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**HOUSE BILL NO. 1691**

Offered January 13, 2025

Prefiled January 3, 2025

*Directing the Joint Legislative Audit and Review Commission to study Virginia's campaign finance system. Report.*

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Patron—Jones

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Referred to Committee on Rules

WHEREAS, campaign finance regulations are most effective when they are transparent, enforceable, and easy to navigate for candidates, elected officials, and the public; and

WHEREAS, the absence of any effective response to recent scandals has demonstrated the inability of local and state authorities to determine how violations of laws should be reported and investigated; and

WHEREAS, surging campaign costs force officeholders and candidates to focus time and efforts on fundraising rather than governing; and

WHEREAS, the pressures exerted by expensive campaigns make larger contributions and their donors more important, and these pressures test the integrity of the candidates who ask for money and the donors who respond; and

WHEREAS, the Commonwealth has relied on disclosure by candidates and political committees to keep the campaign finance process free from corruption; and

WHEREAS, the Commonwealth has declined to impose limits on campaign contributions or to systematically examine campaign disclosure reports for compliance; and

WHEREAS, the increasing costs of political campaigns and increasing number of campaign finance experiments in other states combine to justify a study of the campaign finance laws in the Commonwealth; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Legislative Audit and Review Commission be directed to study Virginia's campaign finance laws.

In conducting its study, the Joint Legislative Audit and Review Commission shall (i) identify any legal, technical, and staffing shortcomings in the current campaign finance system relating to (a) reporting and investigating violations, (b) enforcing legal and regulatory requirements, and (c) implementing directions from state government at the local level and (ii) determine what budgetary allocations would be sufficient to effectively carry out such aspects of the campaign finance system. To that end, the Joint Legislative Audit and Review Commission shall analyze how existing campaign finance system could be modernized by the creation of a new independent agency in order to increase transparency and accountability using best practices from other jurisdictions across the United States.

The report of the Joint Legislative Audit and Review Commission shall include (a) clear recommendations based on its analysis as to the establishment of an independent agency responsible for receiving and reviewing campaign finance reports and investigating and penalizing campaign finance violations and any new laws that should be established to effectively enforce campaign finance laws; (b) a set of best practices for state officials to make each step of the campaign finance reporting requirements clear for candidates, including any suggested requirements for training, providing advisory opinions to, and producing instructional materials for candidates; (c) best practice recommendations to improve the existing citizen complaint process for alleged violations of campaign finance laws and regulations; (d) administrative recommendations for appropriate staffing and budgetary requirements to improve the efficiency of existing campaign finance advising, reporting, and enforcement mechanisms; and (e) best practice recommendations for the optimal penalties and fines for campaign finance violations.

Technical assistance shall be provided to the Joint Legislative Audit and Review Commission by the State Board of Elections, and the Department of Elections. All agencies of the Commonwealth shall provide assistance to the Joint Legislative Audit and Review Commission for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings by November 30, 2025, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2026 Regular Session of the General Assembly. The executive summary shall state whether the Joint Legislative Audit and Review Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

INTRODUCED

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