

**House File 2514 - Introduced**

HOUSE FILE 2514

BY JAMES

**A BILL FOR**

1 An Act relating to campaign finance, including expenditures,  
2 attribution statements, and reports, and making penalties  
3 applicable.

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

1 Section 1. Section 68A.102, subsection 10, paragraph a,  
2 subparagraph (2), Code 2022, is amended to read as follows:

3 (2) The payment, by any person other than a candidate or  
4 political committee who receives the service, of compensation  
5 for the personal services of another person which are rendered  
6 to a candidate or political committee for any such purpose.

7 Sec. 2. Section 68A.102, subsection 10, paragraph a, Code  
8 2022, is amended by adding the following new subparagraph:

9 NEW SUBPARAGRAPH. (3) A coordinated expenditure if the  
10 expenditure must be reported pursuant to subchapter IV.

11 Sec. 3. Section 68A.102, subsections 14 and 18, Code 2022,  
12 are amended to read as follows:

13 14. a. "*Express advocacy*" or to "*expressly advocate*" means  
14 communication that can be characterized according to at least  
15 one of the following descriptions:

16 ~~a.~~ (1) The communication is political speech made in the  
17 form of a contribution.

18 ~~b.~~ (2) In advocating the election or defeat of one or more  
19 clearly identified candidates or the passage or defeat of one  
20 or more clearly identified ballot issues, the communication  
21 includes explicit words that unambiguously indicate that the  
22 communication is recommending or supporting a particular  
23 outcome in the election with regard to any clearly identified  
24 candidate or ballot issue.

25 b. "*Express advocacy*" or "*expressly advocate*" does not mean  
26 a communication that can be characterized according to one or  
27 more of the following descriptions:

28 (1) The communication encourages individuals to register  
29 to vote or to vote, provided that the communication does not  
30 mention or depict a candidate or ballot issue.

31 (2) The communication does not support or oppose a candidate  
32 or ballot issue.

33 (3) The communication is a bona fide news story, commentary,  
34 blog, or editorial distributed through the facilities of any  
35 broadcasting station, newspaper, magazine, internet site, or

1 other periodical publication of general circulation.

2 (4) The communication is by a membership organization or  
3 corporation to its members, stockholders, or employees.

4 (5) The board determines by rule that the communication is  
5 not express advocacy.

6 18. "*Political committee*" means any of the following:

7 a. A committee, but not a candidate's committee, that  
8 accepts contributions in excess of ~~one thousand~~ two hundred  
9 fifty dollars in the aggregate, makes expenditures in excess  
10 of ~~one thousand~~ two hundred fifty dollars in the aggregate, or  
11 incurs indebtedness in excess of ~~one thousand~~ two hundred fifty  
12 dollars in the aggregate in any one calendar year to expressly  
13 advocate the nomination, election, or defeat of a candidate  
14 for public office, make an electioneering communication, or to  
15 expressly advocate the passage or defeat of a ballot issue.

16 b. An association, lodge, society, cooperative, union,  
17 fraternity, sorority, educational institution, civic  
18 organization, labor organization, religious organization, or  
19 professional organization that accepts contributions in excess  
20 of ~~one thousand~~ two hundred fifty dollars in the aggregate,  
21 makes expenditures in excess of ~~one thousand~~ two hundred fifty  
22 dollars in the aggregate, or incurs indebtedness in excess of  
23 ~~one thousand~~ two hundred fifty dollars in the aggregate in  
24 any one calendar year to expressly advocate the nomination,  
25 election, or defeat of a candidate for public office, make an  
26 electioneering communication, or to expressly advocate the  
27 passage or defeat of a ballot issue.

28 c. A person, other than an individual, that accepts  
29 contributions in excess of ~~one thousand~~ two hundred fifty  
30 dollars in the aggregate, makes expenditures in excess of  
31 ~~one thousand~~ two hundred fifty dollars in the aggregate, or  
32 incurs indebtedness in excess of ~~one thousand~~ two hundred fifty  
33 dollars in the aggregate in any one calendar year to expressly  
34 advocate that an individual should or should not seek election  
35 to a public office prior to the individual becoming a candidate

1 as defined in subsection 4.

2 Sec. 4. Section 68A.102, Code 2022, is amended by adding the  
3 following new subsections:

4 NEW SUBSECTION. 8A. "*Communication*" means any of the  
5 following:

6 a. A paid advertisement broadcast over radio, television,  
7 cable, or satellite.

8 b. The paid placement of content on the internet or other  
9 electronic communication network.

10 c. A paid advertisement published in a newspaper or  
11 periodical or on a billboard.

12 d. A mailing.

13 e. A printed material.

14 NEW SUBSECTION. 10A. "*Coordinated expenditure*" means  
15 an expenditure made in cooperation with, in consultation  
16 with, at the request of, or with the express prior consent  
17 of a candidate or committee receiving the benefit of the  
18 expenditure.

19 NEW SUBSECTION. 13A. a. "*Electioneering communication*"  
20 means a paid communication that is publicly distributed by  
21 radio, television, cable, satellite, internet site, newspaper,  
22 periodical, billboard, mail, electronic mail, or any other  
23 distribution of materials, that is made within sixty days of  
24 the initiation of voting in an election that does not support  
25 or oppose a candidate or ballot issue, that can be received  
26 by more than one hundred persons, and that does any of the  
27 following:

28 (1) Refers to one or more clearly identified candidates in  
29 that election.

30 (2) Depicts the name, image, likeness, or voice of a clearly  
31 identified candidate in that election.

32 (3) Refers to a political party, ballot issue, or a question  
33 submitted to the voters in that election.

34 b. "*Electioneering communication*" does not include any of  
35 the following:

1 (1) A bona fide news story, commentary, blog, or editorial  
2 distributed through the facilities of any broadcasting station,  
3 newspaper, magazine, internet site, or other periodical  
4 publication of general circulation.

5 (2) A communication by a membership organization or  
6 corporation to its members, stockholders, or employees.

7 (3) A commercial communication that depicts a candidate's  
8 name, image, likeness, or voice only in the candidate's  
9 capacity as owner, operator, or employee of a business that  
10 existed prior to the organization of a candidate's committee by  
11 the candidate pursuant to section 68A.202.

12 (4) A communication that constitutes a candidate debate or  
13 forum or that solely promotes a candidate debate or forum and  
14 is made by or on behalf of the person sponsoring the debate or  
15 forum.

16 (5) A communication that the board determines by rule is not  
17 an electioneering communication.

18 Sec. 5. Section 68A.402, subsection 9, Code 2022, is amended  
19 to read as follows:

20 9. a. Permanent organizations. A permanent organization  
21 temporarily engaging in activity described in section 68A.102,  
22 subsection 18, shall organize a political committee and shall  
23 keep the funds relating to that political activity segregated  
24 from its operating funds. The political committee shall file  
25 reports on the appropriate due dates as required by this  
26 section.

27 b. The reports filed under [this subsection](#) shall identify  
28 ~~the~~ all of the following:

29 (1) The source of the original funds used for a contribution  
30 made to a candidate or a committee organized under this  
31 chapter.

32 (2) The aggregate amount of contributions made by each  
33 person.

34 (3) Each loan received from any person during the reporting  
35 period.

1     (4) The amount and nature of debts and obligations owed to  
2 the committee.

3     (5) Proceeds that total less than thirty-five dollars  
4 per person from mass collections made at fund-raising events  
5 sponsored by the committee.

6     (6) The total sum of contributions received by the committee  
7 for a specified candidate or committee.

8     (7) The full name, mailing address, occupation, and  
9 principal place of business, if any, of each person or  
10 committee to whom an expenditure has been made during the  
11 reporting period, including the amount, date, and purpose of  
12 each expenditure and the total amount of expenditures to each  
13 person or committee.

14     (8) The full name, mailing address, occupation, and  
15 principal place of business, if any, of each person to whom an  
16 expenditure for personal services, salaries, and reimbursement  
17 of expenses has been made, including the amount, date,  
18 and purpose of that expenditure, and the total amount of  
19 expenditures made to each person.

20     (9) The total sum of expenditures made during the reporting  
21 period.

22     (10) The full name, mailing address, occupation, and  
23 principal place of business, if any, of any person to whom a  
24 loan was made, and the full name, mailing address, occupation,  
25 and principal place of business, if any, of any endorsers, and  
26 the date and amount of each loan.

27     (11) The amount and nature of debts and obligations owed by  
28 the committee.

29     (12) Other information as may be required by the board by  
30 rule.

31     (13) For reports of expenditures made to a consultant,  
32 advertising agency, polling firm, or other person that performs  
33 services for the committee, the report shall be itemized  
34 and described in sufficient detail to disclose the specific  
35 services performed by the entity.

1 c. When the permanent organization ceases to be involved  
2 in the political activity, the permanent organization shall  
3 dissolve the political committee.

4 d. As used in this subsection, "permanent organization"  
5 means an organization that is continuing, stable, and enduring,  
6 and was originally organized for purposes other than engaging  
7 in election activities.

8 Sec. 6. Section 68A.402A, subsection 1, paragraphs f and g,  
9 Code 2022, are amended to read as follows:

10 f. The name and mailing address of each person and committee  
11 to whom disbursements, payments for personal services,  
12 salaries, reimbursement for expenses, or loan repayments  
13 have been made by the committee from contributions during  
14 the reporting period and the amount, purpose, and date of  
15 each disbursement except that disbursements of less than five  
16 dollars may be shown as miscellaneous disbursements so long as  
17 the aggregate miscellaneous disbursements to any one person  
18 during a calendar year do not exceed one hundred dollars.  
19 Reports of disbursements under this paragraph must be itemized  
20 and sufficiently detailed to disclose the specific services  
21 performed by the person to whom a disbursement was made.

22 g. Disbursements made to a consultant, advertising agency,  
23 or polling firm and disbursements made by the consultant,  
24 advertising agency, or polling firm during the reporting  
25 period disclosing the name and address of the recipient,  
26 amount, purpose, and date. Reports of disbursements under  
27 this paragraph must be itemized and sufficiently detailed to  
28 disclose the specific services performed by the entity to whom  
29 a disbursement was made.

30 Sec. 7. Section 68A.402A, subsection 1, Code 2022, is  
31 amended by adding the following new paragraph:

32 NEW PARAGRAPH. 1. The total sum of disbursements made.

33 Sec. 8. NEW SECTION. 68A.404A Electioneering communications  
34 — reports.

35 1. A person making an electioneering communication shall

1 file a report with the board, including a description of the  
2 communication, how the communication was distributed, and  
3 the amount of any expenditure made on the electioneering  
4 communication, except that a person spending less than two  
5 hundred fifty dollars on electioneering communications in a  
6 taxable year shall not be required to file a report.

7 2. The board shall adopt rules for the form and schedule of  
8 reports filed under this section.

9 Sec. 9. Section 68A.405, subsection 1, paragraphs b, c, d,  
10 e, f, g, and h, Code 2022, are amended to read as follows:

11 b. (1) Except as set out in subsection 2, published  
12 material designed to expressly advocate the nomination,  
13 election, or defeat of a candidate for public office or  
14 the passage or defeat of a ballot issue and electioneering  
15 communications shall include on the published material  
16 or electioneering communication an attribution statement  
17 disclosing who is responsible for the published material or  
18 electioneering communication.

19 (2) The person who is responsible for the published material  
20 or electioneering communication has the sole responsibility  
21 and liability for the attribution statement required by this  
22 section.

23 c. If the person paying for the published material or  
24 electioneering communication is an individual, the words "paid  
25 for by" and the name and address of the person shall appear on  
26 the published material or electioneering communication.

27 d. If more than one individual is responsible, the words  
28 "paid for by", the names of the individuals, and either  
29 the addresses of the individuals or a statement that the  
30 addresses of the individuals are on file with the Iowa ethics  
31 and campaign disclosure board shall appear on the published  
32 material or electioneering communication.

33 e. If the person responsible is an organization, the words  
34 "paid for by", the name and address of the organization, and  
35 the name of one officer of the organization shall appear on the



1 published material or electioneering communication.

2 *f.* If the person responsible is a corporation, the words  
3 "paid for by", the name and address of the corporation, and the  
4 name and title of the corporation's chief executive officer  
5 shall appear on the published material or electioneering  
6 communication.

7 *g.* If the person responsible is a committee that has filed  
8 a statement of organization pursuant to [section 68A.201](#), the  
9 words "paid for by" and the name of the committee shall appear  
10 on the published material or electioneering communication.

11 *h.* If the published material or electioneering communication  
12 is the result of an independent expenditure subject to section  
13 68A.404, the published material or electioneering communication  
14 shall include a statement that the published material or  
15 electioneering communication was not authorized by any  
16 candidate, candidate's committee, or ballot issue committee.

17 Sec. 10. Section 68A.405, subsection 2, paragraph d, Code  
18 2022, is amended to read as follows:

19 *d.* Any published material or electioneering communication  
20 that is subject to federal regulations regarding an attribution  
21 requirement.

22 Sec. 11. Section 68A.405, subsection 4, Code 2022, is  
23 amended to read as follows:

24 4. The board shall adopt rules relating to the placing of an  
25 attribution statement on published materials and electioneering  
26 communication.

27 EXPLANATION

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

30 This bill relates to campaign finance. The bill changes  
31 the definition of "contribution" to include, with respect  
32 to payments for services, payments made by any person other  
33 than a candidate or committee who receives the service. The  
34 bill adds coordinated expenditures, defined in the bill as a  
35 communication made in coordination with a candidate, to the

1 definition of "contribution" if the coordinated expenditure  
2 is required to be reported to the Iowa ethics and campaign  
3 disclosure board (board). The bill excludes from the  
4 definition of "express advocacy" communications that encourage  
5 individuals to register to vote or to vote; that do not  
6 support or oppose a candidate or ballot issue; that is a news  
7 story, commentary, blog, or editorial; that is by a membership  
8 organization to its members, stockholders, or employees; or  
9 that the board determines by rule is not express advocacy.

10 The bill lowers the minimum amount of money that an  
11 organization must accept or expend before being considered  
12 a political committee from \$1,000 to \$250. The bill adds a  
13 definition for "communication" that includes paid broadcasts,  
14 placements of internet content, printed advertisements,  
15 mailings, and printed materials. The bill also defines  
16 "electioneering communication" as a communication made within  
17 60 days of the commencement of voting in an election that is  
18 not express advocacy but which refers to one or more clearly  
19 identified candidate; depicts the name, image, likeness, or  
20 voice of a candidate; or refers to a political party, ballot  
21 issue, or a question submitted to voters at that election.  
22 "Electioneering communication" does not include a bona fide  
23 news story, commentary, blog, or editorial; a communication  
24 made by a membership organization to its members, stockholders,  
25 or employees; a commercial communication that depicts a  
26 candidate only in the candidate's capacity as owner, operator,  
27 or employee of a business; a candidate debate forum or a  
28 promotion for a candidate debate forum; or a communication  
29 that the board determines by rule is not an electioneering  
30 communication.

31 The bill changes the content required in a report  
32 filed by a permanent organization temporarily engaged in  
33 political activity. Such reports must include aggregate  
34 contributions made by each person who made a contribution to  
35 the organization, each loan received by the organization,

1 the amount and nature of debts and obligations owed to the  
2 organization, proceeds that total less than \$35 per person from  
3 mass collections made at fund-raising events, the total sum of  
4 contributions received for a particular candidate or committee,  
5 personal information of each person to whom an expenditure was  
6 made, personal information of each person who received a salary  
7 or reimbursement of expenses from the organization, the total  
8 sum of all expenditures made by the organization, personal  
9 information of each person to whom a loan was made, debts and  
10 obligations owed by the committee, and other information that  
11 may be required by the board by rule. Reports of expenditures  
12 for personal services in reports made by any entity must be  
13 itemized and detail the specific services provided. The bill  
14 also requires all reports submitted to the board to include the  
15 total sum of disbursements made.

16 The bill requires a person making an electioneering  
17 communication to file a report with the board pursuant to rules  
18 of the board. Electioneering communications must also include  
19 attribution statements.

20 By operation of law, a person who willfully violates a  
21 provision of the bill is guilty of a serious misdemeanor. A  
22 serious misdemeanor is punishable by confinement for no more  
23 than one year and a fine of at least \$430 but not more than  
24 \$2,560.