



Restricts personal use of campaign funds, authorizes investigations.

Patrons: Jennifer Boysko, George Barker, David Marsden, and Scott Surovell (SB1471)

KEY PROVISIONS:

- **Prohibits any candidate from using contributions to their campaign for personal expenses.**
- Provides that a **contribution is considered to have been converted to personal use if the contribution is used to pay for any non-campaign expense**, e.g., home mortgage, rent or utility payment; non-campaign auto expense; country club, payments to health or recreation facilities: vacation or other non-campaign related trip; a tuition payment, admission to sport or performing art entertainment not associated with campaign.
- **Allows contributions to be used for expenses related to campaigning for or holding elective office**, including to pay for the candidate's childcare expenses if they are incurred as a direct result of campaign activity or holding office.
- **Effective January 1, 2024, charges the State Board of Elections with communicating to candidates** the personal use law provisions and related instructions, providing forms required for compliance, and providing ongoing guidance including examples of conduct that complies and that violates the provisions.
- **Provides a process whereby the State Board of Elections receives notice of and investigates alleged violations.** This process is designed to ensure that all claims are fairly adjudicated and **minimizes frivolous or unsubstantiated claims.** If the Board determines that the respondent has violated the law, the Board can order the respondent to repay the amount used for personal use and may also assess a civil penalty not to exceed \$1,000 per itemized expenditure.
- **Requires that the State Board of Elections promulgate rules to implement the provisions of the Act.**

WHY VIRGINIA NEEDS THIS BILL:

- **Virginia ranks poorly on campaign finance laws.** Just this year, the non-partisan Coalition for Integrity ranked Virginia 43 out of 51 jurisdictions in their State Campaign Finance Index.
- **Unlike most states and the federal government**, there are no currently legal restrictions on how candidates spend campaign funds. This means it's perfectly legal for candidates in Virginia to use campaign contributions to pay for non-campaign-related expenses, including home mortgage or rent, personal investments, children's clothing, country club dues, and more.
- **Legislation to ban the personal use of campaign funds has been introduced in the legislature as far back as 2014.** Every year, legislators have failed to pass such legislation, often citing the need for 'more study to refine the bills.' In 2021 the proposed personal use bill passed the House of Delegates 100-0, only to be quashed in the Senate.
- The public's confidence in government has eroded because Virginians increasingly perceive that their legislators engage in "pay-to-play" politics and have failed to prevent the abuse of campaign funds. Indeed, in a recent poll, **73% of Virginians support closing the personal use loophole.** There is just no logical reason to keep kicking the can down the road. The time for action is now.



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