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HOUSE JOINT RESOLUTION NO. 444

Offered January 13, 2025

Prefiled January 6, 2025

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

Patrons—Jones, Convirs-Fowler, Martinez and Simon; Senators: Bagby and Salim

Committee Referral Pending

WHEREAS, the current law and practices disallowing any effective response to recent scandals has demonstrated the inability of local and state authorities to adequately enforce existing campaign finance or election fraud laws and determine how violations of laws should be reported and investigated; and

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 lack of staff capacity at the Department of Elections and the need to divorce campaign finance and election fraud investigations from political associations have contributed to Virginia's inability to effectively enforce existing campaign finance laws; and

WHEREAS, the Department of Elections is tasked with ensuring that local electoral boards and registrars practice timely compliance with state election laws, but currently lacks effective tools to discourage noncompliance, except for the costly, time-intensive process of pursuing personnel removal; 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 does not currently impose limits on campaign contributions nor are state officials appropriately resourced 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 House of Delegates, the Senate 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 election and campaign finance laws 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 the 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 whose authority lies outside of the Governor's office responsible for receiving and reviewing campaign finance reports and investigating and penalizing campaign finance violations, conducting voter fraud investigations, and any new laws that should be established to effectively enforce election and 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 election fraud and violations of campaign finance laws and regulations; (d) administrative recommendations for appropriate staffing, including in-house legal counsel, and budgetary requirements of such agency to improve the efficiency of existing campaign finance advising, reporting, and enforcement mechanisms; (e) best practice recommendations for the optimal penalties and fines for campaign finance violations; and (f) options for such an agency to provide accountability for local electoral boards who fail to comply with state election law in a timely fashion, including the failure to levy appropriate penalties or sanctions.

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

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59 Assembly. The executive summary shall state whether the Joint Legislative Audit and Review Commission
60 intends to submit to the General Assembly and the Governor a report of its findings and recommendations for
61 publication as a House or Senate document. The executive summary and report shall be submitted as
62 provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative
63 documents and reports and shall be posted on the General Assembly's website.