

SENATE FILE 2179  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO SSB 3015)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to ethics laws and the Iowa ethics and campaign  
2 disclosure board.

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

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SENATE FILE 2179

S-5069

- 1 Amend Senate File 2179 as follows:
- 2 1. Page 5, line 4, by striking the word and
- 3 figure "July 1" and inserting the following: "July 1
- 4 31".
- 5 2. Page 5, line 9, by striking the word
- 6 "calendar" and inserting the following: "calendar".
- 7 3. Page 5, line 10, by striking the word and
- 8 figure "June 20" and inserting the following: "June
- 9 30".

By MARK ZIEMAN

S-5069 FILED MARCH 10, 2004

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SF 2179  
STATE GOVERNMENT

1 Section 1. Section 13.2, Code 2003, is amended by adding  
2 the following new unnumbered paragraph after subsection 14:

3 NEW UNNUMBERED PARAGRAPH. Executing the duties of this  
4 section shall not be deemed a violation of section 68B.6.

5 Sec. 2. Section 13B.4, Code Supplement 2003, is amended by  
6 adding the following new subsection:

7 NEW SUBSECTION. 9. Executing the duties of this section  
8 shall not be deemed a violation of section 68B.6.

9 Sec. 3. Section 22.7, subsection 29, Code Supplement 2003,  
10 is amended to read as follows:

11 29. Records and information obtained or held by  
12 independent special counsel during the course of an  
13 investigation conducted pursuant to section ~~68B.34~~ 68B.31A.  
14 Information that is disclosed to a legislative ethics  
15 committee subsequent to a determination of probable cause by  
16 independent special counsel and made pursuant to section  
17 68B.31 is not a confidential record unless otherwise provided  
18 by law.

19 Sec. 4. Section 68B.2, subsection 23, Code Supplement  
20 2003, is amended to read as follows:

21 23. "Regulatory agency" means the department of  
22 agriculture and land stewardship, department of workforce  
23 development, department of commerce, Iowa department of public  
24 health, department of public safety, department of education,  
25 state board of regents, department of human services,  
26 department of revenue, department of inspections and appeals,  
27 department of administrative services, public employment  
28 relations board, state department of transportation, civil  
29 rights commission, department of public defense, Iowa ethics  
30 and campaign disclosure board, and department of natural  
31 resources.

32 Sec. 5. Section 68B.4, unnumbered paragraph 2, Code  
33 Supplement 2003, is amended to read as follows:

34 The ~~department-of-administrative-services~~ board shall adopt  
35 rules specifying the method by which employees may obtain

1 agency consent under this section. Each regulatory agency  
2 shall adopt rules specifying the method by which officials may  
3 obtain agency consent under this section. A regulatory agency  
4 granting consent under this section shall file a copy of the  
5 consent with the board within twenty days of the consent being  
6 granted.

7 Sec. 6. Section 68B.4B, unnumbered paragraph 1, Code 2003,  
8 is amended to read as follows:

9 A permanent full-time member of the office of the governor  
10 shall not sell, either directly or indirectly, any goods or  
11 services to individuals, associations, or corporations which  
12 employ persons who are registered lobbyists before the general  
13 assembly or the executive branch, except when the member of  
14 the office of the governor has met all of the following  
15 conditions:

16 Sec. 7. Section 68B.4B, subsection 1, Code 2003, is  
17 amended to read as follows:

18 1. The consent of the person or persons responsible for  
19 hiring or approving the hiring of the member of the office of  
20 the governor is obtained. A copy of the consent shall be  
21 filed with the board within twenty days of the consent being  
22 granted.

23 Sec. 8. Section 68B.6, subsection 1, Code 2003, is amended  
24 to read as follows:

25 1. ~~All-statewide-elected-officials, the executive or~~  
26 ~~administrative head or heads of an agency of state government,~~  
27 ~~the deputy executive or administrative head or heads of an~~  
28 ~~agency of state government, the heads of the major subunits of~~  
29 ~~departments or independent state agencies whose positions~~  
30 ~~involve a substantial exercise of administrative discretion or~~  
31 ~~the expenditure of public funds as defined under rules of the~~  
32 ~~board, in consultation with the department or agency, under~~  
33 ~~chapter 17A, state employees, or~~ Officials, except for members  
34 of boards or commissions as defined under section 7E.4, state  
35 employees, and legislative employees shall not receive,

1 directly or indirectly, or enter into any express or implied  
2 agreement for, any compensation, in whatever form, for the  
3 appearance or rendition of services by that person or another  
4 against the interest of the state in relation to any case,  
5 proceeding, application, or other matter before any state  
6 agency, any court of the state of Iowa, any federal court, or  
7 any federal bureau, agency, commission or department.

8 Sec. 9. NEW SECTION. 68B.31A INVESTIGATION BY  
9 INDEPENDENT SPECIAL COUNSEL -- PROBABLE CAUSE.

10 The purpose of an investigation by the independent special  
11 counsel is to determine whether there is probable cause to  
12 proceed with an adjudicatory hearing on the matter. In  
13 conducting investigations and holding hearings, the  
14 independent special counsel may require by subpoena the  
15 attendance and testimony of witnesses and may subpoena books,  
16 papers, records, and any other real evidence relating to the  
17 matter before the independent special counsel. The  
18 independent special counsel shall have the additional  
19 authority provided in section 17A.13. If the independent  
20 special counsel determines at any stage in the proceedings  
21 that take place prior to hearing that the complaint is without  
22 merit, the independent special counsel shall report that  
23 determination to the appropriate ethics committee and the  
24 complaint shall be dismissed and the complainant and the party  
25 charged shall be notified. If, after investigation, the  
26 independent special counsel determines evidence exists which,  
27 if proven, would support a finding of a violation of this  
28 chapter, a finding of probable cause shall be made and  
29 reported to the ethics committee, and a hearing shall be  
30 ordered by the ethics committee as provided in section 68B.31.  
31 Independent special counsel investigations are not meetings of  
32 a governmental body within the meaning of chapter 21, and  
33 records and information obtained by independent special  
34 counsel during investigations are confidential until disclosed  
35 to a legislative ethics committee under section 68B.31.

1     Sec. 10. Section 68B.32A, subsection 11, Code Supplement  
2 2003, is amended to read as follows:

3     11. Establish a procedure for requesting and issuing  
4 ~~formal-and-informal~~ board advisory opinions to ~~local-officials~~  
5 ~~and-employees-and-to~~ persons subject to the authority of the  
6 board under this chapter or chapter 68A. Local officials and  
7 local employees may also seek an advisory opinion concerning  
8 the application of the applicable provisions of this chapter.  
9 Advice contained in ~~formal~~ board advisory opinions shall, if  
10 followed, constitute a defense to a complaint filed with the  
11 board alleging a violation of this chapter, chapter 68A, or  
12 rules of the board that is based on the same facts and  
13 circumstances.

14     Sec. 11. Section 68B.35, subsection 2, paragraph e, Code  
15 Supplement 2003, is amended to read as follows:

16     e. Members of the banking board, the ethics and campaign  
17 disclosure board, the credit union review board, the economic  
18 development board, the employment appeal board, the  
19 environmental protection commission, the health facilities  
20 council, the Iowa finance authority, the Iowa public  
21 employees' retirement system investment board, the board of  
22 the Iowa lottery authority, the natural resource commission,  
23 the board of parole, the petroleum underground storage tank  
24 fund board, the public employment relations board, the state  
25 racing and gaming commission, the state board of regents, the  
26 tax review board, the transportation commission, the office of  
27 consumer advocate, the utilities board, the Iowa  
28 telecommunications and technology commission, and any full-  
29 time members of other boards and commissions as defined under  
30 section 7E.4 who receive an annual salary for their service on  
31 the board or commission. The Iowa ethics and campaign  
32 disclosure board shall conduct an annual review to determine  
33 if members of any other board, commission, or authority should  
34 file a statement and shall require the filing of a statement  
35 pursuant to rules adopted pursuant to chapter 17A.



1 employees. The exception to this prohibition occurs if  
2 certain criteria are met, including a requirement that consent  
3 be obtained. The bill provides that the prohibition for  
4 governor's office employees also applies to individuals,  
5 associations, or corporations that are registered lobbyists  
6 before the executive branch. The bill requires a copy of any  
7 such consent to be filed with the Iowa ethics and campaign  
8 disclosure board within 20 days of the consent being granted.  
9 The bill requires the board to adopt rules specifying the  
10 method by which regulatory agency employees may obtain agency  
11 consent. Currently, the department of administrative services  
12 is charged with adopting such rules.

13 The bill condenses the language used in the prohibition  
14 against certain persons providing services against the state  
15 by using the defined term "officials". The bill provides that  
16 the office of the attorney general and the state public  
17 defender, in executing the duties of those offices, are not in  
18 violation of this prohibition.

19 The bill eliminates a distinction between formal and  
20 informal board opinions issued by the Iowa ethics and campaign  
21 disclosure board. The bill provides that all such opinions  
22 will be referred to as board advisory opinions. The bill  
23 allows local officials and local employees to seek board  
24 advisory opinions for situations where Code chapter 68B may  
25 apply.

26 The bill requires the Iowa ethics and campaign disclosure  
27 board to conduct an annual review to determine if members of  
28 any board, commission, or authority not specifically required  
29 in the Code to file a personal financial disclosure statement  
30 should file such a statement.

31 The bill amends the requirements for lobbyist's client  
32 reporting. The bill adds the reimbursement of expenses to the  
33 items that must be reported. The bill requires the reporting  
34 of anticipated payments for salaries, fees, retainers, and  
35 reimbursement of expenses. The bill provides that, for the

1 report to be filed on or before July 1 of each year, the  
2 report shall include information for the preceding 12 months  
3 concluding on June 20 of each year. The bill eliminates a  
4 requirement that the report include a cumulative total of all  
5 salaries, fees, retainers, and reimbursements of expenses paid  
6 to the lobbyist for lobbying activities during the preceding  
7 calendar year.

8 The bill repeals Code section 68B.34, relating to  
9 investigations of ethics complaints filed with one of the  
10 ethics standing committees by an independent special counsel,  
11 reenacts the section in Code section 68B.31A, and makes  
12 conforming reference changes. Code section 68B.35A, relating  
13 to public access to personal financial disclosure statements  
14 of state officials and employees through the secretary of  
15 state's office, is repealed.

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**SENATE AMENDMENT TO HOUSE AMENDMENT TO  
SENATE FILE 2179**

H-8464

1 Amend the House amendment, S-5239, to Senate File  
2 2179, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 1, line 13, by inserting after the word  
5 "~~body~~" the following: "shall be recorded on the  
6 legislative internet website or copies of the personal  
7 financial disclosure statements".

RECEIVED FROM THE SENATE

H-8464 FILED APRIL 12, 2004

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HOUSE AMENDMENT TO  
SENATE FILE 2179

S-5239

1 Amend Senate File 2179, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 5, by inserting before line 1 the  
4 following:

5 "Sec. \_\_\_\_ . Section 68B.35A, Code 2003, is amended  
6 to read as follows:

7 68B.35A PERSONAL FINANCIAL DISCLOSURE STATEMENTS  
8 OF STATE OFFICIALS AND EMPLOYEES -- PUBLIC INTERNET  
9 ACCESS.

10 Personal financial disclosure statements filed with  
11 ~~the board and the chief clerk of the house, or the~~  
12 ~~secretary of the senate, or other appropriate person~~  
13 ~~or body~~ shall be forwarded to the secretary of state  
14 for the recording of the information ~~through~~  
15 electronic means on an internet website. ~~The board~~  
16 ~~and the general assembly shall execute agreements with~~  
17 ~~the secretary of state which provide for public access~~  
18 ~~to and copying of the information, and include a site~~  
19 ~~in the board offices for public viewing and copying of~~  
20 ~~information, contained in personal financial~~  
21 ~~disclosure statements filed with the board and the~~  
22 ~~chief clerk of the house, secretary of the senate, or~~  
23 ~~other appropriate person or body.~~ The board shall  
24 record personal financial disclosure statements filed  
25 with the board on an internet website."

26 2. Page 5, by striking line 21 and inserting the  
27 following:

28 "Sec. \_\_\_\_ . Section 68B.34, Code 2003, is".

29 3. By renumbering as necessary.

RECEIVED FROM THE HOUSE

S-5239 FILED MARCH 31, 2004

SENATE FILE 2179

S-5279

1 Amend the House amendment, S-5239, to Senate File  
2 2179, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 1, line 13, by inserting after the word  
5 "body" the following: "shall be recorded on the  
6 legislative internet website or copies of the personal  
7 financial disclosure statements".

By MARK ZIEMAN

S-5279 FILED APRIL 6, 2004

SENATE FILE 2179

H-8336

1 Amend Senate File 2179, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 5, by inserting before line 1 the  
4 following:

5 "Sec. \_\_\_\_ . Section 68B.35A, Code 2003, is amended  
6 to read as follows:

7 68B.35A PERSONAL FINANCIAL DISCLOSURE STATEMENTS  
8 OF STATE OFFICIALS AND EMPLOYEES -- PUBLIC INTERNET  
9 ACCESS.

10 Personal financial disclosure statements filed with  
11 ~~the board and the chief clerk of the house, or the~~  
12 ~~secretary of the senate, or other appropriate person~~  
13 ~~or body~~ shall be forwarded to the secretary of state  
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15 ~~electronic means on an internet website. The board~~  
16 ~~and the general assembly shall execute agreements with~~  
17 ~~the secretary of state which provide for public access~~  
18 ~~to and copying of the information, and include a site~~  
19 ~~in the board offices for public viewing and copying of~~  
20 ~~information, contained in personal financial~~  
21 ~~disclosure statements filed with the board and the~~  
22 ~~chief clerk of the house, secretary of the senate, or~~  
23 ~~other appropriate person or body. The board shall~~  
24 record personal financial disclosure statements filed  
25 with the board on an internet website."

26 2. Page 5, by striking line 21 and inserting the  
27 following:

28 "Sec. \_\_\_\_ . Section 68B.34, Code 2003, is".

29 3. By renumbering as necessary.

By RAECKER of Polk

H-8336 FILED MARCH 29, 2004

Zieman  
Schuerer  
Ragan

Succeeded By SSB#3015  
③/HF 2179  
SENATE/HOUSE FILE State Govt  
BY (PROPOSED ETHICS AND  
CAMPAIGN DISCLOSURE  
BOARD BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to ethics laws and the Iowa ethics and campaign  
2 disclosure board.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 13.2, Code 2003, is amended by adding  
2 the following new unnumbered paragraph after subsection 14:

3 NEW UNNUMBERED PARAGRAPH. Executing the duties of this  
4 section shall not be deemed a violation of section 68B.6.

5 Sec. 2. Section 13B.4, Code Supplement 2003, is amended by  
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7 NEW SUBSECTION. 9. Executing the duties of this section  
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11 29. Records and information obtained or held by  
12 independent special counsel during the course of an  
13 investigation conducted pursuant to section ~~68B.34~~ 68B.31A.  
14 Information that is disclosed to a legislative ethics  
15 committee subsequent to a determination of probable cause by  
16 independent special counsel and made pursuant to section  
17 68B.31 is not a confidential record unless otherwise provided  
18 by law.

19 Sec. 4. Section 68B.2, subsection 23, Code Supplement  
20 2003, is amended to read as follows:

21 23. "Regulatory agency" means the department of  
22 agriculture and land stewardship, department of workforce  
23 development, department of commerce, Iowa department of public  
24 health, department of public safety, department of education,  
25 state board of regents, department of human services,  
26 department of revenue, department of inspections and appeals,  
27 department of administrative services, public employment  
28 relations board, state department of transportation, civil  
29 rights commission, department of public defense, Iowa ethics  
30 and campaign disclosure board, and department of natural  
31 resources.

32 Sec. 5. Section 68B.4, unnumbered paragraph 2, Code  
33 Supplement 2003, is amended to read as follows:

34 The ~~department-of-administrative-services~~ board shall adopt  
35 rules specifying the method by which employees may obtain

1 agency consent under this section. Each regulatory agency  
2 shall adopt rules specifying the method by which officials may  
3 obtain agency consent under this section. A regulatory agency  
4 granting consent under this section shall file a copy of the  
5 consent with the board within twenty days of the consent being  
6 granted.

7 Sec. 6. Section 68B.4B, unnumbered paragraph 1, Code 2003,  
8 is amended to read as follows:

9 A permanent full-time member of the office of the governor  
10 shall not sell, either directly or indirectly, any goods or  
11 services to individuals, associations, or corporations which  
12 employ persons who are registered lobbyists before the general  
13 assembly or the executive branch, except when the member of  
14 the office of the governor has met all of the following  
15 conditions:

16 Sec. 7. Section 68B.4B, subsection 1, Code 2003, is  
17 amended to read as follows:

18 1. The consent of the person or persons responsible for  
19 hiring or approving the hiring of the member of the office of  
20 the governor is obtained. A copy of the consent shall be  
21 filed with the board within twenty days of the consent being  
22 granted.

23 Sec. 8. Section 68B.6, subsection 1, Code 2003, is amended  
24 to read as follows:

25 1. ~~All-statewide-elected-officials, the executive or~~  
26 ~~administrative head or heads of an agency of state government,~~  
27 ~~the deputy executive or administrative head or heads of an~~  
28 ~~agency of state government, the heads of the major subunits of~~  
29 ~~departments or independent state agencies whose positions~~  
30 ~~involve a substantial exercise of administrative discretion or~~  
31 ~~the expenditure of public funds as defined under rules of the~~  
32 ~~board, in consultation with the department or agency, under~~  
33 ~~chapter 17A, state employees, or~~ Officials, except for members  
34 of boards or commissions as defined under section 7E.4, state  
35 employees, and legislative employees shall not receive,

1 directly or indirectly, or enter into any express or implied  
2 agreement for, any compensation, in whatever form, for the  
3 appearance or rendition of services by that person or another  
4 against the interest of the state in relation to any case,  
5 proceeding, application, or other matter before any state  
6 agency, any court of the state of Iowa, any federal court, or  
7 any federal bureau, agency, commission or department.

8 Sec. 9. NEW SECTION. 68B.31A INVESTIGATION BY  
9 INDEPENDENT SPECIAL COUNSEL -- PROBABLE CAUSE.

10 The purpose of an investigation by the independent special  
11 counsel is to determine whether there is probable cause to  
12 proceed with an adjudicatory hearing on the matter. In  
13 conducting investigations and holding hearings, the  
14 independent special counsel may require by subpoena the  
15 attendance and testimony of witnesses and may subpoena books,  
16 papers, records, and any other real evidence relating to the  
17 matter before the independent special counsel. The  
18 independent special counsel shall have the additional  
19 authority provided in section 17A.13. If the independent  
20 special counsel determines at any stage in the proceedings  
21 that take place prior to hearing that the complaint is without  
22 merit, the independent special counsel shall report that  
23 determination to the appropriate ethics committee and the  
24 complaint shall be dismissed and the complainant and the party  
25 charged shall be notified. If, after investigation, the  
26 independent special counsel determines evidence exists which,  
27 if proven, would support a finding of a violation of this  
28 chapter, a finding of probable cause shall be made and  
29 reported to the ethics committee, and a hearing shall be  
30 ordered by the ethics committee as provided in section 68B.31.  
31 Independent special counsel investigations are not meetings of  
32 a governmental body within the meaning of chapter 21, and  
33 records and information obtained by independent special  
34 counsel during investigations are confidential until disclosed  
35 to a legislative ethics committee under section 68B.31.

1 Sec. 10. Section 68B.32A, subsection 11, Code Supplement  
2 2003, is amended to read as follows:

3 11. Establish a procedure for requesting and issuing  
4 ~~formal-and-informal~~ board advisory opinions to ~~local-officials~~  
5 ~~and-employees-and-to~~ persons subject to the authority of the  
6 board under this chapter or chapter 68A. Local officials and  
7 local employees may also seek an advisory opinion concerning  
8 the application of the applicable provisions of this chapter.  
9 Advice contained in ~~formal~~ board advisory opinions shall, if  
10 followed, constitute a defense to a complaint filed with the  
11 board alleging a violation of this chapter, chapter 68A, or  
12 rules of the board that is based on the same facts and  
13 circumstances.

14 Sec. 11. Section 68B.35, subsection 2, paragraph e, Code  
15 Supplement 2003, is amended to read as follows:

16 e. Members of the banking board, the ethics and campaign  
17 disclosure board, the credit union review board, the economic  
18 development board, the employment appeal board, the  
19 environmental protection commission, the health facilities  
20 council, the Iowa finance authority, the Iowa public  
21 employees' retirement system investment board, the board of  
22 the Iowa lottery authority, the natural resource commission,  
23 the board of parole, the petroleum underground storage tank  
24 fund board, the public employment relations board, the state  
25 racing and gaming commission, the state board of regents, the  
26 tax review board, the transportation commission, the office of  
27 consumer advocate, the utilities board, the Iowa  
28 telecommunications and technology commission, and any full-  
29 time members of other boards and commissions as defined under  
30 section 7E.4 who receive an annual salary for their service on  
31 the board or commission. The Iowa ethics and campaign  
32 disclosure board shall conduct an annual review to determine  
33 if members of any other board, commission, or authority should  
34 file a statement and shall require the filing of a statement  
35 pursuant to rules adopted pursuant to chapter 17A.

1 Sec. 12. Section 68B.38, Code Supplement 2003, is amended  
2 to read as follows:

3 68B.38 LOBBYIST'S CLIENT REPORTING.

4 1. a- On or before July 1 of each year, a lobbyist's  
5 client shall file with the general assembly or board a report  
6 that contains information on all salaries, fees, and  
7 retainers, and reimbursement of expenses paid or anticipated  
8 to be paid by the lobbyist's client to the lobbyist for  
9 lobbying purposes during the preceding twelve calendar months,  
10 concluding on June 20 of each year.

11 b- 2. Reports by a lobbyist's clients shall be filed with  
12 the same entity with which the lobbyist filed the lobbyist's  
13 registration.

14 ~~2--a--The-report-shall-include-a-cumulative-total-of-all~~  
15 ~~salaries,fees,retainers,and-reimbursements-of-expenses-paid~~  
16 ~~to-the-lobbyist-for-lobbying-activities-during-the-preceding~~  
17 ~~calendar-year-~~

18 b- 3. The secretary of the senate, chief clerk of the  
19 house, and the board shall develop forms to implement this  
20 section.

21 Sec. 13. Sections 68B.34 and 68B.35A, Code 2003, are  
22 repealed.

23 EXPLANATION

24 This bill relates to ethics laws and the Iowa ethics and  
25 campaign disclosure board.

26 The bill amends the definition of the term "regulatory  
27 agency" in Code chapter 68B to include the Iowa ethics and  
28 campaign disclosure board.

29 Currently, officials, employees of regulatory agencies, and  
30 permanent full-time members of the office of the governor are  
31 prohibited from selling goods or services to individuals,  
32 associations, or corporations that are subject to the  
33 regulatory authority of the agency, in the case of officials  
34 and regulatory agency employees, or are registered lobbyists  
35 before the general assembly, in the case of governor's office

1 employees. The exception to this prohibition occurs if  
 2 certain criteria are met, including a requirement that consent  
 3 be obtained. The bill provides that the prohibition for  
 4 governor's office employees also applies to individuals,  
 5 associations, or corporations that are registered lobbyists  
 6 before the executive branch. The bill requires a copy of any  
 7 such consent to be filed with the Iowa ethics and campaign  
 8 disclosure board within 20 days of the consent being granted.  
 9 The bill requires the board to adopt rules specifying the  
 10 method by which regulatory agency employees may obtain agency  
 11 consent. Currently, the department of administrative services  
 12 is charged with adopting such rules.

13 The bill condenses the language used in the prohibition  
 14 against certain persons providing services against the state  
 15 by using the defined term "officials". The bill provides that  
 16 the office of the attorney general and the state public  
 17 defender, in executing the duties of those offices, are not in  
 18 violation of this prohibition.

19 The bill eliminates a distinction between formal and  
 20 informal board opinions issued by the Iowa ethics and campaign  
 21 disclosure board. The bill provides that all such opinions  
 22 will be referred to as board advisory opinions. The bill  
 23 allows local officials and local employees to seek board  
 24 advisory opinions for situations where Code chapter 68B may  
 25 apply.

26 The bill requires the Iowa ethics and campaign disclosure  
 27 board to conduct an annual review to determine if members of  
 28 any board, commission, or authority not specifically required  
 29 in the Code to file a personal financial disclosure statement  
 30 should file such a statement.

31 The bill amends the requirements for lobbyist's client  
 32 reporting. The bill adds the reimbursement of expenses to the  
 33 items that must be reported. The bill requires the reporting  
 34 of anticipated payments for salaries, fees, retainers, and  
 35 reimbursement of expenses. The bill provides that, for the

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S.F. \_\_\_\_\_ H.F. \_\_\_\_\_

1 report to be filed on or before July 1 of each year, the  
2 report shall include information for the preceding 12 months  
3 concluding on June 20 of each year. The bill eliminates a  
4 requirement that the report include a cumulative total of all  
5 salaries, fees, retainers, and reimbursements of expenses paid  
6 to the lobbyist for lobbying activities during the preceding  
7 calendar year.

8 The bill repeals Code section 68B.34, relating to  
9 investigations of ethics complaints filed with one of the  
10 ethics standing committees by an independent special counsel,  
11 reenacts the section in Code section 68B.31A, and makes  
12 conforming reference changes. Code section 68B.35A, relating  
13 to public access to personal financial disclosure statements  
14 of state officials and employees through the secretary of  
15 state's office, is repealed.

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# IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD

An Independent Agency of the Executive Branch

3015

W. CHARLES SMITHSON  
Executive Director  
Legal Counsel

514 East Locust Street, Suite 104  
Des Moines, Iowa 50309-1912  
Telephone 515-281-4028/Fax 515-281-3701  
www.iowa.gov/ethics

**BOARD MEMBERS:**  
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**TO: MEMBERS OF 2004 IOWA GENERAL ASSEMBLY**  
**FROM: CHARLIE SMITHSON, DIRECTOR & COUNSEL**  
**DATE: DECEMBER 24, 2003**  
**Re: PROPOSED ETHICS BOARD BILL ON ETHICS**

On behalf of the Iowa Ethics and Campaign Disclosure Board, I hereby respectfully submit the Board's 2004 agency bill concerning amendments to the "ethics" laws in Iowa Code chapter 68B. The proposals in the bill are for the following purposes:

1. Clarifies that officials and employees of the Attorney General's Office and the State Public Defender's Office are not subject to the prohibition on providing services against the state when conducting their official state duties.
2. Includes the Ethics Board in the definition of "regulatory agency."
3. Requires the Board to adopt rules specifying the procedure for an employee of a regulatory agency to obtain consent to sell a good or service to persons subject to the regulatory authority of the employee's agency, as well as requiring a copy of such consent to be filed with the Board.
4. Extends the prohibition on members of the Governor's Office from selling goods or services to executive branch lobbyists, as well as requiring a copy of any consent given to make such a sell to be filed with the Ethics Board.
5. Streamlines the language in 68B.6 that prohibits certain state officials and employees from providing services against the state.
6. Renumbers section 68B.34 to 68B.31A so that all sections of the chapter concerning the House and Senate Ethics Committees are placed together numerically.
7. Clarifies the Board advisory opinion process.
8. Directs the Board to conduct an annual review to determine if members of additional boards or commissions should be required to file personal financial disclosure statements.
9. Clarifies the information to be filed by a lobbyist client on the annual report, including reporting of all actual or anticipated payments through June 20 of each year prior to the July 1 filing deadline.
10. Repeals the requirement that the General Assembly and the Board forward copies of filed personal financial disclosure statements to the Secretary of State. Instead, the General Assembly and the Board will make the statements available for public inspection.

I look forward to working with the 2004 Iowa General Assembly on the proposed bill.

SENATE FILE 2179

AN ACT

RELATING TO ETHICS LAWS AND THE IOWA ETHICS AND CAMPAIGN  
DISCLOSURE BOARD.

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

Section 1. Section 13.2, Code 2003, is amended by adding the following new unnumbered paragraph after subsection 14:  
NEW UNNUMBERED PARAGRAPH. Executing the duties of this section shall not be deemed a violation of section 68B.6.

Sec. 2. Section 13B.4, Code Supplement 2003, is amended by adding the following new subsection:

NEW SUBSECTION. 9. Executing the duties of this section shall not be deemed a violation of section 68B.6.

Sec. 3. Section 22.7, subsection 29, Code Supplement 2003, is amended to read as follows:

29. Records and information obtained or held by independent special counsel during the course of an investigation conducted pursuant to section ~~68B.34~~ 68B.31A. Information that is disclosed to a legislative ethics committee subsequent to a determination of probable cause by independent special counsel and made pursuant to section 68B.31 is not a confidential record unless otherwise provided by law.

Sec. 4. Section 68B.2, subsection 23, Code Supplement 2003, is amended to read as follows:

23. "Regulatory agency" means the department of agriculture and land stewardship, department of workforce development, department of commerce, Iowa department of public health, department of public safety, department of education, state board of regents, department of human services,

department of revenue, department of inspections and appeals, department of administrative services, public employment relations board, state department of transportation, civil rights commission, department of public defense, Iowa ethics and campaign disclosure board, and department of natural resources.

Sec. 5. Section 68B.4, unnumbered paragraph 2, Code Supplement 2003, is amended to read as follows:

~~The department of administrative services board~~ shall adopt rules specifying the method by which employees may obtain agency consent under this section. Each regulatory agency shall adopt rules specifying the method by which officials may obtain agency consent under this section. A regulatory agency granting consent under this section shall file a copy of the consent with the board within twenty days of the consent being granted.

Sec. 6. Section 68B.4B, unnumbered paragraph 1, Code 2003, is amended to read as follows:

A permanent full-time member of the office of the governor shall not sell, either directly or indirectly, any goods or services to individuals, associations, or corporations which employ persons who are registered lobbyists before the general assembly or the executive branch, except when the member of the office of the governor has met all of the following conditions:

Sec. 7. Section 68B.4B, subsection 1, Code 2003, is amended to read as follows:

1. The consent of the person or persons responsible for hiring or approving the hiring of the member of the office of the governor is obtained. A copy of the consent shall be filed with the board within twenty days of the consent being granted.

Sec. 8. Section 68B.6, subsection 1, Code 2003, is amended to read as follows:

1. ~~All statewide-elected officials, the executive or administrative head or heads of an agency of state government,~~

~~the deputy executive or administrative head or heads of an agency of state government, the heads of the major subunits of departments or independent state agencies whose positions involve a substantial exercise of administrative discretion or the expenditure of public funds as defined under rules of the board, in consultation with the department or agency, under chapter 17A, state employees, or Officials, except for members of boards or commissions as defined under section 7E.4, state employees, and legislative employees shall not receive, directly or indirectly, or enter into any express or implied agreement for, any compensation, in whatever form, for the appearance or rendition of services by that person or another against the interest of the state in relation to any case, proceeding, application, or other matter before any state agency, any court of the state of Iowa, any federal court, or any federal bureau, agency, commission or department.~~

Sec. 9. NEW SECTION. 68B.31A INVESTIGATION BY INDEPENDENT SPECIAL COUNSEL -- PROBABLE CAUSE.

The purpose of an investigation by the independent special counsel is to determine whether there is probable cause to proceed with an adjudicatory hearing on the matter. In conducting investigations and holding hearings, the independent special counsel may require by subpoena the attendance and testimony of witnesses and may subpoena books, papers, records, and any other real evidence relating to the matter before the independent special counsel. The independent special counsel shall have the additional authority provided in section 17A.13. If the independent special counsel determines at any stage in the proceedings that take place prior to hearing that the complaint is without merit, the independent special counsel shall report that determination to the appropriate ethics committee and the complaint shall be dismissed and the complainant and the party charged shall be notified. If, after investigation, the independent special counsel determines evidence exists which, if proven, would support a finding of a violation of this

chapter, a finding of probable cause shall be made and reported to the ethics committee, and a hearing shall be ordered by the ethics committee as provided in section 68B.31. Independent special counsel investigations are not meetings of a governmental body within the meaning of chapter 21, and records and information obtained by independent special counsel during investigations are confidential until disclosed to a legislative ethics committee under section 68B.31.

Sec. 10. Section 68B.32A, subsection 11, Code Supplement 2003, is amended to read as follows:

11. Establish a procedure for requesting and issuing ~~formal and informal~~ board advisory opinions to ~~local officials and employees and to~~ persons subject to the authority of the board under this chapter or chapter 68A. Local officials and local employees may also seek an advisory opinion concerning the application of the applicable provisions of this chapter. Advice contained in ~~formal~~ board advisory opinions shall, if followed, constitute a defense to a complaint filed with the board alleging a violation of this chapter, chapter 68A, or rules of the board that is based on the same facts and circumstances.

Sec. 11. Section 68B.35, subsection 2, paragraph e, Code Supplement 2003, is amended to read as follows:

e. Members of the banking board, the ethics and campaign disclosure board, the credit union review board, the economic development board, the employment appeal board, the environmental protection commission, the health facilities council, the Iowa finance authority, the Iowa public employees' retirement system investment board, the board of the Iowa lottery authority, the natural resource commission, the board of parole, the petroleum underground storage tank fund board, the public employment relations board, the state racing and gaming commission, the state board of regents, the tax review board, the transportation commission, the office of consumer advocate, the utilities board, the Iowa telecommunications and technology commission, and any full-

time members of other boards and commissions as defined under section 7E.4 who receive an annual salary for their service on the board or commission. The Iowa ethics and campaign disclosure board shall conduct an annual review to determine if members of any other board, commission, or authority should file a statement and shall require the filing of a statement pursuant to rules adopted pursuant to chapter 17A.

Sec. 12. Section 68B.35A, Code 2003, is amended to read as follows:

68B.35A PERSONAL FINANCIAL DISCLOSURE STATEMENTS OF STATE OFFICIALS AND EMPLOYEES -- PUBLIC INTERNET ACCESS.

Personal financial disclosure statements filed with the board and the chief clerk of the house, or the secretary of the senate, or other appropriate person or body shall be recorded on the legislative internet website or copies of the personal financial disclosure statements shall be forwarded to the secretary of state for the recording of the information through electronic means on an internet website. The board and the general assembly shall execute agreements with the secretary of state which provide for public access to and copying of the information, and include a site in the board offices for public viewing and copying of information contained in personal financial disclosure statements filed with the board and the chief clerk of the house, secretary of the senate, or other appropriate person or body. The board shall record personal financial disclosure statements filed with the board on an internet website.

Sec. 13. Section 68B.38, Code Supplement 2003, is amended to read as follows:

68B.38 LOBBYIST'S CLIENT REPORTING.

1. a. On or before July 31 of each year, a lobbyist's client shall file with the general assembly or board a report that contains information on all salaries, fees, and retainers, and reimbursement of expenses paid or anticipated to be paid by the lobbyist's client to the lobbyist for lobbying purposes during the preceding twelve calendar months, concluding on June 30 of each year.

b. 2. Reports by a lobbyist's clients shall be filed with the same entity with which the lobbyist filed the lobbyist's registration.

~~2. a. The report shall include a cumulative total of all salaries, fees, retainers, and reimbursements of expenses paid to the lobbyist for lobbying activities during the preceding calendar year.~~

b. 3. The secretary of the senate, chief clerk of the house, and the board shall develop forms to implement this section.

Sec. 14. Section 68B.34, Code 2003, is repealed.

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JEFFREY M. LAMBERTI  
President of the Senate

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CHRISTOPHER C. RANTS  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2179, Eightieth General Assembly.

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MICHAEL E. MARSHALL  
Secretary of the Senate

Approved \_\_\_\_\_, 2004

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THOMAS J. VILSACK  
Governor