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**HOUSE BILL NO. 2165**

Offered January 13, 2025

Prefiled January 7, 2025

A *BILL to amend and reenact §§ 2.2-3711, 24.2-946, and 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 sections numbered 24.2-948.6 through 24.2-948.9, relating to campaign finance; prohibited personal use of campaign funds; complaints, hearings, civil penalties, and advisory opinions.*

Patrons—Cole, Bulova, Helmer, Simon, Tran, Bennett-Parker, Clark, Cousins, Feggans, Henson, Hernandez, Krizek, Martinez, McClure, Milde, Mundon King, Price, Rasoul, Seibold, Watts and Willett; Senator: Salim

Referred to Committee on Privileges and Elections

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

**1. That §§ 2.2-3711, 24.2-946, and 24.2-948.4 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 3 of Chapter 9.3 of Title 24.2 sections numbered 24.2-948.6 through 24.2-948.9 as follows:**

**§ 2.2-3711. Closed meetings authorized for certain limited purposes.**

A. Public bodies may hold closed meetings only for the following purposes:

1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided that the teacher makes a written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be construed to authorize a closed meeting by a local governing body or an elected school board to discuss compensation matters that affect the membership of such body or board collectively.

2. Discussion or consideration of admission or disciplinary matters or any other matters that would involve the disclosure of information contained in a scholastic record concerning any student of any public institution of higher education in the Commonwealth or any state school system. However, any such student, legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be present during the taking of testimony or presentation of evidence at a closed meeting, if such student, parents, or guardians so request in writing and such request is submitted to the presiding officer of the appropriate board.

3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

4. The protection of the privacy of individuals in personal matters not related to public business.

5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

6. Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

9. Discussion or consideration by governing boards of public institutions of higher education of matters

58 relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be  
59 performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and  
60 contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public  
61 institution of higher education in the Commonwealth shall be subject to public disclosure upon written  
62 request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government"  
63 means any government other than the United States government or the government of a state or a political  
64 subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United  
65 States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by  
66 foreign governments or foreign persons or if a majority of the membership of any such entity is composed of  
67 foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii)  
68 "foreign person" means any individual who is not a citizen or national of the United States or a trust territory  
69 or protectorate thereof.

70 10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the  
71 Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, the Fort Monroe Authority, and  
72 The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private  
73 sources.

74 11. Discussion or consideration of honorary degrees or special awards.

75 12. Discussion or consideration of tests, examinations, or other information used, administered, or  
76 prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

77 13. Discussion, consideration, or review by the appropriate House or Senate committees of possible  
78 disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed  
79 by the member, provided that the member may request in writing that the committee meeting not be  
80 conducted in a closed meeting.

81 14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to  
82 consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in  
83 open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the  
84 governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both.  
85 All discussions with the applicant or its representatives may be conducted in a closed meeting.

86 15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic  
87 activity and estimating general and nongeneral fund revenues.

88 16. Discussion or consideration of medical and mental health records subject to the exclusion in  
89 subdivision 1 of § 2.2-3705.5.

90 17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to  
91 subsection D of § 58.1-4007 regarding the denial or revocation of a license of a lottery sales agent; and  
92 discussion, consideration or review of Virginia Lottery matters related to proprietary lottery game  
93 information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and  
94 subdivision 11 of § 2.2-3705.7.

95 18. Those portions of meetings in which the State Board of Local and Regional Jails discusses or discloses  
96 the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or  
97 criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension  
98 of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary  
99 services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

100 19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity  
101 threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency  
102 service officials concerning actions taken to respond to such matters or a related threat to public safety;  
103 discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in  
104 an open meeting would jeopardize the safety of any person or the security of any facility, building, structure,  
105 information technology system, or software program; or discussion of reports or plans related to the security  
106 of any governmental facility, building or structure, or the safety of persons using such facility, building or  
107 structure.

108 20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of  
109 any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of  
110 a trust established by one or more local public bodies to invest funds for postemployment benefits other than  
111 pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of  
112 visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Commonwealth  
113 Savers Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or  
114 other ownership interest in an entity, where such security or ownership interest is not traded on a  
115 governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential  
116 analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or  
117 a local finance board or board of trustees, or the Commonwealth Savers Plan or provided to the retirement  
118 system, a local finance board or board of trustees, or the Commonwealth Savers Plan under a promise of

119 confidentiality, of the future value of such ownership interest or the future financial performance of the  
 120 entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed  
 121 of by the retirement system, a local finance board or board of trustees, the board of visitors of the University  
 122 of Virginia, or the Commonwealth Savers Plan. Nothing in this subdivision shall be construed to prevent the  
 123 disclosure of information relating to the identity of any investment held, the amount invested or the present  
 124 value of such investment.

125 21. Those portions of meetings in which individual child death cases are discussed by the State Child  
 126 Fatality Review Team established pursuant to § 32.1-283.1, those portions of meetings in which individual  
 127 child death cases are discussed by a regional or local child fatality review team established pursuant to §  
 128 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence  
 129 fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual  
 130 adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5,  
 131 those portions of meetings in which individual adult death cases are discussed by a local or regional adult  
 132 fatality review team established pursuant to § 32.1-283.6, those portions of meetings in which individual  
 133 death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7, those  
 134 portions of meetings in which individual maternal death cases are discussed by the Maternal Mortality  
 135 Review Team pursuant to § 32.1-283.8, and those portions of meetings in which individual death cases of  
 136 persons with developmental disabilities are discussed by the Developmental Disabilities Mortality Review  
 137 Committee established pursuant to § 37.2-314.1.

138 22. Those portions of meetings of the board of visitors of the University of Virginia or Old Dominion  
 139 University, as the case may be, and those portions of meetings of any persons to whom management  
 140 responsibilities for the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
 141 at Old Dominion University, as the case may be, have been delegated, in which there is discussed proprietary,  
 142 business-related information pertaining to the operations of the University of Virginia Medical Center or the  
 143 Eastern Virginia Health Sciences Center at Old Dominion University, as the case may be, including business  
 144 development or marketing strategies and activities with existing or future joint venturers, partners, or other  
 145 parties with whom the University of Virginia Medical Center or the Eastern Virginia Health Sciences Center  
 146 at Old Dominion University, as the case may be, has formed, or forms, any arrangement for the delivery of  
 147 health care, if disclosure of such information would adversely affect the competitive position of the  
 148 University of Virginia Medical Center or the Eastern Virginia Health Sciences Center at Old Dominion  
 149 University, as the case may be.

150 23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or  
 151 the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or  
 152 disposition by the Authority of real property, equipment, or technology software or hardware and related  
 153 goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of  
 154 the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and  
 155 contracts for services or work to be performed by the Authority; marketing or operational strategies plans of  
 156 the Authority where disclosure of such strategies or plans would adversely affect the competitive position of  
 157 the Authority; and members of the Authority's medical and teaching staffs and qualifications for  
 158 appointments thereto.

159 24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the  
 160 Department of Health Professions to the extent such discussions identify any practitioner who may be, or who  
 161 actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

162 25. Meetings or portions of meetings of the Board of the Commonwealth Savers Plan wherein personal  
 163 information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf  
 164 of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or  
 165 savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

166 26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee  
 167 created pursuant to former § 56-484.15, of trade secrets submitted by CMRS providers, as defined in §  
 168 56-484.12, related to the provision of wireless E-911 service.

169 27. Those portions of disciplinary proceedings by any regulatory board within the Department of  
 170 Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy  
 171 conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or  
 172 meetings of health regulatory boards or conference committees of such boards to consider settlement  
 173 proposals in pending disciplinary actions or modifications to previously issued board orders as requested by  
 174 either of the parties.

175 28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6  
 176 by a responsible public entity or an affected locality or public entity, as those terms are defined in §  
 177 33.2-1800, or any independent review panel appointed to review information and advise the responsible  
 178 public entity concerning such records.

179 29. Discussion of the award of a public contract involving the expenditure of public funds, including

180 interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in  
181 an open session would adversely affect the bargaining position or negotiating strategy of the public body.

182 30. Discussion or consideration of grant or loan application information subject to the exclusion in  
183 subdivision 17 of § 2.2-3705.6 by the Commonwealth Health Research Board.

184 31. Discussion or consideration by the Commitment Review Committee of information subject to the  
185 exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent  
186 predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

187 32. Discussion or consideration of confidential proprietary information and trade secrets developed and  
188 held by a local public body providing certain telecommunication services or cable television services and  
189 subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this  
190 subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

191 33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless  
192 Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets  
193 subject to the exclusion in subdivision 19 of § 2.2-3705.6.

194 34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security  
195 matters made confidential pursuant to § 24.2-410.2 or 24.2-625.1 *and review by the State Board of Elections*  
196 *of complaints related to the personal use of campaign funds pursuant to § 24.2-948.7.*

197 35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee  
198 created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files.

199 36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of  
200 information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings  
201 of the Committee to deliberate concerning the annual maximum scholarship award, review and consider  
202 scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover  
203 scholarship awards.

204 37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in  
205 subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port  
206 Authority.

207 38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting  
208 pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by  
209 any local retirement system, acting pursuant to § 51.1-803, by the Board of the Commonwealth Savers Plan  
210 acting pursuant to § 23.1-706, or by the Commonwealth Savers Plan's Investment Advisory Committee  
211 appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

212 39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6  
213 related to economic development.

214 40. Discussion or consideration by the Board of Education of information relating to the denial,  
215 suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

216 41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by  
217 executive order for the purpose of studying and making recommendations regarding preventing closure or  
218 realignment of federal military and national security installations and facilities located in Virginia and  
219 relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a  
220 local governing body, during which there is discussion of information subject to the exclusion in subdivision  
221 8 of § 2.2-3705.2.

222 42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of  
223 information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable  
224 information of donors.

225 43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of  
226 information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained  
227 in grant applications.

228 44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of  
229 information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for  
230 the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary  
231 information of a private entity provided to the Authority.

232 45. Discussion or consideration of personal and proprietary information related to the resource  
233 management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection  
234 E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain  
235 information that has been certified for release by the person who is the subject of the information or  
236 transformed into a statistical or aggregate form that does not allow identification of the person who supplied,  
237 or is the subject of, the information.

238 46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control  
239 Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of  
240 applicants for licenses and permits and of licensees and permittees.

241 47. Discussion or consideration of grant, loan, or investment application records subject to the exclusion

242 in subdivision 28 of § 2.2-3705.6 for a grant, loan, or investment pursuant to Article 11 (§ 2.2-2351 et seq.)  
243 of Chapter 22.

244 48. Discussion or development of grant proposals by a regional council established pursuant to Article 26  
245 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity  
246 Board.

247 49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault response team  
248 established pursuant to § 15.2-1627.4, (ii) individual child abuse or neglect cases or sex offenses involving a  
249 child by a child sexual abuse response team established pursuant to § 15.2-1627.5, (iii) individual cases  
250 involving abuse, neglect, or exploitation of adults as defined in § 63.2-1603 pursuant to §§ 15.2-1627.5 and  
251 63.2-1605, or (iv) individual human trafficking cases by any human trafficking response team established  
252 pursuant to § 15.2-1627.6.

253 50. Discussion or consideration by the Board of the Virginia Economic Development Partnership  
254 Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions  
255 of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33  
256 of § 2.2-3705.7.

257 51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development  
258 Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information  
259 received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114 and the  
260 Department of Workforce Development and Advancement pursuant to subsection B of § 2.2-2040.

261 52. Discussion or consideration by the Commonwealth of Virginia Innovation Partnership Authority (the  
262 Authority), an advisory committee of the Authority, or any other entity designated by the Authority, of  
263 information subject to the exclusion in subdivision 35 of § 2.2-3705.7.

264 53. Deliberations of the Virginia Lottery Board conducted pursuant to § 58.1-4105 regarding the denial or  
265 revocation of a license of a casino gaming operator, or the refusal to issue, suspension of, or revocation of  
266 any license or permit related to casino gaming, and discussion, consideration, or review of matters related to  
267 investigations excluded from mandatory disclosure under subdivision 1 of § 2.2-3705.3.

268 54. Deliberations of the Virginia Lottery Board in an appeal conducted pursuant to § 58.1-4007 regarding  
269 the denial of, revocation of, suspension of, or refusal to renew any license or permit related to sports betting  
270 and any discussion, consideration, or review of matters related to investigations excluded from mandatory  
271 disclosure under subdivision 1 of § 2.2-3705.3.

272 55. Meetings or portions of meetings of the Board of Criminal Justice Services or the Department of  
273 Criminal Justice Services concerning the decertification of an identifiable law-enforcement or jail officer.

274 B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed  
275 meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting  
276 and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that  
277 shall have its substance reasonably identified in the open meeting.

278 C. Public officers improperly selected due to the failure of the public body to comply with the other  
279 provisions of this section shall be de facto officers and, as such, their official actions are valid until they  
280 obtain notice of the legal defect in their election.

281 D. Nothing in this section shall be construed to prevent the holding of conferences between two or more  
282 public bodies, or their representatives, but these conferences shall be subject to the same procedures for  
283 holding closed meetings as are applicable to any other public body.

284 E. This section shall not be construed to (i) require the disclosure of any contract between the Department  
285 of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.)  
286 of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial  
287 Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial  
288 revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies.  
289 However, such business or industry shall be identified as a matter of public record at least 30 days prior to the  
290 actual date of the board's authorization of the sale or issuance of such bonds.

291 **§ 24.2-946. Summary of election laws; forms; instructions.**

292 A. The State Board shall summarize the provisions of the election laws relating to the Campaign Finance  
293 Disclosure Act of 2006 and provide for distribution of this summary and prescribed forms to each candidate,  
294 person, or committee on request or upon their first filing with the State Board pursuant to this chapter,  
295 whichever occurs first.

296 B. The State Board shall designate the forms required for complying with this chapter which shall be the  
297 only such forms used in complying with the provisions of this chapter.

298 C. The State Board shall provide, with the summary required by this section, instructions for persons  
299 filing reports pursuant to this chapter to assist them in completing the reports. The instructions shall include  
300 directions for the reporting of filing fees for any party nomination method. The instructions shall set out the  
301 requirements for retaining records and materials for implementing the review provisions of § 24.2-948.5.

302 D. The State Board shall provide instructions for candidates who seek election for successive terms in the

303 same office for the filing of reports within each appropriate election cycle for the office and for the  
 304 aggregation of contributions within each election cycle.

305 E. The *State Board, in consultation with the Office of the Attorney General*, shall ~~provide, with the~~  
 306 ~~summary required by this section, to each candidate, person, or committee on request or upon their first filing~~  
 307 ~~with the State Board pursuant to this chapter, whichever occurs first, a copy of a written explanation prepared~~  
 308 ~~by the Attorney General of develop and publish guidance on the provisions of the Act that prohibit the~~  
 309 ~~personal use of campaign funds. The explanation~~ Such guidance shall cover the provisions that prohibit the  
 310 personal use of campaign funds and shall delineate the differences between prohibited personal uses and  
 311 campaign funds and permitted uses of the funds and shall include examples of conduct that complies with and  
 312 that violates such provisions. The State Board shall periodically update such guidance to incorporate  
 313 advisory opinions and additional examples.

314 **§ 24.2-948.4. Final report requirement; disbursement of surplus funds.**

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

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

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

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

338 **§ 24.2-948.6. Use of campaign funds.**

339 A. A contribution accepted by a candidate or his campaign committee may be used for the following  
 340 purposes:

- 341 1. For otherwise authorized expenditures in connection with the candidate's campaign;
- 342 2. For ordinary and necessary expenses incurred in connection with the duties of the individual as an  
 343 officeholder;
- 344 3. For contributions to any organization described in § 170(c) of the Internal Revenue Code;
- 345 4. For transfers to any federal, state, or local political party committee;
- 346 5. For contributions to federal, state, and local candidates subject to the provisions of prevailing law;
- 347 6. For dependent care expenses that are incurred as a direct result of the person's seeking, holding, or  
 348 maintaining public office; or
- 349 7. For any other lawful purpose unless prohibited by subsection B.

350 B. Contributions to a candidate or his campaign committee shall not be converted by any person to  
 351 personal use. For the purpose of this subsection, a contribution shall be considered to be converted to  
 352 personal use if the contribution is used to fulfill any commitment, obligation, or expense of a person that  
 353 would exist irrespective of the person's seeking, holding, or maintaining public office, which includes the  
 354 following:

- 355 1. A home mortgage, rent, or utility payment;
- 356 2. A clothing purchase, except for clothing of de minimis value that is used in the campaign, such as  
 357 T-shirts or caps imprinted with a campaign slogan;
- 358 3. A non-campaign-related automobile expense;
- 359 4. A country club membership;
- 360 5. A vacation or other non-campaign-related trip;
- 361 6. A household food item;
- 362 7. A tuition payment, other than those associated with the training of campaign staff;
- 363 8. Admission to a sporting event, a concert, a theater, or any other form of entertainment not associated

364 with an election campaign;

365 9. Dues, fees, and other payments to a health club or recreational facility unless the payments are made in  
366 connection with a specific fundraising event that takes place on the organization's premises; and

367 10. Salary payments to a member of a candidate's family, unless the family member is providing bona fide  
368 services to the campaign and receives compensation that is no greater than the fair market value of the  
369 services provided.

370 § 24.2-948.7. **Violations of the ban on personal use of campaign funds; complaint; notice; hearing;**  
371 **civil penalties.**

372 A. A person who believes a violation of § 24.2-948.6 has occurred and (i) contributes to a candidate or  
373 his campaign committee that has allegedly committed the violation or (ii) is qualified to vote in the election  
374 for the office for which such candidate is running is qualified to file a complaint with the Department. Such  
375 complaint shall be filed electronically or in writing on a form provided by the Department, signed and sworn  
376 to by the person filing such complaint, notarized, and made under penalty of perjury and subject to the  
377 provisions of § 24.2-1016. The complaint shall clearly identify the complainant and the person against whom  
378 the complaint is addressed (the respondent) and contain (a) a credible allegation of a violation of § 24.2-948.  
379 6 with regard to a specific use of campaign contributions by the candidate or his campaign committee, (b)  
380 attached documentation supporting the allegation, (c) the names and contact information of any person the  
381 complainant knows to have knowledge of facts relating to the allegation, and (d) any other information  
382 required by the Department.

383 The complaint form shall include a sworn statement, signed by the complainant, agreeing to strict  
384 confidentiality regarding the complaint and all related matters for the 10 days preceding the complaint's  
385 submission. If the State Board determines that the complainant knowingly violated his agreement to strict  
386 confidentiality, the State Board may assess a civil penalty in an amount not to exceed \$10,000. Any civil  
387 penalty collected under this provision shall be payable to the State Treasurer for deposit into the Prohibited  
388 Personal Use Enforcement Fund established pursuant to § 24.2-948.9. The procedure to enforce a civil  
389 penalty provided in this section shall be as stated in § 24.2-946.3.

390 The Department shall provide a copy of the complaint to the respondent within 24 hours of receipt. The  
391 Department shall complete its review of such complaints and, within 10 days, transmit to the State Board any  
392 credible and complete complaint from a qualified complainant and send written notice to the complainant  
393 and respondent of the Department's ultimate determination of the complaint's disposition. The State Board  
394 shall not act upon any complaint that does not meet the requirements of this subsection but shall be  
395 authorized to initiate an inquiry upon its own motion.

396 B. Upon receipt of a complaint or upon its own motion, the State Board shall conduct a preliminary  
397 investigation into the specific use of campaign contributions by the candidate. Such preliminary investigation  
398 shall be conducted in closed meetings held pursuant to § 2.2-3711. The State Board shall determine, during  
399 its preliminary investigation, whether the facts stated in the complaint or that serve as the basis of the State  
400 Board's motion taken as true are sufficient to show a violation of § 24.2-948.6. If such facts fail to give rise to  
401 such a violation, then the State Board shall dismiss the complaint. If the facts give rise to such a violation,  
402 then the State Board shall request that the complainant appear and testify under oath as to the complaint and  
403 the allegations therein. If the inquiry was initiated by the State Board's own motion, the State Board may  
404 request that witnesses appear and testify under oath as to the allegations raised by the State Board.

405 The State Board shall notify the respondent that a preliminary investigation has commenced within 24  
406 hours of initiating such investigation. Before the State Board conducts any vote on the complaint, other than  
407 a vote to dismiss, the respondent shall have 30 days to provide to the State Board documentation or other  
408 evidence that no action should be taken against the respondent on the basis of the complaint or the  
409 allegations brought by the State Board. If the respondent provides such documentation or such other  
410 evidence, the State Board shall review the response and determine whether to proceed with the inquiry.

411 After hearing testimony and reviewing any other evidence provided by the complainant, witnesses, or the  
412 respondent, the State Board shall dismiss the complaint if the State Board fails to find by a preponderance of  
413 the evidence that such violation has occurred. If the State Board finds otherwise, it shall proceed with the  
414 inquiry by calling for a public hearing.

415 If at any point prior to the State Board's call for a public hearing on the matter the respondent pays back  
416 to the campaign committee from his personal funds the amount that was allegedly converted to his personal  
417 use, the State Board shall dismiss the complaint or motion and end the inquiry into the matter.

418 Prior to the State Board's holding a public hearing on the matter, the complaint, the State Board's written  
419 notice, and any related records shall not be subject to the provisions of the Virginia Freedom of Information  
420 Act (§ 2.2-3700 et seq.) and shall not be made public, except by the respondent. However, once the State  
421 Board has commenced a public meeting to further inquire into alleged conversion of campaign funds to  
422 personal use, its materials, meetings, and hearings on the matter shall be open to the public.

423 C. If after such preliminary investigation the State Board determines to proceed with an inquiry into the  
424 specific use of campaign contributions by the respondent, the State Board (i) shall immediately notify in

425 *writing the complainant and the respondent as to the fact of the inquiry and the allegations against the*  
426 *respondent and (ii) shall schedule one or more hearings on the matter. The respondent shall have the right to*  
427 *postpone the hearing if it is scheduled within the 30 days immediately preceding an election in which the*  
428 *respondent is a candidate for office. If the complaining party declines to participate in the hearing, the*  
429 *complaint shall be dismissed and no further action shall be taken.*

430 *The respondent shall have the right to access all records obtained during the investigation, present*  
431 *evidence, cross-examine witnesses, face and examine the accuser, and be represented by counsel at any*  
432 *hearings. The State Board may grant the respondent any other rights or privileges not specifically*  
433 *enumerated in this subsection.*

434 *If at any time the State Board determines that the complaint is without merit, the State Board shall dismiss*  
435 *the complaint, so advise the complainant and the respondent, and take no further action.*

436 *D. A decision to dispose of a complaint under this section shall require a vote of four members of the*  
437 *State Board. Failure of the State Board to dispose of a complaint within 120 days of the Department's*  
438 *transmission of the signed and sworn complaint shall result in the summary dismissal of the matter, after*  
439 *which no further action shall be taken.*

440 *Within 120 days of the Department's transmission of the signed and sworn complaint to the State Board*  
441 *or a motion to begin an inquiry, the State Board may dispose of the matter in one of the following ways:*

442 *1. If for any reason the State Board dismisses the matter during its preliminary investigation and prior to*  
443 *holding a public hearing on the matter, the State Board shall so advise the complainant and the respondent*  
444 *and take no further action. In such case, the records and findings on the matter shall not be subject to the*  
445 *provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) and shall not be made public*  
446 *unless the respondent requests in writing that the records and findings be made public.*

447 *2. If at any time after the commencement of the initial public hearing on the matter the State Board*  
448 *dismisses the matter, the State Board shall so advise the complainant and the respondent and prepare a*  
449 *written judgment stating the grounds for the dismissal.*

450 *3. If after a public hearing the State Board determines by a preponderance of the evidence that the*  
451 *respondent has violated the provisions of § 24.2-948.6 but that the violation was not made willfully and*  
452 *knowingly, the State Board may require the respondent to repay an amount not to exceed the amount*  
453 *unlawfully converted to the personal use of the respondent. Respondents who claim an inability to repay the*  
454 *amount the State Board has determined is owed may be asked to provide documentation as to their financial*  
455 *condition. The State Board may negotiate a payment plan that enables a respondent to repay. The procedure*  
456 *to enforce repayment under this section shall be as stated in § 24.2-946.3. The State Board shall prepare a*  
457 *written judgment stating its determination of the matter, its recommended remedy, and reasons therefor. A*  
458 *copy of the judgment shall be sent to each party and posted on the State Board's website no later than three*  
459 *days after it has been issued.*

460 *4. If the State Board determines by a preponderance of the evidence that the respondent willfully and*  
461 *knowingly violated any provision of § 24.2-948.6, the State Board shall direct the respondent to repay the*  
462 *amount unlawfully converted to his personal use. The State Board may also assess an additional civil*  
463 *penalty, in an amount not to exceed \$1,000 per itemized expenditure found to be in violation of any provision*  
464 *of § 24.2-948.6 and in no case greater than \$10,000. Respondents who claim an inability to pay an*  
465 *appropriate civil penalty may be asked to provide documentation as to their financial condition. The State*  
466 *Board may negotiate a payment plan that enables a respondent to pay an appropriate civil penalty. Any civil*  
467 *penalty collected under this subdivision shall be payable to the State Treasurer for deposit into the*  
468 *Prohibited Personal Use Enforcement Fund established pursuant to § 24.2-948.9. The procedure to enforce a*  
469 *civil penalty provided in this section shall be as stated in § 24.2-946.3. The State Board shall prepare a*  
470 *written judgment stating its determination of the matter, its recommended remedy, and reasons therefor. A*  
471 *copy of the judgment shall be sent to each party and posted on the State Board's website no later than 3 days*  
472 *after it has been issued.*

473 *5. Any records and findings related to a complaint that was not dismissed pursuant to subdivision 1 shall*  
474 *become archival records, as defined in § 42.1-77, maintained permanently by the Library of Virginia.*  
475 *Electronic copies of such records shall be made publicly available on the State Board's website no later than*  
476 *thirty days after a final disposition of the matter has been decided.*

477 *E. A person found by the State Board to have violated the provisions of this section shall have a right to*  
478 *the direct review of the finding by a court of competent jurisdiction as provided in the Administrative Process*  
479 *Act (§ 2.2-4000 et seq.). The provisions of the Administrative Process Act shall not otherwise apply, however,*  
480 *to the finding of a violation by the State Board pursuant to this section.*

481 *F. The State Board may, by a vote of four members, make a finding that a complaint is frivolous. Such a*  
482 *finding shall be prima facie evidence of abuse of process by the complainant. The State Board shall prepare a*  
483 *written judgment stating its determination of the matter and reasons therefor. A copy of the judgment shall be*  
484 *sent to each party and posted on the State Board's website no later than three days after it has been issued.*

485 **§ 24.2-948.8. Advisory opinions.**

486 *A. Any person subject to the provisions of § 24.2-948.6 may submit a complete written request for an*



487 advisory opinion concerning the application of that section to a specific transaction or activity on a form  
 488 provided by the Department. The Department shall transmit any such complete written request for an  
 489 advisory opinion to the State Board.

490 B. The State Board shall, upon receipt, make public any request for an advisory opinion. Before rendering  
 491 an advisory opinion, the State Board shall accept written comments submitted by any interested party within  
 492 the 10-day period following the date the request is made public.

493 C. The State Board shall issue a written advisory opinion within 60 days of receipt of the request for an  
 494 advisory opinion. However, if an advisory opinion is requested by a candidate or his campaign committee  
 495 during the 60-day period before any election involving the requesting party, the State Board shall render a  
 496 written advisory opinion relating to such request no later than 20 days after the State Board receives a  
 497 complete written request.

498 D. Any advisory opinion rendered by the State Board under subsection C may be relied upon by (i) any  
 499 person involved in the specific transaction or activity with respect to which such advisory opinion is rendered  
 500 and (ii) any person involved in any specific transaction or activity that is indistinguishable in all its material  
 501 aspects from the transaction or activity with respect to which such advisory opinion is rendered.

502 E. Notwithstanding any other provision of law, any person who relies upon any provision or finding of an  
 503 advisory opinion in accordance with the provisions of subsection D and who acts in good faith in accordance  
 504 with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to  
 505 any sanction provided under § 24.2-948.7.

506 **§ 24.2-948.9. Prohibited Personal Use Enforcement Fund.**

507 There is hereby created in the state treasury a special nonreverting fund to be known as the Prohibited  
 508 Personal Use Enforcement Fund, referred to in this section as "the Fund." The Fund shall be established on  
 509 the books of the Comptroller. All civil penalties levied pursuant to § 24.2-948.7 shall be paid into the state  
 510 treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be  
 511 credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year  
 512 shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for  
 513 the purposes of administering the provisions of §§ 24.2-948.6, 24.2-948.7, and 24.2-948.8. Expenditures and  
 514 disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller  
 515 upon written request signed by the Commissioner of Elections.

516 **2. That the provisions of the first enactment of this act shall become effective on July 1, 2026.**

517 **3. That the State Board of Elections shall promulgate regulations to implement the provisions of this**  
 518 **act to be effective within 280 days of its enactment.**

519 **4. That the regulations adopted pursuant to the second enactment of this act shall include regulations**  
 520 **substantially similar to the regulations of the Federal Election Commission (the FEC) under 11 C.F.R.**  
 521 **Part 112 with respect to advisory opinions and 11 C.F.R. Part 113 with respect to the prohibition on**  
 522 **personal use of campaign funds. The regulations adopted pursuant to the second enactment of this act**  
 523 **shall also provide that the State Board and the parties may rely on past closed matters under review**  
 524 **and advisory opinions of the FEC on matters related to the prohibited personal use of campaign funds**  
 525 **under federal law as persuasive authority for any future decisions of the State Board of Elections with**  
 526 **respect to analogous state law, except with respect to the FEC's interpretation that personal use**  
 527 **restrictions apply only to a candidate committee.**

528 **5. That the State Board of Elections shall publish an updated summary of the provisions of the**  
 529 **Campaign Finance Disclosure Act of 2006 (§ 24.2-945 et seq. of the Code of Virginia, as amended by**  
 530 **this act) required by subsection E of § 24.2-946 of the Code of Virginia, as amended by this act, and**  
 531 **any regulations of the State Board of Elections promulgated pursuant to the second enactment of this**  
 532 **act within 30 days of the promulgation of such regulations.**

533 **6. That the provisions of this act may result in a net increase in periods of imprisonment or**  
 534 **commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary**  
 535 **appropriation cannot be determined for periods of imprisonment in state adult correctional facilities;**  
 536 **therefore, Chapter 2 of the Acts of Assembly of 2024, Special Session I, requires the Virginia Criminal**  
 537 **Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the**  
 538 **Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for**  
 539 **periods of commitment to the custody of the Department of Juvenile Justice.**