

FILED FEB 21 2006

STATE GOVERNMENT

SENATE FILE 2242
BY QUIRMBACH

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

A BILL FOR

1 An Act relating to ethics concerning certain exceptions under the
2 gift law and reporting by lobbyists.

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

STATE GOVERNMENT

SF 2242

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1 Section 1. Section 68B.22, subsection 4, paragraphs i and
2 r, Code Supplement 2005, are amended to read as follows:

3 i. Nonmonetary items with a value of ~~three~~ four dollars or
4 less that are received from any one donor during one calendar
5 day.

6 r. Gifts of food, beverage, and entertainment received by
7 public officials or public employees at a function where every
8 member of the general assembly has been invited to attend,
9 when the function takes place during a regular session of the
10 general assembly, provided the cost of food, beverage, and
11 entertainment for the function does not exceed four dollars
12 per person attending the function. A sponsor of a function
13 under this paragraph shall file a report disclosing the total
14 amount expended, including in-kind expenditures, on food,
15 beverage, and entertainment for the function. The report
16 shall be filed with the person or persons designated by the
17 secretary of the senate and the chief clerk of the house
18 within five business days following the date of the function.
19 The person or persons designated by the secretary of the
20 senate and the chief clerk of the house shall forward a copy
21 of each report to the board.

22 Sec. 2. Section 68B.22, subsection 8, Code Supplement
23 2005, is amended to read as follows:

24 8. Except as otherwise provided in subsection 4, an
25 organization or association which has as one of its purposes
26 the encouragement of the passage, defeat, introduction, or
27 modification of legislation shall not give and a member of the
28 general assembly shall not receive food, beverages,
29 registration, or scheduled entertainment with a per person
30 value in excess of ~~three~~ four dollars.

31 Sec. 3. Section 68B.37, subsection 1, paragraph d, Code
32 2005, is amended to read as follows:

33 d. Expenditures made by the lobbyist for the purposes of
34 providing the services enumerated under section 68B.2,
35 subsection 13, paragraph "a". Such expenditures shall be

1 itemized and shall include but not be limited to salaries for
2 employees, payments to independent contractors, office and
3 administrative expenses, travel expenses, gift expenses, and
4 entertainment expenses. Itemization of expenditures shall be
5 given for each client and shall identify the recipient of the
6 expenditures if the recipient receives more than fifty dollars
7 during the reporting period from the lobbyist.

8 Sec. 4. Section 68B.37, subsection 3, Code 2005, is
9 amended to read as follows:

10 3. The reports by lobbyists before the general assembly
11 shall be filed not later than twenty-five days following any
12 month in which the general assembly is in session and
13 thereafter on or before July 31, October 31, and January 31.
14 The reports filed by a lobbyist before the general assembly
15 shall contain information for the preceding calendar month or
16 quarter or parts thereof during which the person was engaged
17 in lobbying. Reports filed by lobbyists before a state agency
18 shall be filed on or before April 30, July 31, October 31, and
19 January 31, for the preceding calendar quarter or parts
20 thereof during which the person was engaged in lobbying.

21 4. If a person cancels the person's lobbyist registration
22 at any time during the calendar year, the reports required by
23 this section are due on the dates required by this section or
24 fifteen days after cancellation, whichever is earlier. The
25 report due January 31 shall include all reportable items for
26 the preceding calendar year in addition to containing the
27 quarterly reportable items. A lobbyist who cancels the
28 person's lobbyist registration before January 1 of a year
29 shall file a report listing all reportable items for the year
30 in which the cancellation was filed. A lobbyist who cancels
31 the person's lobbyist registration between January 1 and
32 January 15 of a year shall file a report listing all
33 reportable items for the preceding year and so much of the
34 month of January as has expired at the time of cancellation.
35 However, if a lobbyist is a person who is designated to

1 represent the interest of an organization as defined in
2 section 68B.2, subsection 13, paragraph "a", subparagraph (2),
3 but is not paid compensation for that representation and does
4 not expend more than one thousand dollars as provided in
5 section 68B.2, subsection 13, paragraph "a", subparagraph (4),
6 the lobbyist shall only be required to file the report
7 specified in this section once annually, which shall be
8 performed at the time of filing the person's lobbyist
9 registration form or forms.

10 5. a. A lobbyist before the general assembly who fails to
11 timely file a lobbyist report required under this section
12 shall be subject to the imposition of a penalty fee according
13 to the following fee schedule:

14 (1) For the first occurrence in a calendar year, the
15 penalty fee shall be twenty-five dollars if the report is
16 fourteen or fewer days late, fifty dollars if the report is
17 more than fourteen but less than thirty-one days late, and one
18 hundred dollars if the report is thirty-one or more days late.

19 (2) For the second occurrence in a calendar year, the
20 penalty fee shall be fifty dollars if the report is fourteen
21 or fewer days late, one hundred dollars if the report is more
22 than fourteen but less than thirty-one days late, and two
23 hundred dollars if the report is thirty-one or more days late.

24 (3) For the third and subsequent occurrences in a calendar
25 year, the penalty fee shall be one hundred dollars if the
26 report is fourteen or fewer days late, two hundred dollars if
27 the report is more than fourteen but less than thirty-one days
28 late, and four hundred dollars if the report is thirty-one or
29 more days late.

30 b. The penalty fee shall be assessed by the chief clerk of
31 the house or the secretary of the senate and due upon
32 assessment and payable upon filing of the delinquent report
33 with the chief clerk of the house or the secretary of the
34 senate. An appeal of a penalty fee assessed pursuant to this
35 subsection may be filed with the ethics committee in the house

1 which assessed the penalty fee. A lobbyist shall not be
2 assessed a penalty fee twice for the same delinquent report.

3 c. Penalty fees collected pursuant to this subsection
4 shall be credited to the general fund of the state.

5 6. Upon receipt of a report required to be filed with the
6 general assembly under this section, the chief clerk of the
7 house or the secretary of the senate shall immediately
8 transmit a copy of the report to the ethics and campaign
9 disclosure board. The board shall establish a procedure for
10 continual, random auditing of reports filed by lobbyists
11 before the general assembly. Upon completion of an audit, the
12 board shall submit the findings to the chief clerk of the
13 house or the secretary of the senate for distribution to the
14 ethics committees in both houses.

15 EXPLANATION

16 This bill relates to ethics concerning certain exceptions
17 under the gift law and reporting by lobbyists.

18 Currently, a public official, public employee, candidate,
19 or member of the immediate family of a public official, public
20 employee, or candidate may receive an otherwise impermissible
21 gift if the gift is a nonmonetary item with a value of \$3 or
22 less that is received from any one donor during one calendar
23 day. The bill increases the \$3 limit to \$4.

24 Currently, public officials and public employees may
25 receive an otherwise impermissible gift of food, beverage, and
26 entertainment if such gifts are received at a function where
27 every member of the general assembly has been invited to
28 attend and when the function takes place during a regular
29 session of the general assembly. The bill adds a requirement
30 that the cost of the food, beverage, and entertainment for the
31 function shall not exceed \$4 per person attending the
32 function.

33 Currently, an organization or association which has as one
34 of its purposes the encouragement of the passage, defeat,
35 introduction, or modification of legislation shall not give

1 and a member of the general assembly shall not receive food,
2 beverages, registration, or scheduled entertainment with a per
3 person value in excess of \$3. The bill increases the \$3 limit
4 to \$4.

5 The bill provides that expenditures made by a lobbyist
6 before the general assembly and reported in a report filed
7 with the general assembly shall be itemized and shall include
8 but not be limited to salaries for employees, payments to
9 independent contractors, office and administrative expenses,
10 travel expenses, gift expenses, and entertainment expenses.
11 The bill provides that itemization of expenditures shall be
12 given for each client and shall identify the recipient of the
13 expenditures if the recipient receives more than \$50 during
14 the reporting period from the lobbyist.

15 The bill provides that a lobbyist before the general
16 assembly who fails to timely file a required lobbyist report
17 shall be subject to the imposition of a penalty fee according
18 to a fee schedule included in the bill. The bill provides
19 that the penalty fee shall be assessed by the chief clerk of
20 the house or the secretary of the senate and due upon
21 assessment and payable upon filing of the delinquent report by
22 the chief clerk of the house or the secretary of the senate.
23 The bill allows for an appeal of a penalty fee to be filed
24 with the ethics committee in the house which assessed the
25 penalty fee. The bill provides that a lobbyist shall not be
26 assessed a penalty fee twice for the same delinquent report.
27 The bill provides that penalty fees collected shall be
28 credited to the general fund of the state.

29 The bill provides that, upon receipt of a lobbyist report,
30 the chief clerk of the house or the secretary of the senate
31 shall immediately transmit a copy of the report to the ethics
32 and campaign disclosure board. The bill requires the board to
33 establish a procedure for continual, random auditing of
34 reports filed by lobbyists before the general assembly. The
35 bill provides that, upon completion of an audit, the board

1 shall submit the findings to the chief clerk of the house or
2 the secretary of the senate for distribution to the ethics
3 committees in both houses.

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