

6. title. ~~From~~ 1/28/85

Senate File 100

STATE GOVERNMENT: Bruner, Chair; Drake and Mann

SENATE FILE 100

BY BRUNER and GRONSTAL

FILED JAN 24 1985

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to public officials and employees by
2 providing for regulation and disclosure of assets, income,
3 gifts and campaign contributions, providing for public
4 financing of gubernatorial candidates, and providing
5 penalties.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

S-3143

SENATE FILE 100

1 Amend Senate File 100 as follows:
2 1. Page 6, line 14 by striking the words "state
3 or" and inserting the following: "state and".

S-3143 Filed
February 19, 19 85

By BRUNER & GRONSTAL

S F 100

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1 Section 1. Chapter 56, Code 1985, is amended by adding the
2 following new section:

3 NEW SECTION. ACCEPTANCE OF CERTAIN CONTRIBUTIONS LIMITED.

4 If a candidate seeks one of the offices listed in this
5 section, that person's candidate's committee shall not accept
6 contributions from political committees aggregating more than
7 the amount provided for that office in this section between
8 regular elections for that office. The offices and amounts
9 provided by this section are as follows:

- 10 1. State representative, four thousand dollars.
- 11 2. State senator, eight thousand dollars.
- 12 3. Lieutenant governor, attorney general, secretary of
13 state, treasurer of state, auditor of state, or secretary of
14 agriculture, twenty thousand dollars.
- 15 4. Governor, one hundred thousand dollars.

16 Sec. 2. Section 56.6, subsection 3, paragraph b, sub-
17 paragraph (10), Code 1985, is amended to read as follows:

18 (10) For any other political
19 committee \$ 50 25

20 Sec. 3. Section 56.18, Code 1985, is amended by adding the
21 following new subsection:

22 NEW SUBSECTION. 4. Any person whose state income tax
23 liability for any taxable year is one dollar or more may
24 direct that one dollar of such liability be paid over to the
25 Iowa campaign fund for governor when submitting the person's
26 state income tax return to the department of revenue. In the
27 case of a joint return of a husband and wife having a state
28 income tax liability of two dollars or more, each spouse may
29 direct that one dollar be paid to the fund. The director of
30 revenue shall revise the income tax to provide spaces on the
31 face of the tax return and above the signature lines which the
32 taxpayer may use to designate the contribution made under this
33 subsection as well as those contributions provided under
34 subsections 1 and 2.

35 Sec. 4. NEW SECTION. 56.31 IOWA CAMPAIGN FUND FOR

1 GOVERNOR.

2 1. The "Iowa campaign fund for governor" is created within
3 the office of the treasurer of state. The fund shall consist
4 of funds paid by persons as provided in section 56.18. The
5 director of revenue shall remit funds collected as provided in
6 section 56.18 to the treasurer of state who shall deposit
7 those funds in the Iowa campaign fund for governor. Any
8 interest income received by the treasurer of state from
9 investment of moneys in the Iowa campaign fund for governor
10 shall be deposited in the fund.

11 2. A candidate for the office of governor becomes eligible
12 for a contribution from the Iowa campaign fund for governor
13 matching qualifying contributions if the candidate does all of
14 the following:

15 a. Before June 1 of the year of election, agrees that the
16 candidate's committee will not spend more than one million
17 dollars between this general election and the preceding
18 election for governor and agrees to accept no more than five
19 thousand dollars from any one contributor including the
20 candidate.

21 b. Is nominated as a candidate for the office of governor
22 under chapter 43, 44 or 45.

23 c. Receives at least twenty-five thousand dollars in
24 contributions from individuals as shown by the disclosure
25 report filed under section 56.6 in July; however, for the
26 purpose of achieving this amount only the first twenty-five
27 dollars contributed by any one individual shall be counted.

28 3. A candidate who is eligible under subsection 2 may
29 receive matching funds from the Iowa campaign fund for
30 governor on a dollar for dollar basis for contributions by
31 individuals. However, only the first twenty-five dollars of
32 an individual's contribution shall be matched from the fund
33 and not more than one hundred thousand dollars shall be
34 disbursed to any candidate. The director of the campaign
35 finance disclosure commission shall certify to the treasurer

1 of state the amount of contributions qualifying for matching
2 funds of each eligible candidate as shown by the disclosure
3 report filed under section 56.6 in July. The treasurer of
4 state shall disburse the matching funds to the eligible
5 candidates on August 15. If there are not adequate moneys in
6 the Iowa campaign fund for governor to match the qualifying
7 contributions dollar for dollar, the disbursements shall be
8 prorated in proportion to the amount of qualifying con-
9 tributions.

10 4. The treasurer of the candidate's committee shall
11 produce evidence to the state comptroller and campaign finance
12 disclosure commission not later than the twenty-fifth day of
13 January, that all income tax checkoff funds expended for
14 campaign expenses have been utilized exclusively for campaign
15 expenses.

16 The campaign finance disclosure commission shall issue,
17 prior to the payment of any money, guidelines which explain
18 which expenses and evidence thereof qualify as acceptable
19 campaign expenses.

20 Should the campaign finance disclosure commission and the
21 state comptroller determine that any part of the funds have
22 been used for noncampaign or improper expenses, they may order
23 the candidate's committee or the candidate to return all or
24 any part of the total funds paid to that candidate's committee
25 for that election. When such funds are returned, they shall
26 be deposited in the general fund of the state.

27 5. The state director of revenue, in cooperation with the
28 state comptroller and campaign finance disclosure commission,
29 shall administer the provisions of this section and they shall
30 promulgate all necessary rules in accordance with chapter 17A.

31 6. All funds in Iowa campaign fund for governor which are
32 not used by January 1 of the year following an election for
33 the office of governor shall revert to the general fund of the
34 state.

35 Sec. 5. Chapter 68B, Code 1985, is amended by adding the

1 following new section:

2 NEW SECTION. LOBBYIST REPORTS.

3 A lobbyist who receives compensation in any calendar year
4 in excess of four thousand dollars for their services, shall
5 file a report with the secretary of the senate and the chief
6 clerk of the house no later than January 10 of the year fol-
7 lowing the year in which the lobbyist received that compen-
8 sation. The report shall include a description of the
9 compensation received, the organization or group providing the
10 compensation, and the amount of the compensation and the
11 nature of work expected for the compensation.

12 An organization which expends for the services of lobbyists
13 or for direct expenditures to encourage the passage, defeat,
14 or modification of legislation an amount in excess of four
15 thousand dollars for any calendar year shall report such
16 expenditures, and the purposes for which they were designated,
17 to the secretary of the senate and the chief clerk of the
18 house no later than January 10 of the year following the year
19 in which they made the expenditures.

20 Sec. 6. Section 68B.2, Code 1985, is amended by adding the
21 following new subsection:

22 NEW SUBSECTION. "Lobbyist" means a person who does any of
23 the following:

24 a. Is paid compensation or expends money for encouraging
25 the passage, defeat, or modification of legislation.

26 b. Represents on a regular basis an organization which has
27 as one of its purposes the encouragement of the passage,
28 defeat, or modification of legislation.

29 Sec. 7. Section 68B.5, Code 1985, is amended to read as
30 follows:

31 68B.5 GIFTS SOLICITED OR ACCEPTED.

32 An official, employee, local official, local employee,
33 member of the general assembly, candidate, or legislative
34 employee shall not, directly or indirectly, solicit, accept,
35 or receive any gift having a value of fifty dollars or more in

1 any one occurrence. A person shall not, directly or
2 indirectly, offer or make any such gift to an official,
3 employee, local official, local employee, member of the
4 general assembly, candidate or legislative employee which has
5 a value in excess of fifty dollars in any one occurrence. A
6 member of the general assembly shall not accept a gift having
7 a value in excess of two dollars in any one occurrence while
8 the general assembly is in session.

9 Sec. 8. NEW SECTION. 68C.1 CITATION.

10 This chapter may be cited as the "Public Disclosure Act".

11 Sec. 9. NEW SECTION. 68C.2 DEFINITIONS.

12 As used in this chapter:

13 1. "Business" means a corporation, partnership, sole
14 proprietorship, firm, enterprise, franchise, association,
15 organization, self-employed individual, holding company, joint
16 stock company, receivership, trust, or any legal entity
17 through which business is conducted for profit.

18 2. "Business with which the person is associated" means a
19 business in which the person or a member of the person's
20 immediate family is a director, officer, owner, or employee.

21 3. "Candidate for public office" means a person who has
22 filed a declaration of candidacy or a petition to appear on
23 the ballot for election as a public official and a person who
24 has been nominated by a public official or governmental body
25 for appointment to serve as a public employee.

26 4. "Commission" means the campaign finance disclosure
27 commission.

28 5. "Gift" means a payment, loan, subscription, advance,
29 deposit of money, services, or anything of value, unless
30 consideration of equal or greater value is received.

31 6. "Governmental body" means a department, commission,
32 council, board, bureau, committee, legislative body, agency,
33 or other establishment of the executive or legislative branch
34 of the state.

35 7. "Immediate family" means a spouse residing in the

1 person's household and dependent children.

2 8. "Income" means any money or thing of value received, or
3 to be received as a claim on future services, whether in the
4 form of a fee, salary, expense, allowance, forbearance,
5 forgiveness, interest, dividend, royalty, rent, capital gain,
6 or any other form of recompense or any combinations of these.

7 9. "Ministerial action" means an action that a person
8 performs in a given state of facts in a prescribed manner in
9 obedience to the mandate of legal authority, without regard
10 to, or the exercise of, the person's own judgment upon the
11 propriety of the action being taken.

12 10. "Public employee" means an individual who receives
13 compensation at an annual rate of forty thousand dollars or
14 more from the state or who is responsible for taking or
15 recommending official action of a nonministerial nature with
16 regard to any of the following:

17 a. Contracting or procurement.

18 b. Administering or monitoring grants or subsidies.

19 c. Planning or zoning.

20 d. Inspecting, licensing, regulating, or auditing any
21 person.

22 e. Any other activity where the official action has an
23 economic impact of greater than a minimal nature on the
24 interests of any person.

25 11. "Public official" means an elected official in the
26 executive, legislative, or judicial branch of the state.

27 Sec. 10. NEW SECTION. 68C.3 STATEMENT OF FINANCIAL
28 INTEREST REQUIRED TO BE FILED.

29 1. Each public official and public employee shall file a
30 statement of financial interests for the preceding calendar
31 year with the commission on or before February 1 of each year
32 that the person holds such a position.

33 2. Each candidate for elective public office shall file a
34 statement of financial interests for the preceding calendar
35 year with the commission within ten days of filing a legal

1 declaration of candidacy or petition to appear on the ballot
2 for election as a public official. However, this subsection
3 does not apply to a person who has filed a statement pursuant
4 to subsection 1. A declaration of candidacy or petition to
5 appear on the ballot is not legal and the name shall not
6 appear on the ballot unless a statement of financial interests
7 is timely filed in proper form.

8 3. If the candidate files a legal declaration of candidacy
9 or petition to appear on the ballot for election prior to
10 January 1 of the year in which the election is held, the
11 candidate shall also file a statement for the year preceding
12 the year in which the election is held.

13 4. Each candidate for public office nominated by a public
14 official or governmental body and subject to confirmation by a
15 public official or governmental body shall file a statement of
16 financial interests for the preceding calendar year with the
17 commission and with the official or body that is vested with
18 the power of confirmation at least ten days before the
19 official or body approves or rejects the nomination.

20 5. A public employee shall not take the oath of office or
21 enter or continue upon the duties of office unless the
22 employee has filed a statement of financial interests with the
23 commission as required by this section. A public official,
24 public employee, or candidate for public office who fails to
25 file or falsely files a statement is guilty of a simple
26 misdemeanor.

27 6. A public official filing a statement with the
28 commission pursuant to this section shall file a copy of that
29 statement with the clerk of the district court in the county
30 of the official's primary residence. The clerks of the
31 district court shall make the statements available for public
32 inspection and copying during regular office hours and make
33 copying facilities available free of charge or at a cost not
34 to exceed actual cost.

35 7. The statement of financial interests shall be filed on

1 a form prescribed by the commission and shall be signed under
2 penalty of perjury by the person required to file the
3 statement.

4 8. The statement shall include the following information
5 for the preceding calendar year with regard to the person
6 required to file the statement and the members of the person's
7 immediate family:

8 a. The names of all businesses with which the person is
9 associated.

10 b. The category or type and amount of all sources of
11 income in excess of one thousand dollars. It is sufficient to
12 report whether the amount is less than two thousand five
13 hundred dollars, two thousand five hundred to five thousand
14 dollars, five to ten thousand dollars, ten to twenty-five
15 thousand dollars, or more than twenty-five thousand dollars.

16 c. The name and the amount of stock in excess of one
17 thousand dollars at fair market value held in a business by
18 the person.

19 d. The legal description of all real property in the
20 state, excluding the person's primary residence, the fair
21 market value of which exceeds two thousand five hundred
22 dollars, in which a financial interest was held, and a
23 statement of the amount and nature of the consideration
24 received or paid in exchange for that interest, and the name
25 and address of the person furnishing or receiving that
26 consideration.

27 e. The name, address, and type of security given to each
28 creditor to whom the value of five thousand dollars or more
29 was owed and is still outstanding. However, debts arising out
30 of retail installment transactions need not be included.

31 Sec. 11. Section 3 of this Act takes effect for tax years
32 beginning on or after January 1 following the effective date
33 of this Act.

34

EXPLANATION

35 This bill provides several features affecting public of-

1 ficials and employees, candidates for public office and lob-
2 byists.

3 Section 1 provides limits on the total amount a candidate
4 for certain public offices may receive from political
5 committees including political party committees.

6 Section 2 provides that the identity of a person
7 contributing \$25 to a political committee, other than a
8 political party, be disclosed.

9 Sections 3 and 4 establish a \$1 checkoff to finance an Iowa
10 campaign fund for governor. The campaign fund would provide
11 matching funds for contributions by individuals to candidates
12 for governor who meet certain requirements. Only the first
13 \$25 of an individual's contribution would be matched and the
14 total match is limited to \$100,000.

15 Sections 5 and 6 provides for reporting of expenses by
16 lobbyists and lobbying organizations.

17 Section 7 prohibits a member of the general assembly from
18 accepting a defined gift of more than \$2 while the general
19 assembly is in session.

20 Sections 8 through 10 establish a public disclosure act for
21 public officials, public employees and candidates for public
22 office.

23 The bill would take effect July 1 following enactment
24 except for the income tax checkoff.

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