

MAR 1 1 2005  
Place On Calendar

HOUSE FILE 727  
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 62)

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

**A BILL FOR**

- 1 An Act relating to activities by lobbyists and clients of  
2 lobbyists and providing an effective date.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

**HOUSE FILE 727**

**H-1092**

- 1 Amend House File 727 as follows:  
2 1. Page 3, by inserting after line 6 the  
3 following:  
4 "Sec. \_\_\_\_ . NEW SECTION. 99F.4D MORATORIUM FOR  
5 ISSUANCE OF LICENSES FOR GAMBLING GAMES.  
6 1. Commencing July 1, 2005, the commission shall  
7 not issue a license to conduct gambling games on an  
8 excursion boat or at a pari-mutuel racetrack pursuant  
9 to this chapter. However, this moratorium shall not  
10 apply to the granting of a table games license as  
11 provided by this chapter.  
12 2. This section does not affect the validity of a  
13 license issued by the commission pursuant to this  
14 chapter before July 1, 2005, or the authority of the  
15 commission to suspend, revoke, transfer, or renew a  
16 license issued before July 1, 2005, pursuant to  
17 chapter 99D or this chapter."  
18 2. Title page, line 1, by inserting after the  
19 word "to" the following: "state regulatory issues by  
20 imposing a moratorium on the issuance of licenses for  
21 gambling games and regulating the".

By CARROLL of Poweshiek

**H-1092** FILED MARCH 16, 2005

TLSB 1199HV 81

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HS 727

1 Section 1. Section 68B.2, subsection 13, paragraph a, Code  
2 2005, is amended to read as follows:

3 a. "Lobbyist" means an individual who, by acting directly,  
4 does any of the following:

5 (1) Receives compensation to encourage the passage,  
6 defeat, approval, veto, or modification of legislation, a  
7 rule, ~~or~~ an executive order, or the receipt or denial of a  
8 pari-mutuel wagering or gambling license under chapter 99D or  
9 99F by the members of the general assembly, a state agency, or  
10 any statewide elected official.

11 (2) Is a designated representative of an organization  
12 which has as one of its purposes the encouragement of the  
13 passage, defeat, approval, veto, or modification of  
14 legislation, a rule, ~~or~~ an executive order, or the receipt or  
15 denial of a pari-mutuel wagering or gambling license under  
16 chapter 99D or 99F before the general assembly, a state  
17 agency, or any statewide elected official.

18 (3) Represents the position of a federal, state, or local  
19 government agency, in which the person serves or is employed  
20 as the designated representative, for purposes of encouraging  
21 the passage, defeat, approval, veto, or modification of  
22 legislation, a rule, ~~or~~ an executive order, or the receipt or  
23 denial of a pari-mutuel wagering or gambling license under  
24 chapter 99D or 99F by members of the general assembly, a state  
25 agency, or any statewide elected official.

26 (4) Makes expenditures of more than one thousand dollars  
27 in a calendar year, other than to pay compensation to an  
28 individual who provides the services specified under  
29 subparagraph (1) or to communicate with only the members of  
30 the general assembly who represent the district in which the  
31 individual resides, to communicate in person with members of  
32 the general assembly, a state agency, or any statewide elected  
33 official for purposes of encouraging the passage, defeat,  
34 approval, veto, or modification of legislation, a rule, ~~or~~ an  
35 executive order, or the receipt or denial of a pari-mutuel

1 wagering or gambling license under chapter 99D or 99F.

2 Sec. 2. Section 68B.37, subsection 1, paragraph a, Code  
3 2005, is amended to read as follows:

4 a. The lobbyist's clients before the general assembly.

5 Sec. 3. Section 68B.37, subsection 1, paragraph d,  
6 unnumbered paragraph 1, Code 2005, is amended to read as  
7 follows:

8 Expenditures made by the lobbyist for the purposes of  
9 providing the services enumerated under section 68B.2,  
10 subsection 13, paragraph "a", before the general assembly.

11 Sec. 4. Section 68B.37, subsection 2, Code 2005, is  
12 amended to read as follows:

13 2. A lobbyist before a state agency or the office of the  
14 governor shall file with the board, on forms prescribed by the  
15 board, a report disclosing ~~the same items described in~~  
16 subsection 1- all of the following:

17 a. The lobbyist's clients before the executive branch.

18 b. Contributions made to candidates for state office by  
19 the lobbyist during calendar months during the reporting  
20 period when the general assembly is not in session.

21 c. The recipient of the campaign contributions.

22 d. Expenditures made by the lobbyist for the purposes of  
23 providing the services enumerated under section 68B.2,  
24 subsection 13, paragraph "a", before the executive branch.

25 For purposes of this subsection, "expenditures" does not  
26 include expenditures made by any organization for publishing a  
27 newsletter or other informational release for its members.

28 Sec. 5. Section 68B.38, subsection 1, Code 2005, is  
29 amended to read as follows:

30 1. a. On or before ~~July~~ January 31 of each year, a  
31 lobbyist's client shall file with the general assembly or  
32 board a report that contains information on all salaries,  
33 fees, retainers, and reimbursement of expenses paid or  
34 anticipated to be paid by the lobbyist's client to the  
35 lobbyist for lobbying purposes during the preceding ~~twelve~~

1 ~~calendar-months, concluding on June 30 of each year~~ calendar  
2 year.

3 b. The report filed on or before January 31, 2006, shall  
4 include information for the time period commencing on July 1,  
5 2004, and ending on December 31, 2005. This paragraph is  
6 repealed July 1, 2006.

7 Sec. 6. EFFECTIVE DATE. Section 1 of this Act, being  
8 deemed of immediate importance, takes effect upon enactment.

9 EXPLANATION

10 This bill relates to activities by lobbyists and clients of  
11 lobbyists.

12 The bill expands the types of activities that define a  
13 person as acting as a lobbyist to include encouraging the  
14 passage, defeat, approval, veto, or modification of the  
15 receipt or denial of a pari-mutuel wagering or gambling  
16 license under Code chapter 99D or 99F. These provisions take  
17 effect upon enactment.

18 The bill amends lobbyist reporting requirements. The bill  
19 provides that a lobbyist before a state agency or the office  
20 of the governor shall file a report with the ethics and  
21 campaign disclosure board disclosing the lobbyist's clients  
22 before the executive branch, contributions made to candidates  
23 for state office by the lobbyist during calendar months during  
24 the reporting period when the general assembly is not in  
25 session, the recipient of the campaign contributions, and  
26 expenditures made by the lobbyist for the purposes of  
27 providing services as a lobbyist.

28 Currently, a lobbyist's client is required to file a report  
29 with the general assembly or the board on or before July 31 of  
30 each year. The bill changes the filing date to on or before  
31 January 31 of each year. The bill provides that the report  
32 filed on or before January 31, 2006, shall include information  
33 for the time period commencing on July 1, 2004, and ending on  
34 December 31, 2005.

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Chair: ~~Robert~~ Raecker  
Gaskill  
Roberts

HSB 62  
STATE GOVERNMENT

3F O 727

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 the ethical conduct of state and local  
2 officials and employees.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 68B.2B EXECUTIVE BRANCH  
2 COMPENSATION.

3 An official or state employee shall not receive  
4 compensation for engaging in the performance of the person's  
5 official state duties and functions from any entity other than  
6 the state agency headed by the official or the state agency  
7 with which the state employee is employed.

8 Sec. 2. Section 68B.26, Code 2005, is amended to read as  
9 follows:

10 68B.26 ACTIONS COMMENCED.

11 Complaints regarding conduct of local officials or local  
12 employees, except for persons elected to county office or  
13 employed by a county, which violates this chapter shall be  
14 filed with the county attorney in the county where the accused  
15 resides. ~~However, if the county attorney is the person~~  
16 ~~against whom the complaint is filed, or if the county attorney~~  
17 ~~otherwise has a personal or legal conflict of interest, the~~  
18 ~~complaint shall be referred to another county attorney.~~

19 Sec. 3. Section 68B.32, subsection 1, Code 2005, is  
20 amended to read as follows:

21 1. An Iowa ethics and campaign disclosure board is  
22 established as an independent agency. ~~Effective January 1,~~  
23 ~~1994, the~~ The board shall administer this chapter and set  
24 standards for, investigate complaints relating to, and monitor  
25 the ethics of officials, employees, lobbyists, and candidates  
26 for office in the executive branch of state government, and  
27 persons elected to county office or employed by a county. The  
28 board shall also administer and set standards for, investigate  
29 complaints relating to, and monitor the campaign finance  
30 practices of candidates for public office. The board shall  
31 consist of six members and shall be balanced as to political  
32 affiliation as provided in section 69.16. The members shall  
33 be appointed by the governor, subject to confirmation by the  
34 senate.

35 Sec. 4. Section 68B.32A, subsection 12, Code 2005, is

1 amended to read as follows:

2 12. Establish rules relating to ethical conduct for  
3 persons holding a state office in the executive branch of  
4 state government, including candidates, ~~and~~ for employees of  
5 the executive branch of state government, and for persons  
6 elected to county office or employed by a county, and  
7 regulations governing the conduct of lobbyists of the  
8 executive branch of state government, including but not  
9 limited to conflicts of interest, abuse of office, misuse of  
10 public property, use of confidential information,  
11 participation in matters in which an official, ~~or~~ state  
12 employee, or a person elected to county office or employed by  
13 a county has a financial interest, and rejection of improper  
14 offers.

15 Sec. 5. Section 68B.32B, subsection 1, Code 2005, is  
16 amended to read as follows:

17 1. Any person may file a complaint alleging that a  
18 candidate, committee, person holding a state office in the  
19 executive branch of state government, employee of the  
20 executive branch of state government, or other person has  
21 committed a violation of chapter 68A or rules adopted by the  
22 board. Any person may file a complaint alleging that a person  
23 holding a state office in the executive branch of state  
24 government, an employee of the executive branch of state  
25 government, a person holding an elected county office or  
26 employed by a county, or a lobbyist or a client of a lobbyist  
27 of the executive branch of state government has committed a  
28 violation of this chapter or rules adopted by the board. The  
29 board shall prescribe and provide forms for this purpose. A  
30 complaint must include the name and address of the  
31 complainant, a statement of the facts believed to be true that  
32 form the basis of the complaint, including the sources of  
33 information and approximate dates of the acts alleged, and a  
34 certification by the complainant under penalty of perjury that  
35 the facts stated to be true are true to the best of the

1 complainant's knowledge.

2 Sec. 6. Section 68B.32D, subsection 1, paragraph f, Code  
3 2005, is amended to read as follows:

4 f. If the violation is a violation of this chapter or  
5 rules adopted by the board pursuant to this chapter and the  
6 violator is an elected official of the executive branch of  
7 state government or an elected official of county government,  
8 other than an official who can only be removed by impeachment,  
9 make a written recommendation to the attorney general or the  
10 appropriate county attorney that an action for removal from  
11 office be initiated pursuant to chapter 66.

12 EXPLANATION

13 This bill relates to the ethical conduct of state and local  
14 officials and employees.

15 The bill provides that an official or state employee shall  
16 not receive compensation for engaging in the performance of  
17 the person's official state duties from any entity other than  
18 the state agency headed by the official or the state agency  
19 with which the state employee is employed.

20 The bill provides that complaints regarding ethical conduct  
21 for persons elected to county office or employed by a county  
22 are to be filed with and investigated by the Iowa ethics and  
23 campaign disclosure board. Currently, such complaints  
24 regarding ethical conduct are filed with and investigated by  
25 the county attorney in the county where the accused resides.

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# IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD

An Independent Agency of the Executive Branch

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

**TO: 2005 IOWA GENERAL ASSEMBLY**  
**FROM: CHARLIE SMITHSON, ETHICS BOARD DIRECTOR & COUNSEL**  
**DATE: DECEMBER 28, 2004**  
**Re: PROPOSED SUBSTANTIVE AMENDMENTS TO ETHICS LAWS**

On behalf of the Iowa Ethics and Campaign Disclosure Board, I respectfully submit the Board's 2005 agency bill for substantive amendments to the ethics laws in Iowa Code chapter 68B. The proposals in the bill are as follows:

1. Prohibits executive branch officials and employees from receiving compensation from any entity other than the government for performing their official state duties. This strengthens the conflict of interest provisions and helps ensure that governmental decisions are being made free from improper influences.
2. Moves the filing of complaints concerning the ethics of county officials and employees from the office of the county attorney where the accused resides to the Ethics Board. Currently, the Board may issue advice to county officials and employees concerning the application of the ethics laws, but does not have the jurisdiction to receive complaints or impose sanctions for violations of those laws by county officials or employees. This helps address the recent problems concerning the ethical conduct of county officials and employees as reported by the media.