



Fiscal Impact Statement for Proposed Legislation

Virginia Criminal Sentencing Commission

House Bill 2670 (Patron – Sickles)

LD #: 25104764

Date: 01/13/2025

Topic: Campaign finance requirements for tax-exempt organizations

Fiscal Impact Summary:

- **State Adult Correctional Facilities:**
None (\$0) *
- **Local Adult Correctional Facilities:**
Cannot be determined; likely to be small
- **Adult Community Corrections Programs:**
Cannot be determined; likely to be small

- **Juvenile Direct Care:**
None (\$0) **
- **Juvenile Detention Facilities:**
None (\$0) **

** Provided by the Department of Juvenile Justice

* Pursuant to § 30-19.1:4, fiscal impact statements prepared by the Virginia Criminal Sentencing Commission only include the estimated increase in operating costs associated with additional state-responsible prison beds and do not reflect any other costs or savings that may be associated with the proposed legislation.

Summary of Proposed Legislation:

The proposal amends and reenacts §§ 24.2-945.1, 24.2-946.1, 24.2-953.1, 24.2-953.2, and 24.2-953.3 and adds numerous sections to the *Code of Virginia* related to campaign finance. As proposed, campaign finance reporting requirements are established for tax-exempt organizations making contributions or independent expenditures for the purpose of advocating for the election or defeat of a clearly identified Virginia candidate. Making a false statement on the required finance form would be punishable as a Class 5 felony under § 24.2-1016.¹ The proposal also establishes civil penalties, requires reports to be publicly available, and the creation of a Senate and House work group to evaluate campaign finance across various states.

Analysis:

Existing data sources do not contain sufficient information to estimate the number of additional felony convictions that may result if the proposal is enacted. Individuals making false statements on campaign finance reports for tax-exempt organizations may be sentenced similarly to those currently convicted of the Class 5 felony under § 24.2-1016.

¹ Under current law, the felony offense related to election fraud or false statements defined in § 24.2-1016 is eligible for the enhanced sentence credits specified in § 53.1-202.3, whereby individuals will serve a minimum of 67% of the sentence ordered by the court.

According to Circuit Court Case Management System (CMS) data for FY2019 through FY2024, there were eight convictions under § 24.2-1016 that were the primary, or most serious, offense in the sentencing event. All of the defendants received probation without an active term of incarceration.

Impact of Proposed Legislation:

State adult correctional facilities. By requiring campaign finance reports for tax-exempt organizations and potentially increasing the number of Class 5 felony convictions for making false statements on the reports, the proposal may increase the future state-responsible (prison) bed space needs of the Commonwealth. In past six fiscal years, however, no offender convicted of a Class 5 felony under § 24.2-1016 has received an active state-responsible (prison) term. Therefore, the proposal is not expected to impact prison bed space needs during the six-year window specified by § 30-19.1:4 for legislative impact statements.

Local adult correctional facilities. Similarly, the proposal may increase local-responsible (jail) bed space needs, but the magnitude of the impact cannot be determined. The impact, if any, is likely to be small.

Adult community corrections programs. Because the proposal could result in additional felony convictions with supervision requirements for the offenders, the proposal may affect adult community corrections resources. While the potential impact on community corrections resources cannot be quantified, any impact is likely to be small.

Virginia’s Sentencing Guidelines. A felony conviction under § 24.2-1016 is not covered by the Sentencing Guidelines when it is the primary, or most serious, offense in a case. Such a conviction could augment the Guidelines recommendation (as an additional offense) if the most serious offense at sentencing is covered by the Guidelines. This felony is not defined as violent under § 17.1-805(C) for Guidelines purposes. No adjustment to the Guidelines would be necessary under the proposal.

Juvenile direct care. According to the Department of Juvenile Justice (DJJ), the proposal is not expected to increase direct care (juvenile correctional center or alternative commitment placement) bed space needs.

Juvenile detention facilities. The Department of Juvenile Justice (DJJ) reports that the proposal will not increase the bed space needs of juvenile detention facilities.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 2 of the Acts of Assembly of 2024, Special Session I, requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation is \$0 for periods of commitment to the custody of the Department of Juvenile Justice.

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