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HOUSE BILL NO. 1185

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Privileges and Elections
on February 13, 2026)

(Patron Prior to Substitute—Delegate O'Quinn)

A BILL to amend and reenact §§ 24.2-947.1, 24.2-947.2, 24.2-947.3, and 24.2-948.5 of the Code of Virginia, relating to campaign finance; campaign depositories.

Be it enacted by the General Assembly of Virginia:**1. That §§ 24.2-947.1, 24.2-947.2, 24.2-947.3, and 24.2-948.5 of the Code of Virginia are amended and reenacted as follows:****§ 24.2-947.1. Statement of organization.**

A. Any individual seeking or campaigning for an office of the Commonwealth or one of its governmental units in a party nomination process or general, primary, or special election shall file a statement of organization within 10 days of meeting any one of the following conditions:

1. Acceptance of a contribution;
2. Expenditure of any funds;
3. The payment of a filing fee for any party nomination method;
4. The filing of a candidate statement of qualification pursuant to § 24.2-501;
5. The appointment of a campaign treasurer, designation of a campaign committee, or designation of a campaign depository; or

6. In the case of a candidate for a town office in a town with a population of less than 25,000 that has not otherwise adopted the provisions of this chapter by ordinance, acceptance of a contribution or expenditure of funds that brings the total amount of contributions accepted or funds expended to more than \$25,000 within the candidate's election cycle, as set forth in § 24.2-947.

B. Candidates for statewide office shall file the statement with the State Board. Candidates for the General Assembly shall file the statement with the State Board and a copy of the statement with the general registrar of the locality of the candidate's residence. Candidates for local or constitutional office shall file the statement with the general registrar and, if the statement indicates that the candidate committee will be filing electronically, a copy with the State Board.

C. The statement of organization shall include the following information:

1. The full name and residence address of the candidate;
2. The full name and mailing address for the campaign committee;
3. The full name, residence address, and daytime phone number of the treasurer;
4. The office being sought and district, if any, for the office;
5. The recognized political party affiliation of the candidate for statewide office or the General Assembly.

In the absence of any political party affiliation, independent shall be used;

6. The name of the financial institution for *each of his campaign depository depositories*; and

7. Such other information as shall be required by the State Board except that the account number for a designated depository account shall not be required.

D. In the case of any candidate who seeks election for successive terms in the same office, the statement of organization filed by the candidate shall continue in effect for such successive elections, but the candidate shall file notice of any changes in the information provided on the form within 10 days of the change with the State Board, general registrar, or both, as appropriate.

§ 24.2-947.2. Campaign depositories; reimbursements of expenses; petty cash fund.

A. Upon meeting any of the requirements of subsection A of § 24.2-947.1, the candidate shall designate ~~a~~ *at least one* campaign depository, ~~which shall~~ *and no more than two* campaign depositories. *Any campaign depository shall be maintained in a financial institution within the Commonwealth, in an account properly identifying the name of and the existence of the political candidacy.*

B. No candidate, campaign treasurer, or other individual shall pay any expense on behalf of a candidate, directly or indirectly, except by a check or electronic debit drawn on ~~such a~~ *a* designated *campaign* depository identifying the name of the campaign committee and candidate. However, a candidate, treasurer, or other authorized member of the candidate's campaign staff may be reimbursed, by a check or electronic debit drawn on ~~the~~ *a* designated *campaign* depository, or according to the provisions of subsection C, for the payment of expenses (i) paid by him by cash, check or electronic debit, or credit card, (ii) made on behalf of the campaign, and (iii) fully documented by complete records of the expenditure, maintained as required by this chapter, and including receipts identifying the nature of the expenses and the names and addresses of each person paid by the recipient of the reimbursement.

C. A campaign committee (i) may establish a petty cash fund to be utilized for the purpose of making expenditures or reimbursing verified credit card expenditures of less than \$200 if complete records of such

60 expenditures are maintained as required by this chapter and (ii) may transfer funds from ~~the~~ a designated
 61 campaign depository to an account or instrument to earn interest on the funds so long as the transferred funds
 62 and earned interest are returned to ~~the~~ a designated *campaign* depository account, complete records are
 63 maintained, and all expenditures are made through ~~the~~ a designated *campaign* depository account.

64 D. 1. Notwithstanding the provisions of this section pertaining to campaign committee depositories and
 65 accounts, the campaign committee's treasurer may establish a separate federal compliance account in the
 66 candidate's designated campaign depository for the purpose of complying with requirements of federal law
 67 including, without limitation, restrictions on sources and amounts of campaign contributions applicable to
 68 federal candidates and officeholders. The candidate and campaign treasurer shall report all contributions and
 69 expenditures for an account established pursuant to this subsection on a consolidated basis with the
 70 candidate's campaign account established pursuant to this section in disclosure reports filed pursuant to this
 71 article. In addition, the treasurer may transfer funds from a federal compliance account created pursuant to
 72 this subsection to an account or instrument to earn interest on the funds so long as the transferred funds and
 73 earned interest are returned to the designated depository account created pursuant to subsection A, complete
 74 records are maintained, and all expenditures are made through the designated depository account.

75 2. A committee registered with the Federal Election Commission which is not otherwise required by this
 76 chapter to file with the State Board, shall not be deemed to have triggered such filing requirements solely by
 77 virtue of one or more contributions to one or more federal compliance accounts created pursuant to this
 78 subsection.

79 **§ 24.2-947.3. Campaign committee treasurer requirements and responsibilities.**

80 A. Upon meeting any of the requirements of subsection A of § 24.2-947.1, the candidate shall appoint a
 81 single campaign treasurer who shall be a registered voter in Virginia. Every treasurer so appointed shall
 82 accept the appointment, in writing on the statement of organization, prior to the filing thereof. No individual
 83 shall act as treasurer unless the required statement of appointment has been filed. The same person may serve
 84 as campaign treasurer for more than one candidate.

85 B. In the event of the death, resignation, removal, or change of the treasurer, the candidate shall designate
 86 a successor and file the name and address of the successor within 10 days of the change with the State Board,
 87 general registrar, or both, as provided in subsection B of § 24.2-947.1.

88 C. Any candidate who fails to appoint a treasurer or successor treasurer shall be deemed to have appointed
 89 himself treasurer and shall comply as such with the provisions of this chapter.

90 D. All contributions and expenditures received or made by any candidate, or received or made on his
 91 behalf or in relation to his candidacy by any person, except independent expenditures, shall be paid over or
 92 delivered to the candidate's treasurer or shall be reported to the treasurer in such detail and form as to allow
 93 him to comply fully with this chapter. An independent expenditure shall be reported pursuant to § 24.2-945.2
 94 in lieu of being reported to the candidate's treasurer.

95 E. The candidate or his treasurer shall keep detailed and accurate accounts of all contributions turned over
 96 to and expenditures made by the candidate or his treasurer on behalf of the candidate or his campaign
 97 committee, or reported to any candidate or his treasurer pursuant to this article. Such account shall set forth
 98 the date of the contribution or expenditure, its amount or value, the name and address of the person or
 99 committee making the contribution or to whom the expenditure was made, and the object or purpose of the
 100 contribution or expenditure. Such books and records may be destroyed or discarded at any time after (i) one
 101 year from the date of filing the final report required by § 24.2-948.4 or (ii) three years after the December 31
 102 immediately following the election, whichever last occurs, unless a court of competent jurisdiction shall order
 103 their retention for a longer period.

104 F. The treasurer shall be responsible for retaining all bank statements for, and copies of checks issued on,
 105 ~~the~~ *each* campaign depository and bills, invoices, and receipts for any expenditure greater than \$500. The
 106 treasurer for a nonincumbent candidate shall retain such records and materials for a period starting from the
 107 date of the designation of ~~the~~ a campaign depository for the campaign through July 1 of the year immediately
 108 following the year of the election. The treasurer for incumbent candidates shall retain such records and
 109 materials for a period starting from the date that the incumbent was sworn into office for the term being
 110 served at the time of the election through July 1 of the year immediately following the year of the election.
 111 The treasurer shall make such records and materials available to the Department or its designee upon request
 112 pursuant to the provisions of § 24.2-948.5.

113 G. It shall be unlawful for any candidate, his treasurer, or any person receiving contributions or making
 114 expenditures on a candidate's behalf or in relation to his candidacy, to fail to report every contribution and
 115 expenditure as required by this article.

116 **§ 24.2-948.5. Reviews of campaign finance reports and records.**

117 A. The Department shall have the authority to review the reports and records of the campaign committees.
 118 The purposes of the review shall be to (i) reconcile the balance ~~in the~~ *of all* campaign ~~depository~~ *depository* depositories
 119 with the amounts reported in the candidate's reports of receipts and expenditures and (ii) review the reports
 120 for mathematical accuracy and facial completeness including the reporting of specific information required
 121 by law. In the performance of its review, the Department is authorized to request the production of monthly

122 bank statements for, and copies of checks issued on, campaign depositories and itemized bills, invoices, and
123 receipts for any expenditure of campaign funds in an amount greater than \$500.

124 B. The Department shall review the reports and records of the campaign committees within 180 days
125 following the general election. The Department shall review the reports and records of all of the campaign
126 committees for candidates, including losing primary candidates, for statewide office; 10 percent of the
127 campaign committees for candidates, including losing primary candidates, for the Senate and House of
128 Delegates; and one percent of candidates, including losing primary candidates, for all other offices in any
129 year in which such offices are elected. The State Board shall meet publicly to select the campaign committees
130 to be reviewed by a drawing that ensures selection on a random basis.

131 C. No review shall be conducted of a campaign committee for any office that has received less than
132 \$25,000 in contributions during the campaign, including the transfer of surplus funds from a prior campaign.
133 Campaign committees for candidates that are exempt from review pursuant to this subsection shall not be
134 included in the drawing provided for in subsection B or counted in determining the number that equals the
135 relevant percentage of the campaign committees to be reviewed.

136 D. In the performance of its duties under this section, the Department may employ the services of
137 additional personnel to the extent that appropriated funds are available to the Department for such purpose.

138 E. The Department shall make a report of the results of its reviews available to the State Board, the
139 Governor, and the General Assembly by July 1 of each year following the election year for the office to
140 which the review pertains and the same shall be posted to the Department's website.

141 **2. That the provisions of this act shall become effective on January 1, 2027.**