

House File 2511 - Introduced

HOUSE FILE 2511
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 620)

A BILL FOR

1 An Act relating to governmental ethics and campaign finance,
2 including the placement of campaign signs, the sale or lease
3 of real estate by regulatory agency officials and employees
4 to persons subject to the agency's regulatory authority, and
5 the compensation of the executive director of the ethics and
6 campaign disclosure board, and making penalties applicable.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 68A.103, Code 2020, is amended to read
2 as follows:

3 **68A.103 Applicability to federal candidates.**

4 1. The requirements of **this chapter** relative to disclosure
5 of contributions shall apply to candidates and political
6 committees for federal office only in the event such candidates
7 are not subject to a federal law requiring the disclosure of
8 campaign financing. Any such federal law shall supersede the
9 provisions of **this chapter**.

10 2. The provisions of section 68A.406 shall apply to
11 candidates and political committees for federal office.

12 Sec. 2. Section 68A.406, Code 2020, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 4. For the purposes of this section:

15 *a.* "*Campaign sign*" means a sign that expressly advocates in
16 favor of or against one or more clearly identified candidates
17 or ballot issues.

18 *b.* "*Candidate*" means an individual who has taken affirmative
19 action to seek the nomination or election to any federal,
20 state, county, city, or school office filled by election and
21 shall also include any judge standing for retention in a
22 judicial election.

23 Sec. 3. Section 68B.4, subsection 1, Code 2020, is amended
24 to read as follows:

25 1. An official or employee of any regulatory agency shall
26 not sell or lease, either directly or indirectly, any goods,
27 real estate, or services to individuals, associations, or
28 corporations subject to the regulatory authority of the agency
29 of which the person is an official or employee, except when the
30 official or employee has met all of the following conditions:

31 *a.* The consent of the regulatory agency for which the
32 person is an official or employee is obtained and the person is
33 not the official or employee with the authority to determine
34 whether agency consent is to be given under **this section**.

35 *b.* The duties or functions performed by the official

1 or employee for the regulatory agency are not related to
2 the regulatory authority of the agency over the individual,
3 association, or corporation, or the selling or leasing of
4 goods, real estate, or services by the official or employee
5 to the individuals, associations, or corporations does not
6 affect the official's or employee's duties or functions at the
7 regulatory agency.

8 c. The selling or leasing of any goods, real estate,
9 or services by the official or employee to an individual,
10 association, or corporation does not include advocacy on
11 behalf of the individual, association, or corporation to
12 the regulatory agency in which the person is an official or
13 employee.

14 d. The selling or leasing of any goods, real estate,
15 or services by the official or employee to an individual,
16 association, or corporation does not cause the official or
17 employee to sell or lease goods, real estate, or services to
18 the regulatory agency on behalf of the individual, association,
19 or corporation.

20 Sec. 4. Section 68B.32, subsection 5, Code 2020, is amended
21 to read as follows:

22 5. The board shall employ a full-time executive director who
23 shall be the board's chief administrative officer. The board
24 shall employ or contract for the employment of legal counsel
25 notwithstanding [section 13.7](#), and any other personnel as may
26 be necessary to carry out the duties of the board. The board's
27 legal counsel shall be the chief legal officer of the board and
28 shall advise the board on all legal matters relating to the
29 administration of [this chapter](#) and [chapter 68A](#). The state may
30 be represented by the board's legal counsel in any civil action
31 regarding the enforcement of [this chapter](#) or [chapter 68A](#), or at
32 the board's request, the state may be represented by the office
33 of the attorney general. Notwithstanding [section 8A.412](#), all
34 of the board's employees, except for the executive director and
35 legal counsel, shall be employed subject to the merit system

1 provisions of chapter 8A, subchapter IV. The salary of the
2 executive director shall be fixed by the board, within the
3 range established by the general assembly. The salary of the
4 legal counsel shall be fixed by the board, within a salary
5 range established by the department of administrative services
6 for a position requiring similar qualifications and experience.
7 If the board's executive director also serves as the board's
8 legal counsel, the board may, in the board's discretion, award
9 the executive director additional compensation which shall not
10 annually exceed fifty percent of the maximum annual salary for
11 the range established by the general assembly for the board's
12 executive director position.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill relates to governmental ethics and campaign
17 finance, including the placement of campaign signs, the
18 sale or lease of real estate by regulatory agency officials
19 and employees to persons subject to the agency's regulatory
20 authority, and the compensation of the executive director of
21 the ethics and campaign disclosure board.

22 CAMPAIGN SIGNS. Code section 68A.406 regulates the
23 placement of campaign signs for candidates of state and local
24 office. The bill provides that the campaign sign regulations
25 also apply to candidates and political committees for federal
26 office, and defines "campaign sign" and "candidate". A person
27 who violates this provision of the bill is subject to civil
28 penalties imposed by the Iowa ethics and campaign disclosure
29 board, including remedial action, a reprimand, and a civil
30 penalty up to \$2,000. In addition, a person who willfully
31 violates a provision of Code chapter 68A is guilty of a
32 serious misdemeanor. A serious misdemeanor is punishable by
33 confinement for no more than one year and a fine of at least
34 \$315 but not more than \$1,875.

35 SALES AND LEASES BY PUBLIC EMPLOYEES. Under current

1 law, officials and employees of state regulatory agencies
2 are prohibited from selling or leasing goods or services
3 to individuals, associations, or corporations subject to
4 the agency authority of which the person is an official or
5 employee. However, this prohibition does not apply if consent
6 for such sale or lease is obtained from the agency consistent
7 with rules adopted by the Iowa ethics and campaign disclosure
8 board; if the official's or employee's agency duties are not
9 related to the regulatory authority of the agency over the
10 individual, association, or corporation; if the selling or
11 leasing of the goods or services does not include advocacy on
12 behalf of the individual, association, or corporation to the
13 agency; and if the selling or leasing of the goods or services
14 does not cause the official or employee to sell or lease
15 goods or services to the agency on behalf of the individual,
16 association, or corporation. The bill extends this prohibition
17 and the exception to the sale or lease of real estate.

18 A person who knowingly and intentionally violates this
19 provision of the bill is guilty of a serious misdemeanor and
20 may be reprimanded, suspended, or dismissed from the person's
21 position or otherwise sanctioned. A serious misdemeanor is
22 punishable by confinement for no more than one year and a fine
23 of at least \$315 but not more than \$1,875.

24 ETHICS AND CAMPAIGN DISCLOSURE BOARD EXECUTIVE DIRECTOR
25 COMPENSATION. Under current law, the ethics and campaign
26 disclosure board is required to establish the salary of the
27 board's executive director within a range designated by the
28 general assembly.

29 The bill allows the board to award the board's executive
30 director additional compensation which shall not annually
31 exceed 50 percent of the maximum annual salary for the range
32 established by the general assembly for the board's executive
33 director position, if the board's executive director also
34 serves as the board's legal counsel. Currently, the general
35 assembly designates the board's executive director position at

H.F. 2511

1 salary range 4, with a minimum annual salary of \$63,690, and a
2 maximum annual salary of \$97,460.