding election or to retire the deficit in a preceding election; (ii) returning the excess to a contributor in an amount not to exceed the contributor's original contribution; (iii) donating the excess to any organization described in § 170(c) of the Internal Revenue Code; (iv) contributing the excess to one or more candidates or to any political committee that has filed a statement of organization pursuant to this chapter; (v) contributing the excess to any political party committee; and (vi) defraying any ordinary, nonreimbursed expense related to his elective office. ~~It shall be unlawful for any person to convert any contributed moneys, securities, or like intangible personal property to his personal use or to the use of a member of the candidate's "immediate family" as that term is defined in § 30-101.~~

**§ 24.2-948.5. Unlawful conversion of campaign contributions to personal use; penalty.**

A. ~~It shall be unlawful for any candidate to convert any moneys, securities, or like intangible personal property that has been contributed to the candidate or his candidate campaign committee to his personal use or to the personal use of a member of his immediate family, as that term is defined in § 30-101.~~

B. *For purposes of this section, a contribution shall be considered to be converted to personal use if the contribution, in whole or in part, is used to fulfill any commitment, obligation, or expense of the candidate or member of his immediate family that would exist irrespective of the candidate's duties as a candidate or public office holder, including a home mortgage, rent, or utility payment; a noncampaign-related automobile expense; a vacation or other noncampaign-related trip; or a clothing purchase. "Personal use" does not include the ordinary and accepted expenses related to campaigning for or holding elective office.*

C. *A violation of this section is a Class 1 misdemeanor.*

INTRODUCED

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