

FEB 16 2005  
Place On Calendar

HOUSE FILE 312  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO HSB 65)

Passed House, Date 3-2-05 Passed Senate, Date 4-14-05  
Vote: Ayes 99 Nays 0 Vote: Ayes 49 Nays 0  
Approved 4/28/05

**A BILL FOR**

1 An Act relating to campaign finance committee reporting, use of  
2 committee funds or property, independent expenditures,  
3 placement of campaign signs, and use of public resources.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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**HOUSE FILE 312**

**H-1043**

1 Amend House File 312 as follows:  
2 1. By striking page 6, line 32, through page 7,  
3 line 13.

**By** RAECKER of Polk

**H-1043** FILED MARCH 1, 2005

HF 312

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1 Section 1. Section 53.10, unnumbered paragraph 3, Code  
2 2005, is amended to read as follows:

3 During the hours when absentee ballots are available in the  
4 office of the commissioner, the posting of political signs is  
5 prohibited within thirty three hundred feet of the absentee  
6 voting site. No electioneering shall be allowed within the  
7 sight or hearing of voters at the absentee voting site.

8 Sec. 2. Section 53.11, subsection 4, Code 2005, is amended  
9 to read as follows:

10 4. During the hours when absentee ballots are available at  
11 a satellite absentee voting station, the posting of political  
12 signs is prohibited within thirty three hundred feet of the  
13 satellite absentee voting station. Electioneering shall not  
14 be allowed within the sight or hearing of voters at the  
15 satellite absentee voting station.

16 Sec. 3. Section 68A.102, subsection 9, Code 2005, is  
17 amended to read as follows:

18 9. "Consultant" means a person who provides or procures  
19 ~~services for-or-on-behalf-of-a-candidate~~ including but not  
20 limited to consulting, public relations, advertising,  
21 fundraising, polling, managing or organizing services.

22 Sec. 4. Section 68A.102, subsection 12, Code 2005, is  
23 amended to read as follows:

24 12. "County statutory political committee" means a  
25 committee as defined described in section 43.100 that accepts  
26 contributions in excess of seven hundred fifty dollars in the  
27 aggregate, makes expenditures in excess of seven hundred fifty  
28 dollars in the aggregate, or incurs indebtedness in excess of  
29 seven hundred fifty dollars in the aggregate in any one  
30 calendar year to expressly advocate the nomination, election,  
31 or defeat of a candidate for public office.

32 Sec. 5. Section 68A.203, subsection 2, Code 2005, is  
33 amended to read as follows:

34 2. An individual who receives contributions for a  
35 committee without the prior authorization of the chairperson

1 of the committee or the candidate shall be responsible for  
2 either rendering the contributions to the treasurer within  
3 fifteen days of the date of receipt of the contributions, or  
4 depositing the contributions in the account maintained by the  
5 committee within seven days of the date of receipt of the  
6 contributions. A person who receives contributions for a  
7 committee shall, not later than fifteen days from the date of  
8 receipt of the contributions or on demand of the treasurer,  
9 render to the treasurer the contributions and an account of  
10 the total of all contributions, including the name and address  
11 of each person making a contribution in excess of ten dollars,  
12 the amount of the contributions, and the date on which the  
13 contributions were received. The treasurer shall deposit all  
14 contributions within seven days of receipt by the treasurer in  
15 an account maintained by the committee. All funds of a  
16 committee shall be segregated from any other funds held by  
17 officers, members, or associates of the committee or the  
18 committee's candidate. However, if a candidate's committee  
19 receives contributions only from the candidate, or if a  
20 permanent organization temporarily engages in activity which  
21 qualifies it as a political committee and all expenditures of  
22 the organization are made from existing general operating  
23 funds and funds are not solicited or received for this purpose  
24 from sources other than operating funds, then that committee  
25 is not required to maintain a separate account in a financial  
26 institution. Committee funds or committee property shall not  
27 be used for the personal benefit of an officer, member, or  
28 associate of the committee. The funds of a committee are not  
29 attachable for the personal debt of the committee's candidate  
30 or an officer, member, or associate of the committee.

31 Sec. 6. Section 68A.304, subsection 1, paragraph d, Code  
32 2005, is amended to read as follows:

33 d. Consumable campaign property is not required to be  
34 reported as committee inventory, regardless of the initial  
35 value of the consumable campaign property. "Consumable

1 campaign property", for purposes of this section, means  
2 stationery, yard campaign signs, and other campaign materials  
3 that have been permanently imprinted to be specific to a  
4 candidate or election.

5 Sec. 7. Section 68A.304, Code 2005, is amended by adding  
6 the following new subsection:

7 NEW SUBSECTION. 3. Consumable campaign property may be  
8 disposed of in any manner by the candidate's committee. A  
9 candidate's committee shall not transfer consumable campaign  
10 property to another candidate without receiving fair market  
11 value compensation unless the candidate in both campaigns is  
12 the same person.

13 Sec. 8. Section 68A.402, subsection 6, paragraphs a and b,  
14 Code 2005, are amended to read as follows:

15 a. A state statutory political committee shall file a  
16 report on the same dates as a candidate's committee is  
17 required to file reports under subsection 2, paragraph  
18 paragraphs "a", and subsection-57-paragraph-"b" "c".

19 b. A county statutory political committee shall file a  
20 report on the same dates as a candidate's committee is  
21 required to file reports under subsection 2, paragraph  
22 paragraphs "a", and subsection-57-paragraph-"b" "c".

23 Sec. 9. Section 68A.402, subsection 7, paragraphs a and b,  
24 Code 2005, are amended to read as follows:

25 a. STATEWIDE OFFICE AND GENERAL ASSEMBLY ELECTIONS.

26 ELECTION YEAR. A political committee expressly advocating  
27 the nomination, election, or defeat of candidates for  
28 statewide office or the general assembly shall file a report  
29 on the same dates as a candidate's committee is required to  
30 file reports under subsection 2, paragraph "a".

31 NONELECTION YEAR. A political committee expressly  
32 advocating the nomination, election, or defeat of candidates  
33 for statewide office or the general assembly shall file a  
34 report as follows:

35 Report due:

Covering period:

1 <del>January-19-(next</del> <u>July 19</u>	January 1 through
2 <del>calendar-year)</del>	June 30
3 <del>July-19</del> <u>January 19</u> (next	July 1 through
4 <del>calendar year)</del>	December 31

5 b. COUNTY ELECTIONS. A political committee expressly  
6 advocating the nomination, election, or defeat of candidates  
7 for county office shall file reports on the same dates as a  
8 candidate's committee is required to file reports under  
9 subsection 2, paragraph paragraphs "a", and subsection-5,  
10 paragraph-"b" "c".

11 Sec. 10. Section 68A.402, subsection 8, Code 2005, is  
12 amended to read as follows:

13 8. POLITICAL COMMITTEES -- BALLOT ISSUES. A political  
14 committee expressly advocating the passage or defeat of a  
15 ballot issue shall file reports ~~on-the-same-dates-as~~  
16 ~~candidates-for-city-office-are-required-to-file-reports-under~~  
17 subsection-3 as follows:

18 a. ELECTION YEAR. Five days before the election covering  
19 the period of the date of initial activity through ten days  
20 before election.

21 b. NONELECTION YEAR. On January 19 of the next calendar  
22 year that covers the time period of nine days before the  
23 election through December 31.

24 Sec. 11. Section 68A.402, subsection 10, Code 2005, is  
25 amended to read as follows:

26 10. ELECTION YEAR DEFINED. As used in this section,  
27 "election year" means a year in which the name of the  
28 candidate or ballot issue that is expressly advocated for or  
29 against appears on any ballot to be voted on by the electors  
30 of the state of Iowa. For state and county statutory  
31 political committees, and all other political committees  
32 except for political committees that advocate for or against  
33 ballot issues, "election year" means a year in which primary  
34 and general elections are held.

35 Sec. 12. Section 68A.402B, subsection 2, paragraph b, Code

1 2005, is amended by striking the paragraph.

2 Sec. 13. Section 68A.404, subsection 1, Code 2005, is  
3 amended to read as follows:

4 1. As used in this section, "independent expenditure"  
5 means ~~an expenditure~~ one or more expenditures in excess of  
6 seven hundred fifty dollars in the aggregate for a  
7 communication that expressly advocates the nomination,  
8 election, or defeat of a clearly identified candidate or the  
9 passage or defeat of a ballot issue that is made without the  
10 prior approval or coordination with a candidate, candidate's  
11 committee, or a ballot issue committee.

12 Sec. 14. Section 68A.404, subsection 2, Code 2005, is  
13 amended by striking the subsection and inserting in lieu  
14 thereof the following:

15 2. A person, other than a committee registered under this  
16 chapter, that makes one or more independent expenditures shall  
17 file an independent expenditure statement.

18 a. The filing of an independent expenditure statement  
19 under this section does not alone require the person filing  
20 the independent expenditure statement to register and file  
21 reports under sections 68A.201 and 68A.402.

22 b. This section does not apply to a candidate, candidate's  
23 committee, state statutory political committee, county  
24 statutory political committee, or a political committee.

25 Sec. 15. Section 68A.404, subsection 3, Code 2005, is  
26 amended by striking the subsection.

27 Sec. 16. Section 68A.405, subsection 2, paragraph b, Code  
28 2005, is amended to read as follows:

29 b. Small items upon which the inclusion of the statement  
30 is impracticable including, but not limited to, yard campaign  
31 signs, bumper stickers, pins, buttons, pens, political  
32 business cards, and matchbooks.

33 Sec. 17. Section 68A.406, subsection 1, paragraph f, Code  
34 2005, is amended to read as follows:

35 f. Property leased by a candidate, committee, or an

1 organization established to advocate the nomination, election,  
2 or defeat of a candidate or the passage or defeat of a ballot  
3 issue that has not yet registered pursuant to section 68A.201,  
4 when the property is used as campaign headquarters or a  
5 campaign office and the placement of the sign is limited to  
6 the space that is actually leased.

7 Sec. 18. Section 68A.406, subsection 2, Code 2005, is  
8 amended by adding the following new paragraphs:

9 NEW PARAGRAPH. e. Within three hundred feet of an  
10 absentee voting site during the hours when absentee ballots  
11 are available in the office of the county commissioner of  
12 elections as provided in section 53.10.

13 NEW PARAGRAPH. f. Within three hundred feet of a  
14 satellite absentee voting station during the hours when  
15 absentee ballots are available at the satellite absentee  
16 voting station as provided in section 53.11.

17 Sec. 19. Section 68A.406, subsection 3, Code 2005, is  
18 amended to read as follows:

19 3. Yard Campaign signs with dimensions of thirty-two  
20 square feet or less are exempt from the attribution statement  
21 requirement in section 68A.405. Campaign signs in excess of  
22 thirty-two square feet, or signs that are affixed to buildings  
23 or vehicles regardless of size except for bumper stickers, are  
24 required to include the attribution statement required by  
25 section 68A.405. The placement or erection of yard campaign  
26 signs shall be exempt from the requirements of chapter 480  
27 relating to underground facilities organization information.

28 Sec. 20. Section 68A.503, subsection 4, paragraph c, Code  
29 2005, is amended to read as follows:

30 c. The placement of yard campaign signs under section  
31 68A.406.

32 Sec. 21. Section 68A.505, Code 2005, is amended to read as  
33 follows:

34 68A.505 USE OF PUBLIC MONEYS RESOURCES FOR POLITICAL  
35 PURPOSES.

1 The state and the governing body of a county, city, or  
2 other political subdivision of the state shall not ~~expend~~ use  
3 or permit the ~~expenditure~~ use of public ~~moneys~~ resources for  
4 political purposes, including expressly advocating the passage  
5 or defeat of a ballot issue.

6 This section shall not be construed to limit the freedom of  
7 speech of officials or employees of the state or of officials  
8 or employees of a governing body of a county, city, or other  
9 political subdivision of the state. This section also shall  
10 not be construed to prohibit the state or a governing body of  
11 a political subdivision of the state from expressing an  
12 opinion on a ballot issue through the passage of a resolution  
13 or proclamation.

14 EXPLANATION

15 This bill contains a variety of revisions to the campaign  
16 finance laws.

17 The bill redefines "consultant" to include a person  
18 providing services not only to a candidate, but also to a  
19 person providing services to a ballot issue committee or a  
20 political committee.

21 The bill exempts a county statutory political committee  
22 that accepts donations of \$750 or less or makes expenditures  
23 or incurs indebtedness of \$750 or less in a calendar year,  
24 from the reporting requirements of Code chapter 68A.

25 Concerning the permissible use of campaign contributions  
26 and property, the bill prohibits the use of committee funds or  
27 property for the personal benefit of committee officers,  
28 members, or associates. Consumable campaign property cannot  
29 be transferred to another candidate for less than fair market  
30 value compensation.

31 The bill establishes a requirement that state and county  
32 statutory political committees must file reports on the same  
33 dates required for a candidate's committee in both election  
34 and nonelection years.

35 The bill changes the reporting deadline for a political

1 committee expressly advocating the nomination, election, or  
2 defeat of candidates for statewide office or the general  
3 assembly. In nonelection years, the deadline for reporting  
4 for the period of the first half of the calendar year was  
5 January 19 of the following year, over six months after the  
6 period ended. In this revision, the deadline is moved up to  
7 July 19, 19 days after the reporting period ends.

8 The bill changes the reporting deadline for a ballot issue  
9 political committee. In an election year, the committee must  
10 file a report five days before the election covering the  
11 period of the date of initial activity through 10 days before  
12 election. In nonelection years the report must be filed on  
13 January 19 of the next calendar year that covers the time  
14 period of nine days before the election through December 31.

15 The bill amends the meaning of the term "election year" for  
16 reporting purposes. Except for a ballot issue committee, the  
17 term means a year in which primary and general elections are  
18 held.

19 Relating to independent expenditures, the bill defines the  
20 term to include one or more expenditures in excess of \$750 in  
21 the aggregate. It also expands the coverage of the term to  
22 include the nomination of a candidate as well as the election  
23 or defeat of a candidate or the passage or defeat of the  
24 ballot issue.

25 The bill amends current statutory language relating to  
26 "ballot issue" campaign signs placed on property leased by a  
27 candidate, committee, or an organization. The current  
28 language is expanded to include campaign signs advocating the  
29 nomination, election, or defeat of a candidate.

30 The bill amends Code section 68A.406(2) by adding the Code  
31 chapter 53 prohibition against the placement of campaign signs  
32 within a specified distance of the absentee voting site or  
33 satellite absentee voting station during the hours when  
34 absentee ballots are available in the office of the county  
35 commissioner of elections or the voting station, respectively.

1 The separation distance in Code sections 53.10 and 53.11 is  
2 increased from 30 feet to 300 feet. The bill also corrects a  
3 reference from yard signs to campaign signs.

4 Lastly, the bill revises a current prohibition against  
5 using public moneys for political purposes, to more generally  
6 prohibit the use of public resources for political purposes.

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HOUSE FILE 312

H-1045

1 Amend House File 312 as follows:

2 1. Page 7, by inserting after line 13 the  
3 following:

4 "Sec. \_\_\_\_ . NEW SECTION. 68A.801 CITATION AND  
5 PURPOSE.

6 This subchapter may be known and cited as the "Iowa  
7 Clean Election Act". This subchapter establishes an  
8 alternative campaign financing option available to  
9 candidates running for statewide office or the general  
10 assembly. This alternative campaign financing option  
11 is available to candidates for elections to be held  
12 beginning in the year 2006. The Iowa ethics and  
13 campaign disclosure board shall administer this Act  
14 and the fund. Candidates participating in the Iowa  
15 clean election Act must also comply with all other  
16 applicable election and campaign laws and rules.

17 Sec. \_\_\_\_ . NEW SECTION. 68A.802 DEFINITIONS.

18 As used in this subchapter, unless the context  
19 otherwise indicates, the following terms have the  
20 following meanings:

21 1. "Certified candidate" means a candidate running  
22 for statewide office or the general assembly who  
23 chooses to participate in the Iowa clean election Act  
24 and who is certified as an Iowa clean election Act  
25 candidate.

26 2. "Contribution" means the same as in section  
27 68B.102.

28 3. "Fund" means the Iowa clean election fund  
29 established in section 68A.803.

30 4. "Nonparticipating candidate" means a candidate  
31 running for statewide office or the general assembly  
32 who does not choose to participate in the Iowa clean  
33 election Act or who is not seeking to be certified as  
34 an Iowa clean election Act candidate.

35 5. "Participating candidate" means a candidate who  
36 is running for statewide office or the general  
37 assembly who is seeking to be certified as an Iowa  
38 clean election Act candidate.

39 6. "Qualifying contribution" means a donation  
40 meeting all of the following requirements:

41 a. Made in the amount of five dollars in the form  
42 of a check, money order, credit card, or debit card  
43 payable to the fund in support of a specific  
44 candidate.

45 b. Made by a registered voter within the  
46 jurisdiction for the office a candidate is seeking.

47 c. Made during the designated qualifying period  
48 with the knowledge and approval of the candidate.

49 d. That is acknowledged by a written receipt that  
50 identifies the name and address of the donor on forms

H-1045

1 provided by the board.

2 7. "Qualifying period" means the following:

3 a. For a participating candidate seeking statewide  
4 office, the qualifying period begins November 1  
5 immediately preceding an election year and ends at  
6 five p.m. on April 15 of the election year, unless the  
7 candidate is not a candidate of a political party, as  
8 that term is defined in section 43.2, in which case  
9 the period ends at five p.m. on June 2 of the election  
10 year.

11 b. For a participating candidate seeking election  
12 to the general assembly, the qualifying period begins  
13 January 1 of the election year and ends at five p.m.  
14 on April 15 of that election year, unless the  
15 candidate is not a candidate of a political party, as  
16 that term is defined in section 43.2, in which case  
17 the period ends at five p.m. on June 2 of that  
18 election year.

19 8. "Seed money contribution" means a contribution  
20 of no more than one hundred dollars per individual  
21 made to a candidate, including a contribution from the  
22 candidate or the candidate's family. To be eligible  
23 for certification, a candidate may collect and spend  
24 only seed money contributions subsequent to becoming a  
25 candidate and throughout the qualifying period. A  
26 candidate shall not collect or spend seed money  
27 contributions after certification as an Iowa clean  
28 election Act candidate. A seed money contribution  
29 must be reported according to rules adopted by the  
30 board.

31 Sec. \_\_\_\_ . NEW SECTION. 68A.803 IOWA CLEAN  
32 ELECTION FUND ESTABLISHED -- SOURCES OF FUNDING.

33 1. FUND ESTABLISHED. An Iowa clean election fund  
34 is established in the office of the state treasurer  
35 under the control of the board for the purposes of  
36 financing the election campaigns of certified Iowa  
37 clean election Act candidates running for statewide  
38 office or the general assembly and paying the  
39 administrative and enforcement costs of the board  
40 related to this subchapter. Notwithstanding section  
41 8.33, moneys appropriated to the fund and moneys  
42 remaining in the fund at the end of a fiscal year  
43 shall not revert to the general fund of the state.

44 2. SOURCES OF FUNDING. All of the following must  
45 be deposited in the fund:

46 a. The qualifying contributions when those  
47 contributions are submitted to the board.

48 b. Any moneys appropriated to the fund by the  
49 general assembly. If the board determines that the  
50 fund will not have sufficient revenues to cover the

1 likely demand for moneys from the fund in an upcoming  
2 calendar year, the board shall report by January 1 its  
3 projections of the balances in the fund to the general  
4 assembly and the governor.

5 c. Revenues from the Iowa clean election fund tax  
6 checkoff provided for in section 422.12G.

7 d. Seed money contributions remaining unspent  
8 after a candidate has been certified as an Iowa clean  
9 election Act candidate.

10 e. Fund moneys that were distributed to an Iowa  
11 clean election Act candidate and that remain unspent  
12 after the candidate has lost a primary election or  
13 after the general election.

14 f. Other unspent fund moneys distributed to any  
15 Iowa clean election Act candidate who does not remain  
16 a candidate throughout a primary or general election  
17 cycle.

18 g. Voluntary donations made directly to the fund.

19 h. Civil penalties collected under section  
20 68B.32D, section 1, paragraph "h", or section 68A.806.

21 3. DETERMINATION OF FUND AMOUNT. By September 1  
22 preceding each election year, the board shall publish  
23 an estimate of moneys in the fund available for  
24 distribution to certified candidates during the  
25 upcoming year's elections and an estimate of the  
26 likely demand for fund moneys during that election.  
27 The board may submit proposed legislation to request  
28 additional funding.

29 Sec. \_\_\_\_ . NEW SECTION. 68A.804 TERMS OF  
30 PARTICIPATION.

31 1. DECLARATION OF INTENT. A participating  
32 candidate must file a declaration of intent to seek  
33 certification as an Iowa clean election Act candidate  
34 and to comply with the requirements of this  
35 subchapter. The declaration of intent must be filed  
36 with the board prior to or during the qualifying  
37 period, except as provided in subsection 10, according  
38 to forms and procedures developed by the board. A  
39 participating candidate must submit a declaration of  
40 intent prior to collecting qualifying contributions  
41 under this subchapter.

42 2. RESTRICTIONS ON CONTRIBUTIONS FOR PARTICIPATING  
43 CANDIDATES. Subsequent to becoming a candidate and  
44 prior to certification, a participating candidate  
45 shall not accept contributions, except for seed money  
46 contributions. A participating candidate must limit  
47 the candidate's seed money contributions to the  
48 following amounts:

49 a. One hundred thousand dollars for a candidate  
50 for statewide office.

1 b. Five thousand dollars for a candidate for the  
2 state senate.

3 c. Two thousand five hundred dollars for a  
4 candidate for the state house of representatives.

5 3. QUALIFYING CONTRIBUTIONS. Participating  
6 candidates must obtain qualifying contributions during  
7 the qualifying period as follows:

8 a. For a candidate for statewide office, at least  
9 two thousand five hundred registered voters of this  
10 state must support the candidacy by making a  
11 qualifying contribution to that candidate.

12 b. For a candidate for the state senate, at least  
13 two hundred registered voters from the candidate's  
14 district must support the candidacy by making a  
15 qualifying contribution to that candidate.

16 c. For a candidate for the state house of  
17 representatives, at least one hundred registered  
18 voters from the candidate's district must support the  
19 candidacy by making a qualifying contribution to that  
20 candidate.

21 A payment, gift, or anything of value shall not be  
22 given in exchange for a qualifying contribution. A  
23 candidate may pay the fee for a money order which is a  
24 qualifying contribution, as long as the donor making  
25 the qualifying contribution pays the full five dollar  
26 amount reflected on the money order. Any money order  
27 fees paid by a participating candidate must be paid  
28 for with seed money and reported in accordance with  
29 board rules.

30 4. FILING WITH BOARD. A participating candidate  
31 must submit qualifying contributions to the board  
32 during the qualifying period according to procedures  
33 developed by the board, except as provided under  
34 subsection 10.

35 5. CERTIFICATION OF IOWA CLEAN ELECTION ACT  
36 CANDIDATES. Upon receipt of a final submittal of  
37 qualifying contributions by a participating candidate,  
38 the board shall determine whether or not the candidate  
39 has done all of the following:

40 a. Signed and filed a declaration of intent to  
41 participate as an Iowa clean election Act candidate.

42 b. Submitted the appropriate number of valid  
43 qualifying contributions.

44 c. Qualified as a candidate as provided by law.

45 d. Not accepted contributions, except for seed  
46 money contributions, and otherwise complied with seed  
47 money restrictions.

48 e. Not run for the same office as a  
49 nonparticipating candidate in a primary election in  
50 the same election year.

1 f. Otherwise met the requirements for  
2 participation as an Iowa clean election Act candidate.  
3 The board shall certify a candidate complying with  
4 the requirements of this section as an Iowa clean  
5 election Act candidate as soon as possible and no  
6 later than three days after final submittal of  
7 qualifying contributions. Upon certification, a  
8 candidate must transfer to the fund any unspent seed  
9 money contributions. A certified candidate must  
10 comply with all requirements of this subchapter after  
11 certification and throughout the primary and general  
12 election periods.

13 6. RESTRICTIONS ON CONTRIBUTIONS AND EXPENDITURES  
14 FOR CERTIFIED CANDIDATES. After certification, a  
15 candidate must limit the candidate's campaign  
16 expenditures and obligations, including outstanding  
17 obligations, to the moneys distributed to the  
18 candidate from the fund and shall not accept any  
19 contributions unless specifically authorized by the  
20 board. All revenues distributed to certified  
21 candidates from the fund must be used for campaign-  
22 related purposes. The board shall adopt rules  
23 establishing permissible campaign-related  
24 expenditures.

25 7. TIMING OF FUND DISTRIBUTION. The board shall  
26 distribute to certified candidates moneys from the  
27 fund in amounts determined under subsection 8 in the  
28 following manner:

29 a. Within three days after certification, for  
30 candidates certified prior to March 15 of the election  
31 year, moneys from the fund must be distributed as if  
32 the candidates are in an uncontested primary election.

33 b. Within three days after certification, for all  
34 candidates certified between March 15 and April 15 of  
35 the election year, moneys from the fund must be  
36 distributed according to whether the candidate is in a  
37 contested or uncontested primary election.

38 c. For candidates in contested primary elections  
39 receiving a distribution under paragraph "a",  
40 additional moneys from the fund must be distributed  
41 within three days of March 15 of the election year.

42 d. Within three days after the primary election  
43 results are certified, for general election certified  
44 candidates, moneys from the fund must be distributed  
45 according to whether the candidate is in a contested  
46 or uncontested general election.

47 8. AMOUNT OF FUND DISTRIBUTION. At least every  
48 four years the board shall determine the amount of  
49 funds to be distributed, subject to available funding,  
50 to participating candidates based on the type of

1 election and office as follows:

2 a. For contested legislative primary elections,  
3 the amount of moneys to be distributed is the average  
4 amount of campaign expenditures made by each candidate  
5 during all contested primary election races for the  
6 immediately preceding two primary elections, as  
7 reported in the initial filing period subsequent to  
8 the primary election, for the respective offices of  
9 state senate and state house of representatives.

10 b. For uncontested legislative primary elections,  
11 the amount of moneys distributed is the average amount  
12 of campaign expenditures made by each candidate during  
13 all uncontested primary election races for the  
14 immediately preceding two primary elections, as  
15 reported in the initial filing period subsequent to  
16 the primary election, for the respective offices of  
17 state senate and state house of representatives.

18 c. For contested legislative general elections,  
19 the amount of moneys distributed is the average amount  
20 of campaign expenditures made by each candidate during  
21 all contested general election races for the  
22 immediately preceding two general elections, as  
23 reported in the initial filing period subsequent to  
24 the general election, for the respective offices of  
25 state senate and state house of representatives.

26 d. For uncontested legislative general elections,  
27 the amount of moneys to be distributed from the fund  
28 is forty percent of the amount distributed to a  
29 participating candidate in a contested general  
30 election.

31 e. For statewide primary elections, the amount of  
32 moneys distributed is two hundred thousand dollars per  
33 candidate in the primary election.

34 f. For statewide general elections, the amount of  
35 moneys distributed is four hundred thousand dollars  
36 per candidate in the general election.

37 If the immediately preceding election cycles do not  
38 contain sufficient electoral data, the board shall use  
39 information from the most recent applicable elections.

40 9. MATCHING FUNDS. When any campaign, finance, or  
41 election report shows that the sum of a candidate's  
42 expenditures or obligations, or funds raised or  
43 borrowed, whichever is greater, alone or in  
44 conjunction with independent expenditures reported  
45 under section 68A.401, exceeds the distribution amount  
46 under subsection 8, the board shall issue immediately  
47 to any opposing Iowa clean election Act candidate,  
48 subject to available funding, an additional amount  
49 equivalent to the reported excess. Matching funds are  
50 limited to two times the amount originally distributed

1 under subsection 8, paragraph "a", "c", "e", or "f",  
2 whichever is applicable.

3 10. CANDIDATE WHO IS NOT A CANDIDATE OF A  
4 POLITICAL PARTY. A candidate who is not a candidate  
5 of a political party, who is certified by April 15  
6 preceding the primary election, is eligible for moneys  
7 from the fund in the same amounts and at the same time  
8 as an uncontested primary election candidate and a  
9 general election candidate as specified in subsections  
10 7 and 8. For such a candidate not certified by April  
11 15 at five p.m. the deadline for filing qualifying  
12 contributions is June 2 at five p.m. preceding the  
13 general election. A candidate certified after April  
14 15 at five p.m. is eligible for revenues from the fund  
15 in the same amounts as a general election candidate,  
16 as specified in subsections 7 and 8.

17 11. OTHER PROCEDURES. The board shall establish  
18 by rule procedures for qualification, certification,  
19 disbursement of fund moneys and return of unspent fund  
20 moneys for races involving special elections,  
21 recounts, vacancies, withdrawals, or replacement  
22 candidates.

23 12. REPORTING -- UNSPENT MONEYS. Notwithstanding  
24 any other provision of law, participating and  
25 certified candidates shall report any money collected,  
26 all campaign expenditures, obligations, and related  
27 activities to the board according to rules adopted by  
28 the board. Upon the filing of a final report for any  
29 primary election in which a candidate was defeated and  
30 for the general election the candidate shall return  
31 all unspent fund moneys to the board. In developing  
32 these procedures, the board shall utilize existing  
33 campaign reporting procedures whenever practicable.  
34 The board shall ensure timely public access to  
35 campaign finance data.

36 13. DISTRIBUTIONS NOT TO EXCEED AMOUNT IN FUND.  
37 The board shall not distribute moneys to certified  
38 candidates in excess of the total amount of moneys  
39 deposited in the fund. Notwithstanding any other  
40 provisions of this subchapter, if the board determines  
41 that the moneys in the fund are insufficient to meet  
42 distributions under subsections 8 and 9, the board may  
43 permit certified candidates to accept and spend  
44 contributions, reduced by any seed money  
45 contributions, aggregating no more than five hundred  
46 dollars per donor per election for statewide  
47 candidates and two hundred fifty dollars per donor per  
48 election for state senate and state house of  
49 representatives candidates, up to the applicable  
50 amounts set forth in subsections 8 and 9 according to

1 rules adopted by the board.

2 14. APPEALS. A candidate who has been denied  
3 certification as an Iowa clean election Act candidate  
4 or the opponent of a candidate who has been granted  
5 certification as an Iowa clean election Act candidate  
6 may challenge a certification decision by the board as  
7 follows:

8 a. A challenger may appeal to the full board  
9 within three days of the certification decision. The  
10 appeal must be in writing and must set forth the  
11 reasons for the appeal.

12 b. Within five days after an appeal is properly  
13 made and after notice is given to the challenger and  
14 any opponent, the board shall hold a hearing pursuant  
15 to chapter 17A. The board must rule on the appeal  
16 within three days after the completion of the hearing.

17 c. Judicial review of the decision of the board  
18 may be sought in accordance with chapter 17A.

19 d. A candidate whose certification by the board as  
20 an Iowa clean election Act candidate is revoked on  
21 appeal must return to the board any unspent moneys  
22 distributed from the fund. If the board or court  
23 finds that an appeal was made frivolously or to cause  
24 delay or hardship, the board or court may require the  
25 moving party to pay costs of the board, court, and  
26 opposing parties, if any.

27 Sec. \_\_\_\_ . NEW SECTION. 68A.805 BOARD TO ADOPT  
28 RULES.

29 The board shall adopt rules to ensure effective  
30 administration of this subchapter. The rules shall  
31 include but must not be limited to procedures for  
32 obtaining qualifying contributions, certification as  
33 an Iowa clean election Act candidate, circumstances  
34 involving special elections, vacancies, recounts,  
35 withdrawals, or replacements, collection of moneys for  
36 the fund, distribution of fund moneys to certified  
37 candidates, return of unspent fund disbursements,  
38 disposition of equipment purchased with fund moneys,  
39 and compliance with this subchapter.

40 Sec. \_\_\_\_ . NEW SECTION. 68A.806 VIOLATIONS.

41 1. CIVIL PENALTY. In addition to any other  
42 penalties that may be applicable, a person who  
43 violates any provision of this subchapter or rules of  
44 the board is subject to a civil penalty not to exceed  
45 ten thousand dollars per violation payable to the  
46 fund. In addition to any penalty, for good cause  
47 shown, a candidate found in violation of this  
48 subchapter or rules of the board may be required to  
49 return to the fund all moneys distributed to the  
50 candidate from the fund. If the board makes a finding

1 that a violation of this subchapter or rules of the  
2 board has occurred, the board shall assess a civil  
3 penalty or transmit the finding to the attorney  
4 general for prosecution. Civil penalties paid under  
5 this section shall be deposited in the fund. In  
6 determining whether or not a candidate is in violation  
7 of the expenditure limits of this subchapter, the  
8 board may consider as a mitigating factor any  
9 circumstances out of the candidate's control.

10 2. CRIMINAL PENALTY. A person who willfully or  
11 knowingly violates this subchapter or rules of the  
12 board or who willfully or knowingly makes a false  
13 statement in any report required by this subchapter  
14 commits a simple misdemeanor and, if certified as an  
15 Iowa clean election Act candidate, must return to the  
16 fund all moneys distributed to the candidate.

17 Sec. \_\_\_\_ . NEW SECTION. 68A.807 STUDY REPORT.

18 By January 30, 2008, and every four years after  
19 that date, the board shall prepare for submission to  
20 the general assembly a report documenting, evaluating,  
21 and making recommendations relating to the  
22 administration and enforcement of this subchapter.

23 Sec. \_\_\_\_ . NEW SECTION. 422.12G INCOME TAX

24 CHECKOFF FOR THE IOWA CLEAN ELECTION FUND.

25 1. A person who files an individual or a joint  
26 income tax return with the department of revenue under  
27 section 422.13 may designate one dollar or more to be  
28 paid to the Iowa clean election fund as established in  
29 section 68A.803. If the refund due on the return or  
30 the payment remitted with the return is insufficient  
31 to pay the additional amount designated by the  
32 taxpayer to the Iowa clean election fund, the amount  
33 designated shall be reduced to the remaining amount of  
34 the refund or the remaining amount remitted with the  
35 return. The designation of a contribution to the Iowa  
36 clean election fund under this section is irrevocable.

37 2. The director of revenue shall draft the income  
38 tax form to allow the designation of contributions to  
39 the Iowa clean election fund on the tax return. The  
40 department of revenue, on or before January 31, shall  
41 certify the total amount designated on the tax return  
42 forms due in the preceding calendar year and shall  
43 report the amount to the treasurer of state. The  
44 treasurer of state shall credit the amount to the Iowa  
45 clean election fund. However, before a checkoff  
46 pursuant to this section shall be permitted, all  
47 liabilities on the books of the department of revenue  
48 and accounts identified as owing under section 421.17  
49 and the political contribution allowed under section  
50 68A.601 shall be satisfied.

1 3. The income tax checkoff for the Iowa clean  
2 election fund is not subject to the provisions of  
3 section 422.12E.

4 4. The department of revenue shall adopt rules to  
5 administer this section.

6 Sec. \_\_\_\_ . EFFECTIVE DATE AND RETROACTIVE  
7 APPLICABILITY.

8 1. Except as provided in subsection 2, the  
9 sections of this Act enacting sections 68A.801 through  
10 68A.807 take effect July 1, 2005, and apply to  
11 candidates in elections to be held beginning in the  
12 year 2006.

13 2. The section of this Act enacting section  
14 422.12G, being deemed of immediate importance, takes  
15 effect upon enactment and applies retroactively for  
16 tax years beginning on or after January 1, 2005."

17 2. Title page, line 1, by inserting after the  
18 word "finance" the following: ", clean election  
19 funding,".

20 3. Title page, line 3, by inserting after the  
21 word "resources" the following: ", and providing  
22 effective and retroactive applicability dates".

23 4. By renumbering as necessary.

**By** FALLON of Polk

**H-1045** FILED MARCH 2, 2005

OUT OF ORDER

HOUSE FILE 312  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO HSB 65)

(As Amended and Passed by the House March 2, 2005)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to campaign finance committee reporting, use of  
2 committee funds or property, independent expenditures,  
\* 3 placement of campaign signs.

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

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Deleted Language \*

1 Section 1. Section 53.10, unnumbered paragraph 3, Code  
2 2005, is amended to read as follows:

3 During the hours when absentee ballots are available in the  
4 office of the commissioner, the posting of political signs is  
5 prohibited within ~~thirty~~ three hundred feet of the absentee  
6 voting site. No electioneering shall be allowed within the  
7 sight or hearing of voters at the absentee voting site.

8 Sec. 2. Section 53.11, subsection 4, Code 2005, is amended  
9 to read as follows:

10 4. During the hours when absentee ballots are available at  
11 a satellite absentee voting station, the posting of political  
12 signs is prohibited within ~~thirty~~ three hundred feet of the  
13 satellite absentee voting station. Electioneering shall not  
14 be allowed within the sight or hearing of voters at the  
15 satellite absentee voting station.

16 Sec. 3. Section 68A.102, subsection 9, Code 2005, is  
17 amended to read as follows:

18 9. "Consultant" means a person who provides or procures  
19 ~~services for-or-on-behalf-of-a-candidate~~ including but not  
20 limited to consulting, public relations, advertising,  
21 fundraising, polling, managing or organizing services.

22 Sec. 4. Section 68A.102, subsection 12, Code 2005, is  
23 amended to read as follows:

24 12. "County statutory political committee" means a  
25 committee as ~~defined~~ described in section 43.100 that accepts  
26 contributions in excess of seven hundred fifty dollars in the  
27 aggregate, makes expenditures in excess of seven hundred fifty  
28 dollars in the aggregate, or incurs indebtedness in excess of  
29 seven hundred fifty dollars in the aggregate in any one  
30 calendar year to expressly advocate the nomination, election,  
31 or defeat of a candidate for public office.

32 Sec. 5. Section 68A.203, subsection 2, Code 2005, is  
33 amended to read as follows:

34 2. An individual who receives contributions for a  
35 committee without the prior authorization of the chairperson

1 of the committee or the candidate shall be responsible for  
2 either rendering the contributions to the treasurer within  
3 fifteen days of the date of receipt of the contributions, or  
4 depositing the contributions in the account maintained by the  
5 committee within seven days of the date of receipt of the  
6 contributions. A person who receives contributions for a  
7 committee shall, not later than fifteen days from the date of  
8 receipt of the contributions or on demand of the treasurer,  
9 render to the treasurer the contributions and an account of  
10 the total of all contributions, including the name and address  
11 of each person making a contribution in excess of ten dollars,  
12 the amount of the contributions, and the date on which the  
13 contributions were received. The treasurer shall deposit all  
14 contributions within seven days of receipt by the treasurer in  
15 an account maintained by the committee. All funds of a  
16 committee shall be segregated from any other funds held by  
17 officers, members, or associates of the committee or the  
18 committee's candidate. However, if a candidate's committee  
19 receives contributions only from the candidate, or if a  
20 permanent organization temporarily engages in activity which  
21 qualifies it as a political committee and all expenditures of  
22 the organization are made from existing general operating  
23 funds and funds are not solicited or received for this purpose  
24 from sources other than operating funds, then that committee  
25 is not required to maintain a separate account in a financial  
26 institution. Committee funds or committee property shall not  
27 be used for the personal benefit of an officer, member, or  
28 associate of the committee. The funds of a committee are not  
29 attachable for the personal debt of the committee's candidate  
30 or an officer, member, or associate of the committee.

31 Sec. 6. Section 68A.304, subsection 1, paragraph d, Code  
32 2005, is amended to read as follows:

33 d. Consumable campaign property is not required to be  
34 reported as committee inventory, regardless of the initial  
35 value of the consumable campaign property. "Consumable

1 campaign property", for purposes of this section, means  
2 stationery, ~~yard~~ campaign signs, and other campaign materials  
3 that have been permanently imprinted to be specific to a  
4 candidate or election.

5 Sec. 7. Section 68A.304, Code 2005, is amended by adding  
6 the following new subsection:

7 NEW SUBSECTION. 3. Consumable campaign property may be  
8 disposed of in any manner by the candidate's committee. A  
9 candidate's committee shall not transfer consumable campaign  
10 property to another candidate without receiving fair market  
11 value compensation unless the candidate in both campaigns is  
12 the same person.

13 Sec. 8. Section 68A.402, subsection 6, paragraphs a and b,  
14 Code 2005, are amended to read as follows:

15 a. A state statutory political committee shall file a  
16 report on the same dates as a candidate's committee is  
17 required to file reports under subsection 2, ~~paragraph~~  
18 paragraphs "a" and ~~subsection-57-paragraph-"b"~~ "c".

19 b. A county statutory political committee shall file a  
20 report on the same dates as a candidate's committee is  
21 required to file reports under subsection 2, ~~paragraph~~  
22 paragraphs "a" and ~~subsection-57-paragraph-"b"~~ "c".

23 Sec. 9. Section 68A.402, subsection 7, paragraphs a and b,  
24 Code 2005, are amended to read as follows:

25 a. STATEWIDE OFFICE AND GENERAL ASSEMBLY ELECTIONS.

26 ELECTION YEAR. A political committee expressly advocating  
27 the nomination, election, or defeat of candidates for  
28 statewide office or the general assembly shall file a report  
29 on the same dates as a candidate's committee is required to  
30 file reports under subsection 2, paragraph "a".

31 NONELECTION YEAR. A political committee expressly  
32 advocating the nomination, election, or defeat of candidates  
33 for statewide office or the general assembly shall file a  
34 report as follows:

35 Report due:

Covering period:

1	<del>January 19</del> (next <u>July 19</u>	January 1 through
2	<del>calendar-year</del> )	June 30
3	<del>July 19</del> <u>January 19</u> (next	July 1 through
4	<del>calendar year</del> )	December 31

5 b. COUNTY ELECTIONS. A political committee expressly  
6 advocating the nomination, election, or defeat of candidates  
7 for county office shall file reports on the same dates as a  
8 candidate's committee is required to file reports under  
9 subsection 2, paragraph paragraphs "a", and subsection-5,  
10 paragraph-"b" "c".

11 Sec. 10. Section 68A.402, subsection 8, Code 2005, is  
12 amended to read as follows:

13 8. POLITICAL COMMITTEES -- BALLOT ISSUES. A political  
14 committee expressly advocating the passage or defeat of a  
15 ballot issue shall file reports ~~on-the-same-dates-as~~  
16 ~~candidates-for-city-office-are-required-to-file-reports-under~~  
17 ~~subsection-3- as follows:~~

18 a. ELECTION YEAR. Five days before the election covering  
19 the period of the date of initial activity through ten days  
20 before election.

21 b. NONELECTION YEAR. On January 19 of the next calendar  
22 year that covers the time period of nine days before the  
23 election through December 31.

24 Sec. 11. Section 68A.402, subsection 10, Code 2005, is  
25 amended to read as follows:

26 10. ELECTION YEAR DEFINED. As used in this section,  
27 "election year" means a year in which the name of the  
28 candidate or ballot issue that is expressly advocated for or  
29 against appears on any ballot to be voted on by the electors  
30 of the state of Iowa. For state and county statutory  
31 political committees, and all other political committees  
32 except for political committees that advocate for or against  
33 ballot issues, "election year" means a year in which primary  
34 and general elections are held.

35 Sec. 12. Section 68A.402B, subsection 2, paragraph b, Code

1 2005, is amended by striking the paragraph.

2 Sec. 13. Section 68A.404, subsection 1, Code 2005, is  
3 amended to read as follows:

4 1. As used in this section, "independent expenditure"  
5 means an-expenditure one or more expenditures in excess of  
6 seven hundred fifty dollars in the aggregate for a  
7 communication that expressly advocates the nomination,  
8 election, or defeat of a clearly identified candidate or the  
9 passage or defeat of a ballot issue that is made without the  
10 prior approval or coordination with a candidate, candidate's  
11 committee, or a ballot issue committee.

12 Sec. 14. Section 68A.404, subsection 2, Code 2005, is  
13 amended by striking the subsection and inserting in lieu  
14 thereof the following:

15 2. A person, other than a committee registered under this  
16 chapter, that makes one or more independent expenditures shall  
17 file an independent expenditure statement.

18 a. The filing of an independent expenditure statement  
19 under this section does not alone require the person filing  
20 the independent expenditure statement to register and file  
21 reports under sections 68A.201 and 68A.402.

22 b. This section does not apply to a candidate, candidate's  
23 committee, state statutory political committee, county  
24 statutory political committee, or a political committee.

25 Sec. 15. Section 68A.404, subsection 3, Code 2005, is  
26 amended by striking the subsection.

27 Sec. 16. Section 68A.405, subsection 2, paragraph b, Code  
28 2005, is amended to read as follows:

29 b. Small items upon which the inclusion of the statement  
30 is impracticable including, but not limited to, yard campaign  
31 signs, bumper stickers, pins, buttons, pens, political  
32 business cards, and matchbooks.

33 Sec. 17. Section 68A.406, subsection 1, paragraph f, Code  
34 2005, is amended to read as follows:

35 f. Property leased by a candidate, committee, or an

1 organization established to advocate the nomination, election,  
2 or defeat of a candidate or the passage or defeat of a ballot  
3 issue that has not yet registered pursuant to section 68A.201,  
4 when the property is used as campaign headquarters or a  
5 campaign office and the placement of the sign is limited to  
6 the space that is actually leased.

7 Sec. 18. Section 68A.406, subsection 2, Code 2005, is  
8 amended by adding the following new paragraphs:

9 NEW PARAGRAPH. e. Within three hundred feet of an  
10 absentee voting site during the hours when absentee ballots  
11 are available in the office of the county commissioner of  
12 elections as provided in section 53.10.

13 NEW PARAGRAPH. f. Within three hundred feet of a  
14 satellite absentee voting station during the hours when  
15 absentee ballots are available at the satellite absentee  
16 voting station as provided in section 53.11.

17 Sec. 19. Section 68A.406, subsection 3, Code 2005, is  
18 amended to read as follows:

19 3. Yard Campaign signs with dimensions of thirty-two  
20 square feet or less are exempt from the attribution statement  
21 requirement in section 68A.405. Campaign signs in excess of  
22 thirty-two square feet, or signs that are affixed to buildings  
23 or vehicles regardless of size except for bumper stickers, are  
24 required to include the attribution statement required by  
25 section 68A.405. The placement or erection of yard campaign  
26 signs shall be exempt from the requirements of chapter 480  
27 relating to underground facilities organization information.

28 Sec. 20. Section 68A.503, subsection 4, paragraph c, Code  
29 2005, is amended to read as follows:

30 c. The placement of yard campaign signs under section  
31 68A.406.

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Chair: Raecker  
Paulsen  
Burke

HSB 65  
STATE GOVERNMENT

F 10 3/2  
SENATE/HOUSE FILE \_\_\_\_\_

BY (PROPOSED ETHICS AND  
CAMPAIGN DISCLOSURE BOARD  
BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to campaign finance committee reporting, use of  
2 committee funds or property, independent expenditures,  
3 placement of campaign signs, and use of public resources.

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

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1 Section 1. Section 68A.102, subsection 9, Code 2005, is  
2 amended to read as follows:

3 9. "Consultant" means a person who provides or procures  
4 services for-or-on-behalf-of-a-candidate including but not  
5 limited to consulting, public relations, advertising,  
6 fundraising, polling, managing or organizing services.

7 Sec. 2. Section 68A.203, subsection 2, Code 2005, is  
8 amended to read as follows:

9 2. An individual who receives contributions for a  
10 committee without the prior authorization of the chairperson  
11 of the committee or the candidate shall be responsible for  
12 either rendering the contributions to the treasurer within  
13 fifteen days of the date of receipt of the contributions, or  
14 depositing the contributions in the account maintained by the  
15 committee within seven days of the date of receipt of the  
16 contributions. A person who receives contributions for a  
17 committee shall, not later than fifteen days from the date of  
18 receipt of the contributions or on demand of the treasurer,  
19 render to the treasurer the contributions and an account of  
20 the total of all contributions, including the name and address  
21 of each person making a contribution in excess of ten dollars,  
22 the amount of the contributions, and the date on which the  
23 contributions were received. The treasurer shall deposit all  
24 contributions within seven days of receipt by the treasurer in  
25 an account maintained by the committee. All funds of a  
26 committee shall be segregated from any other funds held by  
27 officers, members, or associates of the committee or the  
28 committee's candidate. However, if a candidate's committee  
29 receives contributions only from the candidate, or if a  
30 permanent organization temporarily engages in activity which  
31 qualifies it as a political committee and all expenditures of  
32 the organization are made from existing general operating  
33 funds and funds are not solicited or received for this purpose  
34 from sources other than operating funds, then that committee  
35 is not required to maintain a separate account in a financial

1 institution. Committee funds or committee property shall not  
2 be used for the personal benefit of an officer, member, or  
3 associate of the committee. The funds of a committee are not  
4 attachable for the personal debt of the committee's candidate  
5 or an officer, member, or associate of the committee.

6 Sec. 3. Section 68A.304, Code 2005, is amended by adding  
7 the following new subsection:

8 NEW SUBSECTION. 3. Consumable campaign property may be  
9 disposed of in any manner by the candidate's committee. A  
10 candidate's committee shall not transfer consumable campaign  
11 property to another candidate without receiving fair market  
12 value compensation unless the candidate in both campaigns is  
13 the same person.

14 Sec. 4. Section 68A.304, subsection 1, paragraph d, Code  
15 2005, is amended to read as follows:

16 d. Consumable campaign property is not required to be  
17 reported as committee inventory, regardless of the initial  
18 value of the consumable campaign property. "Consumable  
19 campaign property", for purposes of this section, means  
20 stationery, yard campaign signs, and other campaign materials  
21 that have been permanently imprinted to be specific to a  
22 candidate or election.

23 Sec. 5. Section 68A.402, subsection 6, paragraphs a and b,  
24 Code 2005, are amended to read as follows:

25 a. A state statutory political committee shall file a  
26 report on the same dates as a candidate's committee is  
27 required to file reports under subsection 2, paragraph  
28 paragraphs "a", and subsection-57-paragraph-"b" "c".

29 b. A county statutory political committee shall file a  
30 report on the same dates as a candidate's committee is  
31 required to file reports under subsection 2, paragraph  
32 paragraphs "a", and subsection-57-paragraph-"b" "c".

33 Sec. 6. Section 68A.402, subsection 7, paragraphs a and b,  
34 Code 2005, are amended to read as follows:

35 a. STATEWIDE OFFICE AND GENERAL ASSEMBLY ELECTIONS.

1 ELECTION YEAR. A political committee expressly advocating  
2 the nomination, election, or defeat of candidates for  
3 statewide office or the general assembly shall file a report  
4 on the same dates as a candidate's committee is required to  
5 file reports under subsection 2, paragraph "a".

6 NONELECTION YEAR. A political committee expressly  
7 advocating the nomination, election, or defeat of candidates  
8 for statewide office or the general assembly shall file a  
9 report as follows:

10 Report due:	Covering period:
11 <del>January-19-(next</del> <u>July 19</u>	January 1 through
12 <del>calendar-year)</del>	June 30
13 <del>July-19</del> <u>January 19</u> (next	July 1 through
14 <del>calendar year)</del>	December 31

15 b. COUNTY ELECTIONS. A political committee expressly  
16 advocating the nomination, election, or defeat of candidates  
17 for county office shall file reports on the same dates as a  
18 candidate's committee is required to file reports under  
19 subsection 2, paragraph ~~paragraphs~~ "a", and subsection-5,  
20 ~~paragraph-"b"~~ "c".

21 Sec. 7. Section 68A.402, subsection 8, Code 2005, is  
22 amended to read as follows:

23 8. POLITICAL COMMITTEES -- BALLOT ISSUES. A political  
24 committee expressly advocating the passage or defeat of a  
25 ballot issue shall file reports ~~on-the-same-dates-as~~  
26 ~~candidates-for-city-office-are-required-to-file-reports-under~~  
27 ~~subsection-3:~~ as follows:

28 a. ELECTION YEAR. Five days before the election covering  
29 the period of the date of initial activity through ten days  
30 before election.

31 b. NONELECTION YEAR. On January 19 of the next calendar  
32 year that covers the time period of nine days before the  
33 election through December 31.

34 Sec. 8. Section 68A.402, subsection 10, Code 2005, is  
35 amended to read as follows:

1     10. ELECTION YEAR DEFINED. As used in this section,  
2 "election year" means a year in which the name of the  
3 candidate or ballot issue that is expressly advocated for or  
4 against appears on any ballot to be voted on by the electors  
5 of the state of Iowa. For state and county statutory  
6 political committees, and all other political committees  
7 except for political committees that advocate for or against  
8 ballot issues, "election year" means a year in which primary  
9 and general elections are held.

10     Sec. 9. Section 68A.404, subsection 1, Code 2005, is  
11 amended to read as follows:

12     1. As used in this section, "independent expenditure"  
13 means an-expenditure one or more expenditures in excess of  
14 seven hundred fifty dollars in the aggregate for a  
15 communication that expressly advocates the nomination,  
16 election, or defeat of a clearly identified candidate or the  
17 passage or defeat of a ballot issue that is made without the  
18 prior approval or coordination with a candidate, candidate's  
19 committee, or a ballot issue committee.

20     Sec. 10. Section 68A.404, subsection 2, Code 2005, is  
21 amended by striking the subsection and inserting in lieu  
22 thereof the following:

23     2. A person, other than a committee registered under this  
24 chapter, that makes one or more independent expenditures shall  
25 file an independent expenditure statement.

26     a. The filing of an independent expenditure statement  
27 under this section does not alone require the person filing  
28 the independent expenditure statement to register and file  
29 reports under sections 68A.201 and 68A.402.

30     b. This section does not apply to a candidate, candidate's  
31 committee, state statutory political committee, county  
32 statutory political committee, or a political committee.

33     Sec. 11. Section 68A.404, subsection 3, Code 2005, is  
34 amended by striking the subsection.

35     Sec. 12. Section 68A.405, subsection 2, paragraph b, Code

1 2005, is amended to read as follows:

2 b. Small items upon which the inclusion of the statement  
3 is impracticable including, but not limited to, yard campaign  
4 signs, bumper stickers, pins, buttons, pens, political  
5 business cards, and matchbooks.

6 Sec. 13. Section 68A.406, subsection 1, paragraph f, Code  
7 2005, is amended to read as follows:

8 f. Property leased by a candidate, committee, or an  
9 organization established to advocate the nomination, election,  
10 or defeat of a candidate or the passage or defeat of a ballot  
11 issue that has not yet registered pursuant to section 68A.201,  
12 when the property is used as campaign headquarters or a  
13 campaign office and the placement of the sign is limited to  
14 the space that is actually leased.

15 Sec. 14. Section 68A.406, subsection 2, Code 2005, is  
16 amended by adding the following new paragraphs:

17 NEW PARAGRAPH. e. Within thirty feet of an absentee  
18 voting site during the hours when absentee ballots are  
19 available in the office of the county commissioner of  
20 elections as provided in section 53.10.

21 NEW PARAGRAPH. f. Within thirty feet of a satellite  
22 absentee voting station during the hours when absentee ballots  
23 are available at the satellite absentee voting station as  
24 provided in section 53.11.

25 Sec. 15. Section 68A.406, subsection 3, Code 2005, is  
26 amended to read as follows:

27 3. Yard Campaign signs with dimensions of thirty-two  
28 square feet or less are exempt from the attribution statement  
29 requirement in section 68A.405. Campaign signs in excess of  
30 thirty-two square feet, or signs that are affixed to buildings  
31 or vehicles regardless of size except for bumper stickers, are  
32 required to include the attribution statement required by  
33 section 68A.405. The placement or erection of yard campaign  
34 signs shall be exempt from the requirements of chapter 480  
35 relating to underground facilities organization information.

1 Sec. 16. Section 68A.503, subsection 4, paragraph c, Code  
2 2005, is amended to read as follows:

3 c. The placement of yard campaign signs under section  
4 68A.406.

5 Sec. 17. Section 68A.505, Code 2005, is amended to read as  
6 follows:

7 68A.505 USE OF PUBLIC MONEYS RESOURCES FOR POLITICAL  
8 PURPOSES.

9 The state and the governing body of a county, city, or  
10 other political subdivision of the state shall not expend use  
11 or permit the expenditure use of public moneys resources for  
12 political purposes, including expressly advocating the passage  
13 or defeat of a ballot issue.

14 This section shall not be construed to limit the freedom of  
15 speech of officials or employees of the state or of officials  
16 or employees of a governing body of a county, city, or other  
17 political subdivision of the state. This section also shall  
18 not be construed to prohibit the state or a governing body of  
19 a political subdivision of the state from expressing an  
20 opinion on a ballot issue through the passage of a resolution  
21 or proclamation.

22 **EXPLANATION**

23 This bill contains a variety of revisions to the campaign  
24 finance laws. The bill redefines consultant to include a  
25 person providing services not only to a candidate, but also to  
26 a person providing services to a ballot issue committee or a  
27 political committee. Concerning the permissible use of  
28 campaign contributions and property, this bill prohibits the  
29 use of committee funds or property for the personal benefit of  
30 committee officers, members, or associates. Consumable  
31 campaign property cannot be transferred to another candidate  
32 for less than fair market value compensation.

33 The bill establishes a requirement that state and county  
34 statutory political committees must file reports on the same  
35 dates required for a candidate's committee in both election

1 and nonelection years.

2 The bill changes the reporting deadline for a political  
3 committee expressly advocating the nomination, election, or  
4 defeat of candidates for statewide office or the general  
5 assembly. In nonelection years the deadline for reporting,  
6 for the period of the first half of the calendar year, was  
7 January 19 of the following year, over six months after the  
8 period ended. In this revision the deadline is moved up to  
9 July 19, 19 days after the reporting period ends.

10 The bill changes the reporting deadline for a ballot issue  
11 political committee. In an election year the committee must  
12 file a report five days before the election covering the  
13 period of the date of initial activity through 10 days before  
14 election. In nonelection years the report must be filed on  
15 January 19 of the next calendar year that covers the time  
16 period of nine days before the election through December 31.

17 The bill amends the meaning of the term "election year" for  
18 reporting purposes. Except for a ballot issue committee, the  
19 term means a year in which primary and general elections are  
20 held.

21 Relating to independent expenditures, the bill defines the  
22 term to include one or more expenditures in excess of \$750 in  
23 the aggregate. It also expands the coverage of the term to  
24 include the nomination of a candidate as well as the election  
25 or defeat of a candidate or the passage or defeat of the  
26 ballot issue.

27 The bill amends current statutory language relating to  
28 "ballot issue" campaign signs placed on property leased by a  
29 candidate, committee, or an organization. The current  
30 language is expanded to include campaign signs advocating the  
31 nomination, election, or defeat of a candidate.

32 The bill recites in Code section 68A.406(2) the Code  
33 chapter 53 prohibition of placement of campaign signs within  
34 30 feet of the absentee voting site or satellite absentee  
35 voting station during the hours when absentee ballots are

1 available in the office of the county commissioner of  
2 elections or the voting station, respectively. The bill also  
3 corrects a reference from yard signs to campaign signs.

4 Lastly, the bill revises a current prohibition against  
5 using public moneys for political purposes, to more generally  
6 prohibit the use of public resources for political purposes.

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# IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD

An Independent Agency of the Executive Branch

W. CHARLES SMITHSON  
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**BOARD MEMBERS:**  
James Albert, Chair  
Janet Carl, Vice-Chair  
Gerald Sullivan  
Betty Roe  
John Walsh  
Patricia Harper

**TO: MEMBERS OF 2005 IOWA GENERAL ASSEMBLY**  
**FROM: CHARLIE SMITHSON, ETHICS BOARD DIRECTOR & COUNSEL**  
**DATE: JANUARY 7, 2005**  
**Re: PROPOSED TECHNICAL AMENDMENTS TO CAMPAIGN LAWS**

On behalf of the Iowa Ethics and Campaign Disclosure Board, I hereby respectfully submit the Board's 2005 agency bill concerning technical amendments to the campaign laws in Iowa Code chapter 68A. The proposals in the bill are for the following purposes:

Section 1 resolves a statutory conflict between the definition of "consultant" that applies to work done only on behalf of a candidate and the requirement in the campaign laws for all campaign committees to report activities conducted by consultants.

Section 2 prohibits an officer of a PAC or party committee from using campaign funds or property for the officer's personal benefit. This prohibition already applies to a candidate's committee.

Section 3 codifies the Board's current policy concerning the prohibition on the transfer of consumable campaign property between candidates (permissible if payment is made).

Section 4 changes "yard sign" to "campaign sign."

Sections 5-8 correct legislation passed last year concerning reporting due dates.

Sections 9-11 make the current law on independent expenditure statements easier to read.

Section 12 changes "yard sign" to "campaign sign."

Section 13 permits organizations involved with candidate campaigns to place signs on property used as the campaign headquarters by the organization. Currently only organizations involved with ballot issues are permitted to do so.

Section 14 mirrors current election law language involving campaign signs within so many feet of absentee voting stations. This continues the legislative effort to put all campaign sign issues into one comprehensive campaign sign statute.

Section 15 changes "yard sign" to "campaign sign." Also inserts the word "information" for "organization" concerning the erection of campaign signs and underground facilities.

Section 16 changes "yard sign" to "campaign sign."

Section 17 changes the use of public "moneys" to "resources" concerning the prohibition on the use of public moneys for political purposes. This codifies current Board rules.

HOUSE FILE 312

AN ACT

RELATING TO CAMPAIGN FINANCE COMMITTEE REPORTING, USE OF  
COMMITTEE FUNDS OR PROPERTY, INDEPENDENT EXPENDITURES, AND  
PLACEMENT OF CAMPAIGN SIGNS.

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

Section 1. Section 53.10, unnumbered paragraph 3, Code 2005, is amended to read as follows:

During the hours when absentee ballots are available in the office of the commissioner, the posting of political signs is prohibited within thirty three hundred feet of the absentee voting site. No electioneering shall be allowed within the sight or hearing of voters at the absentee voting site.

Sec. 2. Section 53.11, subsection 4, Code 2005, is amended to read as follows:

4. During the hours when absentee ballots are available at a satellite absentee voting station, the posting of political signs is prohibited within thirty three hundred feet of the satellite absentee voting station. Electioneering shall not be allowed within the sight or hearing of voters at the satellite absentee voting station.

Sec. 3. Section 68A.102, subsection 9, Code 2005, is amended to read as follows:

9. "Consultant" means a person who provides or procures services for-or-on-behalf-of-a-candidate including but not limited to consulting, public relations, advertising, fundraising, polling, managing or organizing services.

Sec. 4. Section 68A.102, subsection 12, Code 2005, is amended to read as follows:

12. "County statutory political committee" means a committee as defined described in section 43.100 that accepts contributions in excess of seven hundred fifty dollars in the aggregate, makes expenditures in excess of seven hundred fifty dollars in the aggregate, or incurs indebtedness in excess of seven hundred fifty dollars in the aggregate in any one calendar year to expressly advocate the nomination, election, or defeat of a candidate for public office.

Sec. 5. Section 68A.203, subsection 2, Code 2005, is amended to read as follows:

2. An individual who receives contributions for a committee without the prior authorization of the chairperson of the committee or the candidate shall be responsible for either rendering the contributions to the treasurer within fifteen days of the date of receipt of the contributions, or depositing the contributions in the account maintained by the committee within seven days of the date of receipt of the contributions. A person who receives contributions for a committee shall, not later than fifteen days from the date of receipt of the contributions or on demand of the treasurer, render to the treasurer the contributions and an account of the total of all contributions, including the name and address of each person making a contribution in excess of ten dollars, the amount of the contributions, and the date on which the contributions were received. The treasurer shall deposit all contributions within seven days of receipt by the treasurer in an account maintained by the committee. All funds of a committee shall be segregated from any other funds held by officers, members, or associates of the committee or the committee's candidate. However, if a candidate's committee receives contributions only from the candidate, or if a permanent organization temporarily engages in activity which qualifies it as a political committee and all expenditures of the organization are made from existing general operating funds and funds are not solicited or received for this purpose

from sources other than operating funds, then that committee is not required to maintain a separate account in a financial institution. Committee funds or committee property shall not be used for the personal benefit of an officer, member, or associate of the committee. The funds of a committee are not attachable for the personal debt of the committee's candidate or an officer, member, or associate of the committee.

Sec. 6. Section 68A.304, subsection 1, paragraph d, Code 2005, is amended to read as follows:

d. Consumable campaign property is not required to be reported as committee inventory, regardless of the initial value of the consumable campaign property. "Consumable campaign property", for purposes of this section, means stationery, yard campaign signs, and other campaign materials that have been permanently imprinted to be specific to a candidate or election.

Sec. 7. Section 68A.304, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Consumable campaign property may be disposed of in any manner by the candidate's committee. A candidate's committee shall not transfer consumable campaign property to another candidate without receiving fair market value compensation unless the candidate in both campaigns is the same person.

Sec. 8. Section 68A.402, subsection 6, paragraphs a and b, Code 2005, are amended to read as follows:

a. A state statutory political committee shall file a report on the same dates as a candidate's committee is required to file reports under subsection 2, paragraph paragraphs "a", and subsection-5, paragraph-"b" "c".

b. A county statutory political committee shall file a report on the same dates as a candidate's committee is required to file reports under subsection 2, paragraph paragraphs "a", and subsection-5, paragraph-"b" "c".

Sec. 9. Section 68A.402, subsection 7, paragraphs a and b, Code 2005, are amended to read as follows:

a. STATEWIDE OFFICE AND GENERAL ASSEMBLY ELECTIONS.

ELECTION YEAR. A political committee expressly advocating the nomination, election, or defeat of candidates for statewide office or the general assembly shall file a report on the same dates as a candidate's committee is required to file reports under subsection 2, paragraph "a".

NONELECTION YEAR. A political committee expressly advocating the nomination, election, or defeat of candidates for statewide office or the general assembly shall file a report as follows:

Report due:	Covering period:
January-19-(next <u>July 19</u> calendar-year)	January 1 through June 30
<del>July-19</del> <u>January 19</u> (next calendar year)	July 1 through December 31

b. COUNTY ELECTIONS. A political committee expressly advocating the nomination, election, or defeat of candidates for county office shall file reports on the same dates as a candidate's committee is required to file reports under subsection 2, paragraph paragraphs "a", and subsection-5, paragraph-"b" "c".

Sec. 10. Section 68A.402, subsection 8, Code 2005, is amended to read as follows:

8. POLITICAL COMMITTEES -- BALLOT ISSUES. A political committee expressly advocating the passage or defeat of a ballot issue shall file reports ~~on-the-same-dates-as candidates-for-city-office-are-required-to-file-reports-under subsection-3~~ as follows:

a. ELECTION YEAR. Five days before the election covering the period of the date of initial activity through ten days before election.

b. NONELECTION YEAR. On January 19 of the next calendar year that covers the time period of nine days before the election through December 31.

Sec. 11. Section 68A.402, subsection 10, Code 2005, is amended to read as follows:

10. ELECTION YEAR DEFINED. As used in this section, "election year" means a year in which the name of the candidate or ballot issue that is expressly advocated for or against appears on any ballot to be voted on by the electors of the state of Iowa. For state and county statutory political committees, and all other political committees except for political committees that advocate for or against ballot issues, "election year" means a year in which primary and general elections are held.

Sec. 12. Section 68A.402B, subsection 2, paragraph b, Code 2005, is amended by striking the paragraph.

Sec. 13. Section 68A.404, subsection 1, Code 2005, is amended to read as follows:

1. As used in this section, "independent expenditure" means an expenditure one or more expenditures in excess of seven hundred fifty dollars in the aggregate for a communication that expressly advocates the nomination, election, or defeat of a clearly identified candidate or the passage or defeat of a ballot issue that is made without the prior approval or coordination with a candidate, candidate's committee, or a ballot issue committee.

Sec. 14. Section 68A.404, subsection 2, Code 2005, is amended by striking the subsection and inserting in lieu thereof the following:

2. A person, other than a committee registered under this chapter, that makes one or more independent expenditures shall file an independent expenditure statement.

a. The filing of an independent expenditure statement under this section does not alone require the person filing the independent expenditure statement to register and file reports under sections 68A.201 and 68A.402.

b. This section does not apply to a candidate, candidate's committee, state statutory political committee, county statutory political committee, or a political committee.

Sec. 15. Section 68A.404, subsection 3, Code 2005, is amended by striking the subsection.

Sec. 16. Section 68A.405, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. Small items upon which the inclusion of the statement is impracticable including, but not limited to, yard campaign signs, bumper stickers, pins, buttons, pens, political business cards, and matchbooks.

Sec. 17. Section 68A.406, subsection 1, paragraph f, Code 2005, is amended to read as follows:

f. Property leased by a candidate, committee, or an organization established to advocate the nomination, election, or defeat of a candidate or the passage or defeat of a ballot issue that has not yet registered pursuant to section 68A.201, when the property is used as campaign headquarters or a campaign office and the placement of the sign is limited to the space that is actually leased.

Sec. 18. Section 68A.406, subsection 2, Code 2005, is amended by adding the following new paragraphs:

NEW PARAGRAPH. e. Within three hundred feet of an absentee voting site during the hours when absentee ballots are available in the office of the county commissioner of elections as provided in section 53.10.

NEW PARAGRAPH. f. Within three hundred feet of a satellite absentee voting station during the hours when absentee ballots are available at the satellite absentee voting station as provided in section 53.11.

Sec. 19. Section 68A.406, subsection 3, Code 2005, is amended to read as follows:

3. Yard Campaign signs with dimensions of thirty-two square feet or less are exempt from the attribution statement requirement in section 68A.405. Campaign signs in excess of thirty-two square feet, or signs that are affixed to buildings or vehicles regardless of size except for bumper stickers, are required to include the attribution statement required by

section 68A.405. The placement or erection of yard campaign signs shall be exempt from the requirements of chapter 480 relating to underground facilities organization information.

Sec. 20. Section 68A.503, subsection 4, paragraph c, Code 2005, is amended to read as follows:

c. The placement of yard campaign signs under section 68A.406.

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CHRISTOPHER C. RANTS  
Speaker of the House

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JOHN P. KIBBIE  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 312, Eighty-first General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

Approved 4/28, 2005

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THOMAS J. VILSACK  
Governor