

FEB 8 2005
STATE GOVERNMENT

HOUSE FILE 224
BY JOCHUM

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing an Iowa clean elections Act, providing for
2 funding of the Act, and providing penalties and an effective
3 date.

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

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HF 224

1 Section 1. NEW SECTION. 68A.401A ELECTRONIC FILING.

2 Reports filed with the board pursuant to the requirements
3 of section 68A.401 shall be filed in an electronic format if a
4 candidate or committee accepts contributions in excess of
5 twenty thousand dollars in the aggregate, makes expenditures
6 in excess of twenty thousand dollars in the aggregate, or
7 incurs indebtedness in excess of twenty thousand dollars in
8 the aggregate. The board shall establish a system to verify
9 the identity of the person filing the report.

10 Sec. 2. NEW SECTION. 68A.401B MEDIA REPORTS.

11 1. a. Publishers of print and electronic media shall
12 record all purchases of print media space and electronic media
13 time or space related to advertisements that expressly
14 advocate the election or defeat of a clearly identified
15 candidate or the passage or defeat of a clearly identified
16 ballot issue.

17 b. Publishers shall file monthly reports of activity
18 covered by this section with the board, due at the board or
19 postmarked by the fifth day of each month following any month
20 in which media space or time has been purchased related to
21 advertisements that expressly advocate the election or defeat
22 of a clearly identified candidate or the passage or defeat of
23 a ballot issue.

24 c. The reports shall contain a detailed listing of at
25 least the following information:

26 (1) Identification of the persons buying the media space
27 or time.

28 (2) Identification of the candidate or ballot issue that
29 is clearly identified in the advertisement.

30 (3) Description of the position advocated by the persons
31 buying the media space or time with regard to the clearly
32 identified candidate or ballot issue.

33 (4) The dates on which the purchase took place, and the
34 dates for which the media space or time was purchased.

35 (5) The cost of the media space or time.

1 2. The filing requirements of this section shall apply in
2 addition to any other applicable filing requirements under
3 this chapter.

4 3. The board shall develop, prescribe, furnish, and
5 distribute forms for the media reports.

6 Sec. 3. Section 68A.403, subsection 1, Code 2005, is
7 amended to read as follows:

8 1. A Unless filed in an electronic format according to
9 section 68A.401 a report or statement required to be filed
10 under this chapter shall be signed by the person filing the
11 report.

12 Sec. 4. NEW SECTION. 68A.801 DEFINITIONS.

13 For the purposes of this subchapter:

14 1. "Allowable contribution" means a qualifying
15 contribution or a seed money contribution.

16 2. "Board" means the Iowa ethics and campaign disclosure
17 board established under section 68B.32.

18 3. "Clean money qualifying period" means the period during
19 which candidates are permitted to collect qualifying
20 contributions in order to qualify for clean money campaign
21 funding. The period begins ninety days before the beginning
22 of the primary election campaign period and ends thirty days
23 before the beginning of the primary election campaign period.

24 4. "Coordination" means a payment made for a communication
25 or anything of value that is for the purpose of influencing
26 the outcome of an election and that is made by a person
27 according to at least one of the following:

28 a. In cooperation, consultation, or concert with, at the
29 request or suggestion of, or pursuant to, a particular
30 understanding with a candidate, a candidate's committee, or an
31 agent acting on behalf of a candidate or candidate's
32 committee.

33 b. For the dissemination, distribution, or republication,
34 in whole or in part, of any broadcast or any written, graphic,
35 or other form of campaign material prepared by a candidate, a

1 candidate's committee, or an agent of a candidate or
2 candidate's committee.

3 c. Based on specific information about the candidate's
4 plans, projects, or needs provided to the person making the
5 payment by the candidate or the candidate's agent who provides
6 the information with a view toward having the payment made.

7 d. If, in the same election cycle in which the payment is
8 made, the person making the payment is serving or has served
9 as a member, employee, fundraiser, or agent of the candidate
10 or candidate's committee in an executive or policymaking
11 position.

12 e. If the person making the payment has served in any
13 formal policy or advisory position with the candidate's
14 campaign or has participated in strategic or policymaking
15 discussions with the candidate's campaign relating to the
16 candidate's pursuit of nomination for election, or election,
17 to office, in the same election cycle as the election cycle in
18 which the payment is made.

19 f. If the person making the payment retains the
20 professional services of an individual or person who, in a
21 nonministerial capacity, has provided or is providing
22 campaign-related services in the same election cycle to a
23 candidate who is pursuing the same nomination or election as
24 any of the candidates to whom the communication refers. For
25 purposes of this section, "professional services" includes
26 services in support of a candidate's pursuit of nomination for
27 election or election to office such as polling, media advice,
28 direct mail, fundraising, or campaign research services.

29 5. "Excess expenditure amount" means the amount of money
30 spent or obligated to be spent by a nonparticipating candidate
31 in excess of the clean money amount available to a
32 participating candidate running for the same office.

33 6. "Express advocacy" means the same as defined in section
34 68A.102.

35 7. "General election campaign period" means the period

1 beginning the day after the primary election and ending on the
2 day of the general election.

3 8. "Independent candidate" means a candidate who does not
4 represent a political party that has been granted ballot
5 status and that holds a primary election to choose its nominee
6 for the general election.

7 9. "Independent expenditure" means an expenditure made by
8 a person or group of persons other than a candidate or
9 candidate's committee that meets both of the following
10 conditions:

11 a. The expenditure is made for a communication that
12 contains express advocacy.

13 b. The expenditure is made without the participation or
14 cooperation of and without coordination with a candidate or a
15 candidate's committee.

16 10. "Issue advertisement" means a communication through a
17 broadcasting station, newspaper, magazine, outdoor advertising
18 facility, mailing, or any other type of general public
19 political advertising that has all of the following
20 characteristics:

21 a. The purchase does not constitute an independent
22 expenditure or a contribution.

23 b. The cost, in the aggregate, is at least five hundred
24 dollars.

25 c. The communication contains the name or likeness of one
26 or more candidates.

27 d. The communication was made during a primary or general
28 election period.

29 e. The communication recommends a position on a political
30 issue.

31 11. "Nonparticipating candidate" means a candidate who is
32 on the ballot but has chosen not to apply for clean money
33 campaign funding, or a candidate who is on the ballot and has
34 applied for but has not satisfied the requirements for
35 receiving clean money campaign funding.

1 12. "Participating candidate" means a candidate who
2 qualifies for clean money campaign funding. Such candidates
3 are eligible to receive clean money campaign funding during
4 primary or general election campaign periods.

5 13. "Party candidate" means a candidate who represents a
6 political party as defined by section 43.2.

7 14. "Primary election campaign period" means the period
8 beginning ninety days before the primary election and ending
9 on the day of the primary election.

10 15. "Qualifying contribution" means a contribution of five
11 dollars that is received during the designated clean money
12 qualifying period by a candidate seeking to become eligible
13 for clean money campaign funding and that is acknowledged by a
14 written receipt identifying the contributor.

15 16. "Seed money contribution" means a contribution of no
16 more than one hundred dollars made by an individual adult
17 during the seed money period, but specifically excludes all of
18 the following:

19 a. Payments by a membership organization for the costs of
20 communications to its members.

21 b. Payments by a membership organization for the purpose
22 of facilitating the making of qualifying contributions.

23 c. The cash value of volunteer activity, including the
24 payment of incidental expenses of volunteers.

25 17. "Seed money period" means the period beginning the day
26 following the previous general election for that office and
27 ending on the last day of the clean money qualifying period.
28 This is the exploratory period during which candidates who
29 wish to become eligible for clean money campaign funding for
30 the next elections are permitted to raise and spend a limited
31 amount of private seed money, from contributions of up to one
32 hundred dollars per individual, for the purpose of determining
33 whether to become a candidate and fulfilling the clean money
34 eligibility requirements.

35 Sec. 5. NEW SECTION. 68A.802 ELIGIBILITY FOR PARTY

1 CANDIDATES.

2 1. A party candidate qualifies as a participating
3 candidate for the primary election campaign period if the
4 candidate does both of the following:

5 a. The candidate files a declaration with the board that
6 the candidate has complied and will comply with all of the
7 requirements of this subchapter, including the requirement
8 that during the seed money period and the clean money
9 qualifying period the candidate not accept or spend private
10 contributions from any source other than seed money
11 contributions and clean money qualifying contributions, unless
12 the provisions of section 68A.804 apply.

13 b. The candidate meets both of the following qualifying
14 contribution requirements before the close of the clean money
15 qualifying period:

16 (1) A party candidate must collect both qualifying
17 contributions and signatures as follows:

18 (a) For the office of governor, from five hundred
19 registered voters in each congressional district.

20 (b) For statewide office other than governor, from two
21 hundred fifty registered voters in each congressional
22 district.

23 (c) For the Iowa senate, from two hundred registered
24 voters in the senate candidate's electoral district.

25 (d) For the Iowa house of representatives, from one
26 hundred registered voters in the house candidate's electoral
27 district.

28 (2) Each qualifying contribution must meet all
29 requirements of this section.

30 2. Contributors shall be registered voters who reside
31 within the candidate's electoral district and who are
32 therefore eligible to vote for that candidate.

33 3. Qualifying contributions shall be:

34 a. Made in cash, check, money order, or credit or debit
35 card.

1 b. Gathered by the candidate personally or by volunteers
2 who do not receive compensation.

3 c. Acknowledged by a receipt to the contributor, with a
4 copy to be kept by the candidate and a third copy to be
5 submitted to the board. The receipt shall indicate, by the
6 contributor's signature, that the contributor understands that
7 the purpose of the contribution is to help the candidate
8 qualify for clean money campaign funding, and shall include a
9 signed statement indicating that the contribution is made
10 without coercion or reimbursement. The receipt shall include
11 the contributor's signature, printed name, home address, and
12 telephone number, and the name of the candidate on whose
13 behalf the contribution is made.

14 d. Turned over to the board for deposit in the clean money
15 campaign fund established under section 68A.823, with the
16 signed and completed receipt, according to a schedule and
17 procedure to be determined by the board. A contribution
18 submitted as a qualifying contribution that does not include
19 the signed and completed receipt shall not be counted as a
20 qualifying contribution.

21 4. A party candidate qualifies as a participating
22 candidate for the general election campaign period when the
23 candidate does both of the following:

24 a. The candidate has met all of the applicable
25 requirements and filed a declaration with the board that the
26 candidate has fulfilled and will fulfill all of the
27 requirements of a participating candidate as stated in this
28 subchapter.

29 b. As a participating candidate during the primary
30 election campaign period, the candidate had the highest number
31 of votes of the candidates contesting the primary election
32 from the candidate's respective party and won the party's
33 nomination.

34 Sec. 6. NEW SECTION. 68A.803 ELIGIBILITY FOR INDEPENDENT
35 CANDIDATES.

1 1. An independent candidate qualifies as a participating
2 candidate for the primary election campaign period if the
3 candidate does both of the following:

4 a. The candidate files a declaration with the board that
5 the candidate has complied and will comply with all of the
6 requirements of this subchapter, including the requirement
7 that during the seed money period and the clean money
8 qualifying period the candidate not accept or spend private
9 contributions from any source other than seed money
10 contributions and clean money qualifying contributions, unless
11 the provisions of section 68A.804 apply.

12 b. The candidate meets the following qualifying
13 contribution requirements before the close of the clean money
14 qualifying period:

15 (1) An independent candidate shall collect the same number
16 of qualifying contributions as required of a party candidate
17 for the same office under section 68A.802.

18 (2) Each qualifying contribution must meet all
19 requirements of this section.

20 2. Contributors shall be registered voters who reside
21 within the candidate's electoral district and who are
22 therefore eligible to vote for that candidate.

23 3. Qualifying contributions shall be:

24 a. Made in cash, check, money order, or credit or debit
25 card.

26 b. Gathered by the candidate personally or by volunteers
27 who do not receive compensation.

28 c. Acknowledged by a receipt to the contributor, with a
29 copy to be kept by the candidate and a third copy to be
30 submitted to the board. The receipt shall indicate, by the
31 contributor's signature, that the contributor understands that
32 the purpose of the contribution is to help the candidate
33 qualify for clean money campaign funding, and shall include a
34 signed statement indicating that the contribution is made
35 without coercion or reimbursement. The receipt shall include

1 the contributor's signature, printed name, home address, and
2 telephone number, and the name of the candidate on whose
3 behalf the contribution is made.

4 d. Turned over to the board for deposit in the clean money
5 campaign fund established under section 68A.823, with the
6 signed and completed receipt, according to a schedule and
7 procedure to be determined by the board. A contribution
8 submitted as a qualifying contribution that does not include
9 the signed and completed receipt shall not be counted as a
10 qualifying contribution.

11 4. An independent candidate qualifies as a participating
12 candidate for the general election campaign period when the
13 candidate does both of the following:

14 a. If, prior to the primary election, the candidate has
15 met all of the applicable requirements of this subchapter and
16 filed a declaration with the board that the candidate has
17 fulfilled and will fulfill all of the requirements of a
18 participating candidate as stated in this subchapter.

19 b. If, during the primary election campaign period, the
20 candidate has fulfilled all the requirements of a
21 participating candidate as stated in this subchapter.

22 Sec. 7. NEW SECTION. 68A.804 TRANSITION RULE FOR CURRENT
23 ELECTION CYCLE.

24 During the election cycle in effect on the date of
25 enactment of this subchapter, a candidate may be certified as
26 a participating candidate, notwithstanding the acceptance of
27 contributions or making of expenditures from private funds
28 before the date of enactment that would, absent this section,
29 disqualify the candidate as a participating candidate,
30 provided that any private funds accepted but not expended
31 before the date of enactment of this subchapter shall either
32 be returned to the contributor or submitted to the board for
33 deposit in the clean money campaign fund established under
34 section 68A.823.

35 Sec. 8. NEW SECTION. 68A.805 CONTINUING OBLIGATION TO

1 COMPLY.

2 A participating candidate who accepts any benefits under
3 section 68A.813 during the primary election campaign period
4 shall comply with all the requirements of this subchapter
5 through any remaining time during the primary election
6 campaign period as well as through the general election
7 campaign period whether or not the candidate continues to
8 accept benefits.

9 Sec. 9. NEW SECTION. 68A.806 CONTRIBUTIONS AND
10 EXPENDITURES.

11 1. During the primary and general election campaign
12 periods, a participating candidate who has voluntarily agreed
13 to participate in clean money campaign financing shall not
14 accept private contributions from any source other than the
15 candidate's political party as specified in section 68A.808.

16 2. A person shall not make a contribution in violation of
17 section 68A.502. A participating candidate who receives a
18 qualifying contribution or a seed money contribution that is
19 not from the person listed on the receipt as required by this
20 subchapter shall pay to the board for deposit in the clean
21 money campaign fund established under section 68A.823 the
22 entire amount of such contribution.

23 3. The board shall issue each participating candidate a
24 card known as the "clean money campaign debit card", and a
25 line of debit entitling the candidate to draw clean money
26 campaign funds to pay for all campaign costs and expenses up
27 to the amount of funding the candidate has received. A
28 participating candidate shall not pay campaign costs by cash,
29 check, money order, loan, or by any other financial means
30 other than debit card. During the primary and general
31 election campaign periods, a participating candidate shall pay
32 by means of the board's clean money campaign debit card.

33 4. Eligible candidates shall furnish complete campaign
34 records, including all records of seed money contributions and
35 qualifying contributions, to the board at regular filing

1 times, or on request by the board. Candidates shall cooperate
2 with any audit or examination conducted or ordered by the
3 board.

4 Sec. 10. NEW SECTION. 68A.807 NONPARTICIPATING
5 CANDIDATES -- CONTRIBUTION LIMITS.

6 Nonparticipating candidates shall be subject to the
7 following contribution limits:

8 1. Candidates for statewide office:

9 a. One thousand dollars in the aggregate per individual
10 contribution.

11 b. Five thousand dollars in the aggregate per political
12 committee contribution.

13 2. Candidates for the Iowa senate and house of
14 representatives:

15 a. Five hundred dollars in the aggregate per individual
16 contribution.

17 b. One thousand dollars in the aggregate per political
18 committee contribution.

19 Sec. 11. NEW SECTION. 68A.808 POLITICAL PARTY
20 CONTRIBUTIONS AND EXPENDITURES.

21 1. Participating candidates may accept monetary or in-kind
22 contributions from political parties provided that the
23 aggregate amount of such contributions from all political
24 party committees combined does not exceed the equivalent of
25 five percent of the clean money financing amount for that
26 office.

27 2. In-kind contributions made during a general election
28 campaign period on behalf of a group of the party's candidates
29 shall not be considered a prohibited party contribution or
30 count against the five percent limit established in subsection
31 1 if such group includes at least fifty-one percent of the
32 candidates whose names will appear on the general election
33 ballot in the political subdivision represented by the party
34 committee making such in-kind contributions.

35 3. Contributions made to, and expenditures made by,

1 political parties during primary and general campaign periods
2 shall be reported to the board on the same basis as
3 contributions and expenditures made to or by candidates.

4 4. This section and this subchapter shall not prevent
5 political party funds from being used for any of the
6 following:

7 a. General operating expenses of the party.

8 b. Conventions.

9 c. Nominating and endorsing candidates.

10 d. Identifying, researching, and developing the party's
11 positions on issues.

12 e. Party platform activities.

13 f. Non-candidate-specific voter registration.

14 g. Non-candidate-specific get-out-the-vote drives.

15 h. Travel expenses for noncandidate party leaders and
16 staff.

17 i. Other non-candidate-specific party-building activities,
18 as defined by rule of the board.

19 Sec. 12. NEW SECTION. 68A.809 USE OF PERSONAL FUNDS.

20 1. Personal funds contributed as seed money by a candidate
21 seeking to become eligible as a participating candidate or by
22 the candidate's spouse shall not exceed one hundred dollars
23 per contributor.

24 2. Personal funds shall not be used to meet the qualifying
25 contribution requirement except for one five dollar
26 contribution from the candidate and one five dollar
27 contribution from the candidate's spouse.

28 Sec. 13. NEW SECTION. 68A.810 SEED MONEY.

29 1. The only private contributions a candidate seeking to
30 become eligible for clean money campaign funding shall accept,
31 other than qualifying contributions, are seed money
32 contributions contributed by individual adults prior to the
33 end of the clean money qualifying period.

34 2. A seed money contribution shall not exceed one hundred
35 dollars, and the aggregate amount of seed money contributions

1 accepted by a candidate seeking to become eligible for clean
2 money campaign funding shall not exceed the relevant limit, as
3 follows:

4 a. Twenty-five thousand dollars for a candidate team
5 running for governor and lieutenant governor.

6 b. Fifteen thousand dollars for a candidate running for
7 statewide office other than governor or lieutenant governor.

8 c. Two thousand dollars for a candidate running for the
9 Iowa senate.

10 d. One thousand dollars for a candidate running for the
11 Iowa house of representatives.

12 3. Receipts for seed money contributions shall include the
13 contributor's signature, printed name, street address and zip
14 code, telephone number, occupation, and name of employer.
15 Contributions shall not be accepted if the required disclosure
16 information is not received.

17 4. Seed money shall be spent only during the clean money
18 qualifying period. Seed money shall not be spent during the
19 primary or general election campaign periods.

20 5. Within forty-eight hours after the close of the clean
21 money qualifying period, candidates seeking to become eligible
22 for clean money campaign funding shall do both of the
23 following:

24 a. Fully disclose all seed money contributions and
25 expenditures to the board.

26 b. Turn over to the board for deposit in the clean money
27 campaign fund any seed money the candidate has raised during
28 the designated seed money period that exceeds the aggregate
29 seed money limit.

30 Sec. 14. NEW SECTION. 68A.811 PARTICIPATION IN DEBATES.

31 1. Participating candidates in contested races shall
32 participate in all of the following:

33 a. For the offices of governor and lieutenant governor:

34 (1) One one-hour debate during a contested primary
35 election.

1 (2) Two one-hour debates during a contested general
2 election.

3 b. For all other offices:

4 (1) One one-hour debate during a contested primary
5 election.

6 (2) One one-hour debate during a contested general
7 election.

8 2. Licensed broadcasters who receive any state funds
9 shall, as a condition to receiving those funds, be required to
10 publicly broadcast the debates held pursuant to this section
11 and section 68A.822.

12 3. Nonparticipating candidates for the same office whose
13 names will appear on the ballot shall be invited to join the
14 debates.

15 Sec. 15. NEW SECTION. 68A.812 CERTIFICATION.

16 1. No more than five days after a candidate applies for
17 clean money campaign funding benefits, the board shall certify
18 that the candidate is or is not eligible.

19 2. Eligibility can be revoked if the candidate violates
20 the requirements of this subchapter, in which case all clean
21 money campaign funds shall be repaid.

22 3. The candidate's request for certification shall be
23 signed by the candidate and the treasurer of the candidate's
24 committee under penalty of perjury.

25 4. The board's determination is final except that it is
26 subject to examination and audit by an outside agency
27 according to rule and to prompt judicial review according to
28 rule and chapter 17A.

29 Sec. 16. NEW SECTION. 68A.813 BENEFITS PROVIDED TO
30 CANDIDATES ELIGIBLE TO RECEIVE CLEAN MONEY CAMPAIGN FUNDING.

31 1. Candidates who qualify for clean money campaign funding
32 for primary and general elections shall receive all of the
33 following:

34 a. Clean money campaign funding from the board for each
35 election, the amount of which is specified in section 68A.815.

1 This funding may be used to finance any and all campaign
2 expenses during the particular campaign period for which it
3 was received.

4 b. Media benefits as provided for in section 68A.822.

5 c. Additional clean money campaign funding to match any
6 excess expenditure amount spent by a nonparticipating
7 candidate, as specified in section 68A.817.

8 d. Additional clean money campaign funding to match any
9 independent expenditure made in opposition to their
10 candidacies or on behalf of their opponents' candidacies, as
11 specified in section 68A.819.

12 e. Additional clean money funding to match any issue
13 advertisement expenditure, as specified in section 68A.820.

14 2. The maximum aggregate amount of additional funding a
15 participating candidate shall receive to match independent
16 expenditures and the excess expenditures of nonparticipating
17 candidates shall be two hundred percent of the full amount of
18 clean money campaign funding allocated to a participating
19 candidate for a particular primary or general election
20 campaign period.

21 Sec. 17. NEW SECTION. 68A.814 SCHEDULE OF CLEAN MONEY
22 CAMPAIGN FUNDING PAYMENTS.

23 1. An eligible candidate shall receive clean money
24 campaign funding for the primary election campaign period on
25 the date on which the board certifies the candidate as a
26 participating candidate. This certification shall take place
27 no later than five days after the candidate has submitted the
28 required number of qualifying contributions and a declaration
29 stating that the candidate has complied with all other
30 requirements for eligibility as a participating candidate, but
31 no earlier than the beginning of the primary election campaign
32 period.

33 2. An eligible candidate shall receive clean money
34 campaign funding for the general election campaign period
35 within forty-eight hours after certification of the primary

1 election results.

2 Sec. 18. NEW SECTION. 68A.815 DETERMINATION OF CLEAN
3 MONEY CAMPAIGN FUNDING AMOUNTS.

4 1. a. For party candidates, the amount of clean money
5 campaign funding for a contested primary election is as
6 follows:

7 (1) Seven hundred fifty thousand dollars for a candidate
8 team running for governor and lieutenant governor.

9 (2) Seventy-five thousand dollars for a candidate for
10 attorney general.

11 (3) Fifty thousand dollars for a candidate for statewide
12 office other than governor, lieutenant governor, or attorney
13 general.

14 (4) Twenty-two thousand five hundred dollars for a
15 candidate running for the Iowa senate.

16 (5) Fifteen thousand dollars for a candidate running for
17 the Iowa house of representatives.

18 b. The clean money campaign funding amount for an eligible
19 party candidate in an uncontested primary election is twenty-
20 five percent of the amount provided in a contested primary
21 election.

22 c. In a contested general election, if an eligible party
23 candidate or all of the candidates of the candidate's party
24 combined received at least twenty percent of the total number
25 of votes cast for all candidates seeking that office in the
26 just-held primary election or in the previous general
27 election, the candidate shall receive the full amount of clean
28 money campaign funding for the general election, as follows:

29 (1) Three million dollars for a candidate team running for
30 governor and lieutenant governor.

31 (2) Two hundred thousand dollars for a candidate for
32 attorney general.

33 (3) One hundred twenty-five thousand dollars for a
34 candidate for statewide office other than governor, lieutenant
35 governor, or attorney general.

1 (4) Forty thousand dollars for a candidate running for the
2 Iowa senate.

3 (5) Thirty thousand dollars for a candidate running for
4 the Iowa house of representative.

5 d. The clean money campaign funding amount for an eligible
6 party candidate in an uncontested general election is ten
7 percent of the amount provided in a contested general election
8 for the same office.

9 2. a. For eligible independent candidates, the clean
10 money campaign funding amount for a primary election is
11 twenty-five percent of the amount received by a party
12 candidate in a contested primary election.

13 b. The clean money campaign funding amount for an eligible
14 independent candidate in the general election is the same as
15 the full amount received by a party candidate in the general
16 election.

17 c. After the first cycle of clean money elections, the
18 board shall modify all clean money campaign funding amounts
19 based on the percentage increase in the consumer price index,
20 for all urban consumers, United States city average, as
21 published in the federal register by the United States
22 department of labor, bureau of labor statistics, that reflects
23 the percentage increase in the consumer price index for the
24 twelve-month period ending December 31 of the previous year.

25 Sec. 19. NEW SECTION. 68A.816 EXPENDITURES MADE WITH
26 CLEAN MONEY CAMPAIGN FUNDS.

27 1. The clean money campaign funding received by a
28 participating candidate shall be used only for the purpose of
29 defraying that candidate's campaign-related expenses during
30 the particular election campaign period for which the clean
31 money campaign funding was received.

32 2. Payments shall not be used for the following:

33 a. Payments that are in violation of the law.

34 b. Payments that repay any personal, family, or business
35 loans, expenditures, or debts.

1 Sec. 20. NEW SECTION. 68A.817 DISCLOSURE OF EXCESS
2 SPENDING BY NONPARTICIPATING CANDIDATES.

3 1. If a nonparticipating candidate's total expenditures
4 exceed the amount of clean money campaign funding allocated to
5 the candidate's clean money opponent, the candidate shall
6 declare to the board within forty-eight hours every excess
7 expenditure amount that, in the aggregate, is more than one
8 thousand dollars.

9 2. During the last twenty days before the end of the
10 relevant campaign period, a nonparticipating candidate shall
11 declare to the board each excess expenditure amount over five
12 hundred dollars within twenty-four hours of when the
13 expenditure is made or obligated to be made.

14 3. The board may make its own determination as to whether
15 excess expenditures have been made by nonparticipating
16 candidates.

17 4. Upon receiving an excess expenditure declaration, the
18 board shall immediately release additional clean money
19 campaign funding to the opposing participating candidate or
20 candidates equal to the excess expenditure amount the
21 nonparticipating candidate has spent or intends to spend,
22 subject to the limit set forth in section 68A.813.

23 Sec. 21. NEW SECTION. 68A.818 CAMPAIGN ADVERTISEMENTS.

24 All broadcast and print advertisements placed by candidates
25 or candidate's committees shall include a clear written or
26 spoken statement indicating that the candidate has approved of
27 the contents of the advertisement.

28 Sec. 22. NEW SECTION. 68A.819 DISCLOSURE OF, AND
29 ADDITIONAL CLEAN MONEY CAMPAIGN FUNDING TO RESPOND TO,
30 INDEPENDENT EXPENDITURES.

31 1. Any person or group of persons who makes or obligates
32 to make an independent expenditure during a primary or general
33 election campaign period which, in the aggregate, exceeds one
34 thousand dollars shall report each expenditure within forty-
35 eight hours to the board.

1 2. The report to the board shall include a statement,
2 under penalty of perjury, by the person or persons making the
3 independent expenditure identifying the candidate whom the
4 independent expenditure is intended to help elect or defeat
5 and affirming that the expenditure is totally independent and
6 involves no coordination with a candidate or a political
7 party.

8 a. An individual or organization may file a complaint with
9 the board if the candidate or the organization believes that
10 the statement according to this subsection is false.

11 b. A hearing on a complaint under this subsection shall be
12 held within three business days of filing and a decision
13 issued within seven days of filing.

14 3. Any person or group of persons who makes or obligates
15 to make an independent expenditure during the last twenty days
16 before the end of the relevant campaign period which, in the
17 aggregate, exceeds five hundred dollars shall report each
18 expenditure within twenty-four hours to the board.

19 4. Upon receiving a report that an independent expenditure
20 has been made or obligated to be made, the board shall
21 immediately release additional clean money funding, equal in
22 amount to the cost of the independent expenditure, to all
23 participating candidates whom the independent expenditure is
24 intended to oppose or defeat provided that the maximum
25 aggregate amount of additional funding a participating
26 candidate shall receive to match independent expenditures and
27 the excess expenditures of nonparticipating candidates is no
28 more than two hundred percent of the full amount of clean
29 money funding allocated to a participating candidate in that
30 election.

31 Sec. 23. NEW SECTION. 68A.820 DEFINITION AND DISCLOSURE
32 OF, AND ADDITIONAL CLEAN MONEY CAMPAIGN FUNDING TO RESPOND TO,
33 ISSUE ADVERTISEMENTS.

34 1. A person who makes or obligates to make a disbursement
35 to purchase an issue advertisement shall file a report with

1 the board not later than forty-eight hours after making or
2 obligating to make the disbursement, containing the following
3 information:

- 4 a. The amount of the disbursement.
- 5 b. The name and address of the person making the
6 disbursement.
- 7 c. The purpose of the issue advertisement.

8 2. Upon receiving a report that an issue advertisement has
9 been made or obligated to be made, and upon determination that
10 the advertisement can reasonably be interpreted as having the
11 effect of promoting the defeat of a participating candidate or
12 the election of that candidate's opponent, the board shall
13 immediately release to that candidate additional clean money
14 funding, equal in amount to the cost of the issue
15 advertisement.

16 Sec. 24. NEW SECTION. 68A.821 VOTER INFORMATION PROGRAM.

17 1. The board shall establish and administer a nonpartisan
18 voter information program, including an advisory council
19 consisting of representatives of nonprofit organizations,
20 political parties, the media, and interested citizens.

21 2. The voter information program advisory council may
22 establish a voter information program for the purpose of
23 providing voters with election-related information and
24 fostering political dialogue and debate.

25 3. The voter information program advisory council shall
26 organize the publication and distribution of a voter
27 information guide that includes important information about
28 the following issues:

- 29 a. Candidates appearing on the ballot, including
30 biographical material submitted by the candidates.
- 31 b. Whether candidates are funding their campaigns with
32 public money or private money.
- 33 c. Policy statements by the candidates or their political
34 parties on issues designated by the council and other issues.
- 35 d. Candidates' voting records.

1 Sec. 25. NEW SECTION. 68A.822 BROADCAST DEBATES.

2 1. All public television and radio broadcast stations
3 funded in whole or in part by the state shall make available
4 free coverage for candidate debates in contested primary and
5 general elections. The minimum amount of time that
6 broadcasters shall broadcast, and participating candidates
7 shall participate in, shall be as follows:

8 a. For the office of governor and lieutenant governor:

9 (1) One one-hour debate during a contested primary
10 election.

11 (2) Two one-hour debates during a contested general
12 election.

13 b. For all other offices:

14 (1) One one-hour debate during a contested primary
15 election.

16 (2) One one-hour debate during a contested general
17 election.

18 2. All participating candidates shall participate in the
19 debates and all nonparticipating candidates for the same
20 office whose names will appear on the ballot must be invited
21 to join the debates.

22 Sec. 26. NEW SECTION. 68A.823 CLEAN MONEY CAMPAIGN FUND
23 -- NATURE AND PURPOSES.

24 1. A special clean money campaign fund is established as a
25 separate fund within the state treasury, under the control of
26 the board, for the following purposes:

27 a. Providing public financing for the election campaigns
28 of certified participating candidates during primary election
29 and general election and runoff campaign periods.

30 b. Paying for the administrative and enforcement costs of
31 the board in relation to this subchapter.

32 2. The fund shall consist of moneys received according to
33 section 68A.824. Notwithstanding section 8.33, unencumbered
34 or unobligated moneys and any interest earned on moneys in the
35 fund on June 30 of any fiscal year shall not revert to the

1 general fund of the state but shall remain in the fund and be
2 available for expenditure in subsequent years.

3 Sec. 27. NEW SECTION. 68A.824 FUNDING.

4 1. In addition to any moneys appropriated by the general
5 assembly to the clean money campaign fund established in
6 section 68A.823, the following moneys shall be deposited in
7 the fund:

8 a. The qualifying contributions required of candidates
9 seeking to become certified as participating candidates
10 according to section 68A.802 or 68A.803 and candidates' excess
11 qualifying contributions.

12 b. The excess seed money contributions of candidates
13 seeking to become certified as participating candidates.

14 c. Moneys distributed to any participating candidate who
15 does not remain a candidate until the primary or general
16 election for which they were distributed.

17 d. Civil penalties levied by the board against candidates
18 for violations of this subchapter.

19 e. Voluntary donations made directly to the clean money
20 campaign fund.

21 f. Any other sources of revenue designated by the general
22 assembly.

23 2. The general assembly shall appropriate additional funds
24 as necessary to fully fund clean money campaign payments
25 required under this subchapter.

26 Sec. 28. NEW SECTION. 68A.825 POWERS AND PROCEDURES.

27 The board shall have the following powers and procedures,
28 in addition to those granted in this chapter and chapter 68B,
29 when administering this subchapter:

30 1. After every primary and general election, the board may
31 conduct random audits and investigations to ensure compliance
32 with this subchapter.

33 2. The subjects of audits and investigations shall be
34 selected on the basis of impartial criteria established by a
35 vote of at least four members of the board.

1 3. The board may investigate anonymous complaints.

2 4. The identity of a complainant may be kept confidential
3 if the complainant states in the complaint that revealing the
4 identity of the complainant could reasonably result in
5 disciplinary action or loss of employment.

6 5. The board may seek injunctions when all of the
7 following conditions are met:

8 a. There is a substantial likelihood that a violation of
9 this subchapter is occurring or is about to occur.

10 b. The failure to act expeditiously will result in
11 irreparable harm to a party affected by the violation or
12 potential violation.

13 c. Expeditious action will not cause undue harm or
14 prejudice to the interests of others.

15 d. The public interest would be best served by the
16 issuance of an injunction.

17 6. The board may levy civil penalties for violations of
18 this subchapter. Civil penalties shall be deposited in the
19 clean money campaign fund.

20 7. The board shall refer criminal violations to the county
21 attorney or attorney general for prosecution.

22 8. The board may participate fully in any actions filed
23 under this section.

24 9. The board shall adopt rules pursuant to chapter 17A as
25 necessary to administer this subchapter.

26 Sec. 29. NEW SECTION. 68A.826 CIVIL ACTIONS.

27 1. A citizen who believes a candidate has violated this
28 subchapter may pursue a civil action in a court of relevant
29 jurisdiction, provided that both of the following are true:

30 a. The citizen has previously filed a complaint regarding
31 the same alleged violation with the board.

32 b. The board has failed to make a determination within
33 thirty days of the filing of the complaint.

34 2. A complainant that prevails in a civil action charging
35 a violation of this subchapter shall be entitled to receive

1 reasonable attorney fees and court costs from the defendant.

2 3. If a court in which a civil action has been filed under
3 subsection 1 finds that the complaint in that action was made
4 frivolously or without cause, the court may require the
5 complainant to pay the costs of the board, the court, and the
6 defendant parties.

7 Sec. 30. NEW SECTION. 68A.827 BOARD REPORTS.

8 1. The board shall report to the general assembly after
9 each election cycle.

10 2. The report shall include a detailed summary of all seed
11 money contributions, qualifying contributions, and campaign
12 funding benefits received, and expenditures made, by all
13 participating candidates. The report shall also include a
14 summary and evaluation of the board's activities and
15 recommendations relating to the implementation,
16 administration, and enforcement of this subchapter.

17 Sec. 31. NEW SECTION. 68A.828 REPAYMENTS OF EXCESS
18 EXPENDITURES.

19 1. If a participating candidate spends or obligates to
20 spend more than the clean money funding the candidate
21 receives, and if such is determined not to be an amount that
22 had or could have been expected to have a significant impact
23 on the outcome of the election, the candidate shall repay to
24 the clean money campaign fund an amount equal to the excess.

25 2. If a participating candidate spends or obligates to
26 spend more than the clean money campaign funding the candidate
27 receives, and if such is determined to be an amount that had
28 or could have been expected to have a significant impact on
29 the outcome of the election, the candidate shall repay to the
30 clean money campaign fund an amount equal to five times the
31 value of the excess.

32 Sec. 32. NEW SECTION. 68A.829 PENALTIES.

33 1. A candidate shall not knowingly accept more benefits
34 than those to which the candidate is entitled, spend more than
35 the amount of clean money campaign funding received, or misuse

1 such campaign funding benefits or clean money campaign
2 funding.

3 2. If a violation of subsection 1 was intentional and
4 involved an amount that had or could have been expected to
5 have a significant impact on the outcome of the election, the
6 candidate commits an aggravated misdemeanor.

7 3. If it is determined that the violation of subsection 1
8 was intentional and involved an amount that had or could have
9 been expected to have a significant impact on the outcome of
10 the election, and if, in the judgment of the board, the
11 violation is believed to have contributed to the violator
12 winning the election, the board may recommend to the
13 appropriate authority that proceedings be commenced to remove
14 the violator from office or to impeach the violator if
15 applicable.

16 4. A person shall not provide false information to the
17 board or conceal or withhold information from the board. A
18 violation of this subsection is an aggravated misdemeanor.

19 Sec. 33. SEVERABILITY. The provisions of this Act are
20 severable as provided in section 4.12.

21 Sec. 34. EFFECTIVE DATE. This Act takes effect November
22 5, 2008.

23 Sec. 35. IMPLEMENTATION OF ACT. Section 25B.2, subsection
24 3, shall not apply to this Act.

25 EXPLANATION

26 This bill amends Code chapter 68A, relating to campaign
27 finance law, to add a new subchapter relating to public
28 financing for certain political campaigns.

29 The bill enacts a "clean money" model for public financing,
30 and enacts new Code section 68A.801, providing definitions for
31 key terms related to a clean money model.

32 New Code section 68A.823 establishes a separate,
33 nonreverting fund in the state treasury for the clean money
34 campaign fund, and new Code section 68A.824 provides sources
35 of revenue for the fund.

1 New Code sections 68A.802 and 68A.803 specify eligibility
2 procedures for both party and independent candidates,
3 specifying the number and details for collection of qualifying
4 contributions.

5 New Code section 68A.806 prohibits a participating
6 candidate from accepting private funding during the primary
7 and general election campaign periods other than certain
8 permitted party funding. Contributions in the name of another
9 person are prohibited and subject to payment to the board as
10 are any applicable penalties. The use of personal funds for
11 seed money or as qualifying contributions is limited by new
12 Code section 68A.809.

13 New Code section 68A.808 limits political party
14 contributions and expenditures on behalf of candidates.

15 New Code section 68A.810 details the collection of private
16 contributions for use as seed money, limited to \$100 per
17 individual contributor, and also limited in the aggregate in
18 differing amounts for candidates for governor and lieutenant
19 governor, for other statewide candidates, for Iowa senate
20 candidates, and for Iowa house of representatives candidates.
21 Seed money expenditures are limited to the clean money
22 qualifying period and seed money contributions and
23 expenditures must be fully disclosed at the end of the clean
24 money qualifying period.

25 New Code section 68A.812 provides for a certification
26 process after a candidate applies for clean money campaign
27 funding benefits and requires repayment of funds if
28 eligibility is revoked. The bill provides for audit and
29 judicial review of the certification decision.

30 New Code section 68A.814 provides for a schedule of
31 payments to participating candidates, and new Code section
32 68A.815 specifies differing total amounts for primary and
33 general elections for candidates for governor and lieutenant
34 governor, for other statewide candidates, for Iowa senate
35 candidates, and for Iowa house of representatives candidates.

1 Alternate amounts are provided for uncontested races. Clean
2 money campaign funding payments must be used only for
3 campaign-related expenses, and cannot be used for payments in
4 violation of law or to repay personal or business loans,
5 expenditures, or debts, pursuant to new Code section 68A.816.
6 Nonparticipating candidates must disclose within 48 hours
7 every expenditure in excess of the clean money funding
8 allocated to the candidate's participating opponent, that in
9 the aggregate is more than \$1,000, pursuant to new Code
10 section 68A.817. Contributions to nonparticipating candidates
11 are limited in Code section 68A.807. Certain other reporting
12 requirements apply during the last 20 days of a campaign.
13 New Code section 68A.813 provides certain benefits for
14 participating candidates, including specified amounts of
15 public funding pursuant to new Code section 68A.815, mandatory
16 participation in debates on public television pursuant to new
17 Code sections 68A.811 and 68A.822, and additional limited
18 public funding to respond to certain excess expenditures by
19 nonparticipating candidates, independent expenditures, and
20 issue advertisement expenditures pursuant to Code sections
21 68A.817, 68A.819, and 68A.820. Any candidate who accepts
22 benefits during the primary campaign must continue to comply
23 with the requirements of the public financing program, even if
24 the candidate stops accepting benefits of the program at any
25 point during the primary or general election according to new
26 Code section 68A.805.
27 All candidates must include a statement with all
28 advertisements indicating that the candidate has approved of
29 the contents of the advertisement pursuant to new Code section
30 68A.818.
31 Public television and radio stations receiving any state
32 funds must offer certain free coverage for candidate debates
33 pursuant to new Code section 68A.822.
34 Persons making certain independent expenditures must report
35 such expenditures to the board, along with an affidavit

1 affirming that the expenditure has not been coordinated with
2 the candidate or party, pursuant to new Code section 68A.818.
3 Alleged violations of the coordination affirmation are subject
4 to an expedited hearing procedure.

5 Persons making certain issue advertisements must also
6 report to the board pursuant to new Code section 68A.820.

7 New Code section 68A.821 provides that the board shall
8 administer a voter information program, including an advisory
9 council, to provide voters with election-related information,
10 including a voter guide with candidate biographical material,
11 policy statements, voting records, and whether the candidate
12 funds the campaign with public or private money.

13 New Code section 68A.825 provides the board with certain
14 specific enforcement powers in relation to the new subchapter,
15 and new Code section 68A.827 provides for an election cycle
16 report to the general assembly on the public funding program.

17 New Code section 68A.826 creates a civil right of action
18 for citizens alleging that a candidate has violated the law.

19 Violations of the public funding program are subject to
20 aggravated misdemeanor penalties, pursuant to new Code section
21 68A.829. New Code section 68A.828 provides for repayment of
22 certain excess expenditures.

23 The bill provides for an effective date of November 5,
24 2008, which is the day after election day 2008, to allow the
25 new system to commence with a new campaign cycle. New Code
26 section 68A.804 also provides guidelines for dealing with
27 money collected by candidates prior to the effective date of
28 the public financing program.

29 New Code section 68A.401A requires electronic filing by any
30 candidate or committee that reaches a \$20,000 threshold, and
31 publishers of print and electronic media must file reports of
32 media buys pursuant to new Code section 68A.401B.

33 The bill may include a state mandate as defined in Code
34 section 25B.3. The bill makes inapplicable Code section
35 25B.2, subsection 3, which would relieve a political

1 subdivision from complying with a state mandate if funding for
2 the cost of the state mandate is not provided or specified.
3 Therefore, political subdivisions are required to comply with
4 any state mandate included in the bill.

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