



BIG MONEY OUT VA

“DEMOCRACY LOSES WHEN BIG MONEY WINS”

ISSUE BRIEF: Establishing limits on campaign contributions 75% of Virginians support establishing contribution limits.

OVERVIEW

Virginia has no legal limits on the amount any campaign funder may donate. At least 45 states and the Federal Election Commission limit the dollar amount of campaign contributions by donors whether they are individuals, corporations, public utilities, or PACs. Twenty two states and the Federal government ban campaign contributions from corporations.

Unchecked political spending in Virginia by corporations, unions, special interest groups, and wealthy individuals has overwhelmed the voices of individual citizens. In the 2019 legislative races in Virginia, 67% of all campaign contributions were over \$25,000, contributing more than half of the more than \$121 million that was donated to all candidates and political parties. This exorbitant political spending alienates common voters, causing them to believe government works for only those with money.

Large contributions have an impact:

Since 1996, Dominion Energy has been one of the largest corporate contributors to Virginia's elected officials, donating more than \$13.4 million to legislators on both sides of the aisle. This creates a regulatory landscape benefiting energy and utility companies' bottom line while raising utility prices for Virginia customers.

Most states set dollar limits on the amount different entities can contribute to political candidates:

- In Nevada, individuals can contribute no more than \$5,000 total per election.
- Tennessee limits PAC contributions to \$12,000 per candidate in a single election cycle.
- Maryland has a \$6,000 limit per contributor on total contributions within an election cycle.

In setting contribution limits, Virginia can give all Virginians an equal voice in the election process and help keep elected officials accountable to their constituents rather than top donors.

Wouldn't limits adversely disadvantage poor and minority candidates?

Limiting contributions, especially by wealthy individual, business, and PAC donors, has led to a more diverse pool of candidates, especially when combined with public financing of elections. This is true because incumbents, especially in Virginia, often have the funding benefit of strong links with wealthy donors.

Would contribution limits cause an increase in the flow of dark money?

Broad disclosure requirements for independent spending, including requiring disclosure of the original sources of funds used for elections spending, should be implemented. In the longer term a U.S. Constitutional amendment enabling jurisdictions to better regulate campaign finance is crucial.