

Department of Planning and Budget

2023 Fiscal Impact Statement

1. **Bill Number:** HB1648

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Anderson

3. **Committee:** Privileges and Elections

4. **Title:** Prohibited contributions from foreign-influenced corporations; required reports.

5. **Summary:** Prohibits foreign-influenced corporations, as defined in the bill, from making independent expenditures or making contributions to a candidate, campaign committee, political committee, or political party committee. The bill provides that any such corporation violating the prohibition is subject to a fine of not more than \$50,000 and that any officer, director, or agent of any such corporation involved in such violation is subject to a fine of not more than \$10,000, imprisonment for not more than one year, or both. The bill also requires that any corporation, as defined in the bill, that makes an independent expenditure or makes a contribution to a candidate, campaign committee, political committee, or political party committee must certify with the Department of Elections that, after due inquiry, the corporation was not a foreign-influenced corporation on the date such expenditure or contribution was made.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Preliminary, see item 8 below.

8. **Fiscal Implications:** The proposed legislation is not expected to have a fiscal impact on the Department of Elections.

Any such corporation violating this chapter shall be punished by a fine of not more than \$50,000 and any officer, director, or agent of any such corporation violating any provision of this chapter or authorizing such violation of any provision thereof, or any person that violates or in any way knowingly aids or abets the violation thereof, shall be punished by a fine of not more than \$10,000, imprisonment for not more than one year, or both. There is not enough information to reliably estimate the increase in jail or prison population as a result of this proposal. However, any increase in jail or prison populations will increase costs to the state. The Commonwealth currently pays localities \$4.00 a day for each misdemeanor or otherwise local-responsible offender and \$15.00 a day for each state-responsible prisoner. All revenue collected from such fines is deposited into the Literary Fund. However, it is not possible to estimate either the number of convictions that may result or the amount of each

fine that may be assessed under this legislation. Therefore, the impact of this bill cannot be determined.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Elections and State Board of Elections.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

January 30, 2023