

### **68A.503 Financial institution, insurance company, and corporation restrictions.**

1. Except as provided in subsections 3 and 4, it is unlawful for an insurance company, savings and loan association, bank, credit union, or corporation organized pursuant to the laws of this state, the United States, or any other state, territory, or foreign country, whether for profit or not, or an officer, agent, or representative acting for such insurance company, savings and loan association, bank, credit union, or corporation, to contribute any money, property, labor, or thing of value, directly or indirectly, to a committee, or to expressly advocate that the vote of an elector be used to nominate, elect, or defeat a candidate for public office, except that such resources may be so expended in connection with a utility franchise election held pursuant to section 364.2, subsection 4, or a ballot issue. All such expenditures are subject to the disclosure requirements of this chapter.

2. *a.* Except as provided in subsection 3, it is unlawful for a member of a committee, or its employee or representative, except a ballot issue committee, or for a candidate for office or the representative of the candidate, to solicit, request, or knowingly receive from an insurance company, savings and loan association, bank, credit union, or corporation organized pursuant to the laws of this state, the United States, or any other state, territory, or foreign country, whether for profit or not, or its officer, agent, or representative, any money, property, or thing of value belonging to the insurance company, savings and loan association, bank, or corporation for campaign expenses, or to expressly advocate that the vote of an elector be used to nominate, elect, or defeat a candidate for public office.

*b.* This section does not restrain or abridge the freedom of the press or prohibit the consideration and discussion in the press of candidacies, nominations, public officers, or public questions.

*c.* This section does not apply to a nonprofit organization communicating with its own members. The board shall adopt rules pursuant to chapter 17A to administer this paragraph.

*d.* The board shall adopt rules prohibiting the owner, publisher, or editor of a sham newspaper from using the sham newspaper to promote in any way the candidacy of such a person for any public office. As used in this paragraph, "*sham newspaper*" means a newspaper that does not meet the requirements set forth in section 618.3 and "*owner*" means a person having an ownership interest exceeding ten percent of the equity or profits of the newspaper.

3. It is lawful for an insurance company, savings and loan association, bank, credit union, and corporation organized pursuant to the laws of this state, the United States, or any other state or territory, whether or not for profit, and for their officers, agents, and representatives, to use the money, property, labor, or any other thing of value of the entity for the purposes of soliciting its stockholders, administrative officers, and members for contributions to a committee sponsored by that entity and of financing the administration of a committee sponsored by that entity. The entity's employees to whom the foregoing authority does not extend may voluntarily contribute to such a committee but shall not be solicited for contributions. All contributions made under this subsection are subject to the disclosure requirements of this chapter. A committee member, committee employee, committee representative, candidate, or representative referred to in subsection 2 lawfully may solicit, request, and receive money, property and other things of value from a committee sponsored by an insurance company, savings and loan association, bank, credit union, or corporation as permitted by this subsection.

4. The prohibitions in subsections 1 and 2 shall not apply to an insurance company, savings and loan association, bank, credit union, or corporation engaged in any of the following activities:

*a.* Using its funds to encourage registration of voters and participation in the political process or to publicize public issues, provided that no part of those contributions are used to expressly advocate the nomination, election, or defeat of any candidate for public office.

b. Using its funds to expressly advocate the passage or defeat of ballot issues so long as the transactions are reported as required under section 68A.402.

c. The placement of campaign signs under section 68A.406.

5. For purposes of this section, "*committee*" shall include statutory political committees organized under chapter 43, and nonparty political organizations organized under chapter 44.

6. Any person convicted of a violation of any of the provisions of this section shall be guilty of a serious misdemeanor.

[S13, § 1641-h, -i, -k; C24, 27, 31, 35, 39, § **84058407**; C46, 50, 54, 58, § 491.69491.71; C62, 66, 71, 73, 75, § 491.69491.71, 496A.145; C77, 79, 81, § 56.29; 81 Acts, ch 35, § 14]

83 Acts, ch 139, § 13, 14

C91, § 56.15

93 Acts, ch 142, § 9; 94 Acts, ch 1178, §2; 95 Acts, ch 198, §14; 99 Acts, ch 136, §10, 11, 17; 2003 Acts, ch 40, §9

CS2003, §68A.503

2004 Acts, ch 1042, § 7; 2004 Acts, ch 1114, § 6; 2004 Acts, ch 1175, § 364; 2005 Acts, ch 3, §19; 2005 Acts, ch 72, §20; 2007 Acts, ch 61, §2