

CRIMINAL CODE AND PUBLIC OFFICIALS JOINT SUBCOMMITTEE
OF THE
SENATE STANDING COMMITTEE ON JUDICIARY
AND THE
HOUSE STANDING COMMITTEE ON STATE GOVERNMENT

Report to Members of the
Second Session of the Sixty-seventh General Assembly

State of Iowa
1978

1977 REPORT

CRIMINAL CODE AND PUBLIC OFFICIALS JOINT SUBCOMMITTEE
OF THE
SENATE STANDING COMMITTEE ON JUDICIARY
AND THE
HOUSE STANDING COMMITTEE ON STATE GOVERNMENT

The Legislative Council approved creation of the Criminal Code and Public Officials Joint Subcommittee to be composed of four members from the Senate Standing Committee on Judiciary and four members from the House Standing Committee on State Government.

The Co-chairpersons of the Criminal Code and Public Officials Joint Subcommittee were Senator Gene W. Glenn and Representative Thomas J. Tauke. Other legislators appointed to the Joint Subcommittee were Senator Forrest F. Ashcraft, Senator Bob Rush, Senator Earl M. Willits, Representative Charles N. Poncy, Representative Delwyn Stromer, and Representative Craig D. Walter.

During the 1977 interim, the Criminal Code and Public Officials Joint Subcommittee held a total of five meetings. In the course of its meetings, the Joint Subcommittee heard testimony on the subject of gifts and conflict of interest from numerous state and local officials. The Joint Subcommittee asked the Legislative Service Bureau to prepare a proposed draft of a recommended bill. After three meetings spent refining the proposed draft, a majority of the Senate members and a majority of the House members adopted the attached draft as the recommended bill of the Criminal Code and Public Officials Joint Subcommittee for consideration by the Senate Standing Committee on Judiciary and the House Standing Committee on State Government.

The bill requires public officials and candidates to be public officials to file a statement of financial interests with the Campaign Finance Disclosure and Ethics Commission.

The bill makes it a serious misdemeanor for a public official or public employee to accept from any one source gifts with an aggregate apparent value of over \$25 in a day or over \$100 in a year.

The bill requires a public official to report receiving from any one source gifts with an aggregate apparent value of over \$5 in a day or over \$50 in a year. The report must be filed with the Campaign Finance Disclosure and Ethics Commission.

The bill restricts a public official or public employee who wants to represent a person before a governmental body for compensation.

The bill forbids a former public official or former public employee of a governmental body to appear before that governmental

body in a matter with which he or she was directly concerned. This ban exists for two years after leaving that body.

The bill forbids a former head, deputy, or member of a commission or board of a governmental body to receive compensation for services rendered in a proceeding before the governmental body with which he or she had served when compensation is dependent on action by the body. This ban exists for two years after leaving that governmental body.

It forbids a public official or public employee to solicit, accept, or receive any benefit or compensation in addition to that received in his or her official capacity for having exercised official powers or having performed an official duty.

It forbids a public official or public employee to use or disclose confidential information gained in the course of or by reason of his or her official position or activities to further the financial interest of any person.

It requires a public official to refrain from voting on an issue in which he or she has a specific personal interest, as opposed to the interest of his or her profession, trade, or business in general.

It prohibits a public official from being directly or indirectly interested in any contract to furnish anything of value to the state, if he or she is a public official of the state, or to a political subdivision in which he or she serves, unless the contract is awarded as a result of open, public, and competitive bidding.

It prohibits a public official from being directly or indirectly interested in a contract to furnish anything of value to a business subject to the regulatory authority of a governmental body in which he or she serves.

It also says that a majority of the members of a non-elected governmental body shall not have a specific personal financial interest or have a member of his or her immediate family with a specific financial interest, as opposed to the interest of a profession, trade, or business in general, in matters subject to the jurisdiction of that body.

It prohibits a public official or a public employee from engaging in a job or other activity that interferes with or is inconsistent with his or her official duties.

The bill amends the two bribery provisions of the criminal code revision, and it inserts parts of repealed Chapter 68B in appropriate sections of the Act. Chapter 56, the Campaign Finance Disclosure Chapter, is amended to become the Campaign Finance Disclosure and Ethics Chapter. The Campaign Finance Disclosure and Ethics Commission is charged with enforcing the Act.

PREPARED BY THE CRIMINAL CODE
AND PUBLIC OFFICIALS JOINT SUB-
COMMITTEE OF THE SENATE COMMITTEE
ON JUDICIARY AND THE HOUSE COM-
MITTEE ON STATE GOVERNMENT FOR
CONSIDERATION OF THE SENATE
STANDING COMMITTEE ON JUDICIARY.

NOVEMBER, 1977

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

A BILL FOR

1 An Act requiring public officials and candidates to publicly
2 disclose financial interests, prohibiting receipt of cer-
3 tain gifts, requiring a report of receipt of certain gifts,
4 relating to conflicts of interest, and providing penalties.

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

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1 Section 1. NEW SECTION. SHORT TITLE. This Act may be
2 cited as the Iowa Gift and Conflict of Interest Act.

3 Sec. 2. NEW SECTION. POLICY STATEMENT. It is the intent
4 of the general assembly that all public officials and public
5 employees shall fulfill the duties of their offices to the
6 best of their abilities. In official activities public
7 officials and public employees shall pursue the common good,
8 shall be impartial, and shall avoid even the appearance of
9 a conflict of interest.

10 The prohibitions and restrictions set forth in this Act
11 are intended to constitute minimum standards of ethical conduct
12 for public officials and public employees. A governmental
13 body may establish by rule more stringent prohibitions and
14 restrictions to apply to its officials and employees.

15 Sec. 3. NEW SECTION. DEFINITIONS. As used in this Act,
16 unless the context otherwise requires:

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

22 2. "Business with which a person is associated" means
23 a business in which the person or a member of the person's
24 immediate family is a director, officer, owner, investor,
25 stockholder, or employee.

26 3. "Candidate for public office" means a person who is
27 a candidate to be a public official whether the person's name
28 will appear on a ballot or the person's appointment must be
29 confirmed.

30 4. "Compensation" means money, benefit, or anything of
31 value conferred in return for services rendered or to be
32 rendered.

33 5. "Contract" means a claim, account, demand against,
34 or express or implied agreement with the state, a political
35 subdivision of the state, or a business.

1 6. "Gift" means a gratuity given in a single calendar
2 year from one source in the form of goods, services, loans,
3 entertainment, hospitality, promise, membership, subscription,
4 transportation, lodging, meals, or any other thing of value.
5 However, a gift shall not mean any of the following:

6 a. A gratuity received from a person related to the public
7 official or public employee within the second degree of
8 consanguinity or affinity.

9 b. A gratuity which is not motivated by the receiving
10 person's position as a public official or public employee.

11 c. A gratuity in the form of a ticket or pass to an event
12 or series of events unless the ticket or pass is actually
13 used.

14 d. A trip or any form of transportation, lodging, or meals
15 if:

16 (1) It is received with the knowledge and consent of an
17 employer;

18 (2) A public record is made by reporting its receipt in
19 the same manner as gifts are reported pursuant to section
20 eight (8) of this Act; and

21 (3) The primary purpose of the trip or transportation,
22 lodging, or meals is for the public official or public employee
23 to:

24 (a) Receive instruction, training, or knowledge that is
25 useful or beneficial in performing the person's job as a
26 public official or public employee;

27 (b) Perform a function that is related to the person's
28 job as a public official or public employee; or

29 (c) Absent receipt of the trip, transportation, lodging,
30 or meals, the state would pay the cost.

31 e. Campaign contributions.

32 f. Anything of value which is paid for with funds from
33 the federal government, the state, or a political subdivision
34 of the state.

35 7. "Governmental body" means a department, commission,

1 council, board, bureau, committee, legislative body, agency,
2 or other establishment of the executive or legislative branch
3 of the state or political subdivision of the state.

4 8. "Immediate family" means a spouse residing in the
5 person's household and dependent children.

6 9. "Income" means money or thing of value received or
7 to be received as a claim on future services, whether in the
8 form of a fee, salary, expense, allowance, forbearance,
9 forgiveness, interest, dividend, royalty, rent, capital gain,
10 or other form of recompense.

11 10. "Ministerial action" means an action that a person
12 performs in a prescribed manner in obedience to the mandate
13 of legal authority without regard to the person's own judgment
14 upon the propriety of the action being taken.

15 11. "Political subdivision of the state" means a county,
16 city, township, school corporation, or tax-supported district
17 in the state.

18 12. "Public employee" means a full-time, salaried employee
19 of the state or political subdivision of the state. Employee
20 shall not mean a part-time employee or an independent
21 contractor.

22 13. "Public official" means the following:

23 a. An elected official in the executive, legislative,
24 or judicial branch of the state.

25 b. Elected city officials, elected county officials,
26 members of a school board, and members of a merged area school
27 board.

28 c. Justices of the supreme court, judges of the court
29 of appeals, judges of the district court, district associate
30 judges, and judicial magistrates throughout the state.

31 d. An individual who is a member of a policy-making body
32 or the chief administrator of a governmental body who is
33 responsible for taking official governmental action of a
34 nonministerial nature with regard to:

35 (1) Spending, administering, or monitoring grants,

1 subsidies, or government funds;

2 (2) Planning or zoning; or

3 (3) Inspecting, licensing, regulating, or auditing a
4 person.

5 14. "Source" means an individual, business, or nonprofit
6 organization that pays for a gift to a public official or
7 public employee. If an agent represents more than one source,
8 the limitations contained in sections seven (7) and eight
9 (8) of this Act apply to each source.

10 Sec. 4. NEW SECTION. STATEMENT OF FINANCIAL INTERESTS
11 REQUIRED TO BE FILED.

12 1. Each public official shall file a statement of financial
13 interests for the preceding calendar year on or before May
14 fifteenth of each year.

15 A public official, except a member of the general assembly,
16 the governor, or the lieutenant governor, shall not be allowed
17 to take the oath of office or enter or continue upon his or
18 her duties as a public official unless a statement of financial
19 interests is timely filed in proper form.

20 2. Each candidate for elective public office shall file
21 a statement of financial interests for the preceding calen-
22 dar year within ten days of filing nomination papers for
23 election as a public official. However, this subsection shall
24 not apply to a person who has filed a statement pursuant to
25 subsection one (1) of this section.

26 A candidate's name shall not appear on the ballot unless
27 a statement of financial interests is timely filed in proper
28 form.

29 3. Each candidate for public office that is appointed
30 and subject to confirmation shall file a statement of financial
31 interests for the calendar year preceding the year of
32 confirmation prior to confirmation.

33 A candidate's appointment shall not be confirmed unless
34 a statement of financial interests is timely filed in proper
35 form.

1 4. The statement of financial interests shall be signed
2 under penalty of perjury by the person required to file it.

3 Sec. 5. NEW SECTION. INFORMATION TO BE INCLUDED IN THE
4 STATEMENT OF FINANCIAL INTERESTS. The statement required
5 in section four (4) of this Act shall include the following
6 information in regard to the person required to file the
7 statement and the members of the person's immediate family:

8 1. The names of all businesses with which the person or
9 a member of the person's immediate family is associated.

10 2. The type and source of all income in excess of one
11 thousand dollars. For the purpose of this subsection, source
12 means origin of income.

13 3. The address or location or legal description of all
14 real property in the state in which a financial interest is
15 held.

16 4. The name of an individual, business, or nonprofit
17 organization that paid an honorarium for speaking to the
18 person or to a member of the person's immediate family.

19 Sec. 6. NEW SECTION. PLACE FOR FILING STATEMENT OF
20 FINANCIAL INTERESTS. The statement of financial interests
21 required to be filed by section four (4) of this Act shall
22 be filed with the campaign finance disclosure and ethics
23 commission and in the following places:

24 1. With the county auditor of the county of residence
25 for:

26 a. An elected city official, elected county official,
27 member of a school board, or member of a merged area school
28 board.

29 b. A candidate to be an elected city official, elected
30 county official, member of a school board, or member of a
31 merged area school board.

32 2. With the appointing authority for a public official
33 who is appointed and not subject to confirmation.

34 3. With the confirming authority for:

35 a. A public official who is appointed and subject to

1 confirmation or;

2 b. A candidate to be a public official who is appointed
3 and subject to confirmation.

4 Statements of financial interests that must be filed with
5 the confirming authority shall be filed prior to confirmation
6 of the person's appointment.

7 Statements of financial interests are public records open
8 to inspection in accordance with chapter sixty-eight A (68A)
9 of the Code.

10 Sec. 7. NEW SECTION. PROHIBITED GIFTS--PENALTY.

11 1. A public official, public employee, and members of
12 the official's or employee's immediate family shall not
13 solicit, receive, or accept in a civil day from any one source
14 gifts with an aggregate apparent value of more than twenty-
15 five dollars.

16 2. A public official, public employee, and members of
17 the official's or employee's immediate family shall not
18 solicit, receive, or accept in any calendar year from any
19 one source gifts with an aggregate apparent value of more
20 than one hundred dollars.

21 3. The limitations contained in subsections one (1) and
22 two (2) of this section apply to gifts for the public official
23 or public employee and members of his or her immediate family
24 together. Members of the immediate family do not have separate
25 limitations.

26 4. A violation of subsection one (1) or two (2) of this
27 section is a serious misdemeanor.

28 Sec. 8. NEW SECTION. REPORTABLE GIFTS--DISCLOSURE
29 STATEMENT--PLACE OF FILING--PUBLIC RECORD--PENALTY.

30 1. Each public official shall file a disclosure statement
31 within thirty days of the receipt of gifts with an aggregate
32 apparent value of more than five dollars in a civil day which
33 he or she or a member of his or her immediate family received
34 from any one source.

35 2. Each public official shall file a disclosure statement

1 by the twentieth day of January of all gifts with an aggregate
2 apparent value of more than fifty dollars which he or she
3 or a member of his or her immediate family received during
4 the preceding calendar year from any one source.

5 3. The limitations contained in subsections one (1) and
6 two (2) of this section apply to gifts for the public official
7 and members of his or her immediate family together. Members
8 of the immediate family do not have separate limitations.

9 4. The disclosure statement required to be filed by
10 subsection one (1) or two (2) of this section shall include
11 the following information:

- 12 a. The date each gift was received.
- 13 b. The type of item or service received.
- 14 c. The apparent value of each gift.
- 15 d. The name of the source.

16 5. The disclosure statement required to be filed by
17 subsection one (1) or two (2) of this section shall be filed
18 with the campaign finance disclosure and ethics commission
19 and in the following places:

- 20 a. With the county auditor of the county of residence
21 for an elected city official, elected county official, member
22 of a school board, or member of a merged area school board.
- 23 b. With the appointing authority for a public official
24 who is appointed and not subject to confirmation.
- 25 c. With the confirming authority for a public official
26 who is appointed and subject to confirmation.

27 6. Disclosure statements required by this section are
28 public records open to inspection in accordance with chapter
29 sixty-eight A (68A) of the Code.

30 7. Failure to timely file an accurate disclosure statement
31 as required by this section is a serious misdemeanor.

32 Sec. 9. NEW SECTION. OTHER RESTRICTED ACTIVITIES--
33 PENALTIES.

34 1. A public official or public employee may appear for
35 compensation before a governmental body in a representation

1 case unless the official or employee serves in that govern-
2 mental body or unless the matter is subject to review by a
3 governmental body in which the official or employee serves.
4 Whenever a public official or public employee appears before
5 a governmental body, he or she shall avoid all conduct which
6 may lead members of the general public to conclude that the
7 official or employee is using his or her official position
8 to further professional success or personal financial interest.

9 2. A former public official or former public employee
10 of a governmental body shall not appear before that body or
11 receive compensation for services rendered on behalf of an
12 individual or business in relation to a case, proceeding,
13 or application with respect to which such person was directly
14 concerned and in which he or she personally participated
15 during the period of the person's service or employment with
16 the governmental body. This restriction exists for a period
17 of two years after termination of the public official or
18 public employee's service with the governmental body.

19 3. The former head, deputy, or member of a commission
20 or board of a governmental body shall not receive compensation
21 for services rendered on behalf of an individual or business
22 in a case, proceeding, or application before the body with
23 which he or she had served when compensation is dependent
24 upon action by the body. This restriction exists for a period
25 of two years after termination of the person's service with
26 the governmental body.

27 4. A public official or public employee shall not solicit,
28 accept, or receive any benefit or compensation in addition
29 to that received in an official capacity for having exercised
30 official powers or having performed official duties.

31 5. A public official or public employee shall not use
32 or disclose confidential information gained in the course
33 of or by reason of his or her official position or activities
34 to further the financial interests of any person.

35 6. A public official shall disqualify himself or herself

1 from voting on or taking part in a governmental decision which
2 deals with the specific employment or a specific investment,
3 as opposed to a profession, trade, or business in general,
4 of the public official or a member of his or her immediate
5 family.

6 7. A public official shall not be directly or indirectly
7 interested in a contract to furnish anything of value to the
8 state if he or she is a public official of the state or to
9 a political subdivision of the state in which he or she serves.
10 This paragraph shall not apply to a contract awarded as a
11 result of open, public, and competitive bidding.

12 A contract in violation of this paragraph is voidable by
13 the state or political subdivision of the state, whichever
14 the case may be.

15 8. A public official shall not be directly or indirectly
16 interested in a contract to furnish anything of value to a
17 business subject to the regulatory authority of a governmental
18 body in which he or she serves.

19 9. The majority of the members of a nonelective
20 governmental body shall not have a specific personal financial
21 interest and shall not have a member of his or her immediate
22 family with a specific financial interest, as opposed to the
23 interest of a profession, trade, or business in general, in
24 matters subject to the jurisdiction of that body.

25 10. A public official or public employee shall not engage
26 in an occupation, business, endeavor, or activity which
27 interferes with or is inconsistent with his or her duties as
28 a public official or public employee.

29 11. A violation of this section is a serious misdemeanor.

30 Sec. 10. NEW SECTION. WHO MAY COMMENCE AN ACTION. Actions
31 to enforce the provisions of this Act may be commenced by
32 an adult resident of the state, by the campaign finance
33 disclosure and ethics commission pursuant to section fifty-
34 six point eleven (56.11), subsection four (4), of the Code,
35 by the county attorney of the county where the principal

1 duties of the alleged violator's office or employment are
2 performed, or by the attorney general.

3 Chapter fifty-six (56) of the Code shall apply where
4 appropriate.

5 Sec. 11. NEW SECTION. LEGISLATIVE ETHICS COMMITTEE.

6 There shall be an ethics committee in the senate and an ethics
7 committee in the house, each to consist of five members; three
8 members to be appointed by the majority leader in each house,
9 and two members by the minority leader in each house. Members
10 of the general assembly shall receive a per diem of forty
11 dollars and travel expenses at the same rate as paid members
12 of interim committees for attending meetings held when the
13 general assembly is not in session. The per diem and expenses
14 shall be paid from funds appropriated by section two point
15 twelve (2.12) of the Code.

16 Each committee shall elect a chairperson and shall have
17 the following powers, duties, and functions:

18 1. Prepare a code of ethics within thirty days after the
19 commencement of the session.

20 2. Prepare rules relating to lobbyists and lobbying
21 activities in the general assembly.

22 3. Issue advisory opinions interpreting constitutional
23 and statutory provisions relating to legislators and lobbyists
24 as well as interpreting the code of ethics and rules issued
25 pursuant to this section. Opinions shall be issued when
26 approved by a majority of the five members and may be issued
27 upon the request of a member of the general assembly or upon
28 the committee's initiation.

29 4. Investigate complaints and charges against members
30 of its house and, if warranted, report the results of such
31 investigation to its house with recommendations for further
32 action.

33 5. Recommend legislation relating to legislative ethics
34 and lobbying activities.

35 The code of ethics and rules relating to lobbyists and

1 lobbying activities shall not become effective until approved
2 by the members of the house to which the proposed code and
3 rules apply. The code or rules may be amended either upon
4 the recommendation of the ethics committee or by members
5 of the general assembly.

6 Violation of the code of ethics may result in the suspension
7 of a member from the general assembly and the forfeiture of
8 his or her salary if directed by a two-thirds vote of the
9 house to which the member belongs. Such suspension or
10 forfeiture of salary shall be for such duration as specified
11 in the directing resolution provided however, that it cannot
12 extend beyond the date of adjournment of the session.

13 Violation of the rules relating to lobbyists and lobbying
14 activities may result in the suspension of any lobbyist if
15 directed by a two-thirds vote of the house wherein the
16 violation occurred.

17 Sec. 12. Section fifty-six point one (56.1), Code 1977,
18 is amended to read as follows:

19 56.1 CITATION. This chapter may be cited as the "Campaign
20 Disclosure-Income Tax Checkoff--Ethics Act".

21 Sec. 13. Section fifty-six point two (56.2), subsection
22 ten (10), Code 1977, is amended to read as follows:

23 10. "Commission" means the campaign finance disclosure
24 and ethics commission created under section 56.9.

25 Sec. 14. Section fifty-six point four (56.4), unnumbered
26 paragraph one (1), Code 1977, is amended to read as follows:

27 All statements and reports required to be filed under this
28 chapter for a state office and under this Act shall be filed
29 with the commission. All statements and reports required
30 to be filed under this chapter for a county, city or school
31 office shall be filed with the commissioner. Statements and
32 reports on a ballot issue shall be filed with the commissioner
33 responsible under section 47.2 for conducting the election
34 at which the issue is voted upon, except that statements and
35 reports on a statewide ballot issue shall be filed with the

1 commission. State statutory political committees shall file
 2 all statements and reports with the commission. All other
 3 statutory political committees shall file the statements
 4 and reports with the commissioner with a copy sent to the
 5 commission.

6 Sec. 15. Section fifty-six point eight (56.8), subsection
 7 one (1), lettered paragraph a, Code 1977, is amended to read
 8 as follows:

9 a. Develop forms for the filing of reports and statements
 10 required to be filed under this chapter and this Act.

11 Sec. 16. Section fifty-six point nine (56.9), headnote
 12 and subsection one (1), Code 1977, is amended to read as
 13 follows:

14 56.9 CAMPAIGN FINANCE DISCLOSURE AND ETHICS COMMISSION-
 15 -CREATED.

16 1. There is created a campaign finance disclosure and
 17 ethics commission which shall consist of ~~five~~ nine members,
 18 not more than ~~three~~ five of whom shall be from the same
 19 political party. The governor shall appoint the members of
 20 the commission for a term of six years, subject to the
 21 confirmation of the senate. ~~Of the members first appointed~~
 22 ~~one member shall be appointed for a term of two years, two~~
 23 ~~members shall be appointed for a term of four years, and two~~
 24 ~~members shall be appointed for a term of six years, beginning~~
 25 ~~July 1, 1973.~~

26 Of the four new positions created by this Act, one member
 27 shall be appointed for a term of one year, one member shall
 28 be appointed for a term of three years, and two members shall
 29 be appointed for a term of five years, beginning July 1, 1979.
 30 Any vacancy shall be filled by appointment for the unexpired
 31 portion of the term in accordance with the provisions for
 32 regular appointment insofar as is applicable.

33 Sec. 17. Section fifty-six point ten (56.10), subsections
 34 one (1), three (3), and four (4), Code 1977, is amended to
 35 read as follows:

1 1. Review the contents of all disclosure reports and other
2 statements filed with the commission and promptly advise each
3 person or committee of errors found. The commission may,
4 upon its own motion, initiate action and conduct a hearing
5 under section 56.11, subsections 1 and 2. The commission
6 may require the county commissioner to file summary reports
7 with it periodically.

8 3. Assure that the statements and reports which have been
9 filed in accordance with this chapter or this Act are available
10 for public inspection and copying during the regular office
11 hours of the commission and county commissioners.

12 4. Adopt rules pursuant to chapter 17A to carry out the
13 provisions of this chapter and this Act.

14 Sec. 18. Section fifty-six point ten (56.10), Code 1977,
15 is amended by adding the following new subsections:

16 NEW SUBSECTION. Enforce this Act.

17 NEW SUBSECTION. Prepare and publish guidelines setting
18 forth recommended methods of reporting for use by persons
19 required to file under this Act.

20 NEW SUBSECTION. Audit statements and reports filed with
21 the commission.

22 NEW SUBSECTION. On its own initiative or upon request
23 of a public official, public employee, or candidate for public
24 office, issue and publish advisory opinions on the requirements
25 of this Act.

26 Sec. 19. Section fifty-six point eleven (56.11),
27 subsections one (1), two (2), and three (3), is amended to
28 read as follows:

29 56.11 COMPLAINTS--PROCEDURE.

30 1. Any eligible elector may file a complaint of an alleged
31 violation of this chapter or this Act with the commission.
32 The complaint shall be verified and supported by affidavit
33 detailing the circumstances of the violation alleged. The
34 commission may initiate action on its own motion by filing
35 a complaint accompanied by such an affidavit. Within twenty-

1 four hours after receipt of a complaint or initiation of its
2 own complaint, the commission shall notify the person,
3 candidate or committee against whom the complaint is made
4 of receipt or initiation of the complaint, and until it has
5 done so it shall make no investigation of any kind ~~into the~~
6 ~~campaign-affairs-of-the-person,~~ ~~candidate-or-committee.~~
7 Unless the commission concludes that there is no reasonable
8 basis for a complaint which has been filed, it shall set a
9 date for a hearing on the complaint which shall be not more
10 than fifteen days after the date the complaint is received
11 or initiated by the commission. The commission shall serve
12 the person, candidate or committee against whom the complaint
13 is made a copy of the complaint and supporting affidavit and
14 notice of the hearing in the manner provided by the rules
15 of civil procedure. Copies of the complaint, affidavit and
16 notice shall also be sent to each of the other candidates,
17 if any, for the office affected. If a complaint is filed
18 or initiated less than fifteen days before the election at
19 which the office affected is to be filled, the commission
20 shall set the hearing at the earliest possible date so as
21 to allow the issue to be resolved prior to the election.
22 An extension of time for the hearing may be granted when both
23 parties mutually agree on an alternate date for the hearing.

24 2. The commission shall investigate the complaint and
25 conduct the hearing. Upon request of the commission, the
26 county attorney or the attorney general shall assist the
27 commission in any investigation and report to it as directed.
28 The commission shall have the power to subpoena and review
29 all records of a person, candidate or committee required to
30 be kept under this chapter or this Act. Due process, including
31 the right to be represented by counsel, shall be accorded
32 the accused. The commission shall provide for the
33 confidentiality of the records of a person, candidate or
34 committee during the investigation and hearing process and
35 shall provide for confidential hearings only if requested

1 by either party to the complaint, except that if the commission
2 itself is a complainant it may not request a confidential
3 hearing. After the hearing the commission shall determine
4 whether or not there are reasonable grounds to believe that
5 a violation of the provisions of this chapter or this Act
6 did occur. The commission shall send a copy of its findings
7 of fact and decision to the person, candidate or committee
8 against which the complaint was filed and to each candidate
9 for the public office affected. The commission may assess
10 the cost of such hearings against either party involved in
11 the hearing.

12 3. If the commission finds reasonable grounds to believe
13 that the person, candidate, or committee has engaged in an
14 act or practice which constitutes a violation of this chapter
15 or this Act, the commission shall report the suspected
16 violation of law to the United States attorney, the attorney
17 general, or the county attorney, as the case may be, with
18 a recommendation of appropriate action to be taken.

19 Sec. 20. Section fifty-six point twenty-three (56.23),
20 Code 1977, is amended to read as follows:

21 56.23 FUNDS--CAMPAIGN EXPENSES ONLY. The chairman of
22 the state statutory political committee shall produce evidence
23 to the state comptroller and to the campaign-finance-disclosure
24 commission not later than thirty days after the election
25 returns have been certified by the board of state canvassers,
26 that all funds paid for the campaign expenses of that election
27 have been utilized exclusively for such campaign expenses.

28 The campaign-finance-disclosure commission shall issue,
29 prior to the payment of any money, guidelines which explain
30 which expenses and evidence thereof qualify as acceptable
31 campaign expenses.

32 Should the campaign-finance-disclosure commission and the
33 state comptroller determine that any part of the funds have
34 been used for noncampaign or improper expenses, they may order
35 the political party or the candidate to return all or any

1 part of the total funds paid to that political party for that
2 election. When such funds are returned, they shall be
3 deposited in the general fund of the state.

4 Sec. 21. Section sixty-six point one (66.1), Code 1977,
5 is amended by adding the following new subsection:

6 NEW SUBSECTION. Upon conviction of violating section seven
7 (7), eight (8), or nine (9) of this Act.

8 Sec. 22. Section one hundred twenty-three point seventeen
9 (123.17), Code 1977, is amended to read as follows:

10 123.17 PROHIBITION ON COUNCIL MEMBERS AND EMPLOYEES.
11 Council members, officers, and employees of the department
12 shall not, while holding such office or position, hold any
13 other office or position under the laws of this state, or
14 any other state or territory or of the United States; nor
15 ~~engage in any occupation, business, endeavor, or activity~~
16 ~~which would or does conflict with his duties under this~~
17 ~~chapter~~; nor, directly or indirectly, use his or her office
18 or employment to influence, persuade, or induce any other
19 officer, employee, or person to adopt his or her political
20 views or to favor any particular candidate for an elective
21 or appointive public office; nor, directly or indirectly,
22 solicit or accept, in any manner or way, any money or other
23 thing of value for any person seeking an elective or appointive
24 public office, or to any political party or any group of
25 persons seeking to become a political party. Any officer
26 or employee violating this section or any other provisions
27 of this chapter shall, in addition to any other penalties
28 provided by law, be subject to suspension or discharge from
29 ~~his~~ employment. Any council member shall, in addition to
30 any other penalties provided by law, be subject to removal
31 from office as provided by law.

32 Sec. 23. Section two hundred twenty point thirty-five
33 (220.35), subsection three (3), Code 1977, is amended to read
34 as follows:

35 3. The executive director shall not have an interest in

1 a bank or other financial institution in which the funds of
2 the authority are, or are to be, deposited or which is, or
3 is to be, acting as trustee or paying agent under a trust
4 indenture to which the authority is a party. ~~The executive~~
5 ~~director shall not receive, in addition to fixed salary or~~
6 ~~compensation, any money or valuable thing, either directly~~
7 ~~or indirectly, or through any substantial interest in any~~
8 ~~other corporation or business unit, for negotiating, procuring,~~
9 ~~recommending or aiding in any purchase or sale of property,~~
10 ~~or loan, made by the authority, nor shall the executive~~
11 ~~director be pecuniarily interested, either as principal,~~
12 ~~coprincipal, agent or beneficiary, either directly or~~
13 ~~indirectly, or through any substantial interest in any other~~
14 ~~corporation or business unit, in any such purchase, sale or~~
15 ~~loan.~~

16 Sec. 24. Section three hundred seven point eleven (307.11),
17 Code 1977, is amended to read as follows:

18 307.11 DIRECTOR OF TRANSPORTATION--QUALIFICATIONS--SALARY.
19 The commission shall appoint a director of transportation
20 who shall serve at the pleasure of the commission and who
21 shall in no event be a member of the commission. The director
22 shall not hold any other office under the laws of the United
23 States or of this or any other state or hold any other position
24 for profit. The director shall not ~~engage in any occupation,~~
25 ~~business, or profession interfering with or inconsistent with~~
26 ~~his duties,~~ serve on or under any committee of any political
27 party or contribute to the campaign fund of any person or
28 political party. The director shall be appointed on the basis
29 of ~~his~~ executive and administrative abilities and he shall
30 devote his or her entire time to the duties of ~~his~~ the
31 position.

32 The director shall receive a salary as fixed by the general
33 assembly.

34 Sec. 25. Section four hundred twenty-one point three
35 (421.3), Code 1977, is amended to read as follows:

1 421.3 DIRECTOR TO HAVE NO CONFLICTING INTERESTS. The
2 director of revenue shall not hold any other office under
3 the laws of the United States or of this or any other state
4 or hold any other position of profit. The director shall
5 ~~not engage in any occupation, business, or profession~~
6 ~~interfering with or inconsistent with his duties,~~ serve on
7 or under any committee of any political party, or contribute
8 to the campaign fund of any person or political party. The
9 director shall be of high moral character, shall be recognized
10 for his executive and administrative capacity, and shall
11 possess expert knowledge and skills in the fields of taxation
12 and property tax assessment. The director shall devote his
13 or her entire time to the duties of his the position.

14 Sec. 26. Section five hundred twenty-four point two hundred
15 eleven (524.211), Code 1977, is amended by striking subsection
16 one (1).

17 Sec. 27. Section six hundred one G point seven (601G.7),
18 Code 1977, is amended by striking subsection two (2).

19 Sec. 28. Section seven hundred twenty-one point two
20 (721.2), Code 1977 Supplement, is amended by striking
21 subsection three (3).

22 Sec. 29. Section seven hundred twenty-two point one
23 (722.1), Code 1977 Supplement, is amended to read as follows:

24 722.1 BRIBERY. A person who offers, promises or gives
25 anything of value or any benefit to any person who is serving
26 or has been elected, selected, appointed, employed or otherwise
27 engaged to serve in a public capacity, including any public
28 officer or employee, any referee, juror or venireman, or any
29 witness in any judicial or arbitration hearing or any official
30 inquiry, or any member of a board of arbitration, ~~with intent~~
31 to pursuant to an agreement or arrangement or with the
32 understanding that the promise or thing of value or benefit
33 will influence the act, vote, opinion, judgment, decision
34 or exercise of discretion of such person with respect to his
35 or her services in such capacity commits a class D felony.

1 In addition, any person convicted under this section shall
2 be disqualified from holding public office under the laws
3 of this state.

4 Sec. 30. Section seven hundred twenty-two point two
5 (722.2), Code 1977 Supplement, is amended to read as follows:

6 722.2 ACCEPTING BRIBE. Any person who is serving or has
7 been elected, selected, appointed, employed or otherwise
8 engaged to serve in a public capacity, including any public
9 officer or employee, any referee, juror or venireman, or any
10 witness in any judicial or arbitration hearing or any official
11 inquiry, or any member of a board of arbitration, who shall
12 solicit or knowingly accept or receive any promise or anything
13 of value or any benefit given ~~with-the-intent-to~~ pursuant
14 to an agreement or arrangement or with the understanding that
15 the promise or thing of value or benefit will influence the
16 act, vote, opinion, judgment, decision or exercise of dis-
17 cretion of such person with respect to his or her services
18 in such capacity commits a class C felony. In addition, any
19 person convicted under this section shall be disqualified
20 from holding public office under the laws of this state.

21 Sec. 31. Sections sixty-eight B point one (68B.1), sixty-
22 eight B point three (68B.3), sixty-eight B point four (68B.4),
23 sixty-eight B point five (68B.5), sixty-eight B point six
24 (68B.6), sixty-eight B point seven (68B.7), sixty-eight B
25 point nine (68B.9), sixty-eight B point ten (68B.10), one
26 hundred twenty-three point eighteen (123.18), Code 1977, are
27 repealed.

28 Sec. 32. Section sixty-eight B point two (68B.2), Code
29 1977, as amended by Acts of the Sixty-seventh General Assembly,
30 1977 Session, chapter forty-eight (48), is repealed.

31 Sec. 33. Section sixty-eight B point eight (68B.8), Code
32 1977 Supplement, is repealed.

33 Sec. 34. This Act is effective January 1, 1979.

34 EXPLANATION

35 The bill requires public officials and candidates to be

1 public officials to file a statement of financial interests
2 with the campaign finance disclosure and ethics commission.

3 The bill makes it a serious misdemeanor for a public
4 official or public employee to accept from any one source
5 gifts with an aggregate apparent value of over \$25 in a day
6 or over \$100 in a year.

7 The bill requires a public official to report receiving
8 from any one source gifts with an aggregate apparent value
9 of over \$5 in a day or over \$50 in a year. The report must
10 be filed with the campaign finance disclosure and ethics
11 commission.

12 The bill restricts a public official or public employee
13 who wants to represent a person before a governmental body
14 for compensation.

15 The bill forbids a former public official or former public
16 employee of a governmental body to appear before that
17 governmental body in a matter with which he or she was directly
18 concerned. This restriction exists for two years after leaving
19 that body.

20 The bill forbids the former head, deputy, or member of
21 a commission or board of a governmental body to receive
22 compensation for services rendered in a proceeding before
23 the governmental body with which he or she had served when
24 compensation is dependent on action by the body. This
25 restriction exists for two years after leaving that govern-
26 mental body.

27 It forbids a public official or public employee to solicit,
28 accept, or receive any benefit or compensation in addition
29 to that received in his or her official capacity for having
30 exercised official powers or having performed an official
31 duty.

32 It forbids a public official or public employee to use
33 or disclose confidential information gained in the course
34 of or by reason of his or her official position or activities
35 to further the financial interests of any person.

1 It requires a public official to refrain from voting on
2 an issue in which he or she has a specific personal interest,
3 as opposed to the interest of his or her profession, trade,
4 or business in general.

5 It prohibits a public official from being directly or
6 indirectly interested in any contract to furnish anything
7 of value to the state, if he or she is a public official of
8 the state, or to a political subdivision in which he or she
9 serves, unless the contract is awarded as a result of open,
10 public, and competitive bidding.

11 It prohibits a public official from being directly or
12 indirectly interested in a contract to furnish anything of
13 value to a business subject to the regulatory authority of
14 a governmental body in which he or she serves.

15 It also says that a majority of the members of a non-
16 elective governmental body shall not have a specific personal
17 financial interest or have a member of his or her immediate
18 family with a specific financial interest, as opposed to the
19 interest of a profession, trade, or business in general, in
20 matters subject to the jurisdiction of that body.

21 It prohibits a public official or public employee from
22 engaging in a job or other activity that interferes with or
23 is inconsistent with his or her official duties.

24 The bill amends the two bribery provisions of the criminal
25 code revision, and it inserts parts of repealed Chapter 68B
26 in appropriate sections of this Act. Chapter 56, the campaign
27 finance disclosure chapter, is amended to become the campaign
28 finance disclosure and ethics chapter. The campaign finance
29 disclosure and ethics commission is charged with enforcing
30 this Act.

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