

Senate Study Bill 3077 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED ETHICS AND
CAMPAIGN DISCLOSURE BOARD
BILL)

A BILL FOR

1 An Act relating to the procedures and duties of the Iowa ethics
2 and campaign disclosure board relating to campaign finance
3 and to county redistricting and making penalties applicable.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.7, Code Supplement 2011, is amended to
2 read as follows:

3 **8.7 Reporting of gifts and bequests received.**

4 All gifts and bequests received by a department or accepted
5 by the governor on behalf of the state shall be reported in an
6 electronic format to the Iowa ethics and campaign disclosure
7 board and the general assembly's standing committees on
8 government oversight. The reports shall be filed no later than
9 the tenth day of the month for all gifts and bequests received
10 in the previous month. The ethics and campaign disclosure
11 board shall, by January 31 of each year, submit to the fiscal
12 services division of the legislative services agency a written
13 report listing all gifts and bequests received during the
14 previous calendar year with a value over one thousand dollars
15 and the purpose for each such gift or bequest. The submission
16 shall also include a listing of all gifts and bequests received
17 by a department from a person if the cumulative value of all
18 gifts and bequests received by the department from the person
19 during the previous calendar year exceeds one thousand dollars,
20 and the ethics and campaign disclosure board shall include, if
21 available, the purpose for each such gift or bequest. However,
22 the reports on gifts or bequests filed by the state board of
23 regents and the Iowa state fair board pursuant to section 8.44
24 shall be deemed sufficient to comply with the requirements of
25 this section.

26 Sec. 2. Section 68A.102, Code 2011, is amended by adding the
27 following new subsection:

28 NEW SUBSECTION. 5A. "*Charitable organization*" means an
29 organization that is described in section 501(c)(3) of the
30 Internal Revenue Code that is exempt from taxation under
31 section 501(a) of the Internal Revenue Code.

32 Sec. 3. Section 68A.201, subsection 1, Code 2011, is amended
33 to read as follows:

34 1. a. Every committee, as defined in this chapter, shall
35 file a statement of organization within ten days from the date

1 of its organization. Unless formal organization has previously
2 occurred, a committee is deemed to have organized as of the
3 date that committee transactions exceed the financial activity
4 threshold established in section 68A.102, subsection 5 or
5 18. If committee transactions exceed the financial activity
6 threshold prior to the due date for filing a disclosure report
7 as established under section 68A.402, the committee shall file
8 a disclosure report whether or not a statement of organization
9 has been filed by the committee.

10 b. A person that makes one or more independent expenditures
11 and files all statements and reports required by section
12 68A.404 shall not be required to organize a committee or file
13 the statement of organization required under this section.

14 Sec. 4. Section 68A.401A, subsection 1, unnumbered
15 paragraph 1, Code 2011, is amended to read as follows:

16 ~~A political organization that is required to file reports~~
17 ~~with the internal revenue service, pursuant to 26 U.S.C. § 527,~~
18 Any person, other than a committee filing reports under section
19 68A.402 or a person making an independent expenditure under
20 section 68A.404, shall file, in electronic format, a report
21 with the board if that ~~organization~~ person does both of the
22 following:

23 Sec. 5. Section 68A.401A, subsection 2, paragraph b, Code
24 2011, is amended to read as follows:

25 b. The name and address, and, in the case of an individual,
26 the occupation and name of employer of such individual, of
27 all contributors which contributed an aggregate amount of two
28 hundred dollars or more to the ~~organization~~ person making or
29 disseminating the communication during the calendar year and
30 the amount and date of the contribution.

31 Sec. 6. Section 68A.401A, subsection 4, Code 2011, is
32 amended to read as follows:

33 4. The term "*issue advocacy*" means any print, radio,
34 televised, telephonic, or electronic communication in any
35 form or content, which is disseminated to the general public

1 or a segment of the general public, that refers to a clearly
2 identified candidate ~~for the general assembly or statewide~~
3 ~~office.~~

4 Sec. 7. Section 68A.404, subsection 2, paragraph a, Code
5 2011, is amended to read as follows:

6 a. ~~An entity~~ A person, other than an individual or
7 individuals, shall not make an independent expenditure or
8 disburse funds from its treasury to pay for, in whole or in
9 part, an independent expenditure made by another person without
10 the authorization of a majority of the ~~entity's~~ person's board
11 of directors, executive council, or similar organizational
12 leadership body of the use of treasury funds for an independent
13 expenditure involving a candidate or ballot issue committee.
14 Such authorization must occur in the same calendar year in
15 which the independent expenditure is incurred.

16 Sec. 8. Section 68A.404, subsection 3, paragraphs a and b,
17 Code 2011, are amended to read as follows:

18 a. Subject to paragraph "b", the person filing the
19 independent expenditure statement shall file reports under
20 sections 68A.402 and 68A.402A. An initial report shall
21 be filed at the same time as the independent expenditure
22 statement. Subsequent reports shall be filed according to
23 the same schedule as the office or election to which the
24 independent expenditure was directed.

25 (1) A supplemental report shall be filed on the same dates
26 as in section 68A.402, subsection 2, paragraph "b", if the
27 person making the independent expenditure either raises or
28 expends more than one thousand dollars.

29 (2) A report filed as a result of this paragraph "a" shall
30 ~~not require the identification of individual members who~~
31 ~~pay dues to a labor union, organization, or association, or~~
32 ~~individual stockholders of a business corporation. A report~~
33 ~~filed as a result of this paragraph "a" shall not require the~~
34 ~~disclosure of any donor or other source of funding to the~~
35 ~~person making the independent expenditure except when the~~

1 ~~donation or source of funding, or a portion of the donation or~~
2 ~~source of funding, was provided for the purpose of furthering~~
3 ~~the independent expenditure~~ include the name and address of
4 each person who has made one or more contributions to the
5 person making the independent expenditure when the aggregate
6 amount in a calendar year is two hundred dollars or more, and
7 the amount and date of each contribution.

8 **b.** This section does not apply to a candidate, candidate's
9 committee, state statutory political committee, county
10 statutory political committee, or a political committee.
11 This section does not apply to a federal committee or an
12 out-of-state committee that makes an independent expenditure.
13 A person that makes one or more independent expenditures and
14 files all statements and reports required by this section shall
15 not be required to organize a committee or file the statement
16 of organization required under section 68A.201.

17 Sec. 9. Section 68A.404, subsection 5, paragraph g, Code
18 2011, is amended to read as follows:

19 **g.** A certification by an officer ~~of the corporation~~
20 representing the person, if the person is other than an
21 individual or individuals, that the board of directors,
22 executive council, or similar organizational leadership body
23 expressly authorized the independent expenditure or use of
24 treasury funds for the independent expenditure by resolution
25 or other affirmative action within the calendar year when the
26 independent expenditure was incurred.

27 Sec. 10. Section 68A.405, subsection 1, paragraph a,
28 subparagraph (3), Code 2011, is amended to read as follows:

29 (3) "*Published material*" means any newspaper, magazine,
30 shopper, outdoor advertising facility, poster, direct mailing,
31 brochure, internet website, campaign sign, or any other form
32 of printed general public political advertising. "*Published*
33 *material*" includes television, radio, video, or motion picture
34 advertising, or automated or live telephone calls.

35 Sec. 11. Section 68A.405, subsection 2, paragraph a, Code

1 2011, is amended to read as follows:

2 a. The editorials or news articles of a newspaper, magazine,
3 television station, radio station, or other print or electronic
4 media that are not paid political advertisements.

5 Sec. 12. Section 68A.405, subsection 3, Code 2011, is
6 amended to read as follows:

7 3. For television, video, or motion picture advertising,
8 the attribution statement shall be displayed on the screen
9 in a clearly readable manner for at least four seconds. For
10 radio advertising or automated or live telephone calls, the
11 attribution statement shall be clearly enunciated.

12 Sec. 13. NEW SECTION. 68B.22A Reporting of gifts from
13 restricted donors.

14 1. All officials and employees of the executive branch of
15 the state of Iowa shall report to the board in an electronic
16 format any gift or series of gifts from a restricted donor that
17 exceed one hundred dollars in the aggregate in a calendar year.

18 2. The report shall be filed no later than the tenth day
19 of the month for gifts received by the official or employee or
20 that person's immediate family member in the previous month.

21 3. The report shall include the name of the official or
22 employee, the person's position or title with the executive
23 branch, the name and address of the restricted donor, a
24 description of the gift, the estimated value of the gift, and
25 the exception in section 68B.22, subsection 4, that allows the
26 official or employee to accept, directly or indirectly, the
27 gift.

28 4. The report shall include the name of any open candidate's
29 committee established for the person. Campaign contributions
30 shall not be included in the report if such contributions are
31 disclosed on the candidate's committee's disclosure reports.

32 Sec. 14. Section 331.210A, subsection 2, paragraph e, Code
33 2011, is amended by adding the following new subparagraph:

34 NEW SUBPARAGRAPH. (4) Members of the temporary county
35 redistricting commission shall retain all of their work

1 product relating to the redistricting process or plan until the
2 state commissioner of elections has approved the plan and any
3 complaint alleging the plan was drawn for improper political
4 reasons has been resolved. Work product includes but is not
5 limited to any written or electronic communication with any
6 person regarding the redistricting process or plan.

7

EXPLANATION

8 This bill relates to the duties of the Iowa ethics and
9 campaign disclosure board.

10 The bill requires that reporting of all gifts and bequests
11 received by a state department or the governor on behalf of the
12 state must be reported in an electronic format. Currently, the
13 reports are required to be made to the board and the general
14 assembly's standing committees on government oversight. The
15 bill also provides that these reports shall be filed no later
16 than the tenth day of the month for all gifts and bequests
17 received in the previous month.

18 The bill defines "charitable organization", for purposes of
19 campaign finance, to be an organization that is described in
20 section 501(c)(3) of the Internal Revenue Code and is exempt
21 from taxation under section 501(a) of the Internal Revenue
22 Code.

23 The bill provides that a person that makes independent
24 campaign expenditures and files all required statements and
25 reports is not required to organize a committee or file a
26 statement of organization.

27 The bill requires that any person, other than a political
28 committee filing under Code section 68A.402 or a person making
29 an independent expenditure under Code section 68A.404, must
30 file a report with the board if that organization engages in
31 issue advocacy, and receives or expects to receive \$25,000.

32 The bill revises current provisions relating to reporting
33 independent expenditures. The bill requires that reports be
34 filed electronically and must include the name and address
35 of each person who has made one or more contributions to the

1 person making the independent expenditure when the aggregate
2 amount in a calendar year is \$200 or more, and the amount and
3 date of each contribution.

4 Current law requires that corporate officials must certify
5 that the governing body authorized an independent expenditure;
6 the bill expands this requirement to other entities, but not
7 individuals.

8 The bill amends the definition of "published material" to
9 include radio advertising or automated or live telephone calls.
10 The bill requires audio attribution statements for radio
11 advertising or automated or live telephone calls and requires
12 the statements to be clearly enunciated.

13 The bill enacts new Code section 68B.22A, which provides
14 that all officials and employees of the executive branch, or
15 that person's immediate family members, report to the board any
16 gift or series of gifts from a restricted donor that exceed
17 \$100 in the aggregate in a calendar year. That report must
18 include estimated value of the gift and the exception in Code
19 section 68B.22 that allows the official or employee or family
20 member to accept the gift. The bill provides that the report
21 shall include the name of any open candidate's committee
22 established for the person and provides that contributions
23 shall not be included if the contributions are disclosed on the
24 candidate's committee's disclosure reports.

25 Relating to the review of county redistricting plans, the
26 bill requires that a temporary county redistricting commission
27 retain all of its work product relating to the redistricting
28 process or plan until the state commissioner of elections has
29 approved the plan and any complaint alleging the plan was drawn
30 for improper political reasons has been resolved.

31 As provided in Code section 68A.701, a willful violation of
32 any provision of the campaign finance Code chapter is a serious
33 misdemeanor punishable by confinement for up to one year and
34 a fine of at least \$315 but not more than \$1,875. A variety
35 of civil remedies are also available in Code section 68B.32D

S.F. _____ H.F. _____

1 for a violation of Code chapter 68A or rules of the ethics and
2 campaign disclosure board, ranging from a reprimand to a civil
3 penalty of not more than \$2,000.