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SENATE FILE 198
BY RIFE

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

A BILL FOR

1 An Act prohibiting contributions to political campaigns by
2 political committees and lobbyists, limiting contributions to
3 a candidate to those from individuals permanently residing in
4 the candidate's district, and providing an effective date.

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

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S.F. 198

1 Section 1. Section 56.2, subsection 16, Code 1997, is
2 amended to read as follows:

3 16. "Political committee" means a committee, but not
4 formal or informal association of two or more individuals,
5 other than a candidate's committee, which accepts that, in
6 performing any of the following activities, exceeds any of the
7 following financial thresholds:

8 (1) Accepts contributions for political purposes in excess
9 of five hundred dollars in the aggregate makes in a calendar
10 year.

11 (2) Makes expenditures for political purposes in excess of
12 five hundred dollars in the aggregate or incurs in a calendar
13 year.

14 (3) Incurs indebtedness for political purposes in excess
15 of five hundred dollars in the aggregate in any one a calendar
16 year for the purpose of supporting or opposing a candidate for
17 public office or for the purpose of supporting or opposing a
18 ballot issue.

19 b. A "political committee" also means any provided it has
20 exceeded at least one of the financial thresholds in paragraph
21 "a", includes but is not limited to any of the following
22 entities:

23 (1) A committee other than a candidate's committee that
24 supports or opposes more than one candidate for public office.

25 (2) A committee other than a candidate's committee that
26 supports or opposes a ballot issue.

27 (3) A formally organized association, lodge, society,
28 cooperative, union, fraternity, sorority, educational
29 institution, civic organization, labor organization, religious
30 organization, or professional organization which accepts
31 contributions in excess of five hundred dollars in the
32 aggregate makes expenditures in excess of five hundred
33 dollars in the aggregate, or incurs indebtedness in excess of
34 five hundred dollars in the aggregate in any one calendar year
35 for the purpose of supporting or opposing a candidate for

1 public office, or for the purpose of supporting or opposing a
2 ballot issue, or other permanent organization that temporarily
3 engages in political activity. "Political committee" also
4 includes a committee which accepts contributions in excess of
5 five hundred dollars in the aggregate, makes expenditures in
6 excess of five hundred dollars in the aggregate, or incurs
7 indebtedness in excess of five hundred dollars in the
8 aggregate in a calendar year to cause

9 (4) A formal or informal association of two or more
10 individuals that causes the publication or broadcasting of
11 material in which the public policy positions or voting record
12 of that a reasonable person would understand to advocate the
13 support of or opposition to the election of an identifiable
14 candidate is discussed and in which a reasonable person could
15 find commentary favorable or unfavorable to those public
16 policy positions or voting record.

17 c. "Political committee" does not include a state
18 statutory political committee, a county statutory committee, a
19 city statutory committee, or a national political party,
20 unless expressly included.

21 Sec. 2. Section 56.4, Code 1997, is amended to read as
22 follows:

23 56.4 REPORTS FILED WITH BOARD OR COMMISSIONER.

24 1. At The following committees shall file statements and
25 reports required to be filed under this chapter for a state
26 office shall be filed with the board:

27 a. Candidate's committees for state offices.

28 b. State statutory political committees.

29 c. Political committees supporting or opposing statewide
30 ballot issues.

31 d. Political committees supporting or opposing candidates
32 for federal office.

33 e. Political committees supporting or opposing candidates
34 or ballot issues for statewide elections and for county,
35 municipal, or school elections. Such committees may file all

1 such activity on one report, and shall also send a copy of the
2 report to the commissioner responsible under section 47.2 for
3 conducting the election.

4 2. All The following committees shall file statements and
5 reports required to be filed under this chapter for-a-county,
6 city, or-school-office-shall-be-filed with the commissioner
7 responsible under section 47.2 for conducting the election:

8 a. Candidate's committees for county, city, or school
9 offices.

10 b. Statements-and-reports-on-a Political committees
11 supporting or opposing candidates for county, city, or school
12 offices, or supporting or opposing a local ballot issue shall
13 be-filed-with-the-commissioner-responsible-under-section-47.2
14 for-conducting-the-election-at-which-the-issue-is-voted-upon,
15 except-that-statements-and-reports-on-a-statewide-ballot-issue
16 shall-be-filed-with-the-board.

17 c. All statutory political committees other than a state
18 statutory political committee. These committees shall also
19 send a copy to the board.

20 3. Except A commissioner shall provide copies of any
21 reports filed with a the commissioner shall-be-provided-by the
22 commissioner to the board on its request. State-statutory
23 political-committees-shall-file-all-statements-and-reports
24 with-the board--All-other-statutory-political-committees
25 shall-file-the-statements-and-reports-with-the commissioner
26 with-a-copy-sent-to-the-board.

27 4. a. The board shall retain statements and reports filed
28 with the board for at least five years from the date of the
29 election in which the committee is involved, or at least five
30 years from the certified date of dissolution of the committee,
31 whichever date is later.

32 b. The commissioner shall retain statements and reports
33 filed with the commissioner for at least three years from the
34 date of the election in which the committee is involved, or at
35 least three years from the certified date of dissolution of

1 the committee, whichever date is later.

2 5. ~~Political committees supporting or opposing candidates~~
3 ~~for both federal office and any elected office created by law~~
4 ~~or the Constitution of the state of Iowa shall file statements~~
5 ~~and reports with the board in addition to any federal reports~~
6 ~~required to be filed with the board. -- However, a~~ A political
7 committee which is registered and filing full disclosure
8 reports of all financial activities with the federal election
9 commission may file verified statements as provided in section
10 56.5.

11 ~~Political committees supporting or opposing candidates or~~
12 ~~ballot issues for statewide elections and for county,~~
13 ~~municipal or school elections may file all activity on one~~
14 ~~report with the board and shall send a copy to the~~
15 ~~commissioner responsible under section 47:2 for conducting the~~
16 election.

17 Sec. 3. Section 56.5, subsection 5, Code 1997, is amended
18 to read as follows:

19 5. a. A committee or organization not organized as a
20 committee under this section which makes a contribution to a
21 ~~candidate's committee or~~ political committee organized in Iowa
22 shall disclose each contribution to the board.

23 b. A committee or organization not organized as a
24 committee under this section which is not registered and
25 filing full disclosure reports of all financial activities
26 with the federal election commission or another state's
27 disclosure commission shall register and file full disclosure
28 reports with the board pursuant to this chapter, and shall
29 either appoint an eligible Iowa elector as committee or
30 organization treasurer, or shall maintain all committee funds
31 in an account in a financial institution located in Iowa.

32 c. A committee which is currently filing a disclosure
33 report in another jurisdiction shall either file a statement
34 of organization under subsections 1 and 2 and file disclosure
35 reports, the same as those required of committees organized

1 only in Iowa, under section 56.6, or shall file one copy of a
2 verified statement with the board and a second copy with the
3 treasurer of the committee receiving the contribution. The
4 form shall be completed and filed at the time the contribution
5 is made.

6 (1) The verified statement shall be on forms prescribed by
7 the board and shall attest that the committee is filing
8 reports with the federal election commission or in a
9 jurisdiction with reporting requirements which are
10 substantially similar to those of this chapter, and that the
11 contribution is made from an account which does not accept
12 contributions which would be in violation of section 56.15.

13 (2) The form shall include the complete name, address, and
14 telephone number of the contributing committee, the state or
15 federal jurisdiction under which it is registered or operates,
16 the identification of any parent entity or other affiliates or
17 sponsors, its purpose, the name, address, and signature of an
18 Iowa resident authorized to receive service of original notice
19 and the name and address of the receiving committee, the
20 amount of the cash or in-kind contribution, and the date the
21 contribution was made.

22 Sec. 4. Section 56.5A, Code 1997, is amended to read as
23 follows:

24 56.5A CANDIDATE'S COMMITTEE ORGANIZATION.

25 1. a. Each candidate for state, county, city, or school
26 office shall organize one, and only one, candidate's committee
27 for a specific office sought ~~when the candidate receives to~~
28 account for contributions to the candidate in excess of five
29 hundred dollars in the aggregate, ~~makes~~ expenditures in excess
30 of five hundred dollars in the aggregate, or ~~incurs~~
31 indebtedness in excess of five hundred dollars in the
32 aggregate in a calendar year.

33 b. A candidate's committee shall accept contributions only
34 from individuals who permanently reside within the district
35 represented by the office to which the candidate presently

1 seeks election.

2 2. a. A political committee shall not be established to
3 support or oppose only one candidate for office, except that a
4 political committee may be established to support or oppose
5 approval of a single judge standing for retention.

6 b. A political committee may be organized for the purpose
7 of supporting or defeating a candidate for office, but a
8 political committee, no matter where it is organized, shall
9 not directly contribute to any candidate or candidate's
10 committee.

11 c. An officer of a candidate's committee shall not serve
12 as an officer of a political committee.

13 3. For purposes of this section, "political committee"
14 shall not include a state statutory political committee,
15 county statutory political committee, city statutory political
16 committee, or national political party.

17 Sec. 5. Section 56.13, Code 1997, is amended to read as
18 follows:

19 56.13 INDEPENDENT EXPENDITURES.

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

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

30 2. A person, candidate's committee, or political committee
31 taking ~~such~~ action involving a contribution or expenditure on
32 behalf of a candidate, which action is taken independently of
33 that candidate's committee, shall notify that candidate's
34 committee in writing within twenty-four hours of taking the
35 action.

1 a. The notification shall provide that candidate's
2 committee with the cost of the promotion at fair market value.

3 b. A copy of the notification shall be sent to the board.

4 3. Any person who makes expenditures or incurs
5 indebtedness, other than incidental expenses incurred in
6 performing volunteer work, in support or opposition of a
7 candidate for public office shall notify the appropriate
8 committee and provide necessary information for disclosure
9 reports.

10 4. For purposes of this section, action shall be construed
11 to have been taken independently of a candidate's committee
12 only if the action was not made with the cooperation of, with
13 the prior consent of, in consultation with, or at the request
14 or suggestion of any candidate, any candidate's committee, or
15 other agent for the candidate.

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

24 b. An action will be presumed to be made with the
25 cooperation of, with the prior consent of, in consultation
26 with, or at the request or suggestion of any candidate, any
27 candidate's committee, or other agent for the candidate in the
28 following situations:

29 (1) When the action is based on information about the
30 candidate's plans, projects, or needs, which information is
31 provided by the candidate, the candidate's committee, or other
32 agent of the candidate.

33 (2) When the action involves any arrangement,
34 coordination, or direction by the candidate, the candidate's
35 committee, or other agent of the candidate prior to the

1 action.

2 (3) When the action involves any participation by the
3 candidate or any person who is or who has been an officer of
4 the candidate's committee, or who is or who has been receiving
5 compensation or reimbursement from the candidate, the
6 candidate's committee, or other agent of the candidate.

7 5. Any expenditure which is part of action that is deemed
8 not to have been taken independently of the candidate,
9 candidate's committee, or other agent of the candidate shall
10 be considered a contribution and expenditure for the purpose
11 of contribution or expenditure limitations and prohibitions.
12 All reporting requirements shall apply to such contributions
13 and expenditures.

14 6. No expenditure by a candidate's committee shall be
15 construed to be an independent expenditure under this section.

16 2: 7. If a person, other than a political committee, makes
17 one or more expenditures in excess of five hundred dollars in
18 the aggregate, or incurs indebtedness in excess of five
19 hundred dollars in the aggregate, in any one calendar year for
20 purposes of supporting or opposing a ballot issue, the person
21 shall file a statement of activity within ten days of taking
22 the action exceeding the threshold. The statement shall
23 contain information identifying the person filing the
24 statement, identifying the ballot issue, and indicating the
25 position urged by the person with regard to the ballot issue.
26 The person shall file reports indicating the dates on which
27 the expenditures or incurrence of indebtedness took place; a
28 description of the nature of the action taken which resulted
29 in the expenditures or debt; and the cost of the promotion at
30 fair market value. For a local ballot issue, the reports
31 shall be filed five days prior to any election in which the
32 ballot issue appears and on the first day of the month
33 following the election, as well as on the nineteenth day of
34 January, May, and July of each year in which the ballot issue
35 appears on the ballot and on the nineteenth day of January and

1 October of each year in which the ballot issue does not appear
2 on the ballot. For a statewide ballot issue, reports shall be
3 filed on the nineteenth day of January, May, and July of each
4 year. The reports shall be current to five days prior to the
5 filing deadline, and are considered timely filed if mailed
6 bearing a United States postal service postmark on or before
7 the due date. Filing obligations shall cease when the person
8 files a statement of discontinuation indicating that the
9 person's financial activity in support of or in opposition to
10 the ballot issue has ceased. Statements and reports shall be
11 filed with the commissioner responsible under section 47.2 for
12 conducting the election at which the issue is voted upon,
13 except that reports on a statewide ballot issue shall be filed
14 with the board.

15 3- 8. A person taking action involving the making of an
16 expenditure or incurrance of indebtedness in support or
17 opposition to a ballot issue independently of a political
18 committee shall, within seventy-two hours of taking the
19 action, notify in writing any political committee which
20 advocates the same position with regard to the ballot issue as
21 the person taking the action. The notification shall provide
22 the political committee with the cost of the promotion at fair
23 market value. A copy of the notification shall be sent to the
24 board. It shall be presumed that a benefited committee
25 approves the action if the committee fails to file a statement
26 of disavowal with the commissioner or board and takes
27 corrective action within ten days of the action. Action
28 approved by a committee shall be reported as a contribution by
29 the committee.

30 4- 9. This section shall not be construed to require
31 duplicate reporting of anything reported under this chapter by
32 a political committee except that actions which constitute
33 contributions in kind shall be reported by the benefited
34 committee. This section shall not be construed to require
35 reporting of action by any person which does not constitute a

1 contribution.

2 Sec. 6. Section 56.14, subsection 1, paragraph a, Code
3 1997, is amended to read as follows:

4 a. A person who causes the publication or distribution of
5 published material designed to promote or defeat the
6 nomination or election of a candidate for public office or the
7 passage of a constitutional amendment or public measure shall
8 include conspicuously on the published material the identity
9 and address of the person responsible for the material.

10 (1) If the person responsible is an organization, the name
11 of one officer of the organization shall appear on the
12 material. ~~However, if~~

13 (2) If the organization is a committee which has filed a
14 statement of organization under this chapter, ~~only~~ the name of
15 the committee, but no officer identification, is required to
16 be included on the published material.

17 b. Published material designed to promote or defeat the
18 nomination or election of a candidate for public office or the
19 passage of a constitutional amendment or public measure which
20 contains language or depictions which a reasonable person
21 would understand as asserting that an entity which is
22 incorporated or is a registered committee had authored the
23 material shall, if the entity is not incorporated or a
24 registered committee, include conspicuously on the published
25 material a statement that the apparent organization or
26 committee is not incorporated or a registered committee in
27 addition to the attribution statement required by this
28 section. For purposes of this section, "registered committee"
29 means a committee which has an active statement of
30 organization filed under section 56.5.

31 Sec. 7. Section 56.15A, Code 1997, is amended to read as
32 follows:

33 56.15A PROHIBITING PROHIBITED CONTRIBUTIONS DURING-THE
34 LEGISLATIVE-SESSION.

35 1. A lobbyist or political committee, ~~other than a state~~

1 ~~statutory-political-committee, county-statutory-political~~
2 ~~committee, or a national-political-party,~~ shall not contribute
3 to, act as an agent or intermediary for contributions to, or
4 arrange for the making of monetary or in-kind contributions to
5 the campaign of an elected state official, member of the
6 general assembly, or candidate for state office ~~on-any-day~~
7 ~~during-the-regular-legislative-session-and, in-the-case-of-the~~
8 ~~governor-or-a-gubernatorial-candidate, during-the-thirty-days~~
9 ~~following-the-adjournment-of-a-regular-legislative-session~~
10 ~~allowed-for-the-signing-of-bills.~~

11 2. This Notwithstanding subsection 1, this section shall
12 not apply to the receipt of contributions by an elected state
13 official, ~~member-of-the-general-assembly,~~ or other state
14 ~~official~~ candidate who has taken affirmative action to seek
15 nomination or election to a federal elective office.

16 ~~This-section-shall-not-apply-to-a-candidate-for-state~~
17 ~~office-who-filed-nomination-papers-for-an-office-for-which-a~~
18 ~~special-election-is-called-or-held-during-the-regular~~
19 ~~legislative-session, if-the-candidate-receives-the~~
20 ~~contribution-at-any-time-during-the-period-commencing-on-the~~
21 ~~date-on-which-at-least-two-candidates-have-been-nominated-for~~
22 ~~the-office-and-ending-on-the-date-on-which-the-election-is~~
23 ~~held.--A-person-who-is-an-elected-state-official-shall-not,~~
24 ~~however, solicit-contributions-during-a-legislative-session~~
25 ~~from-any-lobbyist-or-political-committee, other-than-a-state~~
26 ~~statutory-political-committee, county-statutory-political~~
27 ~~committee, or a national-political-party, for-another~~
28 ~~candidate-for-a-state-office-for-which-a-special-election-is~~
29 ~~held.~~

30 Sec. 8. EFFECTIVE DATE. This Act shall take effect on
31 January 1, 1998.

32 EXPLANATION

33 This bill adds a prohibition against contributions to Iowa
34 political campaigns by political committees and lobbyists.
35 The bill also requires contributions to be made by individuals

1 residing within a candidate's district, in Code section 56.5A.

2 The prohibition against contributions by political
3 committees is primarily contained in Code section 56.15A. A
4 related prohibition is contained in Code section 56.5A,
5 including the prohibition of a current officer of a
6 candidate's committee serving as an officer of a political
7 committee.

8 Consistent with this prohibition against contributions by
9 political committees, a prohibition is added to Code section
10 56.13 against action by political committees which can be
11 attributed to the candidate, the candidate's committee, or an
12 agent of the candidate. Technical changes consistent with the
13 prohibition of contributions by political committees are also
14 made in Code sections 56.5 and 56.14.

15 This bill also reorganizes Code section 56.4, regarding
16 which disclosure reports are filed with the Iowa ethics and
17 campaign disclosure board, and which are filed with the local
18 commissioner of elections.

19 The bill includes an effective date of January 1, 1998.

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