HOUSE FILE 2675 BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2168) (SUCCESSOR TO HF 638) (SUCCESSOR TO HSB 210)

A BILL FOR

An Act relating to matters before the Iowa ethics and campaign
 disclosure board, including campaign finance filings,
 attribution statements, and delinquent payment penalties.
 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 68A.201, subsection 2, paragraphs a and 2 b, Code 2024, are amended to read as follows: a. The name, purpose, mailing address, electronic mail 3 4 address, and telephone number of the committee. The committee 5 name shall not duplicate the name of another committee 6 organized under this section. For candidate's committees 7 filing initial statements of organization on or after July 8 1, 1995, the candidate's name shall be contained within the 9 committee name. The name, mailing address, electronic mail address, and 10 b. 11 position of the committee officers. 12 Sec. 2. Section 68A.201A, subsection 6, Code 2024, is 13 amended to read as follows: 14 6. The verified statement shall be filed by 4:30 in an 15 electronic format no later than 11:59 p.m. of the day the 16 filing is due. Sec. 3. Section 68A.401, subsection 1, paragraph a, Code 17 18 2024, is amended to read as follows: a. A state statutory political committee, a county statutory 19 20 political committee, a political committee, and a candidate's 21 committee shall file all statements and reports in an 22 electronic format by 4:30 no later than 11:59 p.m. of the day 23 the filing is due and according to rules adopted by the board. 24 Sec. 4. Section 68A.405, subsection 1, paragraph a, 25 subparagraph (3), Code 2024, is amended to read as follows: (3) "Published material" means any newspaper, magazine, 26 27 shopper, outdoor advertising facility, poster, direct mailing, 28 brochure, internet site, campaign sign, or any other form of 29 printed or electronic general public political advertising. 30 "Published material" includes radio, television, video, or 31 motion picture internet advertising. 32 Sec. 5. Section 68A.405, subsection 1, paragraph b, 33 subparagraph (1), Code 2024, is amended to read as follows: (1) Except as set out in subsection 2, published material 34 35 designed to expressly advocate the nomination, election,

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or defeat of a candidate for public office or the passage
 or defeat of a ballot issue shall include on the published
 material an a clear and conspicuous attribution statement
 disclosing who is responsible for the published material.

5 Sec. 6. Section 68A.405, subsection 3, Code 2024, is amended 6 to read as follows:

7 3. For television, or 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, the attribution statement shall be read in a 11 clearly understandable manner.

12 Sec. 7. Section 68B.32, subsections 3 and 5, Code 2024, are 13 amended to read as follows:

14 3. The board shall annually elect one member to serve as 15 the chairperson of the board and one member to serve as vice 16 chairperson. The vice chairperson shall act as the chairperson 17 in the absence or disability of the chairperson or in the 18 event of a vacancy in that office. <u>The chairperson and vice</u> 19 chairperson shall not be members of the same political party.

20 The board shall employ a full-time executive director who 5. 21 shall be the board's chief administrative officer. The board 22 shall employ or contract for the employment of legal counsel 23 notwithstanding section 13.7, and any other personnel as may 24 be necessary to carry out the duties of the board. The board's 25 legal counsel shall be the chief legal officer of the board and 26 shall advise the board on all legal matters relating to the 27 administration of this chapter and chapter 68A. The state may 28 be represented by the board's legal counsel in any civil action 29 regarding the enforcement of this chapter or chapter 68A, or at 30 the board's request, the state may be represented by the office 31 of the attorney general. Notwithstanding section 8A.412, all 32 of the board's employees, except for the executive director and 33 legal counsel, shall be employed subject to the merit system 34 provisions of chapter 8A, subchapter IV. The salary of the 35 executive director shall be fixed by the board, within the

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1 range established by the general assembly. The salary of the 2 legal counsel shall be fixed by the board, within a salary 3 range established by the department of administrative services 4 for a position requiring similar qualifications and experience. 5 If the executive director also serves as the board's legal 6 counsel, the board may award the executive director additional 7 compensation which shall not annually exceed fifty percent of 8 the maximum annual salary for the range established by the 9 general assembly for the board's executive director position. NEW SECTION. 68B.32E Delinquent penalties ----10 Sec. 8. 11 enforcement. 12 1. A civil penalty assessed by the board under section 13 68B.32D, subsection 1, paragraph "h", shall be paid no later 14 than thirty days after the order is issued. A civil penalty is 15 delinquent if the full amount of the civil penalty has not been

16 timely paid.

17 2. a. In lieu of paying the full amount of the civil 18 penalty within thirty days, a person may enter into an 19 installment payment plan. A payment plan must be agreed to 20 in writing and signed by the board's executive director and 21 the person owing the civil penalty. The payment plan must 22 include a payment schedule with the payment dates described. 23 The payment plan must be established no later than thirty days 24 after the issuance of the order requiring the person to pay a 25 civil penalty, as provided under section 68B.32D, subsection 26 l, paragraph "h".

b. If a payment plan is established, the civil penalty is
delinquent if an installment payment is not paid within thirty
days of the payment date provided in the payment plan.

30 3. If a civil penalty is delinquent for sixty days or longer 31 on or after July 1, 2024, the board shall assess a late fee once 32 each month, beginning on the later of July 1, 2024, and the 33 date the civil penalty becomes delinquent. The late fee must 34 be assessed in accordance with rules adopted by the board. The 35 board may waive any assessed late fee.

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4. If a civil penalty remains delinquent for thirty days or
 longer, the board shall send final notice to the person owing
 the civil penalty. Such notice shall be sent via restricted
 certified mail, and must include notice of the applicable
 action provided in subsection 5 or 6.

6 5. *a.* If a civil penalty owed by a person who was issued a 7 driver's license in this state is delinquent under subsection 8 l or 2, and if the person owes two hundred fifty dollars or 9 more, the board shall notify the department of transportation 10 to suspend the person's driver's license in accordance 11 with section 321.210E until the civil penalty is no longer 12 delinquent.

13 b. If the civil penalty owed by the person is no longer 14 delinquent, the board shall notify the department of 15 transportation to terminate the suspension of the person's 16 driver's license in accordance with section 321.210E.

17 6. If a civil penalty owed by a person who was not issued a 18 driver's license in this state is delinquent under subsection 1 19 or 2, and if the person owes two hundred fifty dollars or more, 20 the board shall revoke any authority granted by the board for 21 the person to operate a candidate's committee and a political 22 committee in this state until the person's debt is no longer 23 delinquent.

7. Any penalty shall be stayed if an appeal is pending for the underlying matter for which the person was issued a civil penalty. For the duration of the stay, the penalty shall not be deemed delinquent and is not subject to a late fee.

28 8. The board may waive collection of a penalty owed in29 circumstances where collection is impracticable.

30 9. This section does not prohibit the board from taking 31 alternative enforcement actions permitted by this chapter or 32 chapter 17A.

33 Sec. 9. <u>NEW SECTION</u>. **321.210E** Suspension for delinquent 34 civil penalties owed to the Iowa ethics and campaign disclosure 35 board.

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1 Upon receipt of notice from the Iowa ethics and campaign 2 disclosure board and in accordance with applicable rules 3 adopted by the department, the department shall suspend the 4 driver's license of a person who owes a delinquent civil 5 penalty under section 68B.32E. The suspension shall continue 6 until the department receives notice from the Iowa ethics and 7 campaign disclosure board that the person no longer owes a 8 delinquent civil penalty. Upon receipt of such notice from 9 the Iowa ethics and campaign disclosure board, and payment 10 of the reinstatement fee provided under section 321.191, the 11 department shall terminate the suspension and reinstate the 12 person's driver's license if the person is otherwise eligible 13 to be issued a driver's license.

Sec. 10. Section 321.212, subsection 1, paragraph a, subparagraph (1), Code 2024, is amended to read as follows: (1) Except as provided in section 321.210A, 321.210E, or 321.513, the department shall not suspend a license for a period of more than one year, except that a license suspended because of incompetency to drive a motor vehicle shall be suspended until the department receives satisfactory evidence that the former holder is competent to operate a motor vehicle and a refusal to reinstate constitutes a denial of license within section 321.215; upon revoking a license the department shall not grant an application for a new license until the period is specified by law.

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

EXPLANATION

30 This bill relates to matters before the Iowa ethics and 31 campaign disclosure board (board).

32 The bill requires a political committee and a candidate's 33 committee to provide an electronic mail address along with the 34 name, purpose, mailing address, and telephone number of the 35 committee when the committee files a statement of organization

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1 with the board. When a committee or organization is not 2 organized under Code section 68A.201, such committee officers 3 are also required to provide an electronic mail address when 4 filing full disclosure reports of all financial activities with 5 the federal election commission or another state's disclosure 6 commission.

7 The bill extends the deadline for required filings to be 8 submitted electronically to the board from 4:30 p.m. to 11:59 9 p.m. on the day the filings are due. By operation of law, 10 in computing time, the first day is excluded and the last 11 included, unless the last falls on Sunday or holiday, in which 12 case the time prescribed is extended so as to include the 13 whole of the following Monday, or day after the holiday, as 14 applicable.

15 The bill adds radio and internet advertising to the 16 definition of "published material" as used in Code chapter 17 68A, and strikes motion picture advertising from the 18 definition. "Published material", including radio and internet 19 advertising under the bill, that is designed to expressly 20 advocate the nomination, election, or defeat of a candidate 21 for public office or the passage or defeat of a ballot issue 22 is required to include an attribution statement disclosing 23 who is responsible for the material. The bill requires the 24 attribution statement to be clear and conspicuous. For radio 25 advertising, the attribution statement must be read in a 26 clearly understandable manner.

27 Current law requires the board to annually elect one member 28 to serve as the chairperson of the board and one member to 29 serve as vice chairperson. The bill prohibits the chairperson 30 and vice chairperson from being members of the same political 31 party.

32 Under current law, the board must employ a full-time 33 executive director who is the board's chief administrative 34 officer. The board must also employ or contract for the 35 employment of legal counsel and any other personnel as may

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1 be necessary to carry out the duties of the board. The 2 board's legal counsel is the chief legal officer of the 3 board and advises the board on all legal matters relating to 4 the administration of Code chapters 68A and 68B. The bill 5 authorizes the board to award the executive director, if that 6 person also serves as the board's legal counsel, additional 7 compensation. The additional compensation must not annually 8 exceed 50 percent of the maximum annual salary for the range 9 established by the general assembly for the board's executive 10 director position.

11 The bill provides enforcement provisions related to 12 delinquent civil penalties assessed by the board under Code 13 section 68B.32, subsection 1, paragraph "h". The bill requires 14 civil penalties to be paid within 30 days of the board's order 15 for a penalty unless a payment plan is established. Under the 16 bill, the board is authorized to adopt administrative rules 17 and assess a late fee once each month in addition to a civil 18 penalty that is delinquent for 60 days or longer on or after 19 July 1, 2024.

The bill authorizes the board to notify the department of transportation (DOT) to suspend the driver's license of a person who was issued a license in Iowa, if the person has a delinquent penalty in excess of \$250 and received notice as provided in the bill. Under current administrative rules, the DOT must send notice to a person whose driver's license will be suspended for nonpayment of a fine, penalty, surcharge, or court costs (761 IAC 615.22). The suspension begins 30 days after the notice is served and continues until the DOT issues a potice terminating the suspension.

If a delinquent civil penalty of more than \$250 is owed by a person who was not issued a driver's license in Iowa, the board is required to revoke any authority granted by the board for the person to operate a candidate's committee and a political committee in Iowa until the person's debt is no longer delinquent.

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1 The bill provides for penalties to be waived and stayed under 2 certain circumstances.

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