CAMPAIGN FINANCE PRIORITIES

2022 GENERAL ASSEMBLY SESSION

The Commonwealth of Virginia just held its most expensive election campaign in history. A record amount of money, estimated by VPAP at $7 million, was contributed by undisclosed donors and used in attack ads focused on candidates in both parties.

Virginia is rated 46 out of 50 in the 2020 S.W.A.M.P Index, a ranking of states based on accountability and transparency in ethics and related legislation.

01 RESTRICTING PERSONAL USE OF CAMPAIGN FUNDS

Virginia is one of two states with no restrictions on personal use of campaign funds. Last year, a proposed bill died in the Senate after the House of Delegates voted for it 100 to 0. The redrafted bill has revisions based on judicially tested federal law. All candidates for federal office are subject to this law.

02 STRENGTHENING CURRENT DISCLOSURE PROVISIONS

The provisions of the bill will likely be based primarily upon testimony given by the Campaign Legal Center:

1) require electronic filing of independent expenditures in the same manner as state campaign disclosure filings,
2) tighten disclosure requirements on independent expenditures funds, and
3) upgrade information technology and user support to enhance transparency in collection and reporting of all campaign finance data.

These proposals include multi-level reporting of large contributions traced to the original source. A number of other states already have these requirements.

03 ENHANCING OVERSIGHT AUTHORITY OF THE STATE BOARD OR ELECTIONS

Current campaign finance laws, such as the stand-by-your-ad, cannot be monitored/enforced by the Department of Elections due to lack of capacity, both financial and staffing, and the current regulatory status of the State Board of Elections. This bill would propose enhancing oversight by authorizing the Department of Elections to review campaign finance disclosure filings for accuracy and completeness. It would also require all local candidates to file campaign finance disclosure forms electronically.

04 LIMITATIONS ON CONTRIBUTIONS

Virginia is one of only five states with no donation limitations. Recommendations on limitations go back 30 years to the Governor Wilder's Commission Report on Campaign Finance. This bill could set donation limits at federal levels. Higher limits may be considered, but any proposed limit should not be higher than national norms documented by the National Conference of State Legislators. Corporate contributions should be banned (similar to federal law), and limits should be placed on registered lobbyists' donations.

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BIG MONEY OUT
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78%
of Virginians support reducing money from big campaign donors.

88%
of Virginians support public disclosure of contributions.

86%
of Virginians support requiring reporting for online donations.

75%
of Virginians support creating contribution limits.

73%
of Virginians support restricting personal use of campaign funds.

56%
of Virginians support banning corporate contributions.

59%
of Virginians support a constitutional amendment.

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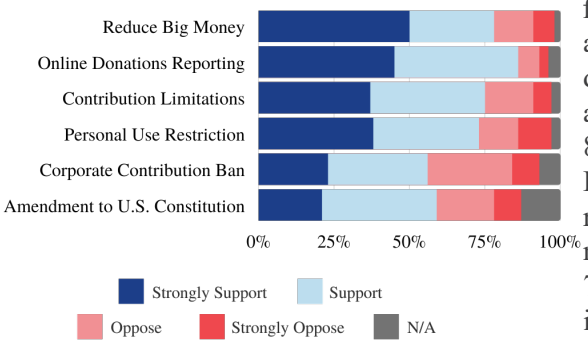
Polling Results:

What do Virginians think about the need for campaign finance reform?

January, 2022

Introduction

In the context of record spending on Virginia elections in 2021, recent polling[1] by the non-partisan Wason Center[2] shows that citizens of the Commonwealth overwhelmingly favor reducing, tracking, and conditioning the use of money coming from campaign donors.



This support for campaign finance reform is deep and cuts across respondents from all demographic groups and political affiliations—86% of Democrats, 80% of Independents, and 68% of Republicans. Nearly 80 percent of respondents overall agree with the need to take action on this issue, 75 percent of voters support the imposition of campaign limits, and a solid 88 percent endorse the need for groups to publicly disclose their contributors. A strong majority (73 percent) also support banning candidates from using their campaign funds for personal use while 56 percent support banning corporate contributions.

Meanwhile, a majority of Virginians support an amendment to the U.S. Constitution which would restore the right of states and Congress to regulate election spending. This confirms the perception of voters in the Commonwealth that unchecked political spending in Virginia by corporations, unions, and special interest groups, and wealthy individuals is overwhelming the voices of average citizens. Citizens agree that it weakens our ability to freely and fairly elect a representative government of, by, and for the people. Increasingly, candidates must devote time to fundraising, rather than to directly interacting with potential voters and constituents.

[1] Polling, which included seven questions about campaign finance in Virginia was commissioned by the citizen advocacy group, the VA Promise of American Promise (MoneyOutVA), was conducted over the November 3 to December 2, 2021 period, targeting 826 households. This included 364 on landlines and 462 on cell phones.

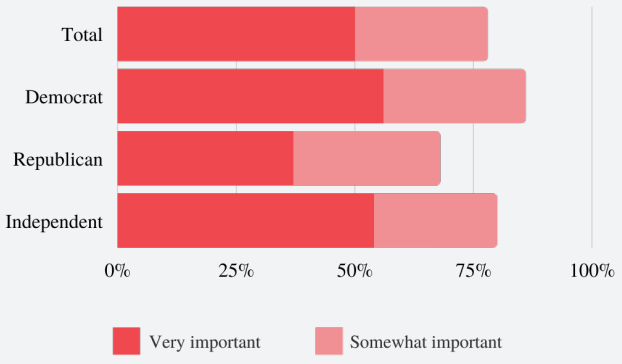
[2] The Center, located in Newport News, Virginia, has a 10-year track record of providing citizens and lawmakers unbiased, non-partisan insight into the policy issues shaping the future of the Commonwealth. More than 100 students work side-by-side with talented faculty to produce survey research and political analysis that informs decisions by citizens and lawmakers in Virginia, and increasingly around the country.

Context

The Commonwealth of Virginia, one of five states which has absolutely no limits on campaign contributions, just held its most expensive election campaign in history. Spending on races for the House of Delegates exceeded $80 million, 20 percent higher than the last election in 2019, according to VPAP. As candidates competed for positions paying less than $18,000/year, 22 candidates each raised over $1 million for their campaigns, including 6 candidates raising over $2 million apiece. While the statistics aren't yet available for 2021, the 2019 data on average level of contributions provided by VPAP revealed that 65 percent of total donations came from entities contributing more than $25,000.

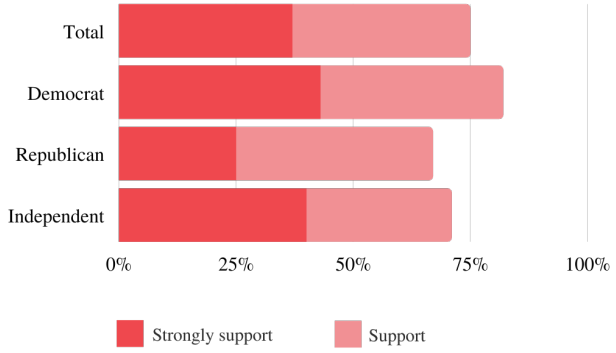
It is estimated that the race for Governor cost over $130 million, double the already-large amount spent in 2017's gubernatorial contest. Meanwhile, a record amount of money, estimated by VPAP at $7 million, was contributed by opaque donors and used in attack ads focused on candidates in both parties. Unsurprisingly, because Virginia has among the most lax campaign finance laws in the country, the 2020 S.W.A.M.P Index, an analysis undertaken by the Coalition for Integrity, which ranks states based on accountability and transparency in ethics and related legislation, ranks Virginia 46 out of 50.

How important is it to you to reduce the amount of money coming from big campaign donors in our elections?



Results: Virginia registered voters place a high degree of importance on reducing the amount of money coming from big campaign donors in elections with 78% indicating it is very or somewhat important to them. Republicans place somewhat less importance on this issue (68% very/somewhat important) relative to Democrats (86%) and Independents (80%). Older voters place a higher level of importance than younger voters (83% to 73%).

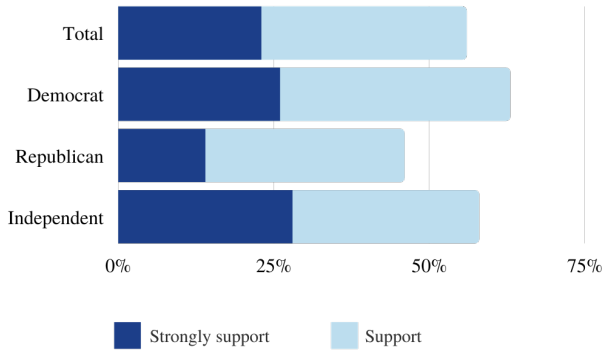
Do you support or oppose limiting the amount of money coming from big campaign donors into our state and local elections?



Virginia is one of only a few states that allows for unlimited contributions from big campaign donors including corporations, individuals and political action committees.

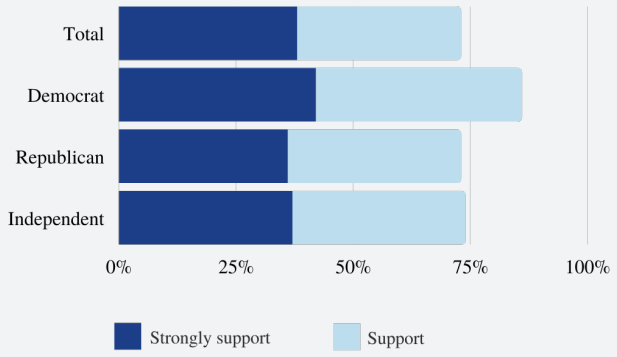
Results: A strong majority of Virginia registered voters support limits to the amount of money coming from big campaign donors such as corporations, individuals and political action committees in state and local elections (75% support/strongly support to 22% oppose/strongly oppose). While majorities of all partisans and independents support the measure, the highest levels of support are among Democrats (82% support/strongly support) compared to 67% of Republicans and 71% of Independents.

Do you support or oppose banning corporate contributions to Virginia state or local election campaigns?



Results: Voters in the Commonwealth show moderate support for a ban on corporate contributions in Virginia state or local elections (56% support/strongly support to 37% oppose/strongly oppose). The highest levels of support come from Democrats (63%), Black voters (60%) and those living in the Hampton Roads region (64%).

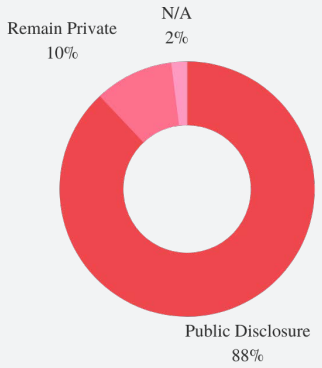
Do you support or oppose banning candidates from using their campaign funds for personal use?



The ban would exclude childcare needed to enable campaign activities.

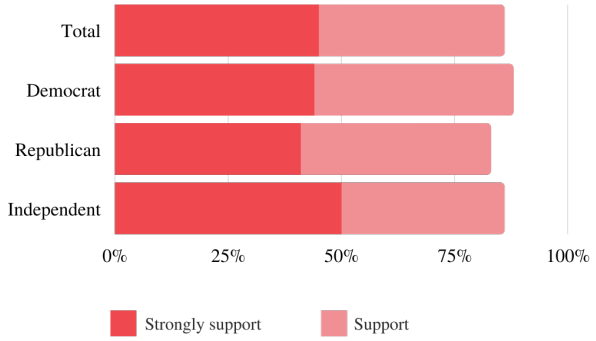
Results: A strong majority show support for banning candidates from using their campaign funds for personal use (73% support/strongly support to 24% oppose/strongly oppose). There are almost no partisan differences with Democrats, Republicans and Independents all supporting this proposal between 72% and 75%. The Hampton Roads region shows the highest level of support among regions at 92%.

Do you think all groups that raise and spend money to influence Virginia elections should be required to publicly disclose their contributions, or do you think it is okay for that information to remain private?



Results: Large majorities of voters in the Commonwealth support a requirement that groups who raise and spend money in Virginia elections should be required to publicly disclose their contributions (88% to 10%). Support is high across regions, and partisan identities with some differences emerging between older and younger voters (91% to 85%).

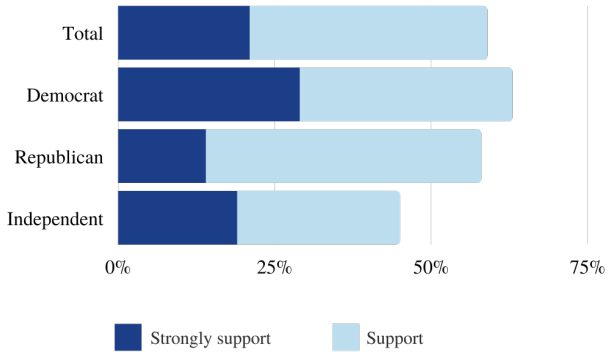
Do you support or oppose requiring more extensive reporting for online credit card donations as a way to help ensure that anonymous foreign money doesn't influence our elections?



National studies have highlighted the continued risk to US campaign integrity associated with foreign sources of campaign funds.

Results: A large bipartisan majority of voters support requiring more extensive reporting for online credit card donations to ensure that anonymous foreign money doesn't influence our elections (86% support/strongly support to 10% oppose/strongly oppose).

Do you support or oppose a constitutional amendment that would give states more flexibility to regulate election spending?



The US Supreme Court has issued decisions restricting the ability of states to regulate campaign spending, based on free speech language in the US Constitution.

Results: A bipartisan majority of voters support a constitutional amendment that would give states more flexibility to regulate election spending (59% support/strongly support to 28% oppose/strongly oppose). The highest level of support is among Democrats (63%), followed by Republicans (58%) and Independents (57%).

“These results indicate that Virginia voters view campaign finance reform as an important issue. Moreover, Republicans and Democrats actually find themselves on the same side of several campaign finance reforms, as shown in this survey.”

-Dr. Bromley-Trujillo, Wason Center Research Director.

"These polling results reveal that Virginia voters recognize that good governance is a critical barometer for our democracy.”

-Shruti Shah, President and CEO of the Coalition for Integrity

"Virginia citizens like myself seek campaign finance reform to enable our elected legislators to better reflect the interests and will of the average citizens of the Commonwealth.”

-Nancy Morgan, Coordinator of the Virginia chapter of American Promise

“Virginians, like voters across America, want more accountability and less corruption in politics. They are tired of special interests rigging the system in their favor. Virginians and voters nationwide have a right to know who’s spending big money to influence our votes and our government. It’s time to pass state and federal reforms to boost transparency and protect our First Amendment rights to have our voices heard in government.”

-Trevor Potter, President and Founder of Campaign Legal Center (CLC)

"These issues have been discussed in Virginia for many years and these polling results show that Virginians now expect the General Assembly to act.”

-Heidi Drauschak, Executive Director of VaOurWay

This poll was made possible by the generous contributions of the following individuals:

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VaOurWay

January, 2022

The Virginia General Assembly
1000 Bank Street
Richmond, VA 23219

RE: Virginia Campaign Finance Reform

Dear Legislators,

Surveys show that nearly 90 percent of Americans, irrespective of their party affiliations, agree it is important to reduce or counterbalance the influence of big campaign donors on our elections. Meanwhile, small and medium-sized business owners complain that big money and special interests suppress product innovation and market competition, creating more monopolistic entities than ever before. In fact, 85% of business leaders believe that our campaign finance system is broken and action needs to be taken to repair it.

In 2020, Virginia was ranked 46 out of 50 in the S.W.A.M.P Index, a cross -state comparative analysis of transparency and accountability. We are one of only five states which has no limits on campaign contributions and limited regulatory oversight over money coming into our elections. 30 years ago, the 1994 "Campaign Finance Reform, Government Accountability, and Ethics Study" initiated by Governor Wilder, recommended a campaign finance reform agenda which included campaign contribution limits, campaign finance reporting, including computerization, and a new state ethics commission. Governor Wilder reaffirmed the need for campaign finance reform in Virginia in a recent blog.

Virginians feel that it is now time to address campaign finance reform and the perceived corrosive effects that "pay-to-play" has on our legislative process. A systematic reform of our campaign finance systems which makes transparent the money flowing into our state politics can only serve to make legislators more accountable to voters and serve as an important step in restoring people's trust in government. A recent Citizens Report on the Need for Campaign Finance Reform in Virginia outlined a sequenced roadmap for reform for Virginia through:

1. Strengthening transparency and accountability by enhancing disclosure, establishing regular auditing, creating and implementing guidelines for complaints, restricting personal use of campaign funds, and establishing the requisite institutional authority, capacity, and budget in the State Board of Elections which is responsible for campaign finance oversight.

2. Promoting integrity through fair play by establishing limits on campaign contributions, introducing public financing of elections, and enabling the state legislature to explicitly support the passage of an amendment to the U.S. Constitution authorizing states to regulate campaign spending.

We hope that members of our General Assembly will take this opportunity to pass vital campaign finance reform legislation and make Virginia's government fairer and more representative of voters.

Citizens Report on the Need for Campaign Finance Reform in Virginia

Sincerely,

VaOurWay & American Promise Virginia

Together with the following organizations:

The Virginia Chapter of American Promise
VaOurWay
MoneyOutVA
NETWORK for Social Justice
Indivisible Virginia
Virginia Political Cooperative
Vienna Neighbors United
Network NOVA
Center for Common Ground
We of Action (WofA)
UnKoch My Campus
Activate Virginia
Herndon Huddle
Virginia Democratic Arab American Forum
Progressive Democrats of America
ARTivism in Virginia
LWCC
Grassroots Alexandria
Shenandoah Indivisible
End Citizens United
Let America Vote Action Fund
Virginia Justice Democrats
Virginia Democracy Forward (VADF)
Women Marchers of West Springfield
Public Citizen
Maginniss + del Ninno Architects
Sierra Club Virginia Chapter
Virginia Organizing
Virginia Coalition for Human Rights
Indivisible Charlottesville