

House Study Bill 40

SENATE/HOUSE FILE _____
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 campaign contributions, the filing of
2 disclosure reports, the posting of statements and reports on
3 the internet, the posting of signs on private property, and
4 the escheat of funds from an unknown or unidentifiable source.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 1255XD 82
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1 1 Section 1. Section 68A.102, subsection 10, paragraph b,
1 2 unnumbered paragraph 2, Code 2007, is amended to read as
1 3 follows:
1 4 "Contribution" shall not include services provided without
1 5 compensation by individuals volunteering their time on behalf
1 6 of a candidate's committee or political committee or a state
1 7 or county statutory political committee except when organized
1 8 or provided on a collective basis by a business, trade
1 9 association, labor union, or any other organized group or
1 10 association. "Contribution" shall not include refreshments
1 11 served at a campaign function so long as such refreshments do
1 12 not exceed fifty dollars in value or transportation provided
1 13 to a candidate so long as its value computed at ~~a rate of~~
~~1 14 twenty cents per mile the current rate of reimbursement~~
1 15 allowed under the standard mileage rate method for computation

1 16 of business expenses pursuant to the Internal Revenue Code
1 17 does not exceed one hundred dollars in value in any one
1 18 reporting period. "Contribution" shall not include something
1 19 provided to a candidate for the candidate's personal
1 20 consumption or use and not intended for or on behalf of the
1 21 candidate's committee.

1 22 Sec. 2. Section 68A.201, subsection 1, Code 2007, is
1 23 amended to read as follows:

1 24 1. Every committee, as defined in this chapter, shall file
1 25 a statement of organization within ten days from the date of
1 26 its organization. Unless formal organization has previously
1 27 occurred, a committee is deemed to have organized as of the
1 28 date that committee transactions exceed the financial activity
1 29 threshold established in section 68A.102, subsection 5 or 18.
1 30 If committee transactions exceed the financial activity
1 31 threshold prior to the due date for filing a disclosure report
1 32 as established under section 68A.402, the committee shall file
1 33 a disclosure report whether or not a statement of organization
1 34 has been filed by the committee.

1 35 Sec. 3. Section 68A.201, subsection 5, Code 2007, is
2 1 amended to read as follows:

2 2 5. a. When either a committee or organization not
2 3 organized as a committee under this section makes a
2 4 contribution to a committee organized in Iowa, that committee
2 5 or organization shall disclose each contribution in excess of
2 6 fifty dollars to the board.

2 7 b. A committee or organization not organized as a
2 8 committee under this section ~~which that~~ is not registered and
2 9 filing full disclosure reports of all financial activities
2 10 with the federal election commission or another state's
2 11 disclosure commission shall register and file full disclosure
2 12 reports with the board pursuant to this chapter, ~~and. The~~
2 13 committee or organization shall either appoint an eligible
2 14 Iowa elector as committee or organization treasurer, or shall
2 15 maintain all committee funds in an account in a financial
2 16 institution located in Iowa.

2 17 c. A committee ~~which that~~ is currently filing a disclosure

2 18 report in another jurisdiction shall either file a statement
2 19 of organization under subsections 1 and 2 and file disclosure
2 20 reports, ~~the same as those required of committees organized~~
~~2 21 only in Iowa,~~ under section 68A.402, or shall file one copy of
2 22 a verified statement with the board ~~and a second copy with the~~
~~2 23 treasurer of the committee receiving the contribution. The~~
~~2 24 form shall be completed and filed at the time the contribution~~
~~2 25 is made within fifteen days of the contribution being made.~~

2 26 d. The verified statement shall be on forms prescribed by
2 27 the board and shall attest that the committee is filing
2 28 reports with the federal election commission or in a
2 29 jurisdiction with reporting requirements which are
2 30 substantially similar to those of this chapter, and that the
2 31 contribution is made from an account ~~which that~~ does not
2 32 accept contributions ~~which that~~ would be in violation of
2 33 section 68A.503.

2 34 e. The ~~form~~ verified statement shall include the complete
2 35 name, address, and telephone number of the contributing
3 1 committee, the state or federal jurisdiction under which it is
3 2 registered or operates, the identification of any parent
3 3 entity or other affiliates or sponsors, its purpose, the name
3 4 and address of an Iowa resident authorized to receive service
3 5 of original notice, ~~and~~ the name and address of the receiving
3 6 committee, the amount of the cash or in-kind contribution, and
3 7 the date the contribution was made.

3 8 Sec. 4. Section 68A.203, subsection 2, Code 2007, is
3 9 amended to read as follows:

3 10 2. a. An individual who receives contributions for a
3 11 committee without the prior authorization of the chairperson
3 12 of the committee or the candidate shall be responsible for
3 13 either rendering the contributions to the treasurer within
3 14 fifteen days of the date of receipt of the contributions, or
3 15 depositing the contributions in the account maintained by the
3 16 committee within seven days of the date of receipt of the
3 17 contributions.

3 18 b. A person, ~~other than a candidate or committee officer,~~
3 19 who receives contributions for a committee shall, not later
3 20 than fifteen days from the date of receipt of the
3 21 contributions or on demand of the treasurer, render to the
3 22 treasurer the contributions and an account of the total of all
3 23 contributions, including the name and address of each person
3 24 making a contribution in excess of ten dollars, the amount of
3 25 the contributions, and the date on which the contributions
3 26 were received.

3 27 c. The treasurer shall deposit all contributions within
3 28 seven days of receipt by the treasurer in an account
3 29 maintained by the committee.

3 30 d. All funds of a committee shall be segregated from any
3 31 other funds held by officers, members, or associates of the
3 32 committee or the committee's candidate. However, if a
3 33 candidate's committee receives contributions only from the
3 34 candidate, or if a permanent organization temporarily engages
3 35 in activity ~~which that~~ qualifies it as a political committee
4 1 and all expenditures of the organization are made from
4 2 existing general operating funds and funds are not solicited
4 3 or received for this purpose from sources other than operating
4 4 funds, then that committee is not required to maintain a
4 5 separate account in a financial institution.

4 6 e. Committee funds or committee property shall not be used
4 7 for the personal benefit of ~~an a candidate,~~ officer, member,
4 8 or associate of the committee. The funds of a committee are
4 9 not attachable for the personal debt of the committee's
4 10 candidate or an officer, member, or associate of the
4 11 committee.

4 12 Sec. 5. Section 68A.401, subsections 1 and 3, Code 2007,
4 13 are amended to read as follows:

4 14 1. All statements and reports required to be filed under
4 15 this chapter shall be filed with the board. The board shall
4 16 ~~provide copies of all statements and reports filed under this~~
~~4 17 chapter for a county, city, school, or other political~~
~~4 18 subdivision to the commissioner responsible under section 47.2~~
~~4 19 post on its internet website all statements and reports filed~~
~~4 20 under this chapter.~~

4 21 3. ~~The commissioner shall retain statements and reports~~
~~4 22 provided by the board for a county, city, school, or other~~
~~4 23 political subdivision for at least three years from the date~~
~~4 24 of the election in which the committee is involved. However,~~
~~4 25 statements and reports provided by the board for county~~
~~4 26 statutory political committees shall be retained for five~~
~~4 27 years from the date of the election in which the committee is~~
~~4 28 involved. The candidate of a candidate's committee, or the~~

~~4 29 chairperson of any other committee, is responsible for filing~~
~~4 30 statements and reports under this chapter. The board shall~~
~~4 31 send notice to a committee that has failed to file a~~
~~4 32 disclosure report at the time required under section 68A.402.~~
~~4 33 A candidate of a candidate's committee, or the chairperson of~~
~~4 34 any other committee, may be subject to a civil penalty for~~
~~4 35 failure to file a disclosure report required under section~~
~~5 1 68A.402.~~

5 2 Sec. 6. Section 68A.402, subsection 8, Code 2007, is
5 3 amended to read as follows:

5 4 8. POLITICAL COMMITTEES == BALLOT ISSUES. A political
5 5 committee expressly advocating the passage or defeat of a
5 6 ballot issue shall file reports as follows:

5 7 a. ELECTION YEAR. Five days before the election covering
5 8 the period of the date of initial activity through ten days
5 9 before election. ~~Another report covering the time period from~~
~~5 10 nine days before the election through December 31 shall be~~
~~5 11 filed on or before January 19 of the next calendar year.~~

5 12 b. NONELECTION YEAR. On January 19 of the next calendar
5 13 year that covers the time period of ~~nine days before the~~
~~5 14 election through December 31 January 1 through December 31 of~~
~~5 15 the previous calendar year.~~

5 16 Sec. 7. Section 68A.406, subsection 2, unnumbered
5 17 paragraph 2, Code 2007, is amended to read as follows:
5 18 ~~This subsection Subparagraphs "d", "e", and "f" shall not~~
5 19 apply to the posting of signs on private property not a
5 20 polling place, except that the placement of a sign on a motor
5 21 vehicle, trailer, or semitrailer, or any attachment to a motor
5 22 vehicle, trailer, or semitrailer parked on public property
5 23 within three hundred feet of a polling place, which sign is
5 24 more than ninety square inches in size, is prohibited.

5 25 Sec. 8. Section 68A.501, Code 2007, is amended to read as
5 26 follows:

5 27 68A.501 FUNDS FROM UNKNOWN SOURCE == ESCHEAT.

5 28 The expenditure of funds from an unknown or unidentifiable
5 29 source received by a candidate or committee is prohibited.
5 30 Such funds received by a candidate or committee shall escheat
5 31 to the state. Any candidate or committee receiving such
5 32 contributions shall remit such contributions to the ~~director~~
~~5 33 of the department of administrative services board which shall~~
~~5 34 forward it to the proper agency~~ for deposit in the general
5 35 fund of the state. Persons requested to make a contribution at
6 1 a fundraising event shall be advised that it is illegal to
6 2 make a contribution in excess of ten dollars unless the person
6 3 making the contribution also provides the person's name and
6 4 address.

6 5 EXPLANATION

6 6 This bill makes a variety of changes to Iowa's campaign
6 7 finance and disclosure requirements.

6 8 Code section 68A.102 is amended to modify the definition of
6 9 a contribution and strikes current language that provides that
6 10 a reportable contribution shall not include transportation
6 11 provided to a candidate so long as its value is computed at a
6 12 rate of 20 cents per mile. This change maintains the \$100 cap
6 13 for transportation but ties the per mile limit to the internal
6 14 revenue service rate.

6 15 Code section 68A.201 is amended to require a committee to
6 16 file a disclosure report, whether or not a statement of
6 17 organization has been filed by the committee, whenever the
6 18 financial threshold for disclosure reporting has been met.

6 19 Code section 68A.201, subsection 5, is amended to require a
6 20 committee that is currently filing a disclosure report in
6 21 another jurisdiction to either file a statement of
6 22 organization and disclosure report, or file one copy of a
6 23 verified statement with the board. The filing must be
6 24 completed within 15 days of the contribution being made.

6 25 Code section 68A.203, subsection 2, relating to the
6 26 handling of campaign contributions, is amended to exclude a
6 27 candidate or committee officer from the current requirement
6 28 that a person who receives contributions for a committee must,
6 29 not later than 15 days from the date of receipt of the
6 30 contributions or on demand of the treasurer, render to the
6 31 treasurer the contributions and an account of the total of all
6 32 contributions, including the name and address of each person
6 33 making a contribution in excess of \$10. The bill also amends
6 34 the Code section to provide that committee funds and committee
6 35 property cannot be used for the personal benefit of a
7 1 candidate. The current prohibition applies only to an
7 2 officer, member, or associate of the committee.

7 3 Code section 68A.401 is amended to provide that the board
7 4 will make reports and statements available on the internet.

7 5 The Code section is also amended to provide that the candidate
7 6 of a candidate's committee, or the chairperson of any other
7 7 committee, is responsible for filing statements and reports
7 8 under the Code chapter. A civil penalty is made applicable to
7 9 the failure to file a disclosure report required under Code
7 10 section 68A.402.

7 11 The Code section also eliminates a current requirement that
7 12 each county commissioner of elections retain statements and
7 13 reports for a county, city, school, or other political
7 14 subdivision for at least three years and that statements and
7 15 reports for county statutory political committees must be
7 16 retained for five years.

7 17 Code section 68A.402, subsection 8, is amended to revise
7 18 the reporting dates for a political committee advocating the
7 19 passage or defeat of a ballot issue by adding a requirement
7 20 that in an election year a report must be filed covering the
7 21 time period from nine days before the election through
7 22 December 31, on or before January 19 of the next calendar
7 23 year, and in a nonelection year a report must cover the time
7 24 period of January 1 through December 31 of the previous
7 25 calendar year.

7 26 Code section 68A.406 relates to the restrictions for
7 27 posting of signs on private property. The bill amends the
7 28 Code section by making the following three specific situations
7 29 where those restrictions do not apply:

7 30 1. On election day either on the premises of any polling
7 31 place or within 300 feet of any outside door of any building
7 32 affording access to any room where the polls are held, or of
7 33 any outside door of any building affording access to any
7 34 hallway, corridor, stairway, or other means of reaching the
7 35 room where the polls are held.

8 1 2. Within 300 feet of an absentee voting site during the
8 2 hours when absentee ballots are available in the office of the
8 3 county commissioner of elections.

8 4 3. Within 300 feet of a satellite absentee voting station
8 5 during the hours when absentee ballots are available at the
8 6 satellite absentee voting station.

8 7 Code section 68A.501 relates to the escheat of funds from
8 8 unknown sources to the proper governmental agency.

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