

SENATE FILE

378

BY McCOY

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

A BILL FOR

1 An Act relating to personal financial disclosure by statewide
 2 elected officials, members of the general assembly, and
 3 candidates for state office and making a penalty applicable.
 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

SF 378
 STATE GOVERNMENT

1 Section 1. Section 68B.35, subsections 2, 4, and 5, Code
2 1999, are amended to read as follows:

3 2. The financial statement information required ~~by this~~
4 section under subsection 1 shall be filed by the following
5 persons:

6 ~~a. Any statewide-elected official.~~

7 ~~b. a.~~ The executive or administrative head or heads of any
8 agency of state government.

9 ~~c. b.~~ The deputy executive or administrative head or heads
10 of an agency of state government.

11 ~~d. c.~~ The head of a major subunit of a department or
12 independent state agency whose position involves a substantial
13 exercise of administrative discretion or the expenditure of
14 public funds as defined under rules adopted by the board,
15 pursuant to chapter 17A, in consultation with the department
16 or agency.

17 ~~e. d.~~ Members of the banking board, the ethics and
18 campaign disclosure board, the credit union review board, the
19 economic development board, the employment appeal board, the
20 environmental protection commission, the health facilities
21 council, the Iowa business investment corporation board of
22 directors, the Iowa finance authority, the Iowa seed capital
23 corporation, the Iowa public employees' retirement system
24 investment board, the lottery board, the natural resource
25 commission, the board of parole, the petroleum underground
26 storage tank fund board, the public employment relations
27 board, the state racing and gaming commission, the state board
28 of regents, the tax review board, the transportation
29 commission, the office of consumer advocate, the utilities
30 board, the Iowa telecommunications and technology commission,
31 and any full-time members of other boards and commissions as
32 defined under section 7E.4 who receive an annual salary for
33 their service on the board or commission.

34 ~~f. Members of the general assembly.~~

35 ~~g. Candidates for state office.~~

1 h. e. Legislative employees who are the head or deputy
2 head of a legislative agency or whose position involves a
3 substantial exercise of administrative discretion or the
4 expenditure of public funds.

5 4. The ethics committee of each house of the general
6 assembly shall recommend rules for adoption by each house for
7 the time and manner for the filing of financial statements by
8 members or employees of the particular house. The legislative
9 council shall adopt rules for the time and manner for the
10 filing of financial statements by legislative employees of the
11 central legislative staff agencies. The rules shall provide
12 for the filing of the financial statements with either the
13 chief clerk of the house, the secretary of the senate, or
14 other appropriate person or body. The rules shall provide
15 that financial statements filed by members of each house
16 reflect information which is current as of the time of filing
17 the financial statement and for amendment of the information
18 if the information changes during the time period covered by
19 the financial statement.

20 5. A candidate for statewide office shall file a financial
21 statement with the ethics and campaign disclosure board, a
22 candidate for the office of state representative shall file a
23 financial statement with the chief clerk of the house of
24 representatives, and a candidate for the office of state
25 senator shall file a financial statement with the secretary of
26 the senate. Statements shall contain information concerning
27 the year ~~preceding-the-year~~ in which the election is to be
28 held. The statement shall be filed no later than thirty days
29 after the date on which a person is required to file
30 nomination papers for state office under section 43.11, or, if
31 the person is a candidate in a special election, as soon as
32 practicable after the certification of the name of the nominee
33 under section 43.88, but the statement shall be postmarked no
34 later than seven days after certification. The ethics and
35 campaign disclosure board shall adopt rules pursuant to

1 chapter 17A providing for the filing of the financial
2 statements with the board and for the deposit, retention, and
3 availability of the financial statements. The rules shall
4 provide for amendment of the information contained in the
5 financial statements if the information changes during the
6 time period covered by the financial statement. The ethics
7 committees of the house of representatives and the senate
8 shall recommend rules for adoption by the respective houses
9 providing for the filing of the financial statements with the
10 chief clerk of the house or the secretary of the senate and
11 for the deposit, retention, and availability of the financial
12 statements. The rules shall provide for amendment of the
13 information contained in the financial statements if the
14 information changes during the time period covered by the
15 financial statement. Rules adopted shall also include a
16 procedure for notification of candidates of the duty to file
17 disclosure financial statements under this section.

18 Sec. 2. Section 68B.35, Code 1999, is amended by adding
19 the following new subsections:

20 NEW SUBSECTION. 2A. A statewide elected official, members
21 of the general assembly, and candidates for state office shall
22 file financial statements which contain all of the following:

23 a. The name of any business, organization, or entity in
24 which the official, member, or candidate is employed. If the
25 official, member, or candidate is self-employed and is doing
26 business under the official's, member's, or candidate's given
27 name, the official, member, or candidate shall indicate that
28 the person is self-employed. If the official, member, or
29 candidate is self-employed, and is doing business under a name
30 other than the official's, member's, or candidate's given
31 name, the official, member, or candidate shall indicate that
32 the person is self-employed and list the name of the person's
33 business. If the official, member, or candidate is not
34 employed by another person or is not self-employed, the person
35 shall indicate that the person is not employed.

1 b. The nature of the business in which the official,
2 member, or candidate is employed or self-employed, if the
3 official, member, or candidate is employed or self-employed.

4 c. The job title or position held within any business in
5 which the official, member, or candidate is employed or self-
6 employed.

7 d. If the official, member, or candidate is employed or
8 self-employed, the range in which annual compensation received
9 or earned falls, in the following ranges:

- 10 (1) \$ 0 through \$9,999.99.
- 11 (2) \$ 10,000 through \$24,999.99.
- 12 (3) \$ 25,000 through \$49,999.99.
- 13 (4) \$ 50,000 through \$99,999.99.
- 14 (5) \$100,000 through \$149,999.99.
- 15 (6) \$150,000 through \$249,999.99.
- 16 (7) \$250,000 through \$499,999.99.
- 17 (8) \$500,000 through \$999,999.99.
- 18 (9) \$1,000,000 and above.

19 e. The information required in paragraphs "a" through "d",
20 where applicable, for the spouse of the official, member, or
21 candidate.

22 f. A list of any other sources of income and type of
23 interest held, if the source produces more than one thousand
24 dollars annually in gross income. The list shall include the
25 name of the corporation, business, or other entity from which
26 the income is derived and, if not apparent from the name, the
27 nature of the business of the corporation, business, or other
28 entity from which the income is derived. The type of interest
29 held may be listed under any of the following categories, or
30 under any other categories as may be established by rule:

- 31 (1) Securities.
- 32 (2) Instruments of financial institutions.
- 33 (3) Trusts.
- 34 (4) Real estate.
- 35 (5) Retirement systems.

1 (6) Other types of income or income categories specified
2 in state and federal income tax regulations.

3 NEW SUBSECTION. 6. The secretary of the senate and the
4 chief clerk of the house shall forward copies of any personal
5 financial disclosure statements received from members of and
6 candidates for the general assembly to the ethics and campaign
7 disclosure board. The board shall add the information to any
8 files maintained which pertain to the particular member of or
9 candidate for the general assembly and shall add the
10 information, when possible, to any electronic databases or
11 files which are publicly accessible from remote locations.

12 EXPLANATION

13 This bill changes requirements for personal financial
14 disclosure by statewide elected officials, members of the
15 general assembly, and candidates for state office. The bill
16 makes current reporting requirements inapplicable to statewide
17 elected officials, members of the general assembly, and
18 candidates for state office. The bill replaces those
19 requirements with more specific requirements for those
20 individuals.

21 Under the bill, statewide elected officials, members of the
22 general assembly, and candidates for state office must
23 disclose the name and nature of any business in which they are
24 employed or self-employed, and any job title or position held
25 within the business. If the person is not employed, or is
26 self-employed in a business that operates under the person's
27 given name, that information is to be disclosed also. The
28 person is also to disclose the person's compensation within
29 specified ranges. All of the employment information is also
30 to be disclosed for the person's spouse.

31 Under the bill, statewide elected officials, members of the
32 general assembly, and candidates for state office are also to
33 disclose the name of any entity from which income of more than
34 \$1,000 in gross income is derived, the nature of the business
35 of the entity from which the income is derived, and the type

1 of interest held, by category.

2 All information required to be disclosed by statewide
3 elected officials, members of the general assembly, and
4 candidates for state office must be current as of the time of
5 filing and must be amended if the information changes. The
6 secretary of the senate and the chief clerk of the house are
7 required to forward copies of any personal financial
8 disclosure statements received to the ethics and campaign
9 disclosure board. The ethics and campaign disclosure board is
10 to add the information to the board's files and add, where
11 possible, the same information to any electronic databases or
12 files which are publicly accessible from remote locations.

13 Knowing and intentional violations of the requirements of
14 Code section 68B.35 are punishable as serious misdemeanors
15 under Code section 68B.25. A serious misdemeanor carries a
16 possible punishment of not less than \$250 but not more than
17 \$1,500, imprisonment for up to one year, or both fine and
18 imprisonment.

19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35