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HOUSE BILL NO. 2173

Offered January 13, 2025

Prefiled January 7, 2025

A *BILL to amend and reenact §§ 24.2-945.1, 24.2-953.1, 24.2-953.2, 24.2-953.3, and 24.2-955.1 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 9.3 of Title 24.2 an article numbered 4.2, consisting of sections numbered 24.2-949.14 through 24.2-949.24, and by adding in Article 8 of Chapter 9.3 of Title 24.2 a section numbered 24.2-953.6, relating to campaign finance; coordination and required independent expenditure committee disclosure; civil penalties.*

Patron—Clark

Referred to Committee on Privileges and Elections

Be it enacted by the General Assembly of Virginia:

1. That §§ 24.2-945.1, 24.2-953.1, 24.2-953.2, 24.2-953.3, and 24.2-955.1 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 9.3 of Title 24.2 an article numbered 4.2, consisting of sections numbered 24.2-949.14 through 24.2-949.24, and by adding in Article 8 of Chapter 9.3 of Title 24.2 a section numbered 24.2-953.6 as follows:

§ 24.2-945.1. Definitions.

A. As used in this chapter, unless the context requires a different meaning:

"Authorization" means express approval or express consent by the candidate, the candidate's campaign committee, or an agent of the candidate or his campaign committee after coordination.

"Campaign committee" means the committee designated by a candidate to receive all contributions and make all expenditures for him or on his behalf in connection with his nomination or election.

"Candidate" means "candidate" as defined in § 24.2-101. *For the purpose of the definition of "coordinated" or "coordination," "candidate" includes any person who is a candidate at the time of the expenditure, regardless of whether that person was a candidate at the time the conduct constituting coordination took place.*

"Contribution" means money and services of any amount, in-kind contributions, and any other thing of value, given, advanced, loaned, or in any other way provided to a candidate, campaign committee, political committee, or person for the purpose of expressly advocating the election or defeat of a clearly identified candidate or to an inaugural committee for the purpose of defraying the costs of the inauguration of a Governor, Lieutenant Governor, or Attorney General. "Contribution" includes money, services, or things of value in any way provided by a candidate to his own campaign and the payment by the candidate of a filing fee for any party nomination method.

"Coordinated" or "coordination" ~~refers to an expenditure that is made (i) at the express request or suggestion of a candidate, a candidate's campaign committee, or an agent of the candidate or his campaign committee or (ii) with material involvement of the candidate, a candidate's campaign committee, or an agent of the candidate or his campaign committee in devising the strategy, content, means of dissemination, or timing of the expenditure.~~ *means:*

1. *The republication of campaign materials originally published by a campaign committee or political party committee unless such republication is used to oppose the candidate or political party whose committee originally published the materials.*

2. *An expenditure that meets at least one of the conduct standards described in subdivision a and one of the content standards described in subdivision b:*

a. *Conduct indicative of coordination includes:*

(1) *Any expenditure that is not made totally independently of a candidate, candidate committee, or political party committee;*

(2) *During the two years preceding the expenditure, the candidate, his immediate family, or his campaign committee or a political party committee directly or indirectly established, maintained, controlled, or principally funded the person or committee making an expenditure;*

(3) *During the two years preceding the expenditure, a candidate, candidate committee, or political party committee solicited funds for the person or committee making an expenditure, provided fundraising information to the person or committee making an expenditure, appeared as a speaker at a fundraiser for the person or committee making an expenditure, or gave permission to be featured in the fundraising efforts of the person or committee making an expenditure;*

(4) *The expenditure is based on information about the candidate's or party's campaign needs that the candidate, candidate committee, or political party committee provided to the person or committee making an expenditure; or*

59 (5) During the two years preceding the expenditure, the person or committee making the expenditure
60 employed the services of a person who, during the same period, had executive or managerial authority for the
61 candidate, candidate campaign committee, or political party committee; was authorized to raise or expend
62 funds for the candidate, candidate campaign committee, or political party committee; or provided the
63 candidate, candidate campaign committee, or political party committee with professional services, other than
64 accounting or legal services, related to campaign or fundraising strategy. However, expenditures involving
65 former employees or common agents of a candidate, campaign committee, or political party committee are
66 not indicative of coordination if the person or committee making the expenditure implements an effective
67 firewall. A person or committee who relies upon a firewall bears the burden of proof of showing that the
68 firewall was effective. A firewall shall (i) separate staff who provide a service to the person or committee
69 making the expenditure in relation to its expenditures from other staff who provide services to a candidate,
70 campaign committee, or political party committee who are supported by the person or committee making the
71 expenditure; (ii) forbid the owners, executives, managers, and supervisors of the person or committee making
72 the expenditure from simultaneously overseeing the work of staff separated by a firewall; (iii) prohibit the
73 flow of strategic nonpublic information between the person or committee making the expenditure and the
74 candidate or party supported by the covered expenditure, and between specific staff who are separated by the
75 firewall; (iv) provide for physical and technological separation to ensure that strategic nonpublic
76 information does not flow between the person or committee making the expenditure and the candidate,
77 campaign committee, or political party committee, and between the specific staff separated by the firewall;
78 and (v) be in writing and distributed to all relevant employees and consultants before any relevant work is
79 performed regarding both the general firewall policy and any specific firewall created pursuant to such a
80 policy, and be provided to the State Board upon request.

81 b. Content indicative of coordination includes:

82 (1) With regard to a candidate or campaign committee, an advertisement or electioneering
83 communication as defined in § 24.2-955.1;

84 (2) With regard to a political party committee, a public communication advocating for or against a
85 political party, or referring to a political party, at any time from 120 days before a primary election or
86 nominating caucus or convention through the general election;

87 (3) An expenditure for partisan voter activity, including voter registration, get-out-the-vote activity, phone
88 banking, or generic campaign activity, in the jurisdiction where the candidate is seeking election; or

89 (4) An expenditure for design or production costs, polling expenses, data analytics, creating or
90 purchasing mailing or social media lists, or other activities related to those defined in subdivision (1), (2), or
91 (3).

92 "Coordinated" or "coordination" does not include an expenditure for a communication that appears in a
93 news story, commentary, or editorial or an expenditure for a candidate debate or forum.

94 "Designated contribution" means a contribution that is designated specifically and in writing for a
95 particular candidate or candidates and that is made using a political committee solely as a conduit.

96 "Expenditure" means money and services of any amount, and any other thing of value, paid, loaned,
97 provided, or in any other way disbursed by any candidate, campaign committee, political committee, or
98 person for the purpose of expressly advocating the election or defeat of a clearly identified candidate or by
99 any inaugural committee for the purpose of defraying the costs of the inauguration of a Governor, Lieutenant
100 Governor, or Attorney General.

101 "Federal political action committee" means any political action committee registered with the Federal
102 Election Commission that makes contributions to candidates or political committees registered in Virginia.

103 "Inaugural committee" means any organization, person, or group of persons that anticipates receiving
104 contributions or making expenditures, from other than publicly appropriated funds, for the inauguration of the
105 Governor, Lieutenant Governor, or Attorney General and related activities.

106 "Independent expenditure" means an expenditure made by any person, candidate campaign committee, or
107 political committee that is not made to, controlled by, coordinated with, or made with the authorization of a
108 candidate, his campaign committee, or an agent of the candidate or his campaign committee. "Independent
109 expenditure" includes an expenditure made by a candidate campaign committee (i) that is not related to the
110 candidate's own campaign and (ii) that is not made to, controlled by, coordinated with, or made with the
111 authorization of a different candidate, his campaign committee, or an agent of that candidate or his campaign
112 committee.

113 "In-kind contribution" means the donation of goods, services, property, or other thing of value, other than
114 money, including an expenditure controlled by, coordinated with, or made upon the authorization of a
115 candidate, his campaign committee, or an agent of the candidate or his campaign committee, that is provided
116 for free or less than the usual and normal charge. The basis for arriving at the dollar value of an in-kind
117 contribution is as follows: new items are valued at retail value; used items are valued at fair market value; and
118 services rendered are valued at the actual cost of service per hour. Services shall not be deemed to include
119 personal services voluntarily rendered for which no compensation is asked or given.

120 "Out-of-state political committee" means an entity covered by § 527 of the United States Internal Revenue

121 Code that is not registered as a political committee or candidate campaign committee in Virginia and that
 122 does not have as its primary purpose expressly advocating the election or defeat of a clearly identified
 123 candidate. The term shall not include a federal political action committee.

124 "Person" means any individual or corporation, partnership, business, labor organization, membership
 125 organization, association, cooperative, or other like entity.

126 "Political action committee" means any organization, person, or group of persons, established or
 127 maintained to receive and expend contributions for the primary purpose of expressly advocating the election
 128 or defeat of a clearly identified candidate. The term shall not include a campaign committee, federal political
 129 action committee, out-of-state political committee, political party committee, referendum committee, or
 130 inaugural committee.

131 "Political committee" means and includes any political action committee, political party committee,
 132 referendum committee, or inaugural committee. The term shall not include: (i) a federal political action
 133 committee or out-of-state political committee; (ii) a campaign committee; (iii) a political party committee
 134 exempted pursuant to § 24.2-950.1; or (iv) a person who receives no contributions from any source and
 135 whose only expenditures are made solely from his own funds and are either contributions made by him which
 136 are reportable by the recipient pursuant to this chapter or independent expenditures which are reportable by
 137 him to the extent required by § 24.2-945.2, or a combination of such reportable contributions and independent
 138 expenditures.

139 "Political party committee" means any state political party committee, congressional district political
 140 party committee, county or city political party committee, other election district political party committee, or
 141 organized political party group of elected officials. This definition is subject to the provisions of § 24.2-950.1
 142 .

143 "Primary purpose" means that 50% or more of the committee's expenditures made in the form of
 144 contributions shall be made to candidate campaign committees or political committees registered in Virginia.
 145 Administrative expenditures and the transfer of funds between affiliated or connected organizations shall not
 146 be considered in determining the committee's primary purpose. The primary purpose of the committee shall
 147 not be determined on the basis of only one report or election cycle, but over the entirety of the committee's
 148 registration.

149 "Referendum committee" means any organization, person, group of persons, or committee, that makes
 150 expenditures in a calendar year in excess of (i) \$10,000 to advocate the passage or defeat of a statewide
 151 referendum, (ii) \$5,000 to advocate the passage or defeat of a referendum being held in two or more counties
 152 and cities, or (iii) \$1,000 to advocate the passage or defeat of a referendum held in a single county or city.

153 "Residence" means "residence" or "resident" as defined in § 24.2-101.

154 "Statewide office" means the office of Governor, Lieutenant Governor, or Attorney General.

155 B. For the purpose of applying the filing and reporting requirements of this chapter, *with the exception of*
 156 *the provisions of § 24.2-945.2 and Article 4.2 (§ 24.2-949.14 et seq.),* the terms "person" and "political
 157 committee," shall not include an organization holding tax-exempt status under § 501(c) (3), 501(c) (4), or
 158 501(c) (6) of the United States Internal Revenue Code which, in providing information to voters, does not
 159 advocate or endorse the election or defeat of a particular candidate, group of candidates, or the candidates of a
 160 particular political party.

161 Article 4.2.

162 Independent Expenditure Committees.

163 § 24.2-949.14. Definitions.

164 *As used in this article, unless the context requires a different meaning:*

165 "Authorized filer" means the person who has been deemed the agent of the independent expenditure
 166 committee for the purpose of service of process on the organization in Virginia.

167 "Donation" means money and goods, services, property, or other things of value other than money, given,
 168 advanced, loaned, or in any other way provided by a person or committee to an independent expenditure
 169 committee solicited, received, designated, intended, or earmarked for the purpose of influencing the outcome
 170 of nonfederal elections in Virginia or expressly advocating for the election or defeat of a clearly identified
 171 candidate. "Donation" includes any such thing of value provided expressly, whether written or oral, or
 172 impliedly in such a manner where the independent expenditure committee reasonably should have understood
 173 that it was provided for the purpose of influencing the outcome of nonfederal elections in Virginia or
 174 expressly advocating for the election or defeat of a clearly identified candidate.

175 "Donor" means a person or committee who makes donations.

176 "Independent expenditure committee" means any person or committee who makes aggregate independent
 177 expenditures required to be reported pursuant to § 24.2-945.2 in excess of \$10,000 in a calendar year. "
 178 Independent expenditure committee" does not include any individual or committee that is required to file a
 179 statement of organization and campaign finance disclosure reports pursuant to any other article of this
 180 chapter.

181 § 24.2-949.15. Prohibited contributions from independent expenditure committees.

182 No candidate, candidate campaign committee, political action committee, or political party committee

183 shall solicit or accept a contribution from any independent expenditure committee that has not filed a
 184 statement of organization with the State Board pursuant to § 24.2-949.17.

185 **§ 24.2-949.16. Independent expenditure committees; election cycle.**

186 The independent expenditure committee's election cycle shall be deemed to begin on January 1 and
 187 continue through December 31 of each calendar year.

188 **§ 24.2-949.17. Statement of organization for certain independent expenditure committees.**

189 A. An independent expenditure committee shall submit a statement of organization on or before the date
 190 on which such organization makes aggregate independent expenditures required to be reported pursuant to §
 191 24.2-945.2 in excess of \$10,000. Any change in information previously submitted in a statement of
 192 organization shall be reported to the State Board within 10 days following the change.

193 B. The statement of organization shall include:

194 1. The name of the independent expenditure committee and its primary place of business;

195 2. The state of incorporation and the year in which the organization was formed;

196 3. The name and business address of the person that serves as the chief executive officer or equivalent
 197 position;

198 4. The names, addresses, and relationships of affiliated or connected organizations;

199 5. The names and addresses of any connected or affiliated political action committees that received at
 200 least \$25,000 from the independent expenditure committee in the prior 12 months;

201 6. The statement of purpose of the independent expenditure committee on file with the Internal Revenue
 202 Service, if any;

203 7. The year of the independent expenditure committee's most recent Form 990 filed with the Internal
 204 Revenue Service, if any;

205 8. The name, business address, and residence address of the authorized filer;

206 9. The name, residence address, business address, and position of the custodian of the books who works
 207 under the direction of the treasurer and the address where the books are maintained; and

208 10. The name and business address of the person responsible for accepting service of process on behalf of
 209 the independent expenditure committee if different than the authorized filer.

210 **§ 24.2-949.18. Authorized filer requirements and responsibilities.**

211 A. The authorized filer shall keep a detailed and accurate account of all donations and expenditures made
 212 by the independent expenditure committee, the authorized filer, or other officer on behalf of the independent
 213 expenditure committee, or reported to the authorized filer pursuant to this chapter. Such account shall set
 214 forth the date of the donation or expenditure, its amount or value, the name and address of the person or
 215 committee making the donation or to whom the expenditure was made, and the object or purpose of the
 216 donation or expenditure.

217 Such books and records may be destroyed or discarded at any time after (i) one year from the date of
 218 filing the final report required by §24.2-949.24 or (ii) a period of three years, whichever first occurs, unless a
 219 court of competent jurisdiction shall order their retention for a longer period.

220 B. All donations and expenditures made by any independent expenditure committee, or received or made
 221 on its behalf or in relation to the independent expenditure committee by any individual or person, shall be
 222 paid over or delivered to the committee's authorized filer or shall be reported to the authorized filer in such
 223 detail and form as to allow him to comply fully with this chapter.

224 C. It shall be unlawful for any independent expenditure committee, its authorized filer, or any person
 225 receiving donations or making expenditures on the committee's behalf or in relation to the committee to fail
 226 to report every such donation and expenditure as required by this chapter.

227 D. The authorized filer shall be the individual responsible for the independent expenditure committee's
 228 compliance with Title 24.2.

229 **§ 24.2-949.19. Information to be included on campaign finance reports for independent expenditure
 230 committees.**

231 A. The reports required by this article shall be filed on a form prescribed by the State Board and shall
 232 include all donations and expenditures of the independent expenditure committee. All completed forms shall
 233 be submitted electronically as provided in § 24.2-946.1. Persons submitting the forms shall do so subject to
 234 felony penalties for making false statements pursuant to § 24.2-1016.

235 B. The report of receipts shall include:

236 1. For each donor who has made donations in aggregate of more than \$5,000 as of the ending date of the
 237 report, the independent expenditure committee shall itemize each donation on the report and list the
 238 following information:

239 a. The name of the donor, listed alphabetically;

240 b. The mailing address of the donor;

241 c. The amount of the donation;

242 d. The aggregate amount of donations from the donor to date;

243 e. The date of the last donation;

244 f. The occupation of the donor;

- 245 g. The name of the donor's employer or principal business; and
 246 h. The locality where the donor is employed or where his business is located.
- 247 2. For each such donor, other than an individual, the principal type of business and place of business of
 248 the donor shall be substituted for subdivisions 1 f and 1 g, respectively. For each such donor other than an
 249 individual, it shall be sufficient to list the address of the donor one time on the report of receipts.
- 250 C. Upon transfer of a donation that is designated specifically and in writing for a particular candidate or
 251 candidates and that is made using the independent expenditure committee solely as a conduit to a designated
 252 candidate's campaign committee, the independent expenditure committee shall provide information to the
 253 campaign committee to identify the contributor as provided by § 24.2-947.4.
- 254 D. The report of disbursements shall include all expenditures and give:
- 255 1. The name and address of the person paid;
 256 2. A brief description of the purpose of the expenditure;
 257 3. The name of the person contracting for or arranging the expenditure;
 258 4. The amount of the expenditure; and
 259 5. The date of the expenditure.
- 260 The report of disbursements shall itemize any expenditure made by credit card payment.
- 261 E. Each report for an independent expenditure committee shall list separately those donations and
 262 expenditures reported to the person designated to file the report required by this section or other officer of
 263 the independent expenditure committee by any person, candidate campaign committee, political action
 264 committee, or political party committee pursuant to subsection B of § 24.2-949.18, and in the case of
 265 nonmonetary donations, shall set forth in each instance the source of the information reported.
- 266 F. Nothing in this section shall require the disclosure of an independent expenditure committee's
 267 membership list.
- 268 G. For any reporting period that the independent expenditure committee does not list any contributions
 269 received, the report required by this section shall be accompanied by a sworn affidavit, signed by the
 270 authorized filer, attesting that none of the funds used for the expenditures made within the report period were
 271 solicited for the purpose of or with the promise that they would be used to influence the outcome of
 272 nonfederal elections in Virginia or expressly advocate for the election or defeat of one or more clearly
 273 identified candidates.
- 274 H. The State Board shall provide for a "no activity" report that may be filed for any reporting period in
 275 which the authorized filer has no activity to report.
- 276 I. It is the responsibility of the authorized filer that the report for the independent expenditure committee
 277 be filed and that the report be in full and accurate detail.
- 278 **§ 24.2-949.20. Filing Schedule for independent expenditure committees.**
- 279 A. Independent expenditure committees shall file the prescribed campaign finance reports with the State
 280 Board in accordance with the applicable provisions of this section. The first filed report shall be complete for
 281 the entire period of one calendar year prior to the date the independent expenditure committee filed its
 282 statement of organization.
- 283 B. The reporting requirements shall continue in effect for each independent expenditure committee until a
 284 final report is filed.
- 285 C. Independent expenditure committees shall file the prescribed campaign finance reports as follows:
- 286 1. Not later than April 15 complete from the preceding report through March 31;
 287 2. Not later than June 1 complete from the preceding report through May 25;
 288 3. Not later than September 15 complete from the preceding report through August 31;
 289 4. Not later than October 15 complete from the preceding report through October 7; and
 290 5. Not later than January 15 complete from the preceding report through December 31, and then
 291 continuing in accordance with this subsection until a final report is filed.
- 292 D. An independent expenditure committee that files its statement of organization on or after March 15 and
 293 before the third Tuesday in June in any odd-numbered year shall file with its statement of organization a
 294 campaign finance report as provided in § 24.2-949.19 for that year, complete through the date that it files its
 295 statement of organization, and if such independent expenditure committee files its statement of organization
 296 before May 25, such independent expenditure committee shall file its next campaign finance report in
 297 accordance with subdivision C 2.
- 298 E. An independent expenditure committee that files its statement of organization on or after August 15 and
 299 before the November election day in any odd-numbered year shall file with its statement of organization a
 300 campaign finance report as provided in § 24.2-949.19 for that year, complete through the date that it files its
 301 statement of organization, and if such independent expenditure committee files its statement of organization
 302 before October 7, such independent expenditure committee shall file its next campaign finance report in
 303 accordance with subdivision C 4.
- 304 **§ 24.2-949.21. Large dollar donation reporting requirement for independent expenditure committees.**
 305 In addition to the scheduled reports required by § 24.2-949.20, independent expenditure committees shall

306 report any single donation of \$10,000 or more received at any time during the calendar year within three
 307 business days of receipt of the donation.

308 1. The report shall be filed on a "large dollar donation report" form prescribed by the State Board and
 309 shall be filed in writing or electronically in the same manner as the independent expenditure committee files
 310 its scheduled reports.

311 2. Any donation reported pursuant to this section shall also be reported on the next subsequent report
 312 required under § 24.2-949.6 following receipt of the donation.

313 3. For the purposes of this section, independent expenditure committees shall report as one donation
 314 multiple donations from a single source that have been subdivided into smaller amounts or given through
 315 different bank accounts for the purpose of evading the \$10,000 threshold. An independent expenditure
 316 committee that receives donations from affiliated organizations shall not be deemed to be receiving donations
 317 from a single source.

318 **§ 24.2-949.22. Special report required of certain large pre-election expenditures.**

319 A. Any donation or expenditure reported pursuant to this section shall also be reported on the first report
 320 required by this article after any election.

321 B. Independent expenditure committees shall report any single donation received or expenditure made of
 322 \$1,000 or more between May 26 and the third Tuesday in June in odd-numbered years. Such donation or
 323 expenditure shall be reported electronically pursuant to § 24.2-946.1, and the report shall be received by the
 324 State Board by 11:59 p.m. on the following day or, for a donation received or expenditure made on a
 325 Saturday, by 11:59 p.m. on the following Monday. However, any such donation received or expenditure made
 326 within the 24 hours prior to the third Tuesday in June shall be reported and a report thereof received on the
 327 day prior to the third Tuesday in June.

328 C. Independent expenditure committees shall report any single donation received or expenditure made of
 329 \$1,000 or more between October 8 and the date of the November general election. Such donation or
 330 expenditure shall be reported electronically pursuant to § 24.2-946.1, and the report shall be received by the
 331 State Board by 11:59 p.m. on the following day or, for a contribution received or expenditure made on a
 332 Saturday, by 11:59 p.m. on the following Monday. However, any such contribution received or expenditure
 333 made within the 24 hours prior to the election day shall be reported and a report thereof received on the day
 334 prior to the election.

335 **§ 24.2-949.23. Electronic filing requirement; public availability.**

336 Independent expenditure committees required to file statements of organization or reports by this article
 337 shall file all such statements and reports with the State Board by computer or electronic means in accordance
 338 with the standards approved by the State Board until such time as the independent expenditure committee
 339 files a final report. All such statements and reports shall be made publicly available on the Department's
 340 website within 48 hours of their submission.

341 **§ 24.2-949.24. Final report requirement.**

342 Any independent expenditure committee that, after having filed a statement of organization, disbands or
 343 determines it will no longer make (i) contributions to campaign committees, political action committees, or
 344 political party committees or (ii) independent expenditures required to be reported pursuant to § 24.2-945.2
 345 during the calendar year shall so notify the State Board. A final report shall be filed by the independent
 346 expenditure committee that sets forth all receipts and disbursements not previously reported and the
 347 disposition of the committee's surplus funds. This final report shall include a termination statement, signed by
 348 the authorized filer or other principal officer listed on the statement of organization, that all reporting for the
 349 independent expenditure committee is complete and final.

350 **§ 24.2-953.1. Failure to file the required reports; civil penalties.**

351 A. In the case of a failure to file the statement of organization for a candidate campaign committee,
 352 independent expenditure committee, or political committee required by this chapter, there shall be a civil
 353 penalty not to exceed \$500.

354 B. In the case of the failure to file a required report, the candidate campaign committee, independent
 355 expenditure committee, or political committee shall be assessed a civil penalty not to exceed \$500. In the case
 356 of the failure to file a report required pursuant to subsection D or E of § 24.2-949.6, the political action
 357 committee shall be assessed a civil penalty not to exceed \$500. In the case of the failure to file a report
 358 required pursuant to subsection D or E of § 24.2-949.20, the independent expenditure committee shall be
 359 assessed a civil penalty not to exceed \$500. In the case of a second or any subsequent such violation
 360 pertaining to one election cycle, the candidate campaign committee independent expenditure committee, or
 361 political committee shall be assessed a civil penalty of \$1,000 for each such failure to file.

362 C. In the case of a failure to file the report of any large pre-election contribution required by § 24.2-947.9
 363 or, 24.2-949.7:1, or 24.2-949.22 or a report required pursuant to subsection D or E of § 24.2-949.6 or §
 364 24.2-949.20, there shall be a rebuttable presumption that the violation was willful.

365 **§ 24.2-953.2. Late filing of required reports; civil penalties.**

366 A. In the case of the late filing of the statement of organization required by this chapter for a candidate

367 campaign committee, *independent expenditure committee*, or political committee, there shall be a civil
368 penalty not to exceed \$500.

369 B. In the case of a late filing of a required report, the candidate campaign committee, *independent*
370 *expenditure committee*, or political committee shall be assessed a civil penalty not to exceed \$500. In the case
371 of a second or any subsequent such violation pertaining to one election cycle, the candidate campaign
372 committee, *independent expenditure committee*, or political committee shall be assessed a civil penalty of
373 \$1,000 for each such late filing.

374 **§ 24.2-953.3. Incomplete reports; civil penalties.**

375 A. In the case of a violation of this chapter that relates to the filing of an incomplete report, the violator
376 shall be subject to a civil penalty not to exceed \$500 unless a greater penalty is imposed pursuant to this
377 section. However, the civil penalty shall in no case exceed \$500 unless the total of the filer's reportable
378 contributions or the total of the filer's reportable expenditures is \$10,000 or more.

379 B. Prior to assessing a penalty pursuant to this section for the filing of an incomplete report, the
380 Commissioner of Elections or the general registrar shall notify, by certified mail, the candidate and treasurer,
381 *authorized filer or independent expenditure committee*, or person or political committee required to file a
382 report with that board, that a filed report has not been completed, citing the omissions from the report. No
383 penalty shall be assessed if the information required to complete the report is filed within 10 days of the date
384 of mailing the written notice.

385 C. If the information required to complete the report is not filed within the 10-day period, the
386 Commissioner of Elections or the general registrar shall then assess against the candidate and treasurer, who
387 shall be jointly and severally liable, *authorized filer or independent expenditure committee*, or person or
388 political committee required to file a report, a civil penalty not to exceed \$500. The Commissioner of
389 Elections or the general registrar shall consider the following factors in determining the civil penalty
390 assessed: the number of omissions, the amount of money involved, and the proportion of contributions or
391 expenditures containing omissions.

392 D. The Commissioner of Elections or the general registrar may grant an additional period for compliance,
393 not to exceed two weeks, to permit the completion of a filed report for good cause shown and in response to a
394 request filed within the 10-day period. However, no additional period shall be granted thereafter for
395 compliance.

396 E. The civil penalty assessed for filing an incomplete report shall be increased by \$500 every 60 days
397 following the date for compliance established pursuant to this section and until compliance is complete. If the
398 failure to comply continues for more than 120 days following the date for compliances established pursuant
399 to this section, there shall be a rebuttable presumption that the violation was willful, and the matter shall be
400 forwarded to the appropriate attorney for the Commonwealth.

401 F. The civil penalty assessed for filing any subsequent incomplete report (i) that is filed more than 20 days
402 after notice has been given of a violation or (ii) that is filed during the 60 days prior to the elections for which
403 the person is a candidate shall be \$1,000.

404 G. The State Board shall notify the public through its official Internet website of a failure to file a
405 complete report by a candidate for statewide office or the General Assembly and the identity of the violator
406 following the date for compliance established pursuant to this section.

407 **§ 24.2-953.6. Contributions from unregistered independent expenditure committees; civil penalty.**

408 A. *Any candidate for Governor, Lieutenant Governor, Attorney General, or the General Assembly whose*
409 *campaign committee knowingly accepts, or any contributor who knowingly makes to such candidate,*
410 *contributions prohibited by § 24.2-949.15 shall be subject to a civil penalty of up to four times the amount by*
411 *which the contribution exceeds the limit. The State Board shall assess and collect such civil penalties, which*
412 *shall be payable to the State Treasurer for deposit to the general fund.*

413 B. *Any political committee that knowingly accepts, or any contributor who knowingly makes to such*
414 *political committee, contributions prohibited by § 24.2-949.15 shall be subject to a civil penalty of up to four*
415 *times the amount by which the contribution exceeds the limit. The State Board shall assess and collect such*
416 *civil penalties, which shall be payable to the State Treasurer for deposit to the general fund.*

417 C. *Any independent expenditure committee, as that term is defined in § 24.2-949.14, that has not filed a*
418 *statement of organization pursuant to § 24.2-949.17 and knowingly makes (i) any contribution to a campaign*
419 *committee, political action committee, or political party committee or (ii) an independent expenditure*
420 *required to be reported pursuant to § 24.2-945.2 shall be subject to a civil penalty of up to four times the*
421 *amount of the contribution, or independent expenditure, as appropriate. The State Board shall assess and*
422 *collect such civil penalties, which shall be payable to the State Treasurer for deposit to the general fund.*

423 D. *Any person who knowingly subdivides contributions into smaller amounts or uses other entities as a*
424 *conduit for the purpose of evading contribution limits imposed in this chapter shall be subject to a civil*
425 *penalty of up to four times the amount by which the contribution exceeds the limit. The State Board shall*
426 *assess and collect such civil penalties, which shall be payable to the State Treasurer for deposit to the*
427 *general fund.*

428 **§ 24.2-955.1. Definitions.**

429 As used in this chapter, unless the context requires a different meaning:

430 "Advertisement" means any message appearing in the print media, on television, on radio, or on an online
431 platform, that constitutes a contribution or expenditure under Chapter 9.3 (§ 24.2-945 et seq.).
432 "Advertisement" shall not include novelty items authorized by a candidate including, but not limited to, pens,
433 pencils, magnets, and buttons to be attached to wearing apparel.

434 "Authorized by _____" means the same as "authorization" as defined in § 24.2-945.1.

435 "Campaign telephone calls" means a series of telephone calls or text messages, electronic or otherwise,
436 made (i) to 25 or more telephone numbers in the Commonwealth, (ii) during the 180 days before a general or
437 special election or during the 90 days before a primary or other political party nominating event, (iii)
438 conveying or soliciting information relating to any candidate or political party participating in the election,
439 primary, or other nominating event, and (iv) under an agreement to compensate the telephone callers.

440 "Candidate" means "candidate" as defined in § 24.2-101.

441 "Candidate campaign committee" or "campaign committee" means "campaign committee" as defined in §
442 24.2-945.1.

443 "Coordinated" or "coordination" means an expenditure that is made (i) at the express request or suggestion
444 of a candidate, a candidate's campaign committee, or an agent of the candidate or his campaign committee or
445 (ii) with material involvement of the candidate, a candidate's campaign committee, or an agent of the
446 candidate or his campaign committee in devising the strategy, content, means of dissemination, or timing of
447 the expenditure.

448 "Conspicuous" means so written, displayed, or communicated that a reasonable person ought to have
449 noticed it.

450 "*Electioneering communication*" means any message appearing in the print media, on television, on
451 radio, or on an online platform (i) that refers to a clearly identified candidate; (ii) that is published,
452 broadcast, or otherwise publicly distributed within 30 days of a primary election for the office sought by the
453 candidate or within 60 days of a general or special election for the office sought by the candidate and is
454 targeted to the relevant electorate; and (iii) for which money and services of any amount, or any other thing
455 of value, was paid, loaned, provided, or in any other way disbursed. "*Electioneering communication*" does
456 not include (a) a candidate debate or forum or promotion of such debate or forum by the sponsor of the event
457 or (b) a communication paid for by a federal candidate in connection with a federal election, provided that
458 such communication does not expressly advocate for a candidate for office in Virginia.

459 "Full-screen" means the only picture appearing on the television screen during the oral disclosure
460 statement that (i) contains the disclosing person, (ii) occupies all visible space on the television screen, and
461 (iii) contains the image of the disclosing person that occupies at least 50% of the vertical height of the
462 television screen.

463 "Independent expenditure" means "independent expenditure" as defined in § 24.2-945.1.

464 "Name of candidate" means (i) the full name of the candidate as it appears on the statement of
465 qualification filed pursuant to § 24.2-501 or as it will appear on the ballot or (ii) the first name, middle name,
466 or "nickname" of the candidate as it appears on his statement of qualification and a last name of the candidate
467 as it appears on his statement of qualification.

468 "Occurrence" means one broadcast of a radio or television political campaign advertisement.

469 "Online platform" means any public-facing website, web application, or digital application, including a
470 social network, ad network, or search engine, that sells advertisements.

471 "Online political advertisement" means an advertisement that is placed or promoted for a fee on an online
472 platform.

473 "Online political advertiser" means any person who purchases an advertisement from an online platform
474 or promotes an advertisement on an online platform for a fee.

475 "Political action committee" means "political action committee" as defined in § 24.2-945.1.

476 "Political committee" means "political committee" as defined in § 24.2-945.1.

477 "Political party" has the same meaning as "party" or "political party" as defined in § 24.2-101.

478 "Political party committee" means any state political party committee, congressional district political
479 party committee, county or city political party committee, or organized political party group of elected
480 officials. The term shall not include any other organization or auxiliary associated with or using the name of a
481 political party.

482 "Print media" means billboards, cards, newspapers, newspaper inserts, magazines, printed material
483 disseminated through the mail, pamphlets, fliers, bumper stickers, periodicals, websites, electronic mail, non-
484 video or non-audio messages placed or promoted for a fee on an online platform, yard signs, and outdoor
485 advertising facilities. If a single print media advertisement consists of multiple pages, folds, or faces, the
486 disclosure requirement of this section applies only to one page, fold, or face.

487 "Radio" means any radio broadcast station that is subject to the provisions of 47 U.S.C. §§ 315 and 317.

488 "Scan line" means a standard term of measurement used in the electronic media industry calculating a
489 certain area in a television advertisement.

490 "Sponsor" means a candidate, candidate campaign committee, political committee, or person that

491 purchases an advertisement.

492 "Telephone call" means any single telephone call or text message, electronic or otherwise, that when
493 combined with other telephone calls or text messages constitutes campaign telephone calls.

494 "Television" means any television broadcast station, cable television system, wireless-cable multipoint
495 distribution system, satellite company, or telephone company transmitting video programming that is subject
496 to the provisions of 47 U.S.C. §§ 315 and 317.

497 "Unobscured" means that the only printed material that may appear on the television screen is a visual
498 disclosure statement required by law, and that nothing is blocking the view of the disclosing person's face.

499 "Yard sign" means a sign paid for or distributed by a candidate, campaign committee, or political
500 committee to be placed on public or private property. Yard signs paid for or distributed prior to July 1, 2015,
501 shall not be subject to the provisions of §§ 24.2-956 and 24.2-956.1.

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

INTRODUCED

HB2173