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STATE GOVERNMENT

HOUSE FILE

2294

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

A BILL FOR

1 An Act setting limitations for contributions to certain political
2 campaigns, providing an effective date, and making a penalty
3 applicable.

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

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HF 2294

1 Section 1. Section 56.2. Code Supplement 1995, is amended
2 by adding the following new subsections:

3 NEW SUBSECTION. 12A. "Election" means the process by
4 which individuals, whether opposed or unopposed, seek
5 nomination for election to office, as well as confirmation to
6 serve in office by the casting of ballots by voters.

7 NEW SUBSECTION. 12B. a. "Election campaign period" means
8 the time period between any type of election for a particular
9 office, commencing on the day following the previous election
10 of any type for that office, and continuing through the day of
11 the current type of election.

12 b. Election types subject to a campaign period definition
13 include, but are not limited to, primary, general, special and
14 runoff. Nominations made pursuant to chapters 44, 45, and 46
15 also require calculation of a separate election campaign
16 period.

17 NEW SUBSECTION. 21. "Statewide office" shall mean the
18 office of any of the state officers that are listed in section
19 39.9.

20 Sec. 2. NEW SECTION. 56.5B LIMITATIONS ON CONTRIBUTIONS.

21 1. A person shall not make contributions to a candidate or
22 a candidate's committee that, for any election campaign period
23 for that candidate, in the aggregate, exceed the following:

24 a. One thousand dollars for a candidate for a statewide
25 office.

26 b. Five hundred dollars for a candidate for the general
27 assembly.

28 2. A political committee shall not make contributions to a
29 candidate or a candidate's committee that, for any election
30 campaign period for that candidate, in the aggregate, exceed
31 the following:

32 a. Five thousand dollars for a candidate for a statewide
33 office.

34 b. One thousand dollars for a candidate for the general
35 assembly.

1 3. A candidate or candidate's committee shall not
2 knowingly accept any contribution in violation of this
3 section.

4 4. This section shall not apply to candidates for the
5 United States senate, house of representatives, or other
6 federal office.

7 5. a. For purposes of this section, "election campaign
8 period" shall be construed to apply separate contribution
9 limits for each type of election for a particular office.

10 b. An election in which a candidate is unopposed is a
11 separate election for purposes of the limitations on
12 contributions, whether or not the election is actually held.
13 If the election is not held, the date on which the election
14 would have been held shall be considered to be the date of the
15 election.

16 c. The director shall determine the relevant election
17 campaign periods prior to the beginning of each calendar year.
18 The election campaign periods for all offices shall be
19 published in the first edition of the Iowa administrative
20 bulletin in each calendar year.

21 Sec. 3. Section 56.13, subsection 1, Code Supplement 1995,
22 is amended to read as follows:

23 1. Action involving a contribution or expenditure which
24 must be reported under this chapter and which is taken by any
25 person, candidate's committee, or political committee on
26 behalf of a candidate, if known and approved by the candidate,
27 shall be deemed action by the candidate and reported by the
28 candidate's committee.

29 a. It shall be presumed that a candidate approves the
30 action if the candidate had knowledge of it and failed to file
31 a statement of disavowal with the commissioner or board and
32 take corrective action within seventy-two hours of the action.

33 b. An expenditure made on behalf of the candidate, and
34 which is not disavowed by the candidate, shall be deemed a
35 contribution to the candidate or candidate's committee, and is

1 subject to the limitations and prohibitions in section 56.5B,
2 as well as the disclosure requirements of section 56.6.

3 c. No expenditure by a candidate's committee can be
4 disavowed by the candidate.

5 d. For purposes of this section, an expenditure or
6 contribution shall be construed to have been taken on behalf
7 of a candidate according to the following:

8 (1) A contribution or expenditure that conveys a message
9 that is reasonably construed to advocate the election of a
10 clearly identified candidate may be an action on behalf of
11 that candidate, if it does not otherwise qualify as an
12 independent expenditure under this section.

13 (2) A contribution or expenditure that conveys a message
14 that is reasonably construed to advocate the defeat of a
15 clearly identified candidate may be an action on behalf of
16 that candidate's opponent, if it does not otherwise qualify as
17 an independent expenditure under this section.

18 1A. a. A person, candidate's committee, or political
19 committee taking such action independently-of-that-candidate's
20 committee involving a contribution or expenditure that conveys
21 a message that is reasonably construed to advocate the
22 election or defeat of a clearly identified candidate shall
23 notify that-candidate's-committee the following in writing
24 within twenty-four hours of taking the action:

25 (1) The candidate's committee, if the contribution or
26 expenditure may reasonably be construed to convey a message
27 advocating the election of the candidate.

28 (2) The committee for the candidate's opponent, if the
29 contribution or expenditure may reasonably be construed to
30 advocate the defeat of the candidate.

31 b. The notification shall provide that candidate's
32 committee with the cost of the promotion at fair market value.

33 c. A copy of the notification shall be sent to the board.

34 1B. Any person who makes expenditures or incurs
35 indebtedness, other than incidental expenses incurred in

1 performing volunteer work, in support or opposition of a
2 candidate for public office shall notify the appropriate
3 committee and provide necessary information for disclosure
4 reports.

5 1C. For purposes of this section, action shall be
6 construed to have been taken independently of a candidate's
7 committee only if the action was not made with the cooperation
8 of, with the prior consent of, in consultation with, or at the
9 request or suggestion of any candidate, any candidate's
10 committee, or other agent for the candidate.

11 a. For purposes of this section, an agent of the candidate
12 is any person who has actual oral or written authority, either
13 express or implied, to make or to authorize the making of
14 expenditures on behalf of a candidate, or any person who has
15 been placed in a position within the campaign organization
16 where it would reasonably appear that in the ordinary course
17 of campaign-related activities, that person may authorize
18 activity on behalf of the candidate.

19 b. An action will be presumed to be made with the
20 cooperation of, with the prior consent of, in consultation
21 with, or at the request or suggestion of any candidate, any
22 candidate's committee, or other agent for the candidate in the
23 following situations:

24 (1) When the action is based on information about the
25 candidate's plans, projects, or needs, which information is
26 provided by the candidate, the candidate's committee, or other
27 agent of the candidate.

28 (2) When the action involves any arrangement,
29 coordination, or direction by the candidate, the candidate's
30 committee, or other agent of the candidate prior to the
31 action.

32 (3) When the action involves any participation by the
33 candidate or any person who is or who has been an officer of
34 the candidate's committee, or who is or has been receiving
35 compensation or reimbursement from the candidate, the

1 candidate's committee, or other agent of the candidate.

2 1D. Any expenditure which is part of action that is deemed
3 not to have been taken independently of the candidate,
4 candidate's committee, or other agent of the candidate shall
5 be considered a contribution for the purpose of contribution
6 limitations and prohibitions. All reporting requirements
7 shall apply to such contributions.

8 1E. No expenditure by a candidate's committee shall be
9 construed to be an independent expenditure under this section.

10 Sec. 4. This Act takes effect January 1, 1997.

11 EXPLANATION

12 Section 2 of this bill sets contribution limits on a per-
13 election basis for candidates for statewide offices and the
14 general assembly. This bill also defines in section 1
15 "election" and "election campaign period" according to each
16 type of election, and the terms are further construed in
17 section 2. Section 1 also adds a definition for "statewide
18 office" that refers to the state officers listed in section
19 39.9.

20 Section 3 adds subsections to the Code section pertaining
21 to individual expenditures. These new subsections further
22 define when an expenditure or contribution will be deemed
23 independent of a candidate's committee, and therefore not
24 subject to the contribution limitations added in section 2.
25 These provisions are modeled after federal regulations dealing
26 with independent expenditures.

27 Contributions knowingly given or accepted in violation of
28 these provisions would be subject to the existing penalties in
29 section 56.16.

30 Finally, section 4 provides for an effective date of
31 January 1, 1997, to allow for completion of the current
32 election cycle prior to application of the new contribution
33 limits.

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