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STATE GOVERNMENT

HOUSE FILE 2466

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 Vote: Ayes 77 Nays 19 Vote: Ayes 44 Nays 6
 Approved 6-2-92

A BILL FOR

1 An Act relating to government ethics, the use and receipt of
 2 certain campaign contributions by government officials and
 3 candidates for government office and providing for effective
 4 dates and transition provisions.

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

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HF 2466

DIVISION I

1
2 Section 1. Section 68B.1, Code 1991, is amended by
3 striking the section and inserting in lieu thereof the
4 following:

5 68B.1 LEGISLATIVE INTENT.

6 It is the intent of the general assembly to create a system
7 through which ethical issues, including matters of conduct of
8 public officials and public employees and issues related to
9 the financing of campaigns of elected public officials on the
10 state and local level, may be addressed in a fair,
11 nonpolitical, and open manner and which will allow state and
12 local officials and employees to seek advice when in doubt as
13 to the ethical propriety of specific action. The Iowa ethics
14 and campaign finance board is therefore established to serve
15 as an instrument for discipline, redress, and guidance for
16 persons elected to or employed in positions within the
17 executive and legislative branches of state government and for
18 persons elected to or employed in positions of local
19 government. The supreme court is required to prescribe rules
20 establishing a code of ethics which is substantially similar
21 to the provisions of that chapter which shall apply to those
22 persons who are subject to the administrative or disciplinary
23 authority of the supreme court.

24 Sec. 2. Section 68B.2, Code 1991, is amended by striking
25 the section and inserting in lieu thereof the following:

26 68B.2 DEFINITIONS.

27 As used in this chapter, unless the context otherwise
28 requires:

- 29 1. "Agency" means a department, division, board,
30 commission, bureau, or office of the executive or legislative
31 branch of state government, including a regulatory agency, or
32 any political subdivisions of the state.
- 33 2. "Anything of value" includes all of the following:
- 34 3. A pecuniary gain, including money, or a bank bill or
35 coin

- 1 b. A promissory note, bill of exchange, order, draft,
2 warrant, check, or bond given for the payment of money.
- 3 c. A contract, agreement, promise, or other obligation for
4 an advance conveyance, forgiveness of indebtedness, deposit,
5 distribution, loan payment, gift, pledge, or transfer of
6 money.
- 7 d. A stock, bond, note, or other investment interest in an
8 entity.
- 9 e. A receipt given for the payment of money or other
10 property.
- 11 f. A right in action.
- 12 g. A gift, tangible good, chattel, or an interest in a
13 gift, tangible good, or chattel.
- 14 h. A loan or forgiveness of indebtedness.
- 15 i. A work of art, antique, or collectible.
- 16 j. An automobile or other means of personal
17 transportation.
- 18 k. Real property or an interest in real property,
19 including title to realty, a fee simple or partial interest,
20 present or future, contingent or vested in real property, a
21 leasehold interest, or other beneficial interest in real
22 property.
- 23 l. An honorarium or compensation for services.
- 24 m. A rebate or discount unless the rebate or discount is
25 made in the ordinary course of business to a member of the
26 public without regard to that person's status as a public
27 official or public employee.
- 28 n. The sale or trade of something for reasonable
29 compensation that would ordinarily not be available to a
30 member of the public.
- 31 o. A promise or offer of employment.
- 32 p. Any other thing of value that is pecuniary or
33 compensatory in value to a person.
- 34 q. Any other thing determined to be of value in rules
35 adopted by the board.

- 1 3. "Board" means the Iowa ethics and campaign finance
2 board established in section 68B.10A.
- 3 4. "Candidate" means any individual who has taken
4 affirmative action to seek nomination, election, or reelection
5 to a public office under chapter 56 and includes an individual
6 elected to public office until the person takes office.
- 7 5. "Candidate's committee" means the committee designated
8 by the candidate, as provided under chapter 56, to receive
9 contributions, expend funds, or incur indebtedness on behalf
10 of the candidate in the aggregate as follows:
 - 11 a. For a state, or county office, in excess of two hundred
12 fifty dollars in any calendar year.
 - 13 b. For a city or school office, in excess of five hundred
14 dollars in any calendar year.
- 15 6. "Committee" includes a political committee and a
16 candidate's committee as defined in section 56.2.
- 17 7. "Compensation" means any money, thing of value, or
18 financial benefit conferred in return for services rendered or
19 to be rendered.
- 20 8. "Contribution" means a gift, loan, advance, deposit,
21 rebate, refund, transfer of money, an in-kind transfer, or the
22 payment of compensation for the personal services of another
23 person.
- 24 9. "Employee" means a paid employee of the state of Iowa
25 and does not include an independent contractor, an employee of
26 the judicial department or an employee of a political
27 subdivision of the state. "Employee" includes but is not
28 limited to all clerical personnel.
- 29 10. a. "Gift" means a rendering of money, property,
30 services, discount, loan forgiveness, payment of indebtedness,
31 or anything else of value in return for which legal
32 consideration of equal or greater value is not given and
33 received if the donor is in any of the following categories:
 - 34 (1) is doing or seeing to do business of any kind with
35 the donor's agency.

1 (2) Is engaged in activities which are regulated or
2 controlled by the donee's agency.

3 (3) Has financial interests which may be substantially and
4 materially affected, in a manner distinguishable from the
5 public generally, by the performance or nonperformance of the
6 donee's official duty.

7 (4) Is a lobbyist with respect to matters within the
8 donee's jurisdiction.

9 b. However, "gift" does not mean any of the following:

10 (1) Contributions to a candidate or a candidate's
11 committee.

12 (2) Informational material relevant to a public servant's
13 official functions, such as books, pamphlets, reports,
14 documents, or periodicals.

15 (3) Anything received from a person related within the
16 fourth degree by kinship or marriage, unless the donor is
17 acting as an agent or intermediary for another person not so
18 related.

19 (4) An inheritance.

20 (5) Anything available or distributed to the public
21 generally without regard to the official status of the
22 recipient.

23 (6) Actual expenses of a donee for food, beverages,
24 travel, and lodging for a meeting, which is given in return
25 for participation in a panel or speaking engagement at the
26 meeting when the expenses relate directly to the day or days
27 on which the donee has participation or presentation
28 responsibilities.

29 (7) Plaques or items of negligible resale value given as
30 recognition for public services.

31 (8) Items with a retail value of less than three dollars.

32 11. a. "Honorarium" means anything of value that is
33 accepted by, or on behalf of, a holder of public office as
34 consideration for an appearance, speech, or article.

35 b. "Honorarium" does not include any of the following:

1 (1) Payment for or provision of actual travel and
2 subsistence expenses, including transportation,
3 accommodations, and meals.

4 (2) Payment of money or anything of value that is given
5 directly by a donor to an organization that is operated
6 exclusively for religious, charitable, scientific, or
7 educational purposes, or the prevention of cruelty to children
8 or animals, if no part of the net earnings inures to the
9 benefit of any private stockholder or other individual.

10 12. "Immediate family members" means the spouse and minor
11 children of a person required to file reports pursuant to this
12 chapter or the rules adopted or an executive order issued
13 pursuant to this chapter.

14 13. "Is doing business with the donee's agency" means
15 being a party to any one or any combination of sales,
16 purchases, leases, or contracts to, from, or with the state or
17 a political subdivision of the state, or any agency.

18 14. "Legislative employee" means a full-time official or
19 employee of the general assembly but does not include members
20 of the general assembly.

21 15. a. "Lobbyist" means a person who does any of the
22 following:

23 (1) Is paid compensation or expends money for encouraging
24 the passage, defeat, or modification of legislation or
25 regulation, or for influencing the decision of the members of
26 the general assembly, a state agency, or the office of the
27 governor.

28 (2) Represents on a regular basis an organization which
29 has one of its purposes the encouragement of the passage,
30 defeat, or modification of legislation or regulation, or the
31 influencing of a decision of the members of the general
32 assembly, a state agency, or the office of the governor.

33 (3) Is a federal, state, or local government official or
34 employee who represents the official position of the official
35 or employee's agency and who encourages the passage, defeat,

1 or modification of legislation or regulation, or the
2 influencing of a decision of the members of the general
3 assembly, a state agency, or the office of the governor.

4 b. "Lobbyist" does not mean:

5 (1) Officials and employees of a political party organized
6 in the state of Iowa representing more than two percent of the
7 total votes cast for governor in the last preceding general
8 election, but only when representing the political party in an
9 official capacity.

10 (2) Representatives of the news media engaged only in the
11 reporting and dissemination of news and editorials.

12 (3) Federal, state, or local government officials and
13 employees who do not actively encourage the passage, defeat,
14 or modification of legislation or regulation, or influencing
15 of a decision of the members of the general assembly, a state
16 agency, or the office of the governor and in the course of
17 their official duties are requested or required to do either
18 of the following:

19 (a) To provide information to a member of the general
20 assembly or the office of the governor.

21 (b) To appear before a legislative committee or a member
22 of the office of the governor.

23 (4) The governor and lieutenant governor of the state of
24 Iowa, and all other statewide elected officials.

25 (5) Persons who exclusively represent their own interests
26 and not the interests of a group, employer, or organization,
27 provided that they are not compensated by anyone for lobbying.

28 (6) Legislative interns who are approved by either the
29 chief clerk of the house of representatives or the secretary
30 of the senate.

31 (7) Persons whose activities are limited to formal
32 appearances to give testimony at public sessions of committees
33 of the general assembly or public hearings of state agencies
34 and whose appearances as a result of testifying, are recorded
35 in the records of the committee or agency.

- 1 16. "Local employee" means a person employed by a
2 political subdivision of this state.
- 3 17. "Local official" means an officeholder of a political
4 subdivision of this state.
- 5 18. "Member of the general assembly" means an individual
6 duly elected to the senate or the house of representatives of
7 the state of Iowa.
- 8 19. "Official" means an officer of the state of Iowa
9 receiving a salary or per diem whether elected or appointed or
10 whether serving full-time or part-time but does not include
11 officers or employees of political subdivisions of the state.
12 "Official" includes but is not limited to supervisory
13 personnel, members and employees of the governor's office,
14 members of other statewide elected offices, and members of
15 state agencies and does not include members of the general
16 assembly, legislative employees, or officers or employees of
17 the judicial branch of government.
- 18 20. "Person" means, without limitation, any individual,
19 corporation, government or governmental subdivision or agency,
20 business trust, estate, trust, partnership or association,
21 labor union, or any other legal entity.
- 22 21. "Political committee" means political committee as
23 defined in section 56.2.
- 24 22. "Public disclosure" means a written report filed with
25 the board by a person as required by this chapter or required
26 by rules adopted by the board and issued pursuant to this
27 chapter.
- 28 23. "Public employee" means employees, legislative
29 employees, and local employees.
- 30 24. "Public office" means any state, county, city, or
31 school office or any other office of a political subdivision
32 of the state that is filled by election.
- 33 25. "Public official" means officials, local officials,
34 and members of the general assembly.
- 35 26. "Regulatory agency" means the department of

1 agriculture and land stewardship, department of employment
2 services, department of commerce, Iowa department of public
3 health, department of public safety, department of education,
4 state board of regents, department of human services,
5 department of revenue and finance, department of inspections
6 and appeals, department of personnel, public employment
7 relations board, state department of transportation, civil
8 rights commission, department of public defense, and
9 department of natural resources.

10 Sec. 3. Section 68B.3, Code 1991, is amended to read as
11 follows:

12 68B.3 WHEN PUBLIC BIDS REQUIRED.

13 No An official, employee, member of the general assembly,
14 or legislative employee shall not sell any goods or services
15 having a value in excess of five hundred dollars to any state
16 agency or any political subdivision of the state unless
17 pursuant to an award or contract let after public notice and
18 competitive bidding or unless permitted upon a showing of good
19 cause by the board. This section shall not apply to the
20 publication of resolutions, advertisements, or other legal
21 propositions or notices in newspapers designated pursuant to
22 law for such purpose and for which the rates are fixed
23 pursuant to law.

24 Sec. 4. Section 68B.5, Code 1991, is amended by striking
25 the section and inserting in lieu thereof the following:

26 68B.5 TWO-YEAR BAN ON LOBBYING ACTIVITIES AFTER SERVICE.

27 1. A person who has served as an official, employee,
28 member of the general assembly, or legislative employee shall
29 not within two years after the termination of service or
30 employment make any communication to or appearance before the
31 general assembly, any agency, any legislative committee,
32 member of the general assembly, official, or employee on
33 behalf of another person with the intent to influence any
34 matter on which the former official, employee, member of the
35 general assembly, or legislative employee seeks action.

1 2. For purposes of this section, a "matter on which action
2 is sought" includes the creation, modification, defeat, or
3 influence of legislation or agency action by an executive
4 branch agency, official, or employee, but does not mean a
5 matter on which the board finds that there exists no potential
6 for use of undue influence or unfair advantage by an official
7 or an employee based upon the nature and extent of the prior
8 governmental service of the former official or employee or a
9 matter on which an appearance or communication by a former
10 official, employee, member of the general assembly, or
11 legislative employee is requested by a legislative committee,
12 member of the general assembly, agency, official, or employee
13 for purposes of rendering scientific or technical information
14 or assistance. This section does not apply to an appearance
15 or communication made on behalf of the state or an appearance
16 or communication made by a person who is a lawyer and who is
17 representing a client in a contested case or rulemaking
18 proceeding under chapter 17A.

19 Sec. 5. Section 68B.7, unnumbered paragraph 1, Code 1991,
20 is amended to read as follows:

21 ~~No~~ A person who has served as an official, or employee of a
22 state agency, member of the general assembly, or legislative
23 employee shall not within a period of two years after the
24 termination of such service or employment appear before such
25 ~~state~~ the agency or receive compensation for any services
26 rendered on behalf of any person, firm, corporation, or
27 association in relation to any case, proceeding, or
28 application with respect to which such the person was directly
29 concerned and personally participated during the period of
30 service or employment.

31 DIVISION II

32 Sec. 6. NEW SECTION. 68B.7A LEGISLATIVE INTENT.

33 It is the goal of the general assembly that public
34 officials and public employees of the state be extremely
35 cautious and circumspect about accepting a gratuity or favor,

1 especially from persons that have a substantial interest in
2 the legislative, administrative, or political actions of the
3 official or employee. Even where there is a genuine personal
4 friendship, the acceptance of personal benefits from those who
5 could gain advantage by influencing official actions raises
6 suspicions that tend to undermine the public trust. It is
7 therefore the intent of the general assembly that the
8 provisions of this division be construed to discourage all
9 gratuities, but to prohibit only those that create
10 unacceptable conflicts of interest or appearances of
11 impropriety.

12 Sec. 7. NEW SECTION. 68B.7B GIFTS ACCEPTED OR RECEIVED.

13 1. Except as otherwise provided in this section, a public
14 official, public employee, or candidate, or that person's
15 immediate family member shall not, directly or indirectly,
16 accept or receive any gift or series of gifts.

17 2. Except as otherwise provided in this section, a person
18 shall not, directly or indirectly, offer or make a gift or a
19 series of gifts to a public official, public employee, or
20 candidate. Except as otherwise provided in this section, a
21 person shall not, directly or indirectly, join with one or
22 more other persons to offer or make a gift or a series of
23 gifts to a public official, public employee, or candidate.

24 3. A person may give, and a public official, public
25 employee, or candidate, or the person's immediate family
26 member, may accept in any one calendar year a nonmonetary gift
27 or a series of nonmonetary gifts and not be in violation of
28 this section if the nonmonetary gift or series of nonmonetary
29 gifts is donated within thirty days to a public body, a bona
30 fide educational or charitable organization, or the department
31 of general services. All such items donated to the department
32 of general services shall be disposed of by assignment to
33 state agencies for official use or by public sale.

34 4. Gifts of food and drink, with an annual cumulative
35 value of fifty dollars or less per donee, consumed in the

1 presence of the donor, may be received or accepted from any
2 one donor by a public official, public employee, candidate, or
3 member of the person's immediate family provided that the
4 person receiving or accepting the gifts of food and drink
5 reports the receipt or acceptance of any items received at any
6 one time in the manner provided by the board.

7 5. Gifts of food and drink, with an annual cumulative
8 value of fifty dollars or less, may be received or accepted by
9 a public official or public employee from any one donor
10 without being required to report the receipt or acceptance of
11 the gift. If the items of food and drink are consumed on the
12 occasion when the public official or public employee is
13 participating in the individual's capacity as a public
14 official or public employee in a charitable, civic, or
15 community event which bears a relationship to the public
16 official's or public employee's office or employment.

17 5. Gifts of food, beverages, travel, and lodging may be
18 received by a public official or public employee if the food,
19 beverages, travel, and lodging is directly related to official
20 participation in economic development opportunities and if the
21 public official or public employee reports, in the manner and
22 or forms prescribed by the board, the value of the total gifts
23 received as a result of participation in the economic
24 development opportunity when the total value is greater than
25 five hundred dollars.

26 For purposes of this paragraph, an "economic development
27 opportunity" is an activity engaged in, by or on behalf of the
28 state or a political subdivision of the state, to attract new
29 businesses, promote business expansion, or improve the
30 economic environment of the state or a political subdivision
31 of the state.

32 7. A public official, public employee, candidate, or the
33 person's immediate family member shall not solicit any gift or
34 series of gifts at any time.

35 Sec. 8. NEW SECTION. 68B.7C HONORARIA -- EXPENSES.

1 1. A public official shall not seek or accept an
2 honorarium from a person with a substantial interest in
3 legislative, administrative, or political action. However,
4 this section does not prohibit the acceptance of reimbursement
5 for actual expenses in connection with an appearance, speech,
6 or participation in a seminar, panel, or workshop sponsored by
7 the person, if the reimbursement is otherwise permitted under
8 this chapter. The reimbursed expenses are not gifts or
9 contributions to a candidate under chapter 56. This section
10 also does not prohibit a public official from accepting an
11 honorarium from a governmental entity from another state, from
12 a university from another state, or from nonprofit educational
13 or civic institution from another state, provided that the
14 amount paid is reasonable and commensurate with the services
15 to be performed and that the circumstances under which the
16 services are to be performed do not create a conflict of
17 interest or appearance of impropriety. Honoraria received
18 under this subsection shall be disclosed in the manner
19 provided by the board under section 68B.10B, subsection 2.

20 2. A public official may accept an honorarium otherwise
21 prohibited under subsection 1, if, prior to the receipt of the
22 honorarium, the board grants the person a waiver of the
23 requirements of this section that is based upon a finding that
24 the offering and acceptance of the honorarium meets all of the
25 following conditions:

26 a. The amount of the honorarium is reasonable and
27 commensurate with the services to be performed.

28 b. The receipt of the honorarium will not create the
29 appearance of impropriety.

30 c. The receipt of the honorarium will not create a
31 conflict of interest for the member or employee.

32 d. The public official is not being invited primarily
33 because of the person's office but, because of some special
34 expertise or other qualification.

35 Sec. 9. Section 68B.8, Code 1991, is amended to read as

1 follows:

2 68B.2 ADDITIONAL PENALTY.

3 In addition to any penalty contained in any other provision
4 of law, a person who knowingly and intentionally violates a
5 provision of ~~section 68B.3 to 68B.6~~ sections 68B.3 through
6 68B.7C is guilty of a serious misdemeanor and may be
7 reprimanded, suspended, or dismissed from the person's
8 position or otherwise sanctioned.

9 DIVISION III

10 Sec. 10. Section 68B.10, Code 1991, is amended to read as
11 follows:

12 68B.10 LEGISLATIVE ETHICS COMMITTEE.

13 There shall be an ethics committee in the senate and an
14 ethics committee in the house, each to consist of seven
15 members; three members to be appointed by the majority leader
16 in each house, two members by the minority leader in each
17 house, and two individuals who shall not be members or
18 employees of the general assembly by the chief justice of the
19 Iowa supreme court. A member of the ethics committee may
20 disqualify himself or herself from participating in any
21 proceeding upon submission of a written statement that the
22 member cannot render an impartial and unbiased decision in a
23 case. A member is ineligible to participate in committee
24 meetings, as a member of the committee, in any proceeding
25 relating to the member's own conduct. A legislative member
26 may be disqualified by a unanimous vote of the remaining
27 eligible legislative members of the committee. A member who
28 is appointed by the chief justice of the Iowa supreme court
29 may be disqualified by a unanimous vote of the remaining
30 eligible members of the committee. If a member of the ethics
31 committee is disqualified from or is ineligible to participate
32 in any committee proceedings, the authority responsible for
33 the original appointment of the disqualified or ineligible
34 member shall appoint a replacement member who shall serve
35 during the period of the original member's disqualification or

1 ineligibility.

2 The two individuals appointed by the chief justice of the
3 supreme court shall receive a per diem as specified in section
4 7E.6 and travel expenses at the same rate as paid members of
5 interim committees for attending meetings of the ethics
6 committee. Members of the general assembly shall receive a
7 per diem as specified in section 7E.6 and travel expenses at
8 the same rate as paid members of interim committees for
9 attending meetings held when the general assembly is not in
10 session. The per diem and expenses shall be paid from funds
11 appropriated by section 2.12.

12 The president pro tempore of the senate is designated as
13 chairperson of the senate committee. The house committee
14 shall elect a chairperson. The chairperson of each committee
15 shall have the following powers, duties and functions:

16 1. ~~Prepare a code of ethics within thirty days after the~~
17 ~~commencement of the session.~~

18 2. ~~Prepare rules relating to lobbyists and lobbying~~
19 ~~activities in the general assembly.~~

20 3. ~~Issue advisory opinions interpreting the intent of~~
21 ~~constitutional and statutory provisions relating to~~
22 ~~legislators and lobbyists as well as interpreting the code of~~
23 ~~ethics and rules issued pursuant to this section. Opinions~~
24 ~~shall be issued when approved by a majority of the seven~~
25 ~~members and may be issued upon the written request of a member~~
26 ~~of the general assembly or upon the committee's initiation.~~
27 ~~Opinions are not binding on the legislator or lobbyist.~~

28 4. Receive and investigate complaints and charges against
29 members of its house alleging a violation of the code of
30 ethics, rules governing lobbyists, this chapter, or other
31 matters referred to it by its house or the board. The
32 committee shall recommend rules for the receipt and processing
33 of complaints made recommendations received relating to
34 findings of ethical violations of members of the general
35 assembly or lobbyists during the legislative session and those

1 made received after the general assembly adjourns.

2 5 2. Recommend legislation relating to legislative ethics
3 and lobbying activities. The ethics committees may employ
4 independent legal counsel to assist them in carrying out their
5 duties under this chapter with the approval of a committee's
6 house when the general assembly is in session and with the
7 approval of the rules and administration committee of that
8 house when the general assembly is not in session. Payment of
9 costs for the independent legal counsel shall be made from
10 section 2.12.

11 ~~The code of ethics and rules relating to lobbyists and~~
12 ~~lobbying activities shall not become effective until approved~~
13 ~~by the members of the house to which the proposed code and~~
14 ~~rules apply. -- The code or rules may be amended either upon the~~
15 ~~recommendation of the ethics committee or by members of the~~
16 ~~general assembly.~~

17 Violation of the code of ethics or recommendations received
18 from the board may result in censure, reprimand, or other
19 sanctions as determined by a majority of the member's house.
20 However, a member may be suspended or expelled and the
21 member's salary forfeited only if directed by a two-thirds
22 vote of the member's house. A suspension, expulsion, or
23 forfeiture of salary shall be for the duration specified in
24 the directing resolution. However, it shall not extend beyond
25 the end of the general assembly during which the violation
26 occurred. Violation of a rule relating to lobbyists and
27 lobbying activities or recommendations received from the board
28 may result in censure, reprimand, or other sanctions as
29 determined by a majority of the members of the house in which
30 the violation occurred. However, a lobbyist may be suspended
31 from lobbying activities for the duration provided in the
32 directing resolution only if directed by a two-thirds vote of
33 the house in which the violation occurred.

34 Sec. 11. NEW SECTION. 68B.10A IOWA ETHICS AND CAMPAIGN
35 FINANCE BOARD -- ESTABLISHED.

1 1. An Iowa ethics and campaign finance board is
2 established as an independent agency to effective January 1,
3 1993, set standards for, investigate complaints relating to,
4 and monitor the ethics and campaign finance practices of
5 officials and employees in the executive and legislative
6 branches of state government, of local officials and employees
7 in local government, and of candidates for public office, and
8 monitor and set standards for the conduct of lobbyists. The
9 board shall consist of eleven members who shall be appointed
10 as follows:

11 a. Four members to be appointed by the governor not more
12 than two of whom shall be of the same gender or political
13 party.

14 b. Four members, one of whom shall be a member of the
15 majority party appointed by the president of the senate, one
16 of whom shall be a member of the minority party appointed by
17 the minority leader of the senate, one of whom shall be a
18 member of the majority party appointed by the speaker of the
19 house of representatives, and one of whom shall be a member of
20 the minority party appointed by the minority leader of the
21 house of representatives. Not more than two of the members
22 appointed under this paragraph shall be of the same gender.

23 c. Three members to be appointed by the chief justice of
24 the supreme court not more than two of whom shall be of the
25 same gender or political party.

26 2. Members shall serve staggered six-year terms beginning
27 and ending as provided in section 69.19. Any vacancy on the
28 board shall be filled by appointment for the unexpired portion
29 of the term, within ninety days of the vacancy and in
30 accordance with the procedures for regular appointments. A
31 member of the board may be reappointed to serve additional
32 terms on the board. However, no member shall serve more than
33 two full terms on the board. Members may be removed in the
34 manner provided in chapter 69. A member or employee of the
35 board shall also meet all of the following criteria:

1 a. The member or employee shall not hold or be a candidate
2 for any other public office while the person is a member or
3 employee of the board.

4 b. The member or employee shall not hold office in any
5 political party or political committee or candidate's
6 committee.

7 c. The member shall not be an employee of or be directly
8 responsible to the member's appointing authority. An employee
9 of the board shall not be an employee of or be directly
10 responsible to the governor, the supreme court, or the general
11 assembly.

12 3. The board shall annually elect one member to serve as
13 the chairperson of the board and one member to serve as vice
14 chairperson. The vice chairperson shall act as the
15 chairperson in the absence or disability of the chairperson or
16 in the event of a vacancy in that office. The chairperson
17 shall, in addition to other responsibilities assigned by the
18 board, be responsible for calling for and presiding at regular
19 meetings or special proceedings of the board. Seven members
20 of the board shall constitute a quorum. A quorum and an
21 affirmative vote of a majority of the members of the board is
22 required for any official action or recommendation of the full
23 board. The quorum and voting requirements shall not, however,
24 preclude the formation of subcommittees of the board for
25 purposes of developing and making recommendations to the full
26 board for official action.

27 4. Members of the board shall receive a per diem as
28 specified in section 7E.6 while conducting business of the
29 board, and payment of actual and necessary expenses incurred
30 in the performance of their duties.

31 5. The board shall employ or contract for the employment
32 of a full-time executive secretary who shall be the board's
33 chief administrative officer. The board shall employ or
34 contract for the employment of legal counsel notwithstanding
35 section 13.7, and any other personnel as may be necessary to

1 carry out the duties of the board. The board's legal counsel
2 shall be the chief legal officer of the board, shall advise
3 the board on all legal matters, and, upon the instructions of
4 the board, may commence any actions as may be appropriate.
5 Notwithstanding section 19A.3, all of the board's employees,
6 except for the executive secretary and legal counsel, shall be
7 employed subject to the merit system provisions of chapter
8 19A.

9 Sec. 12. NEW SECTION. 68B.10B DUTIES OF THE BOARD.

10 The duties of the board shall include, but are not limited
11 to, all of the following:

12 1. Adopt rules pursuant to chapter 17A and conduct
13 hearings under section 68B.10C and chapter 17A, as necessary
14 to carry out the purposes of this chapter and chapter 56.

15 2. Develop, prescribe, furnish, and distribute any forms
16 necessary for the implementation of the procedures contained
17 in this chapter and chapter 56 for the filing of reports and
18 statements by persons required to file the reports and
19 statements under this chapter and chapter 56.

20 3. Review the contents of all disclosure reports and
21 statements filed with the board and promptly advise each
22 person or committee of errors found. The board may verify
23 information contained in the reports with other parties to
24 assure accurate disclosure. The board, upon its own motion,
25 may initiate action and conduct a hearing relating to
26 requirements under this chapter or chapter 56. The board may
27 require a county commissioner of elections to periodically
28 file summary reports with the board.

29 4. Prepare and publish a manual setting forth examples of
30 approved uniform systems of accounts and approved methods of
31 disclosure for use by persons required to file statements and
32 reports under this chapter and chapter 56. The board shall
33 also prepare and publish other educational materials, and any
34 other reports or materials deemed appropriate by the board,
35 and conduct regular educational programs for public officials

1 and employees, lobbyists, and candidates for public office
2 relating to the requirements imposed upon public officials and
3 employees, lobbyists, and candidates for public office under
4 this chapter and chapter 56.

5 5. Assure that the statements and reports which have been
6 filed in accordance with this chapter and chapter 56 are
7 available for public inspection and copying during the regular
8 office hours of the office in which they are filed and not
9 later than by the end of the day during which a report or
10 statement was received. Rules adopted relating to public
11 inspection and copying of statements and reports may include a
12 charge for any copying and mailing of the reports and
13 statements, shall provide for the mailing of copies upon the
14 request of any person and upon prior receipt of payment of the
15 costs by the board, and shall prohibit the use of the
16 information copied from reports and statements for soliciting
17 contributions or for any commercial purpose by any person
18 other than statutory political committees.

19 6. Require that the candidate of a candidate's committee,
20 or the chairperson of a political committee, is responsible
21 for filing disclosure reports under chapter 56, and shall
22 receive notice from the board if the committee has failed to
23 file a disclosure report at the time required under chapter
24 56. A candidate of a candidate's committee, or the
25 chairperson of a political committee may be subject to a civil
26 penalty for failure to file a disclosure report required under
27 section 56.6, subsection 1.

28 7. Establish and impose penalties, and recommendations for
29 punishment of persons who are subject to penalties of or
30 punishment by the board or by other bodies, for the failure to
31 comply with the requirements of this chapter or chapter 56.

32 8. Determine, in case of dispute, at what time a person
33 has become a candidate.

34 9. Preserve reports and statements filed with the board
35 for a period of five years from the date of receipt.

1 10. Establish a procedure for requesting and issuing
2 formal and informal board opinions to persons subject to the
3 authority of the board under this chapter or chapter 56.
4 Advice contained in formal board opinions shall, if followed,
5 constitute a defense to a complaint alleging a violation of
6 this chapter, chapter 56, or rules of the board that is based
7 on the same facts and circumstances.

8 11. Establish rules relating to ethical conduct for
9 persons holding a public office of the state or a political
10 subdivision, including candidates, and for employees of the
11 legislative and executive branch of state government and of
12 political subdivisions of the state and regulations governing
13 the conduct of lobbyists, including but not limited to
14 conflicts of interest, abuse of office, misuse of public
15 property, use of confidential information, participation in
16 matters in which a public official or employee has a financial
17 interest, and rejection of improper offers.

18 12. Establish fees, where necessary, to cover the costs
19 associated with preparing, printing, and distributing
20 materials to persons subject to the authority of the board.

21 Sec. 13. NEW SECTION. 68B.10C COMPLAINTS -- PROCEDURE.

22 1. Any person may file a complaint alleging that a public
23 official, public employee, candidate for public office, or a
24 lobbyist has committed a violation of this chapter, chapter
25 56, or the rules adopted by the board. The board shall
26 prescribe and provide forms for this purpose. The complaint
27 shall include the name and address of the complainant and a
28 statement of the facts believed to be true that form the basis
29 of the complaint, including the sources of information and
30 approximate dates of the acts alleged and a certification by
31 the complainant under penalty of perjury that the facts stated
32 to be true are true to the best of the complainant's
33 knowledge.

34 2. Unless the chairperson of the board concludes that
35 immediate notification would prejudice a preliminary

1 investigation or subject the complainant to an unreasonable
2 risk, a copy of the complaint, upon the filing of the
3 complaint, shall be mailed to the party charged with a
4 violation. If a determination is made by the chairperson not
5 to notify the party charged within a period of ten days after
6 the filing of the complaint of the existence and the filing of
7 the complaint, the board must approve and establish the time
8 and conditions under which the party charged will be informed
9 of the filing and contents of the complaint.

10 3. a. The board staff shall review the complaint to
11 determine if the complaint meets the requirements for formal
12 sufficiency. If the complaint is deficient, the complaint
13 shall be returned to the complainant with a statement of the
14 nature of the deficiency. If the complaint is sufficient as
15 to form, the complaint shall be evaluated by legal counsel for
16 the board.

17 b. The board's legal counsel shall advise the chairperson
18 of the board whether the complaint states a valid charge which
19 may be investigated. A valid complaint must allege all of the
20 following:

21 (1) Facts, that if true, establish a violation of a
22 provision of this chapter, chapter 56, or the rules adopted by
23 the board for which civil penalties or other remedies are
24 provided.

25 (2) That the conduct providing the basis for the complaint
26 occurred within three years of the complaint.

27 (3) That the party charged with a violation is a party
28 subject to the jurisdiction of the board.

29 c. Upon receiving legal counsel's evaluation of the
30 validity of the complaint, the chairperson shall refer the
31 complaint to the board, in the manner provided under rules
32 adopted by the board, for a determination of the substantive
33 validity of the complaint.

34 d. If the board determines the complaint is not valid, the
35 complaint shall be dismissed and returned to the complainant

1 with a notice of dismissal stating the reason or reasons for
2 the dismissal. If the board determines that the complaint is
3 valid it shall be referred to the board staff for
4 investigation.

5 e. The board may also, without the filing of a complaint,
6 initiate investigations on the board's own motion into matters
7 subject to the board's jurisdiction.

8 4. The purpose of an investigation by the board and board
9 staff is to determine whether there is probable cause to
10 proceed with an adjudicatory hearing on the matter. In
11 conducting investigations and holding hearings, the board may
12 require by subpoena the attendance and testimony of witnesses
13 and may subpoena books, papers, records, and any other real
14 evidence relating to the matter before the board. The board
15 shall have the additional authority provided in section
16 17A.13. Hearings conducted by the board shall be conducted in
17 the manner prescribed in section 17A.12. The rules of
18 evidence applicable under section 17A.14 shall also apply in
19 hearings conducted by the board. A preponderance of clear and
20 convincing evidence shall be required to support a finding
21 that the person, candidate, or committee has committed a
22 violation. Parties to a complaint may, subject to the
23 approval of the board, negotiate for settlement of disputes
24 that are before the board. Terms of any negotiated
25 settlements shall be publicly recorded.

26 5. The board shall maintain the confidentiality of a
27 complaint unless either the complainant or the alleged
28 violator publicly discloses the existence of a complaint or a
29 preliminary investigation. The board, upon such a disclosure
30 by the complainant or the alleged violator, may publicly
31 confirm the existence of the preliminary inquiry and, in the
32 board's discretion, make public the complaint and any
33 documents which were issued to either party to the complaint.
34 The board's investigations and deliberations relating to
35 probable cause determinations shall be confidential. However,

1 investigative materials may be furnished to the proper
2 prosecutorial authorities by the board. If the board
3 determines, at any stage in the proceedings that take place
4 prior to hearing, that the complaint is groundless, the
5 complaint shall be dismissed and the complainant and the party
6 charged shall be notified. If, after investigation, the board
7 determines evidence exists which, if believed, would support a
8 finding of a violation of this chapter, chapter 56, or the
9 rules adopted by the board, a finding of probable cause shall
10 be made, and hearing shall be ordered. The determination of
11 probable cause, notice of hearing, and final decision of the
12 board shall be public records. After the determination of
13 probable cause, all adjudicatory proceedings of the board,
14 except for the deliberations of the board on the evidence,
15 shall be public. The board may impose a civil penalty not to
16 exceed two thousand dollars upon a person who violates the
17 confidentiality of proceedings or records provided for in this
18 section. If the board determines that a complaint is
19 frivolous or has been filed in bad faith, the board may order
20 the complainant to pay the costs of the proceeding and may
21 impose a civil penalty not to exceed two thousand dollars.

22 6. The board shall determine what role legal counsel for
23 the board shall assume in the conducting of investigations.
24 In addition, upon the request of the board, an appropriate
25 county attorney or the attorney general shall assist the board
26 in any investigation. At board hearings, the complaint shall
27 be prosecuted by legal counsel unless, upon the request of the
28 board, the complaint is prosecuted by the attorney general.

29 7. Upon a finding by the board that the party charged has
30 engaged in an act or practice that violates this chapter,
31 chapter 56, or rules adopted by the board, the board shall
32 proceed as provided under section 68B.10D. Upon a finding
33 that the party charged has not engaged in an act or practice
34 which violates this chapter, chapter 56, or the rules adopted
35 by the board, the complaint shall be dismissed and the party

1 charged and the complainant shall be notified.

2 8. The right of an appropriate county attorney or the
3 attorney general to commence and maintain a district court
4 prosecution for criminal violations of the law is unaffected
5 by any proceedings under this section.

6 9. The board shall by rule pursuant to chapter 17A
7 establish procedures to implement this section.

8 Sec. 14. NEW SECTION. 68B.10D PENALTIES -- RECOMMENDED
9 ACTIONS.

10 The board, after a hearing and upon a finding by a
11 preponderance of clear and convincing evidence that a
12 violation of a provision of this chapter, chapter 56, or rules
13 adopted by the board has occurred, may do one or more of the
14 following:

15 1. Issue an order requiring the violator to cease and
16 desist from the violation found.

17 2. Issue an order requiring the violator to file any
18 report, statement or other information as required by this
19 chapter, chapter 56, or rules adopted by the board.

20 3. Publicly reprimand the violator for violations of this
21 chapter, chapter 56, or rules adopted by the board in writing
22 and provide a copy of the reprimand to the violator's
23 appointing authority.

24 4. Make a written recommendation to the violator's
25 appointing authority that the violator be removed or suspended
26 from office, and include in the recommendation the length of
27 the suspension.

28 5. If the violator is a member of the general assembly,
29 make a written recommendation to the house of which the
30 violator is a member that the legislator be censured,
31 reprimanded, suspended, or expelled from office.

32 6. If the violator is an elected official other than an
33 official who can only be removed by impeachment, make a
34 written recommendation to the attorney general or the
35 appropriate county attorney that an action for removal from

1 office be initiated pursuant to chapter 66.

2 7. Issue an order requiring the violator to pay a civil
3 penalty of not more than two thousand dollars for each
4 violation of this chapter, chapter 56, or rules adopted by the
5 board.

6 8. Refer the complaint and supporting information to the
7 attorney general or appropriate county attorney with a
8 recommendation for prosecution or enforcement of criminal
9 penalties.

10 If a person fails to comply with an order of the board
11 under subsection 1, 2, or 7, the board may petition the
12 district court having jurisdiction for an order for
13 enforcement of the order of the board. The enforcement
14 proceeding shall be conducted as provided in section 68B.10E.

15 Sec. 15. NEW SECTION. 68B.10E JUDICIAL REVIEW --
16 ENFORCEMENT.

17 Judicial review of the actions of the board may be sought
18 in accordance with chapter 17A. Judicial enforcement of
19 orders of the board may be sought in accordance with chapter
20 17A.

21 Sec. 16. NEW SECTION. 68B.10F PERSONAL FINANCIAL
22 DISCLOSURE -- CONTENTS OF STATEMENT.

23 1. A candidate for public office shall file a statement of
24 financial interests with the board concerning the calendar
25 year preceding the year in which the election is to be held
26 for which the candidate has filed. The statement shall be
27 filed no later than thirty days after the date on which the
28 person formally becomes a candidate. Public officials and
29 certain employees shall also, if required by the board by
30 rule, file a statement of financial interests for the
31 preceding year with the board in the manner and at times
32 provided by the board.

33 2. The board shall adopt rules establishing the items that
34 shall be disclosed by each candidate, public official, and
35 employee under this section. Rules adopted shall provide for

1 the disclosure of sources of income and significant financial
2 interests, including indebtedness, of all statewide elected
3 officials, the executive or administrative heads of state
4 agencies, the head of each division, bureau, or other major
5 administrative unit within all state agencies, and members of
6 the general assembly. The rules may provide for different
7 levels of disclosure of sources of income and significant
8 financial interests including indebtedness, or may provide for
9 a waiver of personal financial disclosure for county or local
10 elected officials, or any other person who, as defined in the
11 rules of the board, occupy a position involving a substantial
12 and material exercise of administrative discretion in the
13 formulation of public policy, expenditure of public funds,
14 enforcement of laws and rules of the state, or the execution
15 of any other public trust, including appointees to boards,
16 commissions, councils, and committees.

17 Sec. 17. NEW SECTION. 68B.10G APPLICABILITY -- LOBBYIST
18 REGISTRATION REQUIRED.

19 1. All lobbyists shall, on or before the day their
20 lobbying activity begins, register by filing a lobbyist's
21 registration statement on forms approved by the board.
22 Lobbyists engaged in lobbying activities before the general
23 assembly shall register with the board by filing the statement
24 with the chief clerk of the house of representatives or the
25 secretary of the senate. Lobbyists engaged in lobbying
26 activities before the office of the governor shall file the
27 statement with that office and lobbyists engaged in lobbying
28 activities before an agency shall file the statement with the
29 agency. The board shall provide appropriate registration
30 forms to the general assembly, the office of the governor, and
31 state agencies. Persons receiving registration statement
32 filings from lobbyists shall forward the statements to the
33 board.

34 2. Registration shall be valid from the date of
35 registration until the expiration of the registration period

1 for the type of lobbying in which the person will be engaging.
2 Any change in or addition to the information shall be
3 registered with the board within ten days after the change or
4 addition is known to the lobbyist.

5 3. For persons registered to lobby before the general
6 assembly, registration expires upon the commencement of the
7 next regular session of the general assembly, except that the
8 board may adopt and implement a reasonable preregistration
9 procedure in advance of each regular session during which
10 persons may register for that session and the following
11 legislative interim. For persons registered to lobby before
12 the office of the governor or a state agency, registration
13 expires upon the commencement of a new calendar year. The
14 board may adopt and implement a reasonable preregistration
15 procedure in advance of each new calendar year during which
16 persons may register for that year.

17 4. If a lobbyist's service on behalf of a particular
18 employer, client, or cause is concluded prior to the end of
19 the calendar year, the lobbyist may cancel the registration on
20 appropriate forms supplied by the board. The cancellation
21 forms shall be filed by the lobbyist in the place where the
22 lobbyist filed the original registration. Persons receiving
23 forms canceling a lobbyist's registration shall forward the
24 forms to the board. Upon cancellation of registration, a
25 lobbyist is prohibited from engaging in any lobbying activity
26 on behalf of that particular employer, client, or cause until
27 reregistering and complying with the rules of the board.

28 5. All federal, state, and local officials or employees
29 representing the official positions of their departments,
30 commissions, boards, or agencies shall present to the board a
31 letter of authorization from their department or agency heads
32 prior to the commencement of their lobbying. The lobbyist
33 registration statement of these officials and employees shall
34 not be deemed complete until the letter of authorization is
35 attached. Federal, state, and local officials who wish to

1 lobby in opposition to the official position of their
2 departments, commissions, boards, or agencies must indicate
3 this on their lobbyist registration statements.

4 Sec. 18. NEW SECTION. 68B.10H LOBBYIST REPORTING.

5 1. A lobbyist shall file, on forms prescribed by the
6 board, a separate report with the board disclosing the
7 following: the lobbyist's clients; contributions,
8 expenditures, and gifts that were made for purposes of
9 lobbying and were initiated or paid by the lobbyist on behalf
10 of each of the lobbyist's clients during the prior calendar
11 month; all campaign contributions made by the lobbyist; and
12 the recipient of the contributions, expenditures, or campaign
13 contributions.

14 2. The report of contributions and expenditures must be
15 filed with the board on a monthly basis.

16 Sec. 19. NEW SECTION. 68B.10I LOBBYIST'S CLIENT
17 REPORTING.

18 1. No later than January 31 and July 31 of each year, a
19 lobbyist's client shall file with the board a report that
20 contains information on all salaries, fees, and retainers paid
21 by the lobbyist's client to the lobbyist for lobbying purposes
22 during the preceding six calendar months.

23 2. The report due January 31 shall include a cumulative
24 total of all lobbying expenditures for the preceding calendar
25 year.

26 Sec. 20. Section 68B.11, Code 1991, is amended by striking
27 the section and inserting in lieu thereof the following:

28 68B.11 SUPREME COURT RULES.

29 The supreme court of this state shall adopt rules
30 establishing a code of ethics for officials and employees of
31 the judicial department of this state, and the immediate
32 family members of the officials and employees. Rules adopted
33 shall include provisions relating to the receipt or acceptance
34 of gifts and honoraria, interests in public contracts,
35 services against the state, and financial disclosure which are

1 substantially similar to the requirements of this chapter and
2 chapter 56.

3 Sec. 21. Section 56.2, Code Supplement 1991, is amended by
4 adding the following new subsection:

5 NEW SUBSECTION. 1A. "Board" means the Iowa ethics and
6 campaign finance board under section 68B.10A.

7 Sec. 22. Section 56.2, subsection 3, Code Supplement 1991,
8 is amended to read as follows:

9 3. "Candidate" means any individual who has taken
10 affirmative action to seek nomination or election to a public
11 office ~~but~~ and shall exclude also include any judge standing
12 for retention in a judicial election.

13 Sec. 23. Section 56.2, subsection 5, Code Supplement 1991,
14 is amended by striking the subsection.

15 Sec. 24. Section 56.2, subsection 11, Code Supplement
16 1991, is amended to read as follows:

17 11. "Disclosure report" means a statement of contributions
18 received, expenditures made, and indebtedness incurred on
19 forms prescribed by rules ~~promulgated~~ adopted by the
20 ~~commission~~ board in accordance with chapter 17A.

21 Sec. 25. Section 56.2, subsection 16, Code Supplement
22 1991, is amended to read as follows:

23 16. "Public office" means any ~~federal,~~ state, county,
24 city, or school office filled by election.

25 Sec. 26. Section 56.4, Code 1991, is amended to read as
26 follows:

27 56.4 REPORTS FILED WITH COMMISSION BOARD.

28 All statements and reports required to be filed under this
29 chapter for a state office shall be filed with the ~~commission~~
30 board. If the statement or report is filed for or by a
31 candidate for a seat in the general assembly, the report or
32 statement shall also be filed with the auditor of each county
33 within the district. All statements and reports required to
34 be filed under this chapter for a county, city, or school
35 office shall be filed with the commissioner. Statements and

1 reports on a ballot issue shall be filed with the commissioner
2 responsible under section 47.2 for conducting the election at
3 which the issue is voted upon, except that statements and
4 reports on a statewide ballot issue shall be filed with the
5 commission board. Copies of any reports filed with a
6 commissioner shall be provided by the commissioner to the
7 commission board on its request. State statutory political
8 committees shall file all statements and reports with the
9 commission board. All other statutory political committees
10 shall file the statements and reports with the commissioner
11 with a copy sent to the commission board.

12 Political committees supporting or opposing candidates for
13 both federal office and any elected office created by law or
14 the Constitution of the state of Iowa shall file statements
15 and reports with the commission board in addition to any
16 federal reports required to be filed with the secretary of
17 state.

18 Political committees supporting or opposing candidates or
19 ballot issues for statewide elections and for county,
20 municipal or school elections may file all activity on one
21 report with the commission board and shall send a copy to the
22 commissioner responsible under section 47.2 for conducting the
23 election.

24 Sec. 27. Section 56.5, subsections 3 and 5, Code
25 Supplement 1991, are amended to read as follows:

26 3. Any change in information previously submitted in a
27 statement of organization or notice in case of dissolution of
28 the committee shall be reported to the commission board or
29 commissioner not more than thirty days from the date of the
30 change or dissolution.

31 5. A committee not domiciled in Iowa which makes a
32 contribution to a candidate's committee or political committee
33 domiciled in Iowa shall disclose each contribution to the
34 commission board. A committee not domiciled in Iowa which is
35 not registered and filing full disclosure reports of all

1 financial activities with the federal election commission or
2 another state's disclosure commission shall register and file
3 full disclosure reports with the commission board pursuant to
4 this chapter. A committee which is currently filing a
5 disclosure report in another jurisdiction shall either file a
6 statement of organization under subsections 1 and 2 and file
7 disclosure reports, the same as those required of Iowa-
8 domiciled committees, under section 56.6, or shall file one
9 copy of a verified statement with the commission board and a
10 second copy with the treasurer of the committee receiving the
11 contribution. The form shall be completed and filed at the
12 time the contribution is made. The verified statement shall
13 be on forms prescribed by the commission board. The form
14 shall include the complete name, address, and telephone number
15 of the contributing committee, the state or federal
16 jurisdiction under which it is registered or operates, the
17 identification of any parent entity or other affiliates or
18 sponsors, its purpose, the name and address of an Iowa
19 resident authorized to receive service of original notice and
20 the name and address of the receiving committee, the amount of
21 the cash or in-kind contribution, and the date the
22 contribution was made.

23 Sec. 28. Section 56.6, subsection 1, paragraphs a and c.
24 subsection 2; subsection 3, paragraph k; and subsection 5,
25 Code Supplement 1991, are amended to read as follows:

26 a. Each treasurer of a committee shall file with the
27 commission board or commissioner, or both if required under
28 section 56.4 disclosure reports of contributions received and
29 disbursed on forms prescribed by rules as provided by chapter
30 17A. The reports from all committees, except those committees
31 for municipal and school elective offices and for local ballot
32 issues, shall be filed on the twentieth day or mailed bearing
33 a United States postal service postmark dated on or before the
34 nineteenth day of January, May, July, and October of each
35 year. The May, July, and October reports shall be current as

1 of five days prior to the filing deadline. The January report
2 shall be the annual report covering activity through December
3 31. However, a state or county statutory political committee
4 is not required to file the May and July reports for a year in
5 which no primary or general election is held. A candidate's
6 committee, other than for municipal and school elective
7 offices, for a year in which the candidate is not standing for
8 election, is not required to file the May, July, and October
9 reports. Reports for committees for a ballot issue placed
10 before the voters of the entire state shall be filed at the
11 January, May, July, and October deadlines.

12 c. A candidate's committee of a state officeholder shall
13 file a letter report to be received within fourteen days of
14 the receipt of any contribution from a political committee or
15 ~~from a lobbyist registered under the rules adopted by either~~
16 ~~house of the general assembly~~ while the general assembly is in
17 session. The committee may request, in writing, a fourteen-
18 day extension on a letter report which shall be granted if
19 received on or before the date the report is due. The letter
20 report shall notify the commission board of the following:

- 21 (1) The name of the candidate's committee.
- 22 (2) The name and complete address of the political
23 ~~committee or registered lobbyist making the contribution.~~
- 24 (3) The amount of the contribution.
- 25 (4) The date the contribution was received.
- 26 (5) In the event the contribution was caused by a fund-
27 raiser, an explanation of the sponsor and type of event held.

28 PARAGRAPH DIVIDED. The provisions of this lettered
29 paragraph are in addition to any other reporting requirements
30 of this chapter and any reporting rules adopted by either
31 ~~house of the general assembly~~ the board.

32 2. If any committee, after having filed a statement of
33 organization or one or more disclosure reports, dissolves or
34 determines that it shall no longer receive contributions or
35 make disbursements, the treasurer of the committee shall

1 notify the commission board or the commissioner within thirty
2 days following such dissolution by filing a dissolution report
3 on forms prescribed by the commission board. Moneys refunded
4 in accordance with a dissolution statement shall be considered
5 a disbursement or expense but the names of persons receiving
6 refunds need not be released or reported unless the
7 contributors' names were required to be reported when the
8 contribution was received.

9 k. Other pertinent information required by this chapter,
10 by rules adopted pursuant to this chapter, or forms approved
11 by the commission board.

12 5. A committee shall not dissolve until all loans, debts
13 and obligations are paid, forgiven or transferred and the
14 remaining money in the account is distributed according to the
15 organization statement. If a loan is transferred or forgiven,
16 the amount of the transferred or forgiven loan must be
17 reported as an in-kind contribution and deducted from the
18 loans payable balance on the disclosure form. A statutory
19 political committee is prohibited from dissolving, but may be
20 placed in an inactive status upon the approval of the
21 commission board. Inactive status may be requested for a
22 statutory political committee when no officers exist and the
23 statutory political committee has ceased to function. The
24 request shall be made by the previous treasurer or chairperson
25 of the committee and by the appropriate state statutory
26 political committee. A statutory political committee granted
27 inactive status shall not solicit or expend funds in its name
28 until the committee reorganizes and fulfills the requirements
29 of a political committee under this chapter.

30 Sec. 29. Section 56.13, unnumbered paragraph 1, Code 1991,
31 is amended to read as follows:

32 Action involving a contribution or expenditure which must
33 be reported under this chapter and which is taken by any
34 person, candidate's committee or political committee on behalf
35 of a candidate, if known and approved by the candidate, shall

1 be deemed action by the candidate and reported by the
2 candidate's committee. It shall be presumed that a candidate
3 approves the action if the candidate had knowledge of it and
4 failed to file a statement of disavowal with the commissioner
5 or commission board and take corrective action within seventy-
6 two hours of the action. A person, candidate's committee or
7 political committee taking such action independently of that
8 candidate's committee shall notify that candidate's committee
9 in writing within twenty-four hours of taking the action. The
10 notification shall provide that candidate's committee with the
11 cost of the promotion at fair market value. A copy of the
12 notification shall be sent to the commission board.

13 Sec. 30. NEW SECTION. 56.15A PROHIBITING CONTRIBUTIONS
14 DURING THE LEGISLATIVE SESSION.

15 A lobbyist or political committee, other than a state
16 statutory political committee, shall not contribute to, act as
17 an agent or intermediary for contributions to, or arrange for
18 the making of contributions to the campaign funds of an
19 elected state official, member of the general assembly, or
20 candidate for public office on the state level on any day
21 during the regular legislative session and, in the case of the
22 governor or a gubernatorial candidate, during the time for the
23 signing of bills. This section shall not apply to the receipt
24 of contributions by an elected state official, member of the
25 general assembly, or other state official who has taken
26 affirmative action to seek nomination or election to a federal
27 elective office.

28 Sec. 31. Section 56.20, Code 1991, is amended to read as
29 follows:

30 56.20 RULES PROMULGATED ADOPTED.

31 The director of revenue and finance, in co-operation with
32 the director of the department of management and the Iowa
33 ethics and campaign finance disclosure-commission board, shall
34 administer the provisions of sections 56.18 to 56.26 and they
35 shall promulgate adopt all necessary rules in accordance with

1 chapter 17A.

2 Sec. 32. Section 56.23, Code 1991, is amended to read as
3 follows:

4 56.23 FUNDS -- CAMPAIGN EXPENSES ONLY.

5 The chairperson of the state statutory political committee
6 shall produce evidence to the director of revenue and finance
7 and the Iowa ethics and campaign finance disclosure-commission
8 board not later than the twenty-fifth day of January each
9 year, that all income tax checkoff funds expended for campaign
10 expenses have been utilized exclusively for campaign expenses.

11 The Iowa ethics and campaign finance disclosure-commission
12 board shall issue, prior to the payment of any money,
13 guidelines which explain which expenses and evidence thereof
14 qualify as acceptable campaign expenses.

15 Should the Iowa ethics and campaign finance disclosure
16 commission board and the director of revenue and finance
17 determine that any part of the funds have been used for
18 noncampaign or improper expenses, they may order the political
19 party or the candidate to return all or any part of the total
20 funds paid to that political party for that election. When
21 such the funds are returned, they shall be deposited in the
22 general fund of the state.

23 Sec. 33. Section 56.41, Code Supplement 1991, is amended
24 by adding the following new subsection:

25 NEW SUBSECTION. 3. The board shall adopt rules which list
26 items that represent proper campaign expenses.

27 Sec. 34. Section 56.42, subsections 1, 2, and 5, Code
28 Supplement 1991, are amended to read as follows:

29 1. In addition to the uses permitted under section 56.41,
30 a candidate's committee may only transfer campaign funds in
31 one or more of the following ways:

32 a. Contributions to charitable organizations.

33 b. Contributions to national, state, or local political
34 party central committees, ~~or other candidate's committees.~~

35 c. Transfers to the treasurer of state for deposit in the

1 general fund of the state.

2 3. Return of contributions to contributors on a pro rata
3 basis, except that any contributor who contributed five
4 dollars or less may be excluded from the distribution.

5 2. If an unexpended balance of campaign funds remains when
6 a candidate ceases to be a candidate or the candidate's
7 committee dissolves, the unexpended balance shall be
8 transferred pursuant to subsection 1.

9 5. A candidate, or candidate's committee, or any other
10 person shall not directly or indirectly receive or transfer
11 campaign funds with the intent of circumventing the
12 requirements of this section.

13 Sec. 35. Section 331.756, subsection 15, Code 1991, is
14 amended to read as follows:

15 15. Review the any report and recommendations of the
16 campaign-finance-disclosure-commission Iowa ethics and
17 campaign finance board and proceed to institute the any
18 recommended actions or advise the commission board that
19 prosecution is not merited ~~as-provided-in-section-56-11,~~
20 subsection-4 under chapter 56 or 68B.

21 Sec. 36. Section 602.1609, Code 1991, is amended to read
22 as follows:

23 602.1609 COMPLIANCE WITH GIFT ETHICS LAW.

24 Judicial officers and court employees shall comply with
25 rules adopted prescribed by the supreme court ~~under-section~~
26 ~~68B-11~~ with respect to ethical conduct including the reporting
27 acceptance and receipt of gifts received and honoraria,
28 interests in public contracts, services against the state, and
29 financial disclosure. In prescribing rules, the supreme court
30 shall include any appropriate provisions and limitations
31 contained in chapter 68B. Violations are subject to the
32 ~~criminal~~ imposition of criminal and civil penalties in the
33 manner provided in-that-section by law.

34 Sec. 37. Section 602.2101, Code 1991, is amended to read
35 as follows:

1 602.2101 AUTHORITY.

2 The supreme court may retire, discipline, or remove a
3 judicial officer from office or may discipline or remove an
4 employee of the judicial department for cause as provided in
5 this part.

6 Sec. 38. Section 602.2103, Code 1991, is amended to read
7 as follows:

8 602.2103 OPERATION OF COMMISSION.

9 A quorum of the commission is four members. Only those
10 commission members that are present at commission meetings or
11 hearings may vote. An application by the commission to the
12 supreme court to retire, discipline, or remove a judicial
13 officer, or discipline or remove an employee of the judicial
14 department, or an action by the commission which affects the
15 final disposition of a complaint, requires the affirmative
16 vote of at least four commission members. Notwithstanding
17 chapter 21 and chapter 22, all records, papers, proceedings,
18 meetings, and hearings of the commission are confidential, but
19 if the commission applies to the supreme court to retire,
20 discipline, or remove a judicial officer, or to discipline or
21 remove an employee of the judicial department, the application
22 and all of the records and papers in that proceeding are
23 public documents.

24 Sec. 39. Section 602.2104, Code 1991, is amended to read
25 as follows:

26 602.2104 PROCEDURE BEFORE COMMISSION.

27 1. Charges before the commission shall be in writing but
28 may be simple and informal. The commission shall investigate
29 each charge as indicated by its gravity. If the charge is
30 groundless, it shall be dismissed by the commission. If the
31 charge appears to be substantiated but does not warrant
32 application to the supreme court, the commission may dispose
33 of it informally by conference with or communication to the
34 judicial officer or employee of the judicial department
35 involved. If the charge appears to be substantiated and if

1 proved would warrant application to the supreme court, notice
2 shall be given to the judicial officer and a hearing shall be
3 held before the commission. The commission may employ
4 investigative personnel, in addition to the executive
5 secretary, as it deems necessary. The commission may also
6 employ or contract for the employment of legal counsel.

7 2. In case of a hearing before the commission, written
8 notice of the charge and of the time and place of hearing
9 shall be mailed to the a judicial officer or an employee of
10 the judicial department at the officer's person's residence at
11 least twenty days prior to the time set for hearing. Hearing
12 shall be held in the county where the judicial officer or
13 employee of the judicial department resides unless the
14 commission and the judicial officer or employee of the
15 judicial department agree to a different location. The
16 judicial officer shall continue to perform judicial duties
17 during the pendency of the charge and the employee shall
18 continue to perform the employee's assigned duties, unless
19 otherwise ordered by the commission. The commission has
20 subpoena power on behalf of the state and the judicial officer
21 or employee of the judicial department, and disobedience of
22 the commission's subpoena is punishable as contempt in the
23 district court for the county in which the hearing is held.
24 The attorney general shall prosecute the charge before the
25 commission on behalf of the state. The A judicial officer or
26 employee of the judicial department may defend and has the
27 right to participate in person and by counsel, to cross-
28 examine, to be confronted by the witnesses, and to present
29 evidence in accordance with the rules of civil procedure. A
30 complete record shall be made of the evidence by a court
31 reporter. In accordance with its findings on the evidence,
32 the commission shall dismiss the charge or make application to
33 the supreme court to retire, discipline, or remove the
34 judicial officer or to discipline or remove an employee of the
35 judicial department.

1 Sec. 40. Section 602.2106, Code 1991, is amended to read
2 as follows:

3 602.2106 PROCEDURE BEFORE SUPREME COURT.

4 1. If the commission submits an application to the supreme
5 court to retire, discipline, or remove a judicial officer or
6 to discipline or remove an employee of the judicial
7 department, the commission shall promptly file in the supreme
8 court a transcript of the hearing before the commission. The
9 statutes and rules relative to proceedings in appeals of
10 equity suits apply.

11 2. The attorney general shall prosecute the proceedings in
12 the supreme court on behalf of the state, and the judicial
13 officer or employee of the judicial department may defend in
14 person and by counsel.

15 3. Upon application by the commission, the supreme court
16 may do either any of the following:

17 a. Retire the judicial officer for permanent physical or
18 mental disability which substantially interferes with the
19 performance of judicial duties.

20 b. Discipline or remove the judicial officer for
21 persistent failure to perform duties, habitual intemperance,
22 willful misconduct in office, conduct which brings judicial
23 office into disrepute, or substantial violation of the canons
24 of judicial ethics. Discipline may include suspension without
25 pay for a definite period of time not to exceed twelve months.

26 c. Discipline or remove an employee of the judicial
27 department for conduct which violates the code of ethics
28 prescribed by the supreme court for court employees.

29 4. If the supreme court finds that the application should
30 be granted in whole or in part, it shall render the decree
31 that it deems appropriate.

32 Sec. 41. Section 602.2107, Code 1991, is amended to read
33 as follows:

34 602.2107 CIVIL IMMUNITY.

35 The making of charges before the commission, the giving of

1 evidence or information before the commission or to an
2 investigator or legal counsel employed by the commission, and
3 the presentation of transcripts, extensions of evidence,
4 briefs, and arguments in the supreme court are privileged in
5 actions for defamation.

6 Sec. 42. INITIAL APPOINTMENTS TO STATE ETHICS AND CAMPAIGN
7 FINANCE BOARD. Notwithstanding any contrary requirements
8 contained in section 68B.10A the initial appointments to the
9 Iowa ethics and campaign finance board shall be made by July
10 1, 1992, and staggered as follows:

11 1. One of the appointees of the governor, the two
12 appointees of the house of representatives, and one of the
13 appointees of the supreme court shall serve an initial term of
14 two years.

15 2. One of the appointees of the governor, the two
16 appointees of the senate, and one of the appointees of the
17 supreme court shall serve an initial term of four years.

18 3. Two of the appointees of the governor and one of the
19 appointees of the supreme court shall serve an initial term of
20 six years.

21 The board shall adopt any emergency or transition rules
22 necessary for the assumption of its duties by January 1, 1993,
23 and for the transition and transfer of any matters currently
24 pending before the ethics committees of either house of the
25 general assembly or before the campaign finance disclosure
26 commission.

27 Sec. 43. Section 4 of this Act shall apply to officials,
28 employees, members of the general assembly, or legislative
29 employees who are employed, hold office, or terminate service
30 or employment on or after the date of enactment of this Act.

31 Sec. 44. Section 56.9, 56.10A, and 56.11, Code 1991, are
32 repealed.

33 Sec. 45. Section 56.10, Code Supplement 1991, is repealed.

34 Sec. 46. Sections 1, 2, 6, 7, 8, 9, 10, sections 16
35 through 29, and sections 31, 32, 44, and 45 of this Act take

1 effect January 1, 1993.

2 Sec. 47. Sections 4, 5, 11, 12, 42, and 43 of this Act,
3 being deemed of immediate importance, take effect upon
4 enactment.

5 Sec. 48. CODIFICATION. The Code editor shall renumber the
6 sections in chapter 68B, reserving section numbers if
7 appropriate, as the Code editor sees fit.

8

EXPLANATION

9 This bill makes changes in chapter 68B, which contains the
10 current conflict of interest provisions for public officials
11 and employees, makes changes in chapter 56, which contains the
12 provisions relating to campaign finance for public office
13 within the state, and makes changes in those provisions which
14 deal with the ethics and discipline for judicial officers and
15 employees of the judicial department.

16 Sections 1 through 19 deal with the ethics requirements for
17 public officials and employees of the executive and
18 legislative branches of state and local government.

19 Section 1 contains intent language relating to the changes
20 made in chapter 68B. Section 2 establishes a variety of
21 definitions, many of which differ from those previously under
22 the chapter, which relate to the changes in the chapter.

23 Section 3 changes the requirement relating to when state
24 level officials and employees may sell goods to the state to
25 add services to the items for which there may be a public bid
26 requirement. The section is also broadened to require that
27 the public bid requirement is also extended to sales to
28 political subdivisions of the state. Exemptions from the
29 requirements of the section may be granted on a case-by-case
30 basis by the state ethics and campaign finance board.

31 Section 4 adds to the current two-year ban on lobbying
32 activities of state officials and employees. The new
33 provisions contain a broad ban on all appearances made in the
34 capacity as a paid lobbyist before any agency, office, or the
35 general assembly, unless there exists no potential for use of

1 undue influence or unfair advantage by the official, employee,
2 or the person involved has been requested to provide technical
3 assistance to an agency, office, or the general assembly. The
4 section does not apply to someone who is acting as someone
5 else's attorney in a rulemaking or contested case proceeding.

6 Section 5 expands the current ban on appearances by state
7 officials and employees on matters in which they have direct,
8 personal experience or information to include legislators and
9 legislative employees.

10 Sections 6 and 7 deal with the acceptance of gifts. Gifts
11 are banned unless they consist of certain nonmonetary gifts
12 that are either under a certain value, are reported, or are
13 donated to a charity. The definition of gift, contained in
14 section 2 of the bill, does qualify the ban on gifts to items
15 in value of over three dollars that are given by certain
16 persons to public officials or employees.

17 Section 8 relates to the receipt of honoraria by public
18 officials. The receipt of honoraria, from persons from within
19 the state who have an interest in legislative, administrative,
20 or political action, is banned unless the public official
21 obtains an exemption from the state ethics and campaign
22 finance board.

23 Section 9 provides that violations of the previously
24 enumerated provisions are serious misdemeanors.

25 Sections 10 through 15, and section 42, relate to the
26 establishment, duties, and procedures for the filing of
27 complaints with the state ethics and campaign finance board.
28 The board consists of eleven members, appointed by the three
29 branches of government, who will serve staggered six-year
30 terms. The duties of the board will include the establishment
31 of a code of ethics for public officials and employees,
32 regulations governing lobbyists, monitoring of financial
33 disclosure by persons under the board's control, the duties
34 currently performed by the campaign finance disclosure
35 commission, and the hearing of complaints for violations of

1 chapter 68B, chapter 56, or board rules.

2 Section 16 relates to financial disclosure by candidates
3 for and holders of public office and certain employees.

4 Sections 17 and 18 contain provisions relating to lobbyist
5 registration and financial disclosure. Section 19 relates to
6 financial disclosure relating to lobbying activities of
7 clients of lobbyists.

8 Section 20 and sections 36 through 40 relate to the ethical
9 standards for judicial officers and employees of the judicial
10 department, which are to be set by the supreme court and
11 violations of which are to be dealt with through the judicial
12 qualifications commission.

13 Sections 21 through 35 make technical changes to the
14 campaign finance chapter, require duplicate filings of reports
15 and statements with the local commissioners of elections by
16 legislative candidates, cause the campaign finance chapter to
17 be applicable to judges who are standing for retention of
18 office, prohibit the transfer of funds from one candidate to
19 another, and require the new board to list permissible uses of
20 campaign funds.

21 This bill may create a state mandate as defined in section
22 218.3.

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HOUSE FILE 2466
FISCAL NOTE

A fiscal note for House File 2466 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2466 makes changes to Chapters 56 and 68B of the Code of Iowa. Chapter 56 relates to campaign finance for public offices. Chapter 68B relates to conflict of interest provisions for public officials and employees. Changes made by this bill include:

1. Establishes an Iowa Ethics and Campaign Finance Board as an independent agency to set standards, investigate complaints, and monitor the ethics and campaign finance practices of public officials and all State and local public employees. The current Campaign Finance Disclosure Commission would be expanded and converted to the Iowa Ethics and Campaign Finance Board.
2. Adds services to the list of items constituting a sale of goods to the State and expands the conflict of interest restriction on sales to political subdivisions of the State.
3. Places a 2-year ban on lobbying activities after service in State government.
4. Prohibits receipt or offering of gifts, except under certain circumstances.
5. Prohibits acceptance of honoraria from a person with a substantial interest in legislative, administrative, or political action.
6. Requires personal financial disclosure by public officials and candidates for public office.
7. Codifies lobbyists' registration and disclosure requirements.
8. Requires reporting by a lobbyist's clients of contributions and expenditures made for lobbying purposes.
9. Requires the Supreme Court to prescribe rules which establish a code of ethics for officials and employees of the Judicial Department and their immediate family members.
10. Amends the definition of candidate to include judicial officers standing for retention in office as candidates.
11. Prohibits the transfer of funds from one candidate's committee to another candidate's committee.

Assumptions:

1. The current Campaign Finance Disclosure Commission would be expanded and converted to the Iowa Ethics and Campaign Finance Board requiring the addition of 9.0 FTEs.
2. Expansion of the Commission would require additional office space that would require moving from the current location (Colony Building).
3. The House and Senate Ethics Committees would incur minimal annual expenditures (less than \$500 annually).
4. The Judicial Qualifications Commission will double in size and will

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require 1.0 FTE attorney/investigator position.

5. First year start-up costs required by the Campaign Finance Disclosure Commission will be offset by savings in personnel costs because not all new staff will be hired for a full 12 months in FY 1993.

Additional Information:

Comparison of the Campaign Finance Disclosure Commission current staff to projected staff of the Ethics and Campaign Finance Board is as follows:

	Current		Additional		Total	
	Budget	FTE	Budget	FTE	Budget	FTE
Clerk Typist 2	\$ 22,083	1.00	\$ 22,083	1.00	\$ 44,166	2.00
Admin. Intern	8,100	0.75	0	0.00	8,100	0.75
Secretary 2	30,535	1.00	0	0.00	30,535	1.00
Admin. Assist. 1	30,535	1.00	30,535	1.00	61,070	2.00
Admin. Assist. 2	35,526	1.00	35,526	1.00	71,052	2.00
Investigator 1	0	0.00	33,835	1.00	33,835	1.00
Investigator 2	0	0.00	38,799	1.00	38,799	1.00
Field Auditor 2	41,992	1.00	38,799	1.00	80,791	2.00
Cont. Admin. Assist.	0	0.00	36,089	1.00	36,089	1.00
Legal Counsel	0	0.00	53,664	1.00	53,664	1.00
Deputy	0	0.00	51,678	1.00	51,678	1.00
Exec. Director	57,874	1.00	0	0.00	57,874	1.00
Total	\$226,645	6.75	\$341,008	9.00	\$567,653	15.75

This comparison assumes 12 month staffing which will not occur in the first year (FY 1993). For purposes of the fiscal impact, first year costs for additional staff have been reduced by 30.0% (\$102,302).

One time start-up costs for the Board for FY 1993 are estimated at \$152,000. This includes the cost of moving the office location and purchasing equipment and furniture for the additional staff.

Additional staff for the Judicial Department includes an attorney/investigator at an estimated annual cost of \$76,800.

Also included in the fiscal impact is \$35,000 additional rent which is paid through the Department of General Services.

Fiscal Impact:

This bill will increase General Fund expenditures by \$672,000 for FY 1993 and \$623,000 for FY 1994 and later years.

Counties may incur additional costs, including staff time for disclosure filings and printing expense. However, these costs are not expected to be significant.

Sources: Campaign Finance Disclosure Commission
 Judicial Department
 House of Representatives' Finance Officer
 Senate Finance Officer

Iowa State Association of Counties (ISAC)

(LSB 6275hh, MAS)

HOUSE FILE 2466

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1 Amend House File 2466 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "DIVISION I

5 Section 1. Section 68B.1, Code 1991, is amended by
6 striking the section and inserting in lieu thereof the
7 following:

8 68B.1 LEGISLATIVE INTENT.

9 It is the intent of the general assembly to create
10 a system through which ethical issues, including
11 matters of conduct of public officials and public
12 employees and issues related to the financing of
13 campaigns of elected public officials on the state and
14 local level, may be addressed in a fair, nonpolitical,
15 and open manner and which will allow state and local
16 officials and employees to seek advice when in doubt
17 as to the ethical propriety of specific action. The
18 Iowa ethics and campaign finance board is therefore
19 established to serve as an instrument for discipline,
20 redress, and guidance for persons elected to or
21 employed in positions within the executive and
22 legislative branches of state government and for
23 persons elected to or employed in positions in local
24 government. The supreme court is required to
25 prescribe rules establishing a code of ethics which is
26 substantially similar to the provisions of this
27 chapter which shall apply to those persons who are
28 subject to the administrative or disciplinary
29 authority of the supreme court.

30 Sec. 2. Section 68B.2, Code 1991, is amended by
31 striking the section and inserting in lieu thereof the
32 following:

33 68B.2 DEFINITIONS.

34 As used in this chapter, unless the context
35 otherwise requires:

36 1. "Agency" means a department, division, board,
37 commission, bureau, or office of the executive or
38 legislative branch of state government, the office of
39 attorney general, the state board of regents,
40 community colleges, and the office of the governor,
41 including a regulatory agency, or any political
42 subdivisions of the state.

43 2. "Anything of value" includes all of the
44 following:

45 a. A pecuniary item, including money, or a bank
46 bill or note.

47 b. A promissory note, bill of exchange, order,
48 draft, warrant, check, or bond given for the payment
49 of money.

50 c. A contract, agreement, promise, or other

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- 1 obligation for an advance conveyance, forgiveness of
2 indebtedness, deposit, distribution, loan payment,
3 gift, pledge, or transfer of money.
4 d. A stock, bond, note, or other investment
5 interest in an entity.
6 e. A receipt given for the payment of money or
7 other property.
8 f. A right in action.
9 g. A gift, tangible good, chattel, or an interest
10 in a gift, tangible good, or chattel.
11 h. A loan or forgiveness of indebtedness.
12 i. A work of art, antique, or collectible.
13 j. An automobile or other means of personal
14 transportation.
15 k. Real property or an interest in real property,
16 including title to realty, a fee simple or partial
17 interest, present or future, contingent or vested in
18 real property, a leasehold interest, or other
19 beneficial interest in real property.
20 l. An honorarium or compensation for services.
21 m. A rebate or discount unless the rebate or
22 discount is made in the ordinary course of business to
23 a member of the public without regard to that person's
24 status as a public official or public employee.
25 n. The sale or trade of something for reasonable
26 compensation that would ordinarily not be available to
27 a member of the public.
28 o. A promise or offer of employment.
29 p. Any other thing of value that is pecuniary or
30 compensatory in value to a person.
31 q. Any other thing determined to be of value in
32 rules adopted by the board.
- 33 3. "Board" means the Iowa ethics and campaign
34 finance board established in section 68B.10A.
- 35 4. "Candidate" means a candidate under chapter 56.
- 36 5. "Candidate's committee" means the committee
37 designated by the candidate, as provided under chapter
38 56, to receive contributions, expend funds, or incur
39 indebtedness on behalf of the candidate in the
40 aggregate as follows:
41 a. For a state, or county office, in excess of two
42 hundred fifty dollars in any calendar year.
43 b. For a city or school office, in excess of five
44 hundred dollars in any calendar year.
- 45 6. "Committee" includes a political committee and
46 a candidate's committee as defined in section 56.2.
- 47 7. "Compensation" means any money, thing of value,
48 or financial benefit conferred in return for services
49 rendered or to be rendered.
- 50 8. "Contribution" means a gift, loan, advance,

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1 deposit, rebate, refund, transfer of money, an in-kind
2 transfer, or the payment of compensation for the
3 personal services of another person.

4 10. a. "Gift" means a rendering of anything of
5 value in return for which legal consideration of equal
6 or greater value is not given and received, if the
7 donor is in any of the following categories:

8 (1) Is doing or seeking to do business of any kind
9 with the donee's agency.

10 (2) Is engaged in activities which are regulated
11 or controlled by the donee's agency.

12 (3) Has financial interests which may be
13 substantially and materially affected, in a manner
14 distinguishable from the public generally, by the
15 performance or nonperformance of the donee's official
16 duty.

17 (4) Is a lobbyist with respect to matters within
18 the donee's jurisdiction.

19 b. However, "gift" does not mean any of the
20 following:

21 (1) Contributions to a candidate or a candidate's
22 committee.

23 (2) Informational material relevant to a public
24 servant's official functions, such as books,
25 pamphlets, reports, documents, or periodicals.

26 (3) Anything received from a person related within
27 the fourth degree by kinship or marriage, unless the
28 donor is acting as an agent or intermediary for
29 another person not so related.

30 (4) An inheritance.

31 (5) Anything available or distributed to the
32 public generally without regard to the official status
33 of the recipient.

34 (6) Actual expenses of a donee for food,
35 beverages, travel, and lodging for a meeting, which is
36 given in return for participation in a panel or
37 speaking engagement at the meeting when the expenses
38 relate directly to the day or days on which the donee
39 has participation or presentation responsibilities.

40 (7) Plaques or items of negligible resale value
41 given as recognition for public services.

42 (8) Items with a cumulative retail value of less
43 than three dollars that are received from any one
44 donor during one calendar day.

45 (9) Items solicited or given to any national or
46 regional organization in which states or political
47 subdivisions are members.

48 (10) Items received as part of a regularly
49 scheduled event that is part of a conference, seminar,
50 or other meeting that is sponsored and directed by any

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1 national or regional organization in which states or
2 political subdivisions are members.

3 11. a. "Honorarium" means anything of value that
4 is accepted by, or on behalf of, a holder of public
5 office as consideration for an appearance, speech, or
6 article.

7 b. "Honorarium" does not include either of the
8 following:

9 (1) Actual expenses of a donee for food,
10 beverages, travel, and lodging paid as provided under
11 subsection 10, paragraph "b", subparagraph (6).

12 (2) A nonmonetary gift or series of nonmonetary
13 gifts donated within thirty days to a public body, a
14 bona fide educational or charitable organization, or
15 the department of general services as provided in
16 section 68B.7B, subsection 3.

17 12. "Immediate family members" means the spouse
18 and minor children of a public official or public
19 employee.

20 14. "Legislative employee" means a full-time
21 official or employee of the general assembly but does
22 not include members of the general assembly.

23 15. a. "Lobbyist" means a person who does any of
24 the following:

25 (1) Is paid compensation for encouraging the
26 passage, defeat, or modification of legislation or
27 regulation, or for influencing the decision of the
28 members of the general assembly, a state agency, or
29 any statewide elected official.

30 (2) Represents on a regular basis an organization
31 which has as one of its purposes the encouragement of
32 the passage, defeat, or modification of legislation or
33 regulation, or the influencing of a decision of the
34 members of the general assembly, a state agency, or
35 any statewide elected official.

36 (3) Is a federal, state, or local government
37 official or employee who represents the official
38 position of the official or employee's agency and who
39 encourages the passage, defeat, or modification of
40 legislation or regulation, or the influencing of a
41 decision of the members of the general assembly, a
42 state agency, or any statewide elected official.

43 b. "Lobbyist" does not mean:

44 (1) Officials and employees of a political party
45 organized in the state of Iowa representing more than
46 two percent of the total votes cast for governor in
47 the last preceding general election, but only when
48 representing the political party in an official
49 capacity.

50 (2) Representatives of the news media only when

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1 engaged in the reporting and dissemination of news and
2 editorials.

3 (4) The governor and lieutenant governor of the
4 state of Iowa, all other statewide elected officials,
5 and elected federal officials.

6 (7) Persons whose activities are limited to formal
7 appearances to give testimony at public sessions of
8 committees of the general assembly or public hearings
9 of state agencies and whose appearances as a result of
10 testifying, are recorded in the records of the
11 committee or agency.

12 (8) A person who appears or communicates as a
13 lawyer representing a client in a contested case
14 proceeding under chapter 17A.

15 16. "Local employee" means a person employed by a
16 political subdivision of this state.

17 17. "Local official" means an officeholder of a
18 political subdivision of this state.

19 18. "Member of the general assembly" means an
20 individual duly elected to the senate or the house of
21 representatives of the state of Iowa.

22 19. "Official" means an officer of the state of
23 Iowa receiving a salary or per diem whether elected or
24 appointed or whether serving full-time or part-time
25 but does not include officers or employees of
26 political subdivisions of the state. "Official"
27 includes but is not limited to supervisory personnel,
28 members and employees of the governor's office,
29 members of other statewide elected offices, and
30 members of state agencies and does not include members
31 of the general assembly, legislative employees, or
32 officers or employees of the judicial branch of
33 government who are not members or employees of the
34 office of attorney general.

35 20. "Person" means, without limitation, any
36 individual, corporation, business trust, estate,
37 trust, partnership or association, labor union, or any
38 other legal entity.

39 21. "Political committee" means political
40 committee as defined in section 56.2.

41 22. "Public disclosure" means a written report
42 filed with the board by a person as required by this
43 chapter or required by rules adopted by the board and
44 issued pursuant to this chapter.

45 23. "Public employee" means employees, legislative
46 employees, and local employees.

47 24. "Public office" means any state, county, city,
48 or school office or any other office of a political
49 subdivision of the state that is filled by election.

50 25. "Public official" means officials, local

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1 officials, and members of the general assembly.

2 26. "Regulatory agency" means the department of
3 agriculture and land stewardship, department of
4 employment services, department of commerce, Iowa
5 department of public health, department of public
6 safety, department of education, state board of
7 regents, department of human services, department of
8 revenue and finance, department of inspections and
9 appeals, department of personnel, public employment
10 relations board, state department of transportation,
11 civil rights commission, department of public defense,
12 and department of natural resources.

13 27. "State employee" means a paid employee of the
14 state of Iowa and does not include an independent
15 contractor, an employee of the judicial department, a
16 legislative employee, or an employee of a political
17 subdivision of the state. "State employee" includes
18 but is not limited to all clerical personnel.

19 Sec. 3. Section 68B.3, Code 1991, is amended to
20 read as follows:

21 68B.3 WHEN PUBLIC BIDS REQUIRED.

22 No An official, state employee, member of the
23 general assembly, or legislative employee shall not
24 sell, in any one occurrence, any goods or services
25 having a value in excess of five hundred dollars to
26 any state agency or any political subdivision of the
27 state unless pursuant to an award or contract let
28 after public notice and competitive bidding or unless
29 permitted upon a showing of good cause by the board.

30 This section shall not apply to the publication of
31 resolutions, advertisements, or other legal
32 propositions or notices in newspapers designated
33 pursuant to law for such purpose and for which the
34 rates are fixed pursuant to law.

35 Sec. 4. NEW SECTION. 68B.4A SALES BY LEGISLATIVE
36 EMPLOYEES.

37 A full-time legislative employee shall not sell,
38 either directly or indirectly, any goods or services
39 to individuals, associations, or corporations which
40 employ persons who are registered lobbyists before the
41 general assembly, except when the legislative employee
42 has met all of the following conditions:

43 1. The consent of the person or persons
44 responsible for hiring or approving the hiring of the
45 legislative employee is obtained.

46 2. The duties and functions performed by the
47 legislative employee for the general assembly are not
48 related to the legislative authority of the general
49 assembly over the individual, association, or
50 corporation, or the selling of goods or services by

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1 the legislative employee to the individuals,
2 associations, or corporations does not affect the
3 employee's duties or functions at the general
4 assembly.

5 3. The selling of any goods or services by the
6 legislative employee to an individual, association, or
7 corporation does not include lobbying of the general
8 assembly.

9 4. The selling of any goods or services by the
10 legislative employee does not cause the official or
11 employee to sell goods or services to the general
12 assembly on behalf of the individual, association, or
13 corporation.

14 Sec. 5. **NEW SECTION. 68B.4B SALES BY MEMBERS OF**
15 **THE OFFICE OF THE GOVERNOR.**

16 A full-time member of the office of the governor
17 shall not sell, either directly or indirectly, any
18 goods or services to individuals, associations, or
19 corporations which employ persons who are registered
20 lobbyists before the general assembly, except when the
21 member of the office of the governor has met all of
22 the following conditions:

23 1. The consent of the person or persons
24 responsible for hiring or approving the hiring of the
25 member of the office of the governor is obtained.

26 2. The duties and functions performed by the
27 member for the office of the governor are not related
28 to the authority of the office of the governor over
29 the individual, association, or corporation, or the
30 selling of goods or services by the member of the
31 office of the governor to the individuals,
32 associations, or corporations does not affect the
33 member's duties or functions at the office of the
34 governor.

35 3. The selling of any goods or services by the
36 member of the office of the governor to an individual,
37 association, or corporation does not include lobbying
38 of the office of the governor.

39 4. The selling of any goods or services by the
40 member of the office of the governor does not cause
41 the member to sell goods or services to the office of
42 the governor on behalf of the individual, association,
43 or corporation.

44 Sec. 6. Section 68B.5, Code 1991, is amended by
45 striking the section and inserting in lieu thereof the
46 following:

47 **68B.5 TWO-YEAR BAN ON LOBBYING ACTIVITIES AFTER**
48 **SERVICE.**

49 1. A person who has served as an official, state
50 employee, member of the general assembly, or

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1 legislative employee shall not within two years after
2 the termination of service or employment become a
3 lobbyist.

4 2. Upon application, the board may grant a waiver
5 to permit an employee or legislative employee to
6 become a lobbyist if the board finds that there exists
7 no potential for use of undue influence or unfair
8 advantage by the former employee based upon the nature
9 and extent of the prior governmental service of the
10 former employee.

11 3. This section shall not apply to a person who is
12 a former official, state employee, member of the
13 general assembly, or legislative employee who, within
14 two years of leaving service or employment with the
15 state, is elected to another office of the state or to
16 an office of a political subdivision of the state and
17 appears or communicates on behalf of that office.

18 Sec. 7. Section 68B.6, Code 1991, is amended to
19 read as follows:

20 68B.6 SERVICES AGAINST STATE PROHIBITED.

21 No official, state employee, or legislative
22 employee shall receive, directly or indirectly, or
23 enter into any agreement, express or implied, for any
24 compensation, in whatever form, for the appearance or
25 rendition of services by that person or another
26 against the interest of the state in relation to any
27 case, proceeding, application, or other matter before
28 any state agency, any court of the state of Iowa, any
29 federal court, or any federal bureau, agency,
30 commission or department.

31 Sec. 8. Section 68B.7, unnumbered paragraph 1,
32 Code 1991, is amended to read as follows:

33 No A person who has served as an official, or state
34 employee of a state agency, member of the general
35 assembly, or legislative employee shall not within a
36 period of two years after the termination of such
37 service or employment appear before ~~such-state~~ the
38 agency or receive compensation for any services
39 rendered on behalf of any person, firm, corporation,
40 or association in relation to any case, proceeding, or
41 application with respect to which ~~such~~ the person was
42 directly concerned and personally participated during
43 the period of service or employment.

44 DIVISION II

45 Sec. 9. NEW SECTION. 68B.7A LEGISLATIVE INTENT.

46 It is the goal of the general assembly that public
47 officials and public employees of the state be
48 extremely cautious and circumspect about accepting a
49 gratuity or favor, especially from persons that have a
50 substantial interest in the legislative,

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1 administrative, or political actions of the official
2 or employee. Even where there is a genuine personal
3 friendship, the acceptance of personal benefits from
4 those who could gain advantage by influencing official
5 actions raises suspicions that tend to undermine the
6 public trust. It is therefore the intent of the
7 general assembly that the provisions of this division
8 be construed to discourage all gratuities, but to
9 prohibit only those that create unacceptable conflicts
10 of interest or appearances of impropriety.

11 Sec. 10. NEW SECTION. 68B.7B GIFTS ACCEPTED OR
12 RECEIVED.

13 1. Except as otherwise provided in this section, a
14 public official, public employee, or candidate, or
15 that person's immediate family member shall not,
16 directly or indirectly, accept or receive any gift or
17 series of gifts.

18 2. Except as otherwise provided in this section, a
19 person shall not, directly or indirectly, offer or
20 make a gift or a series of gifts to a public official,
21 public employee, or candidate. Except as otherwise
22 provided in this section, a person shall not, directly
23 or indirectly, join with one or more other persons to
24 offer or make a gift or a series of gifts to a public
25 official, public employee, or candidate.

26 3. A person may give, and a public official,
27 public employee, or candidate, or the person's
28 immediate family member, may accept a nonmonetary gift
29 or a series of nonmonetary gifts and not be in
30 violation of this section if the nonmonetary gift or
31 series of nonmonetary gifts is donated within thirty
32 days to a public body, the department of general
33 services, or a bona fide educational or charitable
34 organization, if no part of the net earnings of the
35 educational or charitable organization inures to the
36 benefit of any private stockholder or other
37 individual. All such items donated to the department
38 of general services shall be disposed of by assignment
39 to state agencies for official use or by public sale.

40 4. Gifts of food and drink, with an annual
41 cumulative value of fifty dollars or less per donee,
42 consumed in the presence of the donor, may be received
43 or accepted from any one donor by a public official,
44 public employee, candidate, or member of the person's
45 immediate family provided that the person receiving or
46 accepting the gifts of food and drink reports the
47 receipt or acceptance of any items received at any one
48 time in the manner provided by the board. All gifts
49 made by a lobbyist or other representative of an
50 organization shall be deemed to have been made by the

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1 lobbyist or the representative and the client,
2 organization, and any affiliate of the client or
3 organization that the lobbyist or the representative
4 represents.

5 6. Gifts of food, beverages, travel, and lodging
6 which would otherwise be prohibited may be received by
7 a public official or public employee if:

8 a. The public official or public employee is
9 officially representing an agency in a delegation
10 whose sole purpose is to attract a specific new
11 business to locate in the state or encourage expansion
12 or retention of an existing business already
13 established in the state.

14 b. The donor of the gifts is not the business
15 being contacted.

16 c. The public official or public employee makes a
17 planned presentation to the business on behalf of the
18 public official's or public employee's agency.

19 d. A report of the gifts received by the public
20 official or public employee is filed with the board.
21 The board shall adopt rules regarding the
22 confidentiality of the report.

23 7. A public official, public employee, candidate,
24 or the person's immediate family member shall not
25 solicit any gift or series of gifts at any time.

26 8. A person shall not request, and a member of the
27 general assembly shall not agree, that a member of the
28 general assembly sell tickets for a community related
29 social event that is to be held for members of the
30 general assembly in Polk county during the legislative
31 session. This section shall not apply to Polk county
32 or city of Des Moines events that are open to the
33 public generally or are held only for Polk county or
34 city of Des Moines legislators.

35 Sec. 11. NEW SECTION. 68B.7C HONORARIA --
36 EXPENSES.

37 1. A public official or public employee shall not
38 seek or accept an honorarium as defined in section
39 68B.2. This section does not prohibit a public
40 official or public employee from accepting an
41 honorarium from a governmental entity from another
42 state, from a university from another state, or from a
43 nonprofit educational or civic institution from
44 another state, provided that the amount paid is
45 reasonable and commensurate with the services to be
46 performed and that the circumstances under which the
47 services are to be performed do not create a conflict
48 of interest or appearance of impropriety.

49 2. A public official or public employee may accept
50 an honorarium otherwise prohibited under subsection 1,

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1 if, prior to the receipt of the honorarium, the board
2 grants the person a waiver of the requirements of this
3 section that is based upon a finding that the offering
4 and acceptance of the honorarium meets all of the
5 following conditions:

6 a. The amount of the honorarium is reasonable and
7 commensurate with the services to be performed.

8 b. The receipt of the honorarium will not create
9 the appearance of impropriety.

10 c. The receipt of the honorarium will not create a
11 conflict of interest for the official or employee.

12 d. The public official or public employee is not
13 being invited primarily because of the person's office
14 or particular position of employment but, because of
15 some special expertise or other qualification.

16 3. Honoraria received under subsection 2 shall be
17 disclosed in the manner provided by the board under
18 section 68B.10B, subsection 2.

19 Sec. 12. Section 68B.8, Code 1991, is amended to
20 read as follows:

21 68B.8 ADDITIONAL PENALTY.

22 In addition to any penalty contained in any other
23 provision of law, a person who knowingly and
24 intentionally violates a provision of ~~section-68B.3-to~~
25 ~~68B.6~~ sections 68B.3 through 68B.7C is guilty of a
26 serious misdemeanor and may be reprimanded, suspended,
27 or dismissed from the person's position or otherwise
28 sanctioned.

29 DIVISION III

30 Sec. 13. Section 68B.10, Code 1991, is amended to
31 read as follows:

32 68B.10 LEGISLATIVE ETHICS COMMITTEE.

33 1. There shall be an ethics committee in the
34 senate and an ethics committee in the house, each to
35 consist of ~~seven~~ six members; three members to be
36 appointed by the majority leader in each house, ~~two~~
37 ~~and three~~ members by the minority leader in each house
38 ~~and two individuals who shall not be employees of the~~
39 ~~general assembly by the chief justice of the Iowa~~
40 ~~supreme court.~~ A member of the ethics committee may
41 disqualify himself or herself from participating in
42 any proceeding upon submission of a written statement
43 that the member cannot render an impartial and
44 unbiased decision in a case. A member is ineligible
45 to participate in committee meetings, as a member of
46 the committee, in any proceeding relating to the
47 member's own conduct. A member may be disqualified by
48 a unanimous vote of the remaining eligible members of
49 the committee. If a member of the ethics committee is
50 disqualified from or is ineligible to participate in

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1 any committee proceedings, the authority responsible
 2 for the original appointment of the disqualified or
 3 ineligible member shall appoint a replacement member
 4 who shall serve during the period of the original
 5 member's disqualification or ineligibility.

6 ~~Two individuals appointed by the chief justice~~
 7 ~~of the supreme court shall receive a per diem as~~
 8 ~~specified in section 7E.6 and travel expenses at the~~
 9 ~~same rate as paid members of interim committees for~~
 10 ~~attending meetings of the ethics committee.~~

11 2. Members of the general assembly shall receive a
 12 per diem as specified in section 7E.6 and travel
 13 expenses at the same rate as paid members of interim
 14 committees for attending meetings held when the
 15 general assembly is not in session. The per diem and
 16 expenses shall be paid from funds appropriated by
 17 section 2.12.

18 ~~The president pro tempore of the senate is~~
 19 ~~designated as chairperson of the senate committee.~~

20 3. The house committee of each house shall elect a
 21 chairperson. The chairperson of each committee shall
 22 have the following powers, duties and functions:

23 a. Preside over meetings of the committee.

24 b. Call meetings of the committee upon receipt of
 25 recommendations from the board relating to findings of
 26 ethical violations of members of the general assembly.

27 4. The ethics committee of each house shall have
 28 the following powers, duties, and functions:

29 a. ~~Prepare a code of ethics within thirty days~~
 30 ~~after the commencement of the session.~~

31 b. ~~Prepare rules relating to lobbyists and~~
 32 ~~lobbying activities in the general assembly.~~

33 c. ~~Issue advisory opinions interpreting the intent~~
 34 ~~of constitutional and statutory provisions relating to~~
 35 ~~legislators and lobbyists as well as interpreting the~~
 36 ~~code of ethics and rules issued pursuant to this~~

37 ~~section. Opinions shall be issued when approved by a~~
 38 ~~majority of the seven members and may be issued upon~~
 39 ~~the written request of a member of the general~~
 40 ~~assembly or upon the committee's initiation. Opinions~~
 41 ~~are not binding on the legislator or lobbyist.~~

42 d. a. Receive and investigate complaints and
 43 charges against members of its house alleging a
 44 violation of the code of ethics, rules governing
 45 lobbyists, this chapter, or other matters referred to
 46 it by its house or the board. The committee shall
 47 recommend rules for the receipt and processing of
 48 complaints made recommendations received relating to
 49 findings of ethical violations of members of the
 50 general assembly during the legislative session and

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1 those ~~made~~ received after the general assembly
2 adjourns.

3 5 b. Recommend legislation relating to legislative
4 ethics and lobbying activities.

5 PARAGRAPH DIVIDED. The ethics committees may
6 employ independent legal counsel to assist them in
7 carrying out their duties under this chapter with the
8 approval of a committee's house when the general
9 assembly is in session and with the approval of the
10 rules-and-administration committee charged with the
11 responsibility for the administration of that house
12 when the general assembly is not in session. Payment
13 of costs for the independent legal counsel shall be
14 made from section 2.12.

15 ~~The code of ethics and rules relating to lobbyists~~
16 ~~and lobbying activities shall not become effective~~
17 ~~until approved by the members of the house to which~~
18 ~~the proposed code and rules apply. The code or rules~~
19 ~~may be amended either upon the recommendation of the~~
20 ~~ethics committee or by members of the general~~
21 ~~assembly.~~

22 Violation of the code of ethics or recommendations
23 received from the board may result in censure,
24 reprimand, or other sanctions as determined by a
25 majority of the member's house. However, a member may
26 be suspended or expelled and the member's salary
27 forfeited only if directed by a two-thirds vote of the
28 member's house. A suspension, expulsion, or
29 forfeiture of salary shall be for the duration
30 specified in the directing resolution. However, it
31 shall not extend beyond the end of the general
32 assembly during which the violation occurred.

33 ~~Violation of a rule relating to lobbyists and lobbying~~
34 ~~activities may result in censure, reprimand, or other~~
35 ~~sanctions as determined by a majority of the members~~
36 ~~of the house in which the violation occurred.~~
37 ~~However, a lobbyist may be suspended from lobbying~~
38 ~~activities for the duration provided in the directing~~
39 ~~resolution only if directed by a two-thirds vote of~~
40 ~~the house in which the violation occurred.~~

41 Sec. 14. NEW SECTION. 68B.10A IOWA ETHICS AND
42 CAMPAIGN FINANCE BOARD -- ESTABLISHED.

43 1. An Iowa ethics and campaign finance board is
44 established as an independent agency. Effective
45 effective January 1, 1993, the board shall administer
46 and set standards for, investigate complaints relating
47 to, and monitor the ethics and campaign finance
48 practices of officials and employees in the executive
49 and legislative branches of state government, of local
50 officials and employees in local government, and of

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1 candidates for public office, and monitor and set
2 standards for the conduct of lobbyists. The board
3 shall consist of twelve members of the general public
4 who shall be appointed as follows:

5 a. Four members to be appointed by the governor,
6 not more than two of whom shall be of the same gender
7 or political party. One of the members shall be a
8 former elected public official.

9 b. Four members, one of whom shall be a member of
10 the majority party appointed by the president of the
11 senate, one of whom shall be a member of the minority
12 party appointed by the minority leader of the senate,
13 one of whom shall be a member of the majority party
14 appointed by the speaker of the house of
15 representatives, and one of whom shall be a member of
16 the minority party appointed by the minority leader of
17 the house of representatives. Not more than two of
18 the members appointed under this paragraph shall be of
19 the same gender. One of the members shall be a former
20 elected public official.

21 c. Four members to be appointed by the chief
22 justice of the supreme court, not more than two of
23 whom shall be of the same gender or political party.
24 One of the members shall be a former elected public
25 official.

26 2. Members shall serve staggered six-year terms
27 beginning and ending as provided in section 69.19.
28 Any vacancy on the board shall be filled by
29 appointment for the unexpired portion of the term,
30 within ninety days of the vacancy and in accordance
31 with the procedures for regular appointments. A
32 member of the board may be reappointed to serve
33 additional terms on the board. However, no member
34 shall serve more than two full terms on the board.
35 Members may be removed in the manner provided in
36 chapter 69. A member or employee of the board shall
37 also meet all of the following criteria:

38 a. The member or employee shall not hold or be a
39 candidate for any other public office while the person
40 is a member or employee of the board.

41 b. The member or employee shall not hold office in
42 any political party or political committee or
43 candidate's committee.

44 c. The member shall not be an employee of or be
45 directly responsible to the member's appointing
46 authority. An employee of the board shall not be an
47 employee of or be directly responsible to the
48 governor, the supreme court, or the general assembly.

49 3. The board shall annually elect one member to
50 serve as the chairperson of the board and one member

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1 to serve as vice chairperson. The vice chairperson
2 shall act as the chairperson in the absence or
3 disability of the chairperson or in the event of a
4 vacancy in that office. The chairperson shall, in
5 addition to other responsibilities assigned by the
6 board, be responsible for calling for and presiding at
7 regular meetings or special proceedings of the board.
8 Seven members of the board shall constitute a quorum.
9 An affirmative vote of a majority of the members of
10 the board is required for any official action or
11 recommendation of the full board. The quorum and
12 voting requirements shall not, however, preclude the
13 formation of subcommittees of the board for purposes
14 of developing and making recommendations to the full
15 board for official action.

16 4. Members of the board shall receive a per diem
17 as specified in section 7E.6 while conducting business
18 of the board, and payment of actual and necessary
19 expenses incurred in the performance of their duties.
20 Members of the board shall file statements of
21 financial interest under section 68B.10F.

22 5. The board shall employ a full-time executive
23 secretary who shall be the board's chief
24 administrative officer. The board shall employ or
25 contract for the employment of legal counsel
26 notwithstanding section 13.7, and any other personnel
27 as may be necessary to carry out the duties of the
28 board. The board's legal counsel shall be the chief
29 legal officer of the board, shall advise the board on
30 all legal matters, and, upon the instructions of the
31 board, may commence any actions as may be appropriate.
32 Notwithstanding section 19A.3, all of the board's
33 employees, except for the executive secretary and
34 legal counsel, shall be employed subject to the merit
35 system provisions of chapter 19A.

36 Sec. 15. NEW SECTION. 68B.10B DUTIES OF THE
37 BOARD.

38 The duties of the board shall include, but are not
39 limited to, all of the following:

40 1. Adopt rules pursuant to chapter 17A and conduct
41 hearings under section 68B.10C and chapter 17A, as
42 necessary to carry out the purposes of this chapter
43 and chapter 56.

44 2. Develop, prescribe, furnish, and distribute any
45 forms necessary for the implementation of the
46 procedures contained in this chapter and chapter 56
47 for the filing of reports and statements by persons
48 required to file the reports and statements under this
49 chapter and chapter 56.

50 3. Review the contents of all disclosure reports

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1 and statements filed with the board and promptly
2 advise each person or committee of errors found. The
3 board may verify information contained in the reports
4 with other parties to assure accurate disclosure. The
5 board, upon its own motion, may initiate action and
6 conduct a hearing relating to requirements under this
7 chapter or chapter 56. The board may require a county
8 commissioner of elections to periodically file summary
9 reports with the board.

10 4. Prepare and publish a manual setting forth
11 examples of approved uniform systems of accounts and
12 approved methods of disclosure for use by persons
13 required to file statements and reports under this
14 chapter and chapter 56. The board shall also prepare
15 and publish other educational materials, and any other
16 reports or materials deemed appropriate by the board,
17 and conduct regular educational programs for public
18 officials and employees, lobbyists, and candidates for
19 public office relating to the requirements imposed
20 upon public officials and employees, lobbyists, and
21 candidates for public office under this chapter and
22 chapter 56. The board shall at least annually provide
23 all public officials and public employees with
24 notification of the contents of this chapter and
25 chapter 56 by distributing copies of educational
26 materials to associations that represent the interests
27 of the various governmental entities for dissemination
28 to their membership.

29 5. Assure that the statements and reports which
30 have been filed in accordance with this chapter and
31 chapter 56 are available for public inspection and
32 copying during the regular office hours of the office
33 in which they are filed and not later than by the end
34 of the day during which a report or statement was
35 received. Rules adopted relating to public inspection
36 and copying of statements and reports may include a
37 charge for any copying and mailing of the reports and
38 statements, shall provide for the mailing of copies
39 upon the request of any person and upon prior receipt
40 of payment of the costs by the board, and shall
41 prohibit the use of the information copied from
42 reports and statements for soliciting contributions or
43 for any commercial purpose by any person other than
44 statutory political committees.

45 6. Require that the candidate of a candidate's
46 committee, or the chairperson of a political
47 committee, is responsible for filing disclosure
48 reports under chapter 56, and shall receive notice
49 from the board if the committee has failed to file a
50 disclosure report at the time required under chapter

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1 56. A candidate of a candidate's committee, or the
2 chairperson of a political committee may be subject to
3 a civil penalty for failure to file a disclosure
4 report required under section 56.6, subsection 1.

5 7. Establish and impose penalties, and
6 recommendations for punishment of persons who are
7 subject to penalties of or punishment by the board or
8 by other bodies, for the failure to comply with the
9 requirements of this chapter or chapter 56.

10 8. Determine, in case of dispute, at what time a
11 person has become a candidate.

12 9. Preserve reports and statements filed with the
13 board for a period of five years from the date of
14 receipt.

15 10. Establish a procedure for requesting and
16 issuing formal and informal board opinions to persons
17 subject to the authority of the board under this
18 chapter or chapter 56. Advice contained in formal
19 board opinions shall, if followed, constitute a
20 defense to a complaint alleging a violation of this
21 chapter, chapter 56, or rules of the board that is
22 based on the same facts and circumstances.

23 11. Establish rules relating to ethical conduct
24 for persons holding a public office of the state or a
25 political subdivision, including candidates, and for
26 employees of the legislative and executive branch of
27 state government and of political subdivisions of the
28 state and regulations governing the conduct of
29 lobbyists, including but not limited to conflicts of
30 interest, abuse of office, misuse of public property,
31 use of confidential information, participation in
32 matters in which a public official or employee has a
33 financial interest, and rejection of improper offers.

34 12. Establish fees, where necessary, to cover the
35 costs associated with preparing, printing, and
36 distributing materials to persons subject to the
37 authority of the board.

38 Sec. 16. NEW SECTION. 68B.10C COMPLAINTS --
39 PROCEDURE.

40 1. Any person may file a complaint alleging that a
41 public official, public employee, candidate for public
42 office, or a lobbyist has committed a violation of
43 this chapter, chapter 56, or the rules adopted by the
44 board. The board shall prescribe and provide forms
45 for this purpose. The complaint shall include the
46 name and address of the complainant and a statement of
47 the facts believed to be true that form the basis of
48 the complaint, including the sources of information
49 and approximate dates of the acts alleged and a
50 certification by the complainant under penalty of

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1 perjury that the facts stated to be true are true to
2 the best of the complainant's knowledge.

3 2. Unless the chairperson of the board concludes
4 that immediate notification would prejudice a
5 preliminary investigation or subject the complainant
6 to an unreasonable risk, a copy of the complaint, upon
7 the filing of the complaint, shall be mailed to the
8 party charged with a violation. If a determination is
9 made by the chairperson not to notify the party
10 charged within a period of ten days after the filing
11 of the complaint of the existence and the filing of
12 the complaint, the board must approve and establish
13 the time and conditions under which the party charged
14 will be informed of the filing and contents of the
15 complaint.

16 3. a. The board staff shall review the complaint
17 to determine if the complaint meets the requirements
18 for formal sufficiency. If the complaint is
19 deficient, the complaint shall be returned to the
20 complainant with a statement of the nature of the
21 deficiency. If the complaint is sufficient as to
22 form, the complaint shall be evaluated by legal
23 counsel for the board.

24 b. The board's legal counsel shall advise the
25 chairperson of the board whether the complaint states
26 a valid charge which may be investigated. A valid
27 complaint must allege all of the following:

28 (1) Facts, that if true, establish a violation of
29 a provision of this chapter, chapter 56, or the rules
30 adopted by the board for which civil penalties or
31 other remedies are provided.

32 (2) That the conduct providing the basis for the
33 complaint occurred within three years of the
34 complaint.

35 (3) That the party charged with a violation is a
36 party subject to the jurisdiction of the board.

37 c. Upon receiving legal counsel's evaluation of
38 the validity of the complaint, the chairperson shall
39 refer the complaint to the board, in the manner
40 provided under rules adopted by the board, for a
41 determination of the substantive validity of the
42 complaint.

43 d. If the board determines the complaint is not
44 valid, the complaint shall be dismissed and returned
45 to the complainant with a notice of dismissal stating
46 the reason or reasons for the dismissal. If the board
47 determines that the complaint is valid it shall be
48 referred to the board staff for investigation.

49 e. The board may also, without the filing of a
50 complaint, initiate investigations on the board's own

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1 motion into matters subject to the board's
2 jurisdiction.
3 4. The purpose of an investigation by the board
4 and board staff is to determine whether there is
5 probable cause to proceed with an adjudicatory hearing
6 on the matter. In conducting investigations and
7 holding hearings, the board may require by subpoena
8 the attendance and testimony of witnesses and may
9 subpoena books, papers, records, and any other real
10 evidence relating to the matter before the board. The
11 board shall have the additional authority provided in
12 section 17A.13. Hearings conducted by the board shall
13 be conducted in the manner prescribed in section
14 17A.12. The rules of evidence applicable under
15 section 17A.14 shall also apply in hearings conducted
16 by the board. A preponderance of clear and convincing
17 evidence shall be required to support a finding that
18 the person, candidate, or committee has committed a
19 violation. If a complaint is filed or initiated less
20 than ninety days before the election for a public
21 office, for which the person named in the complaint is
22 the incumbent officeholder or is a candidate, the
23 board shall, if possible, set the hearing at the
24 earliest available date so as to allow the issue to be
25 resolved before the election. An extension of time
26 for a hearing may be granted when both parties
27 mutually agree on an alternate date for the hearing.
28 Parties to a complaint may, subject to the approval of
29 the board, negotiate for settlement of disputes that
30 are before the board. Terms of any negotiated
31 settlements shall be publicly recorded.
32 5. The board shall maintain the confidentiality of
33 a complaint unless either the complainant or the
34 alleged violator publicly discloses the existence of a
35 complaint or a preliminary investigation. The board,
36 upon such a disclosure by the complainant or the
37 alleged violator, may publicly confirm the existence
38 of the preliminary inquiry and, in the board's
39 discretion, make public the complaint and any
40 documents which were issued to either party to the
41 complaint. The board's investigations and
42 deliberations relating to probable cause
43 determinations shall be confidential. However,
44 investigative materials may be furnished to the proper
45 prosecutorial authorities by the board. If the board
46 determines, at any stage in the proceedings that take
47 place prior to hearing, that the complaint is
48 groundless, the complaint shall be dismissed and the
49 complainant and the party charged shall be notified.
50 If, after investigation, the board determines evidence

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1 exists which, if believed, would support a finding of
2 a violation of this chapter, chapter 56, or the rules
3 adopted by the board, a finding of probable cause
4 shall be made, and hearing shall be ordered. The
5 determination of probable cause, notice of hearing,
6 and final decision of the board shall be public
7 records. After the determination of probable cause,
8 all adjudicatory proceedings of the board, except for
9 the deliberations of the board on the evidence, shall
10 be public. The board may impose a civil penalty not
11 to exceed two thousand dollars upon a person who
12 violates the confidentiality of proceedings or records
13 provided for in this section. If the board determines
14 that a complaint is frivolous or has been filed in bad
15 faith, the board may order the complainant to pay the
16 costs of the proceeding and may impose a civil penalty
17 not to exceed two thousand dollars.

18 6. The board shall determine what role legal
19 counsel for the board shall assume in the conducting
20 of investigations. In addition, upon the request of
21 the board, an appropriate county attorney or the
22 attorney general shall assist the board in any
23 investigation. At board hearings, the complaint shall
24 be prosecuted by legal counsel unless, upon the
25 request of the board, the complaint is prosecuted by
26 the attorney general.

27 7. Upon a finding by the board that the party
28 charged has engaged in an act or practice that
29 violates this chapter, chapter 56, or rules adopted by
30 the board, the board shall proceed as provided under
31 section 68B.10D. Upon a finding that the party
32 charged has not engaged in an act or practice which
33 violates this chapter, chapter 56, or the rules
34 adopted by the board, the complaint shall be dismissed
35 and the party charged and the complainant shall be
36 notified.

37 8. The right of an appropriate county attorney or
38 the attorney general to commence and maintain a
39 district court prosecution for criminal violations of
40 the law is unaffected by any proceedings under this
41 section.

42 9. The board shall by rule pursuant to chapter 17A
43 establish procedures to implement this section.

44 Sec. 17. NEW SECTION. 68B.10D PENALTIES --
45 RECOMMENDED ACTIONS.

46 The board, after a hearing and upon a finding by a
47 preponderance of clear and convincing evidence that a
48 violation of a provision of this chapter, chapter 56,
49 or rules adopted by the board has occurred, may do one
50 or more of the following:

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- 1 1. Issue an order requiring the violator to cease
- 2 and desist from the violation found.
- 3 2. Issue an order requiring the violator to file
- 4 any report, statement or other information as required
- 5 by this chapter, chapter 56, or rules adopted by the
- 6 board.
- 7 3. Publicly reprimand the violator for violations
- 8 of this chapter, chapter 56, or rules adopted by the
- 9 board in writing and provide a copy of the reprimand
- 10 to the violator's appointing authority.
- 11 4. Make a written recommendation to the violator's
- 12 appointing authority that the violator be removed or
- 13 suspended from office, and include in the
- 14 recommendation the length of the suspension.
- 15 5. If the violator is a member of the general
- 16 assembly, make a written recommendation to the house
- 17 of which the violator is a member that the legislator
- 18 be censured, reprimanded, suspended, expelled from
- 19 office, or recommend other sanctions as deemed
- 20 appropriate by the board.
- 21 6. If the violator is an elected official other
- 22 than an official who can only be removed by
- 23 impeachment, make a written recommendation to the
- 24 attorney general or the appropriate county attorney
- 25 that an action for removal from office be initiated
- 26 pursuant to chapter 66.
- 27 7. If the violator is a lobbyist, censure,
- 28 reprimand, or impose other sanctions deemed
- 29 appropriate by the board. A lobbyist may also be
- 30 suspended from lobbying activities if the board finds
- 31 that suspension is an appropriate sanction for the
- 32 violation committed.
- 33 8. Issue an order requiring the violator to pay a
- 34 civil penalty of not more than two thousand dollars
- 35 for each violation of this chapter, chapter 56, or
- 36 rules adopted by the board.
- 37 9. Refer the complaint and supporting information
- 38 to the attorney general or appropriate county attorney
- 39 with a recommendation for prosecution or enforcement
- 40 of criminal penalties.
- 41 If a person fails to comply with an order of the
- 42 board under subsection 1, 2, or 8, the board may
- 43 petition the district court having jurisdiction for an
- 44 order for enforcement of the order of the board. The
- 45 enforcement proceeding shall be conducted as provided
- 46 in section 68B.10E.
- 47 Sec. 18. NEW SECTION. 68B.10E JUDICIAL REVIEW --
- 48 ENFORCEMENT.
- 49 Judicial review of the actions of the board may be
- 50 sought in accordance with chapter 17A. Judicial

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1 enforcement of orders of the board may be sought in
2 accordance with chapter 17A.

3 Sec. 19. NEW SECTION. 68B.10F PERSONAL FINANCIAL
4 DISCLOSURE -- CONTENTS OF STATEMENT.

5 1. A candidate for public office shall file a
6 statement of financial interests with the board
7 concerning the calendar year preceding the year in
8 which the election is to be held for which the
9 candidate has filed. The statement shall be filed no
10 later than thirty days after the date on which the
11 person formally becomes a candidate. Public officials
12 and certain employees shall also, if required by the
13 board by rule, file a statement of financial interests
14 for the preceding year with the board in the manner
15 and at times provided by the board.

16 2. The board shall adopt rules providing for the
17 disclosure of sources of income and significant
18 financial interests of all public officials. The
19 rules shall establish standards for different levels
20 of disclosure of sources of income and significant
21 financial interests depending upon the nature and size
22 of the political subdivision of the state that the
23 official represents and the level of responsibility or
24 authority of the office which is held. Rules may
25 provide for a waiver of personal financial disclosure
26 for county or local elected officials, or any other
27 person who, as defined in the rules of the board, do
28 not occupy a position involving a substantial and
29 material exercise of administrative discretion in the
30 formulation of public policy, expenditure of public
31 funds, enforcement of laws and rules of the state, or
32 the execution of any other public trust, including
33 appointees to boards, commissions, councils, and
34 committees.

35 Sec. 20. NEW SECTION. 68B.10G APPLICABILITY --
36 LOBBYIST REGISTRATION REQUIRED.

37 1. All lobbyists shall, on or before the day their
38 lobbying activity begins, register with the board by
39 filing a lobbyist's registration statement on forms
40 approved by the board. Lobbyists engaged in lobbying
41 activities before the general assembly, the office of
42 the governor, or any state agency, may file the
43 statement with the chief clerk of the house of
44 representatives, secretary of the senate, the office
45 of the governor, or any state agency. The board shall
46 provide appropriate registration forms to the general
47 assembly, the office of the governor, and state
48 agencies. Persons receiving registration statement
49 filings from lobbyists shall forward a copy of the
50 statements to the board. The board shall forward

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1 copies of the statements to the entities for which
2 each lobbyist is registered to lobby.

3 2. Registration shall be valid from the date of
4 registration until the expiration of the registration
5 period for the type of lobbying in which the person
6 will be engaging. Any change in or addition to the
7 information shall be registered with the board within
8 ten days after the change or addition is known to the
9 lobbyist.

10 3. For persons registered to lobby before the
11 general assembly, registration expires upon the
12 commencement of the next regular session of the
13 general assembly, except that the board may adopt and
14 implement a reasonable preregistration procedure in
15 advance of each regular session during which persons
16 may register for that session and the following
17 legislative interim. For persons registered to lobby
18 before the office of the governor or a state agency,
19 registration expires upon the commencement of a new
20 calendar year. The board may adopt and implement a
21 reasonable preregistration procedure in advance of
22 each new calendar year during which persons may
23 register for that year.

24 4. If a lobbyist's service on behalf of a
25 particular employer, client, or cause is concluded
26 prior to the end of the calendar year, the lobbyist
27 may cancel the registration on appropriate forms
28 supplied by the board. The cancellation forms shall
29 be filed by the lobbyist in the place where the
30 lobbyist filed the original registration. Persons
31 receiving forms canceling a lobbyist's registration
32 shall forward the forms to the board. Upon
33 cancellation of registration, a lobbyist is prohibited
34 from engaging in any lobbying activity on behalf of
35 that particular employer, client, or cause until
36 reregistering and complying with the rules of the
37 board.

38 5. All federal, state, and local officials or
39 employees representing the official positions of their
40 departments, commissions, boards, or agencies shall
41 present to the board a letter of authorization from
42 their department or agency heads prior to the
43 commencement of their lobbying. The lobbyist
44 registration statement of these officials and
45 employees shall not be deemed complete until the
46 letter of authorization is attached. Federal, state,
47 and local officials who wish to lobby in opposition to
48 the official position of their departments,
49 commissions, boards, or agencies must indicate this on
50 their lobbyist registration statements.

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1 Sec. 21. NEW SECTION. 68B.10H LOBBYIST
2 REPORTING.

3 1. A lobbyist shall file, on forms prescribed by
4 the board, a separate report with the board disclosing
5 the following: the lobbyist's clients; contributions,
6 expenditures, and gifts that were made for purposes of
7 lobbying and were initiated or paid by the lobbyist on
8 behalf of each of the lobbyist's clients during the
9 prior calendar month; all campaign contributions made
10 by the lobbyist; and the recipient of the
11 contributions, expenditures, gifts, or campaign
12 contributions.

13 2. The report of contributions, expenditures, and
14 gifts must be filed with the board on a monthly basis
15 on dates to be determined by the board.

16 Sec. 22. NEW SECTION. 68B.10I LOBBYIST'S CLIENT
17 REPORTING.

18 1. No later than January 31 and July 31 of each
19 year, a lobbyist's client shall file with the board a
20 report that contains information on all salaries,
21 fees, and retainers paid by the lobbyist's client to
22 the lobbyist for lobbying purposes during the
23 preceding six calendar months.

24 2. The report due January 31 shall include a
25 cumulative total of all lobbying expenditures for the
26 preceding calendar year.

27 Sec. 23. Section 68B.11, Code 1991, is amended by
28 striking the section and inserting in lieu thereof the
29 following:

30 68B.11 SUPREME COURT RULES.

31 The supreme court of this state shall adopt rules
32 establishing a code of ethics for officials and
33 employees of the judicial department of this state,
34 and the immediate family members of the officials and
35 employees. Rules adopted shall include provisions
36 relating to the receipt or acceptance of gifts and
37 honoraria, interests in public contracts, services
38 against the state, and financial disclosure which are
39 substantially similar to the requirements of this
40 chapter and chapter 56.

41 Sec. 24. Section 56.2, Code Supplement 1991, is
42 amended by adding the following new subsection:

43 NEW SUBSECTION. 1A. "Board" means the Iowa ethics
44 and campaign finance board under section 68B.10A.

45 Sec. 25. Section 56.2, subsection 3, Code
46 Supplement 1991, is amended to read as follows:

47 3. "Candidate" means any individual who has taken
48 affirmative action to seek nomination or election to a
49 public office but and shall exclude also include any
50 judge standing for retention in a judicial election.

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1 Sec. 26. Section 56.2, subsection 5, Code
2 Supplement 1991, is amended by striking the subsection
3 and inserting in lieu thereof the following:

4 5. "Commissioner" means the county commissioner of
5 elections designated under section 47.2.

6 Sec. 27. Section 56.2, subsection 11, Code
7 Supplement 1991, is amended to read as follows:

8 11. "Disclosure report" means a statement of
9 contributions received, expenditures made, and
10 indebtedness incurred on forms prescribed by rules
11 promulgated adopted by the commission board in
12 accordance with chapter 17A.

13 Sec. 28. Section 56.2, subsection 16, Code
14 Supplement 1991, is amended to read as follows:

15 16. "Public office" means any ~~federal~~, state,
16 county, city, or school office filled by election.

17 Sec. 29. Section 56.4, Code 1991, is amended to
18 read as follows:

19 56.4 REPORTS FILED WITH COMMISSION BOARD.

20 All statements and reports required to be filed
21 under this chapter for a state office shall be filed
22 with the commission board. If the statement or report
23 is filed for or by a candidate for a seat in the
24 general assembly, the report or statement shall also
25 be filed with the commissioner of elections of each
26 county within the district. All statements and
27 reports required to be filed under this chapter for a
28 county, city, or school office shall be filed with the
29 commissioner. Statements and reports on a ballot
30 issue shall be filed with the commissioner responsible
31 under section 47.2 for conducting the election at
32 which the issue is voted upon, except that statements
33 and reports on a statewide ballot issue shall be filed
34 with the commission board. Copies of any reports
35 filed with a commissioner shall be provided by the
36 commissioner to the commission board on its request.
37 State statutory political committees shall file all
38 statements and reports with the commission board. All
39 other statutory political committees shall file the
40 statements and reports with the commissioner with a
41 copy sent to the commission board.

42 Political committees supporting or opposing
43 candidates for both federal office and any elected
44 office created by law or the Constitution of the state
45 of Iowa shall file statements and reports with the
46 commission board in addition to any federal reports
47 required to be filed with the secretary of state.

48 Political committees supporting or opposing
49 candidates or ballot issues for statewide elections
50 and for county, municipal or school elections may file

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1 all activity on one report with the commission board
2 and shall send a copy to the commissioner responsible
3 under section 47.2 for conducting the election.

4 Sec. 30. Section 56.5, subsections 3 and 5, Code
5 Supplement 1991, are amended to read as follows:

6 3. Any change in information previously submitted
7 in a statement of organization or notice in case of
8 dissolution of the committee shall be reported to the
9 commission board or commissioner not more than thirty
10 days from the date of the change or dissolution.

11 5. A committee not domiciled in Iowa which makes a
12 contribution to a candidate's committee or political
13 committee domiciled in Iowa shall disclose each
14 contribution to the commission board. A committee not
15 domiciled in Iowa which is not registered and filing
16 full disclosure reports of all financial activities
17 with the federal election commission or another
18 state's disclosure commission shall register and file
19 full disclosure reports with the commission board
20 pursuant to this chapter. A committee which is
21 currently filing a disclosure report in another
22 jurisdiction shall either file a statement of
23 organization under subsections 1 and 2 and file
24 disclosure reports, the same as those required of
25 Iowa-domiciled committees, under section 56.6, or
26 shall file one copy of a verified statement with the
27 commission board and a second copy with the treasurer
28 of the committee receiving the contribution. The form
29 shall be completed and filed at the time the
30 contribution is made. The verified statement shall be
31 on forms prescribed by the commission board. The form
32 shall include the complete name, address, and
33 telephone number of the contributing committee, the
34 state or federal jurisdiction under which it is
35 registered or operates, the identification of any
36 parent entity or other affiliates or sponsors, its
37 purpose, the name and address of an Iowa resident
38 authorized to receive service of original notice and
39 the name and address of the receiving committee, the
40 amount of the cash or in-kind contribution, and the
41 date the contribution was made.

42 Sec. 31. Section 56.6, subsection 1, paragraph a;
43 subsection 2; subsection 3, paragraph k; and
44 subsection 5, Code Supplement 1991, are amended to
45 read as follows:

46 a. Each treasurer of a committee shall file with
47 the commission board or commissioner, or both if
48 required under section 56.4 disclosure reports of
49 contributions received and disbursed on forms
50 prescribed by rules as provided by chapter 17A. The

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1 reports from all committees, except those committees
2 for municipal and school elective offices and for
3 local ballot issues, shall be filed on the twentieth
4 day or mailed bearing a United States postal service
5 postmark dated on or before the nineteenth day of
6 January, May, July, and October of each year. The
7 May, July, and October reports shall be current as of
8 five days prior to the filing deadline. The January
9 report shall be the annual report covering activity
10 through December 31. However, a state or county
11 statutory political committee is not required to file
12 the May and July reports for a year in which no
13 primary or general election is held. A candidate's
14 committee, other than for municipal and school
15 elective offices, for a year in which the candidate is
16 not standing for election, is not required to file the
17 May, July, and October reports. Reports for
18 committees for a ballot issue placed before the voters
19 of the entire state shall be filed at the January,
20 May, July, and October deadlines.

21 2. If any committee, after having filed a
22 statement of organization or one or more disclosure
23 reports, dissolves or determines that it shall no
24 longer receive contributions or make disbursements,
25 the treasurer of the committee shall notify the
26 commission board or the commissioner within thirty
27 days following such dissolution by filing a
28 dissolution report on forms prescribed by the
29 commission board. Moneys refunded in accordance with
30 a dissolution statement shall be considered a
31 disbursement or expense but the names of persons
32 receiving refunds need not be released or reported
33 unless the contributors' names were required to be
34 reported when the contribution was received.

35 k. Other pertinent information required by this
36 chapter, by rules adopted pursuant to this chapter, or
37 forms approved by the commission board.

38 5. A committee shall not dissolve until all loans,
39 debts and obligations are paid, forgiven or
40 transferred and the remaining money in the account is
41 distributed according to the organization statement.
42 If a loan is transferred or forgiven, the amount of
43 the transferred or forgiven loan must be reported as
44 an in-kind contribution and deducted from the loans
45 payable balance on the disclosure form. A statutory
46 political committee is prohibited from dissolving, but
47 may be placed in an inactive status upon the approval
48 of the commission board. Inactive status may be
49 requested for a statutory political committee when no
50 officers exist and the statutory political committee

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1 has ceased to function. The request shall be made by
2 the previous treasurer or chairperson of the committee
3 and by the appropriate state statutory political
4 committee. A statutory political committee granted
5 inactive status shall not solicit or expend funds in
6 its name until the committee reorganizes and fulfills
7 the requirements of a political committee under this
8 chapter.

9 Sec. 32. Section 56.6, subsection 1, paragraph c,
10 Code Supplement 1991, is amended by striking the
11 paragraph.

12 Sec. 33. Section 56.13, unnumbered paragraph 1,
13 Code 1991, is amended to read as follows:

14 Action involving a contribution or expenditure
15 which must be reported under this chapter and which is
16 taken by any person, candidate's committee or
17 political committee on behalf of a candidate, if known
18 and approved by the candidate, shall be deemed action
19 by the candidate and reported by the candidate's
20 committee. It shall be presumed that a candidate
21 approves the action if the candidate had knowledge of
22 it and failed to file a statement of disavowal with
23 the commissioner or commission board and take
24 corrective action within seventy-two hours of the
25 action. A person, candidate's committee or political
26 committee taking such action independently of that
27 candidate's committee shall notify that candidate's
28 committee in writing within twenty-four hours of
29 taking the action. The notification shall provide
30 that candidate's committee with the cost of the
31 promotion at fair market value. A copy of the
32 notification shall be sent to the commission board.

33 Sec. 34. NEW SECTION. 56.15A PROHIBITING
34 CONTRIBUTIONS DURING THE LEGISLATIVE SESSION.

35 A lobbyist or political committee, other than a
36 state statutory political committee, county statutory
37 political committee, or a national political party,
38 shall not contribute to, act as an agent or
39 intermediary for contributions to, or arrange for the
40 making of contributions to the campaign funds of an
41 elected state official, member of the general
42 assembly, or candidate for public office on the state
43 level on any day during the regular legislative
44 session and, in the case of the governor or a
45 gubernatorial candidate, during the thirty days
46 following the adjournment of a regular legislative
47 session allowed for the signing of bills. This
48 section shall not apply to the receipt of
49 contributions by an elected state official, member of
50 the general assembly, or other state official who has

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1 taken affirmative action to seek nomination or
2 election to a federal elective office.

3 Sec. 35. Section 56.20, Code 1991, is amended to
4 read as follows:

5 56.20 RULES PROMULGATED ADOPTED.

6 The director of revenue and finance, in co-
7 operation with the director of the department of
8 management and the Iowa ethics and campaign finance
9 ~~disclosure-commission board~~, shall administer the
10 provisions of sections 56.18 to 56.26 and they shall
11 ~~promulgate~~ adopt all necessary rules in accordance
12 with chapter 17A.

13 Sec. 36. Section 56.23, Code 1991, is amended to
14 read as follows:

15 56.23 FUNDS -- CAMPAIGN EXPENSES ONLY.

16 The chairperson of the state statutory political
17 committee shall produce evidence to the director of
18 revenue and finance and the Iowa ethics and campaign
19 finance ~~disclosure-commission board~~ not later than the
20 twenty-fifth day of January each year, that all income
21 tax checkoff funds expended for campaign expenses have
22 been utilized exclusively for campaign expenses.

23 The Iowa ethics and campaign finance ~~disclosure~~
24 ~~commission board~~ shall issue, prior to the payment of
25 any money, guidelines which explain which expenses and
26 evidence thereof qualify as acceptable campaign
27 expenses.

28 Should the Iowa ethics and campaign finance
29 ~~disclosure-commission board~~ and the director of
30 revenue and finance determine that any part of the
31 funds have been used for noncampaign or improper
32 expenses, they may order the political party or the
33 candidate to return all or any part of the total funds
34 paid to that political party for that election. When
35 such the funds are returned, they shall be deposited
36 in the general fund of the state.

37 Sec. 37. Section 56.41, subsection 1, Code
38 Supplement 1991, is amended to read as follows:

39 1. A candidate and the candidate's committee shall
40 use campaign funds only for campaign purposes or
41 constituency services, and shall not use campaign
42 funds for personal expenses.

43 Sec. 38. Section 56.41, Code Supplement 1991, is
44 amended by adding the following new subsection:

45 NEW SUBSECTION. 3. The board shall adopt rules
46 which list items that represent proper campaign
47 expenses.

48 Sec. 39. Section 56.42, subsections 1, 2, and 5,
49 Code Supplement 1991, are amended to read as follows:

50 1. In addition to the uses permitted under section

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1 56.41, a candidate's committee may only transfer
2 campaign funds in one or more of the following ways:
3 a. Contributions to charitable organizations.
4 b. Contributions to national, state, or local
5 political party central committees, ~~or other~~
6 ~~candidate's committees.~~
7 c. Transfers to the treasurer of state for deposit
8 in the general fund of the state.
9 d. Return of contributions to contributors on a
10 pro rata basis, except that any contributor who
11 contributed five dollars or less may be excluded from
12 the distribution.

13 2. If an unexpended balance of campaign funds
14 remains when a ~~candidate ceases to be a candidate or~~
15 ~~the candidate's committee dissolves~~, the unexpended
16 balance shall be transferred pursuant to subsection 1.

17 5. A candidate, or candidate's committee, or any
18 other person shall not directly or indirectly receive
19 or transfer campaign funds with the intent of
20 circumventing the requirements of this section. A
21 candidate for statewide or legislative office shall
22 not establish, direct, or maintain a political
23 committee.

24 Sec. 40. Section 331.756, subsection 15, Code
25 1991, is amended to read as follows:

26 15. Review the any report and recommendations of
27 the campaign-finance-disclosure-commission Iowa ethics
28 and campaign finance board and proceed to institute
29 the any recommended actions or advise the commission
30 board that prosecution is not merited as provided in
31 section-56-ii, subsection-4 under chapter 56 or 68B.

32 Sec. 41. Section 602.1609, Code 1991, is amended
33 to read as follows:

34 602.1609 COMPLIANCE WITH GIFT ETHICS LAW.

35 Judicial officers and court employees shall comply
36 with rules adopted prescribed by the supreme court
37 under-section-68B-ii with respect to ethical conduct
38 including the reporting acceptance and receipt of
39 gifts received and honoraria, interests in public
40 contracts, services against the state, and financial
41 disclosure. In prescribing rules, the supreme court
42 shall include any appropriate provisions and
43 limitations contained in chapter 68B. Violations are
44 subject to the ~~criminal~~ imposition of criminal and
45 civil penalties in the manner provided in that section
46 by law.

47 Sec. 42. Section 602.2101, Code 1991, is amended
48 to read as follows:

49 602.2101 AUTHORITY.

50 The supreme court may retire, discipline, or remove

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1 a judicial officer from office or may discipline or
2 remove an employee of the judicial department for
3 cause as provided in this part.

4 Sec. 43. Section 602.2103, Code 1991, is amended
5 to read as follows:

6 602.2103 OPERATION OF COMMISSION.

7 A quorum of the commission is four members. Only
8 those commission members that are present at
9 commission meetings or hearings may vote. An
10 application by the commission to the supreme court to
11 retire, discipline, or remove a judicial officer, or
12 discipline or remove an employee of the judicial
13 department, or an action by the commission which
14 affects the final disposition of a complaint, requires
15 the affirmative vote of at least four commission
16 members. Notwithstanding chapter 21 and chapter 22,
17 all records, papers, proceedings, meetings, and
18 hearings of the commission are confidential, but if
19 the commission applies to the supreme court to retire,
20 discipline, or remove a judicial officer, or to
21 discipline or remove an employee of the judicial
22 department, the application and all of the records and
23 papers in that proceeding are public documents.

24 Sec. 44. Section 602.2104, Code 1991, is amended
25 to read as follows:

26 602.2104 PROCEDURE BEFORE COMMISSION.

27 1. Charges before the commission shall be in
28 writing but may be simple and informal. The
29 commission shall investigate each charge as indicated
30 by its gravity. If the charge is groundless, it shall
31 be dismissed by the commission. If the charge appears
32 to be substantiated but does not warrant application
33 to the supreme court, the commission may dispose of it
34 informally by conference with or communication to the
35 judicial officer or employee of the judicial
36 department involved. If the charge appears to be
37 substantiated and if proved would warrant application
38 to the supreme court, notice shall be given to the
39 judicial officer and a hearing shall be held before
40 the commission. The commission may employ
41 investigative personnel, in addition to the executive
42 secretary, as it deems necessary. The commission may
43 also employ or contract for the employment of legal
44 counsel.

45 2. In case of a hearing before the commission,
46 written notice of the charge and of the time and place
47 of hearing shall be mailed to the a judicial officer
48 or an employee of the judicial department at the
49 office's person's residence at least twenty days
50 prior to the time set for hearing. Hearing shall be

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1 held in the county where the judicial officer or
2 employee of the judicial department resides unless the
3 commission and the judicial officer or employee of the
4 judicial department agree to a different location.
5 The judicial officer shall continue to perform
6 judicial duties during the pendency of the charge and
7 the employee shall continue to perform the employee's
8 assigned duties, unless otherwise ordered by the
9 commission. The commission has subpoena power on
10 behalf of the state and the judicial officer, and
11 disobedience or employee of the judicial department.
12 Disobedience of the commission's subpoena is
13 punishable as contempt in the district court for the
14 county in which the hearing proceeding is held. The
15 attorney general shall prosecute the charge before the
16 commission on behalf of the state. The A judicial
17 officer or employee of the judicial department may
18 defend and has the right to participate in person and
19 by counsel, to cross-examine, to be confronted by the
20 witnesses, and to present evidence in accordance with
21 the rules of civil procedure. A complete record shall
22 be made of the evidence by a court reporter. In
23 accordance with its findings on the evidence, the
24 commission shall dismiss the charge or make
25 application to the supreme court to retire,
26 discipline, or remove the judicial officer or to
27 discipline or remove an employee of the judicial
28 department.

29 Sec. 45. Section 602.2106, Code 1991, is amended
30 to read as follows:

31 602.2106 PROCEDURE BEFORE SUPREME COURT.

32 1. If the commission submits an application to the
33 supreme court to retire, discipline, or remove a
34 judicial officer or to discipline or remove an
35 employee of the judicial department, the commission
36 shall promptly file in the supreme court a transcript
37 of the hearing before the commission. The statutes
38 and rules relative to proceedings in appeals of equity
39 suits apply.

40 2. The attorney general shall prosecute the
41 proceedings in the supreme court on behalf of the
42 state, and the judicial officer or employee of the
43 judicial department may defend in person and by
44 counsel.

45 3. Upon application by the commission, the supreme
46 court may do either any of the following:

47 a. Retire the judicial officer for permanent
48 physical or mental disability which substantially
49 interferes with the performance of judicial duties.

50 b. Discipline or remove the judicial officer for

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1 persistent failure to perform duties, habitual
2 intemperance, willful misconduct in office, conduct
3 which brings judicial office into disrepute, or
4 substantial violation of the canons of judicial
5 ethics. Discipline may include suspension without pay
6 for a definite period of time not to exceed twelve
7 months.

8 c. Discipline or remove an employee of the
9 judicial department for conduct which violates the
10 code of ethics prescribed by the supreme court for
11 court employees.

12 4. If the supreme court finds that the application
13 should be granted in whole or in part, it shall render
14 the decree that it deems appropriate.

15 Sec. 46. Section 602.2107, Code 1991, is amended
16 to read as follows:

17 602.2107 CIVIL IMMUNITY.

18 The making of charges before the commission, the
19 giving of evidence or information before the
20 commission or to an investigator or legal counsel
21 employed by the commission, and the presentation of
22 transcripts, extensions of evidence, briefs, and
23 arguments in the supreme court are privileged in
24 actions for defamation.

25 Sec. 47. INITIAL APPOINTMENTS TO STATE ETHICS AND
26 CAMPAIGN FINANCE BOARD. Notwithstanding any contrary
27 requirements contained in section 68B.10A the initial
28 appointments to the Iowa ethics and campaign finance
29 board shall be made by July 1, 1992, and staggered as
30 follows:

31 1. Two of the appointees of the governor and the
32 two appointees of the senate shall serve an initial
33 term of two years.

34 2. Two of the appointees of the supreme court and
35 the two appointees of the house of representatives
36 shall serve an initial term of four years.

37 3. Two of the appointees of the governor and two
38 of the appointees of the supreme court shall serve an
39 initial term of six years.

40 The board shall adopt any emergency or transition
41 rules necessary for the assumption of its duties by
42 January 1, 1993, and for the transition and transfer
43 of any matters currently pending before the ethics
44 committees of either house of the general assembly or
45 before the campaign finance disclosure commission.

46 Sec. 48. Section 6 of this Act shall apply to
47 officials, employees, members of the general assembly,
48 or legislative employees who are employed, hold
49 office, or terminate service or employment on or after
50 the date of enactment of this Act.

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- 1 Sec. 49. Section 56.9, 56.10A, and 56.11, Code
- 2 1991, are repealed.
- 3 Sec. 50. Section 56.10, Code Supplement 1991, is
- 4 repealed.
- 5 Sec. 51. Sections 1, 2, 9, 10, 11, 12, 13,
- 6 sections 19 through 33, and sections 35, 36, 49, and
- 7 50 of this Act take effect January 1, 1993.
- 8 Sec. 52. Sections 6, 7, 13, 14, 39, 47, and 48 of
- 9 this Act, being deemed of immediate importance, take
- 10 effect upon enactment.
- 11 Sec. 53. CODIFICATION. The Code editor shall
- 12 renumber the sections in chapter 68B, reserving
- 13 section numbers if appropriate, as the Code editor
- 14 sees fit."

By COMMITTEE ON STATE GOVERNMENT
BLANSHAN of Greene, Chairperson

H-5863 FILED APRIL 10, 1992

*Adopted or amended by 5949, 5935, 5920, 5919, 5933
4/16 (p. 1567) 5928, 5881,*

HOUSE FILE 2466

-5794

- 1 Amend House File 2466 as follows:
- 2 1. Page 17, line 30, by inserting after the word
- 3 "duties." the following: "Members of the board shall
- 4 file statements of financial interest under section
- 5 68B.10F."

By HARBOR of Mills
HALVORSON of Clayton

-5794 FILED APRIL 7, 1992

w/d 4/16 (p. 1562)

HOUSE FILE 2466

H-5900

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

3 1. Page 22, line 6, by inserting after the word
4 "interests" the following: ", including
5 indebtedness,".

6 2. Page 22, line 13, by inserting after the word
7 "interests" the following: ", including
8 indebtedness,".

By HALVORSON of Webster.

H-5900 FILED APRIL 14, 1992

lost 4/16 (p. 1557)

HOUSE FILE 2466

H-5901

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

3 1. Page 22, by inserting after line 34, the
4 following:

5 " . The board shall also adopt rules providing
6 for disclosure of significant indebtedness by public
7 officials for whom disclosure of sources of income or
8 significant financial interests is required. Rules
9 adopted may provide exclusions for certain kinds or
10 classes of indebtedness. Rules adopted shall provide
11 for a process by which a public official may seek to
12 have a particular type of indebtedness excluded from
13 disclosure. The board in determining whether a
14 particular kind or class of indebtedness shall be
15 disclosed shall determine whether the public interests
16 served by the disclosure of the indebtedness outweigh
17 the interests served by allowing the information to
18 remain private."

19 2. By numbering, renumbering and changing
20 internal references as necessary.

By HALVORSON of Webster

H-5901 FILED APRIL 14, 1992

lost 4/16 (p. 1558)

HOUSE FILE 2466

H-5911

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

3 1. By striking page 9, line 40, through page 10,
4 line 4.

5 2. By renumbering as necessary.

By HALVORSON of Webster

H-5911 FILED APRIL 14, 1992

lost 4/16 (p. 1556)

HOUSE FILE 2466

H-5881

Amend the amendment, H-5863, to House File 2466, as follows:

1. Page 1, line 42, by striking the word "subdivisions" and inserting the following: "subdivision".
2. Page 4, lines 4 and 5, by striking the words "holder of public office" and inserting the following: "public official or public employee".
3. Page 4, line 6, by inserting after the word "article" the following: "if the person giving the thing of value is in any of the following categories:
 - (1) Is doing or seeking to do business of any kind with the agency in which the public official or public employee serves or is employed.
 - (2) Is engaged in activities which are regulated or controlled by the public official's or public employee's agency.
 - (3) Has financial interests which may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the public official's or public employee's official duties.
 - (4) Is a lobbyist with respect to matters within the public official's or public employee's jurisdiction".
4. Page 13, line 45, by striking the word "effective".
5. Page 26, line 48, by striking the figure "56.4" and inserting the following: "56.4,".
5. Page 30, line 26, by striking the word "recommendations" and inserting the following: "recommendations recommendation".

By PETERSON of Carroll

H-5881 FILED APRIL 13, 1992

Adopted 4/16 (p. 155B)

HOUSE FILE 2466

H-5920

- 1 Amend amendment, H-5863, to House File 2466, as
2 follows:
- 3 1. Page 5, line 45, by inserting after the word
4 "means" the following: "state".
- 5 2. Page 8, line 5, by striking the word "an" and
6 inserting the following: "a state".
- 7 3. Page 22, line 27, by striking the word
8 "person" and inserting the following: "persons".
- 9 4. Page 33, line 46, by striking the words
10 "Section 6" and inserting the following: "Sections 6
11 and 7".

By PETERSON of Carroll

H-5920 FILED APRIL 15, 1992

Adopted 4/16 (p. 1553)

HOUSE FILE 2466

H-5919

- 1 Amend the amendment, H-5863, to House File 2466, as
2 follows:
- 3 1. Page 11, by inserting after line 18 the
4 following:
- 5 "Sec. ____ . NEW SECTION. 68B.7D LOANS -- RECEIPT
6 FROM LOBBYISTS PROHIBITED.
- 7 A public official, public employee, or candidate
8 shall not, directly or indirectly, seek or accept a
9 loan or series of loans from a person who is a
10 lobbyist.
- 11 A lobbyist shall not, directly or indirectly, offer
12 or make a loan or series of loans to a public
13 official, public employee, or candidate. A lobbyist
14 shall also not, directly or indirectly, join with one
15 or more persons to offer or make a loan or series of
16 loans to a public official, public employee, or
17 candidate."
- 18 2. By numbering, renumbering, and changing
19 internal references as necessary.

By PETERSON of Carroll

H-5919 FILED APRIL 15, 1992

Adopted 4/16 (p. 1557)

HOUSE FILE 2466

H-5933

- 1 Amend the amendment, H-5863, to House File 2466,
2 follows:
- 3 1. Page 5, line 13, by striking the words
4 "representing a client" and inserting the following:
5 "licensed to practice law in this state representing a
6 client before any agency or".

By PETERSON of Carroll

H-5933 FILED APRIL 16, 1992

ADOPTED (p. 1533)

HOUSE FILE 2466

H-5928

1 Amend amendment, H-5863, to House File 2466, as
2 follows:

3 1. Page 6, by striking lines 19 through 34 and
4 inserting the following:

5 "Sec. ____ . Section 68B.3, Code 1991, is amended by
6 striking the section and inserting in lieu thereof the
7 following:

8 68B.3 WHEN PUBLIC BIDS REQUIRED -- DISCLOSURE OF
9 INCOME FROM OTHER SALES.

10 1. An official, state employee, member of the
11 general assembly, or legislative employee shall not
12 sell, in any one occurrence, any goods or services
13 having a value in excess of five hundred dollars to
14 any state agency unless the sale is made pursuant to
15 an award or contract let after public notice and
16 competitive bidding. The board may, however, grant a
17 waiver of the requirements of this subsection upon a
18 showing of good cause by the official, state employee,
19 member of the general assembly, or legislative
20 employee. This subsection shall not apply to the
21 publication of resolutions, advertisements, or other
22 legal propositions or notices in newspapers designated
23 pursuant to law for the publication of legal
24 propositions or notices and for which rates are fixed
25 pursuant to law.

26 For purposes of this section, "services" does not
27 include instruction at an accredited education
28 institution if the person providing the instruction
29 meets the minimum education and licensing requirements
30 established for teachers at the education institution.

31 2. An official, state employee, member of the
32 general assembly, or legislative employee who sells
33 goods or services to a political subdivision of the
34 state shall disclose whether income has been received
35 from commissions from the sales in the manner and on
36 forms provided by the board under section 68B.10F."

37 2. By renumbering as necessary.

By NEUHAUSER of Johnson
CARPENTER of Polk

H-5928 FILED APRIL 15, 1992

Adopted 4/16 (p. 1554)

HOUSE FILE 2466

H-5934

1 Amend the Committee amendment, H-5863, to House
2 File 2466, as follows:
3 1. Page 24, by inserting after line 26 the
4 following:
5 "Sec. . . . NEW SECTION. 68B.10J ATTEMPT TO
6 INFLUENCE A PUBLIC OFFICIAL OR EMPLOYEE -- EXTORTION.
7 1. A person commits a public offense when the
8 person attempts to influence the official decisions,
9 votes, opinions, or exercise of official duties of any
10 public official, public employee, or the action of the
11 agency in which the public official or public employee
12 serves or is employed by means of fraud or deceit. A
13 person who engages in conduct knowing or having reason
14 to know that the conduct violates this subsection
15 commits an aggravated misdemeanor.
16 2. a. A person commits the public offense of
17 extortion if the person attempts to influence the
18 official decisions, votes, opinions, or exercise of
19 official duties of any public official, public
20 employee, or the action of the agency in which the
21 public official or public employee serves or is
22 employed by any of the following means:
23 (1) Threat of violence or other reprisal,
24 including economic or noneconomic reprisal, against
25 any person or property.
26 (2) Threat made by a member of the general
27 assembly concerning the success or failure of a bill,
28 resolution, or amendment.
29 (3) Threat made by a member of the general
30 assembly concerning the budget of an agency in which
31 the public official or public employee serves or is
32 employed.
33 (4) Threat made by a member of the general
34 assembly concerning the removal from office or
35 employment of a public official or public employee.
36 b. A person who engages in conduct knowing or
37 having reason to know that the conduct violates this
38 subsection commits a class "D" felony.
39 3. This section does not apply to a constituent of
40 a public official who threatens to vote against or to
41 attempt to convince others to vote against the public
42 official in an election in which the public official
43 stands for office, or to a member of the general
44 assembly who discusses the reduction of a budget or
45 the removal from office or employment of a public
46 official or public employee during a public meeting or
47 in the course of public debate, so long as the
48 discussion of reducing a budget or removal from office
49 or employment is based on concerns of the member
50 related to the public official's or public employee's

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1 official duties.

2 4. For purposes of this section, "agency" includes
3 the general assembly.

4 Sec. ____ . NEW SECTION. 68B.10K FIRST DEGREE
5 OFFICIAL MISCONDUCT.

6 1. A public official or public employee commits
7 the public offense of first degree official misconduct
8 if, with intent to obtain a personal benefit or to
9 cause harm to another, the public official or public
10 employee intentionally does any of the following:

11 a. Commits an act relating to the public
12 official's or public employee's office or employment
13 that is an unauthorized performance of the public
14 official's or public employee's duties or exercise of
15 authority.

16 b. Fails to perform a duty that the public
17 official or public employee is required to perform by
18 virtue of holding the person's position.

19 c. Violates any statute, rule, or regulation
20 relating to the public official's or public employee's
21 office or employment.

22 2. A public official or public employee commits
23 the public offense of first degree official misconduct
24 if, with the intent to obtain personal benefit,
25 benefit for another, or cause harm to another, the
26 public official influences the retaining or employment
27 by a person of any particular lobbyist or group of
28 lobbyists.

29 3. A person who violates this section commits an
30 aggravated misdemeanor.

31 Sec. ____ . NEW SECTION. 68B.10L SECOND DEGREE
32 OFFICIAL MISCONDUCT.

33 1. A public official or public employee commits
34 the public offense of second degree official
35 misconduct if the public official or public employee
36 knowingly, arbitrarily, or capriciously does any of
37 the following:

38 a. Fails to perform a duty that the public
39 official or public employee is required to perform by
40 virtue of holding the person's position.

41 b. Violates any statute, rule, or regulation
42 relating to the public official's or public employee's
43 office or employment.

44 2. A person who violates this section commits a
45 serious misdemeanor.

46 Sec. ____ . NEW SECTION. 68B.10M BRIBERY OF PUBLIC
47 OFFICIALS.

48 1. A public official who directly or indirectly
49 solicits, demands, receives, or consents to receive
50 anything of value, either for the public official's

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1 own benefit or for the benefit of another person, in
2 exchange for the public official's vote, exercise or
3 nonexercise of official influence or an official duty,
4 or the taking of or failing to take other official
5 action, or with the understanding that the thing of
6 value will influence the public official's exercise of
7 official influence or duty, or decision to take
8 official action, commits the public offense of
9 bribery.

10 2. A public official who directly or indirectly
11 solicits or demands that anything of value be given to
12 another person as consideration for the public
13 official's vote, exercise or nonexercise of the public
14 official's influence or duty or who gives or withholds
15 the public official's vote, or exercise of official
16 influence or duty, as consideration for the giving or
17 promise of giving anything of value to another person
18 commits the public offense of bribery.

19 3. A person who engages in conduct knowing or
20 having reason to know that the conduct violates this
21 section commits a class "D" felony.

22 4. For purposes of this section, "anything of
23 value" includes anything which has a noneconomic
24 value, including but not limited to, the appointment
25 to a position of power or influence.

26 Sec. ____ . NEW SECTION. 68B.10N BRIBERY AND
27 INFLUENCE IN THE GENERAL ASSEMBLY.

28 1. A member of the general assembly who offers or
29 promises to give the member's vote or exercise the
30 member's influence in favor of or against any bill,
31 resolution, or amendment that has been or is proposed
32 to be introduced in the general assembly as
33 consideration for, or conditioned upon, another member
34 of the general assembly giving or promising to give
35 the other member's vote or exercise the other member's
36 influence in favor of or against any bill, resolution,
37 or amendment that has been or is proposed to be
38 introduced in the general assembly commits the public
39 offense of solicitation of bribery.

40 A member of the general assembly who offers,
41 promises, or agrees to give the member's vote or
42 exercise the member's influence in favor of or against
43 any bill, resolution, or amendment that is introduced
44 in the general assembly on condition that another
45 member promises to, agrees to, or actually gives, the
46 other member's vote or exercise the other member's
47 influence, and the other member who promises or agrees
48 to give the member's votes or exercise the member's
49 influence in accordance with the terms of the offer,
50 promise, or agreement, commit the public offense of

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1 bribery if both members give the respective members'
2 votes or exercise the members' influence in accordance
3 with the terms of the offer, promise, or agreement.

4 2. A member of the general assembly who offers,
5 promises, or agrees to exercise the member's authority
6 or influence the appointment of another member to a
7 position of influence, control, or power as
8 consideration for, or conditioned upon, the other
9 member of the general assembly giving or promising to
10 give the other member's vote or exercise the other
11 member's influence in favor of or against any bill,
12 resolution, or amendment, or for giving or promising
13 to give the other member's vote or exercise the other
14 member's influence in any other matter, including the
15 election of members to leadership positions, where
16 both members act in accordance with the terms of the
17 offer, promise, or agreement, both members commit the
18 public offense of bribery.

19 3. A person who engages in conduct knowing or
20 having reason to know that the conduct violates this
21 section commits a class "D" felony.

22 4. This section shall not apply to committee or
23 subcommittee discussions or work on a bill,
24 resolution, or amendment, or any other discussions
25 between members, through which items, within a bill,
26 resolution, or amendment that the committee,
27 subcommittee, or members are discussing or working on,
28 are altered or funds reallocated through the amendment
29 process. Such discussions or work must be directly
30 related to the items involved in the bill, resolution,
31 or amendment."

32 2. Renumber as necessary.

By HALVORSON of Webster

H-5934 FILED APRIL 16, 1992

NOT GERMANE, MOTION TO SUSPEND RULES LOST (p. 1567)

HOUSE FILE 2466

H-5941

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

- 3 1. Page 3, by striking lines 42 through 44.
4 2. By renumbering as necessary.

By HALVORSON of Clayton
HARBOR of Mills

H-5941 FILED APRIL 16, 1992
LOST (p. 1561)

HOUSE FILE 2466

H-5942

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

3 1. Page 4, line 36, by striking the words "
4 state, or local".

5 2. Page 8, by inserting after line 43, the
6 following:

7 "Sec. ____ . NEW SECTION. 68B.7 AGENCY LOBBYIST
8 BAN.

9 An agency shall not employ a lobbyist for any
10 purpose. This section does not prohibit a public
11 official or public employee whose activities are
12 limited to formal appearances to give testimony at
13 public sessions of committees of the general assembly
14 or public hearings of state agencies and whose
15 appearances as a result of testifying are recorded in
16 the records of the committee or agency."

17 3. By renumbering as necessary.

By TYRRELL of Iowa

H-5942 FILED APRIL 16, 1992
WITHDRAWN (p. 1563)

HOUSE FILE 2466

H-5935

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

3 1. Page 9, line 41, by striking the word "fifty"
4 and inserting the following: "thirty-five".

5 2. Page 9, line 48, by inserting after the word
6 "board." the following: "Gifts given to or received
7 by a member of a public official's, public employee's,
8 or candidate's immediate family shall be deemed to
9 have been given to the public official, public
10 employee, or candidate, for purposes of calculating
11 the amount of gifts received."

By BISIGNANO of Polk

JOCHUM of Dubuque

SHERZAN of Polk

RENAUD of Polk

BAKER of Polk

JESSE of Jasper

HIBBARD of Madison

GRUEN of Dickinson

DODERER of Johnson

MERTZ of Kossuth

BERNAU of Story

BLACK of Jasper

H-5935 FILED APRIL 16, 1992

ADOPTED (p. 1556)

HOUSE FILE 2466

H-5938

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

3 1. Page 3, by striking lines 42 through 44, and
4 inserting the following:

5 "() Food and drink received during a calendar
6 day which is consumed in the presence of the donor and
7 has a value not exceeding thirty-five dollars."

8 2. By striking page 9, line 40 through page 10,
9 line 4.

10 3. By numbering and renumbering as necessary.

By HALVORSON of Clayton

HARBOR of Mills

BISIGNANO of Polk

JOCHUM of Dubuque

H-5938 FILED APRIL 16, 1992

WITHDRAWN (p. 1562)

HOUSE FILE 2466

H-5939

1 Amend the amendment, H-5863, to House File 2466 as
2 follows:

3 1. Page 33, line 47, by striking the words "
4 members of the general assembly".

5 2. Page 33, line 50, by inserting after the word
6 "Act" the following: "and members of the general
7 assembly who are, were, or will be elected to serve in
8 the seventy-fourth or any subsequent general
9 assembly".

By METCALF of Polk

MILLAGE of Scott

H-5939 FILED APRIL 16, 1992

LOST (p. 1540)

HOUSE FILE 2466

H-5949

1 Amend the amendment, H-5863, to House File 2456 as
2 follows:

3 1. Page 4, by inserting after line 22, the
4 following:

5 "_____. "Lobby" means to advocate the passage or
6 defeat of a measure."

7 2. Page 4, by striking lines 36 through 42.

8 3. Page 5, by inserting after line 18, the
9 following:

10 "_____. "Measure" means a bill, joint resolution,
11 concurrent resolution, amendment, nomination, or other
12 matter which has been proposed to or which is pending
13 before the general assembly or any of its committees
14 or subcommittees."

15 4. Page 5, by inserting after line 46, the
16 following:

17 "_____. "Public funds" means funds appropriated by
18 the general assembly or funds obtained from other tax
19 revenues of this state."

20 5. Page 8, by inserting after line 30, the
21 following:

22 "Sec. _____. NEW SECTION. 68B.6A USE OF PUBLIC
23 FUNDS -- GOVERNMENT LOBBYING PROHIBITED.

24 Public funds shall not be used to lobby. This
25 provision does not prohibit the use of public funds
26 for dissemination of factual information relative to a
27 measure upon the request of the chairperson of the
28 appropriate standing committee or subcommittee of the
29 general assembly, or upon the request of an elected
30 member of the general assembly.

31 Lobbying by a government employee, other than an
32 elected official or the elected official's designee,
33 at a time when the employee is on official business or
34 is performing duties for which the employee receives a
35 salary paid with public funds, constitutes a use of
36 public funds prohibited by this section.

37 A person who violates this section is guilty of a
38 serious misdemeanor."

39 6. By renumbering as necessary.

By HANSEN of Woodbury

H-5949 FILED APRIL 16, 1992

Adopted (p. 1563)

HOUSE FILE 2466

H-5944

1 Amend the amendment, H-5863, to House File 2466, as
2 follows:

3 1. Page 3, by striking lines 42 through 44, and
4 inserting the following:

A

5 () food and drink received during a calendar
6 day which is consumed in the presence of the donor and
7 has a value not exceeding thirty-five dollars. Food
8 and drink given to or received by a member of a public
9 official's, public employee's, or candidate's
10 immediate family shall be deemed to have been given to
11 the public official, public employee, or candidate,
12 for purposes of calculating the amount of the food and
13 drink received."

B

14 2. By striking page 9, line 40 through page 10,
15 line 4.

16 3. By numbering and renumbering as necessary.

By HALVORSON of Clayton
HARBOR of Mills

H-5944 FILED APRIL 16, 1992

DIVISION A - LOST, DIVISION B - OUT OF ORDER (p. 1560)

HOUSE FILE 2466

BY MCKINNEY and VAN MAANEN

(As Amended and Passed by the House April 16, 1992)

Passed House, Date 4/16/92 (p. 1561) Passed Senate, Date 4/23/92 (p. 1571)

Vote: Ayes 77 Nays 19 Vote: Ayes 44 Nays 6

Approved June 2, 1992

A BILL FOR

1 An Act relating to government ethics, the use and receipt of
2 certain campaign contributions by government officials and
3 candidates for government office and providing for effective
4 dates and transition provisions.

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

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All New Language by the House

Conference Committee Appointed

*Sens. Kibbie (chair), Rosenberg, Husak, Riker and
Repr. Peterson of Carroll (chair), Tyrrell, Carpenter,
Neuhauser & Brown. (1844)*

Passed Per Conference Committee Report

*House Ayes 84 - Nays 14
Senate " 18 - " 29 (failed to pass)*

Second Conference Committee Appointed

*Senators Kinley (chair), Kronstal, Skoyd-Jones,
Lind & Rike. (1813)
Representatives Peterson of Carroll (chair), Tyrrell, Carpenter,
Neuhauser & Brown. (p. 2164)*

Passed Per Second Conference Committee Report

*Senate Ayes 41 - Nays 2 (p. 1830) 5/4
House Ayes 84 - Nays 7 (p. 2245)*

"DIVISION I

1
2 Section 1. Section 68B.1, Code 1991, is amended by
3 striking the section and inserting in lieu thereof the
4 following:

5 68B.1 LEGISLATIVE INTENT.

6 It is the intent of the general assembly to create a system
7 through which ethical issues, including matters of conduct of
8 public officials and public employees and issues related to
9 the financing of campaigns of elected public officials on the
10 state and local level, may be addressed in a fair,
11 nonpolitical, and open manner and which will allow state and
12 local officials and employees to seek advice when in doubt as
13 to the ethical propriety of specific action. The Iowa ethics
14 and campaign finance board is therefore established to serve
15 as an instrument for discipline, redress, and guidance for
16 persons elected to or employed in positions within the
17 executive and legislative branches of state government and for
18 persons elected to or employed in positions in local
19 government. The supreme court is required to prescribe rules
20 establishing a code of ethics which is substantially similar
21 to the provisions of this chapter which shall apply to those
22 persons who are subject to the administrative or disciplinary
23 authority of the supreme court.

24 Sec. 2. Section 68B.2, Code 1991, is amended by striking
25 the section and inserting in lieu thereof the following:

26 68B.2 DEFINITIONS.

27 As used in this chapter, unless the context otherwise
28 requires:

29 1. "Agency" means a department, division, board,
30 commission, bureau, or office of the executive or legislative
31 branch of state government, the office of attorney general,
32 the state board of regents, community colleges, and the office
33 of the governor, including a regulatory agency, or any
34 political subdivision of the state.

35 2. "Anything of value" includes all of the following:

- 1 a. A pecuniary item, including money, or a bank bill or
2 note.
- 3 b. A promissory note, bill of exchange, order, draft,
4 warrant, check, or bond given for the payment of money.
- 5 c. A contract, agreement, promise, or other obligation for
6 an advance conveyance, forgiveness of indebtedness, deposit,
7 distribution, loan payment, gift, pledge, or transfer of
8 money.
- 9 d. A stock, bond, note, or other investment interest in an
10 entity.
- 11 e. A receipt given for the payment of money or other
12 property.
- 13 f. A right in action.
- 14 g. A gift, tangible good, chattel, or an interest in a
15 gift, tangible good, or chattel.
- 16 h. A loan or forgiveness of indebtedness.
- 17 i. A work of art, antique, or collectible.
- 18 j. An automobile or other means of personal
19 transportation.
- 20 k. Real property or an interest in real property,
21 including title to realty, a fee simple or partial interest,
22 present or future, contingent or vested in real property, a
23 leasehold interest, or other beneficial interest in real
24 property.
- 25 l. An honorarium or compensation for services.
- 26 m. A rebate or discount unless the rebate or discount is
27 made in the ordinary course of business to a member of the
28 public without regard to that person's status as a public
29 official or public employee.
- 30 n. The sale or trade of something for reasonable
31 compensation that would ordinarily not be available to a
32 member of the public.
- 33 o. A promise or offer of employment.
- 34 p. Any other thing of value that is pecuniary or
35 compensatory in value to a person.

1 q. Any other thing determined to be of value in rules
2 adopted by the board.

3 3. "Board" means the Iowa ethics and campaign finance
4 board established in section 68B.10A.

5 4. "Candidate" means a candidate under chapter 56.

6 5. "Candidate's committee" means the committee designated
7 by the candidate, as provided under chapter 56, to receive
8 contributions, expend funds, or incur indebtedness on behalf
9 of the candidate in the aggregate as follows:

10 a. For a state, or county office, in excess of two hundred
11 fifty dollars in any calendar year.

12 b. For a city or school office, in excess of five hundred
13 dollars in any calendar year.

14 6. "Committee" includes a political committee and a
15 candidate's committee as defined in section 56.2.

16 7. "Compensation" means any money, thing of value, or
17 financial benefit conferred in return for services rendered or
18 to be rendered.

19 8. "Contribution" means a gift, loan, advance, deposit,
20 rebate, refund, transfer of money, an in-kind transfer, or the
21 payment of compensation for the personal services of another
22 person.

23 9. a. "Gift" means a rendering of anything of value in
24 return for which legal consideration of equal or greater value
25 is not given and received, if the donor is in any of the
26 following categories:

27 (1) Is doing or seeking to do business of any kind with
28 the donee's agency.

29 (2) Is engaged in activities which are regulated or
30 controlled by the donee's agency.

31 (3) Has financial interests which may be substantially and
32 materially affected, in a manner distinguishable from the
33 public generally, by the performance or nonperformance of the
34 donee's official duty.

35 (4) Is a lobbyist with respect to matters within the

1 donee's jurisdiction.

2 b. However, "gift" does not mean any of the following:

3 (1) Contributions to a candidate or a candidate's
4 committee.

5 (2) Informational material relevant to a public servant's
6 official functions, such as books, pamphlets, reports,
7 documents, or periodicals.

8 (3) Anything received from a person related within the
9 fourth degree by kinship or marriage, unless the donor is
10 acting as an agent or intermediary for another person not so
11 related.

12 (4) An inheritance.

13 (5) Anything available or distributed to the public
14 generally without regard to the official status of the
15 recipient.

16 (6) Actual expenses of a donee for food, beverages,
17 travel, and lodging for a meeting, which is given in return
18 for participation in a panel or speaking engagement at the
19 meeting when the expenses relate directly to the day or days
20 on which the donee has participation or presentation
21 responsibilities.

22 (7) Plaques or items of negligible resale value given as
23 recognition for public services.

24 (8) Items with a cumulative retail value of less than
25 three dollars that are received from any one donor during one
26 calendar day.

27 (9) Items solicited or given to any national or regional
28 organization in which states or political subdivisions are
29 members.

30 (10) Items received as part of a regularly scheduled event
31 that is part of a conference, seminar, or other meeting that
32 is sponsored and directed by any national or regional
33 organization in which states or political subdivisions are
34 members.

35 10. a. "Honorarium" means anything of value that is

1 accepted by, or on behalf of, a public official or public
2 employee as consideration for an appearance, speech, or
3 article if the person giving the thing of value is in any of
4 the following categories:

5 (1) Is doing or seeking to do business of any kind with
6 the agency in which the public official or public employee
7 serves or is employed.

8 (2) Is engaged in activities which are regulated or
9 controlled by the public official's or public employee's
10 agency.

11 (3) Has financial interests which may be substantially and
12 materially affected, in a manner distinguishable from the
13 public generally, by the performance or nonperformance of the
14 public official's or public employee's official duties.

15 (4) Is a lobbyist with respect to matters within the
16 public official's or public employee's jurisdiction.

17 b. "Honorarium" does not include either of the following:

18 (1) Actual expenses of a donee for food, beverages,
19 travel, and lodging paid as provided under subsection 9,
20 paragraph "b", subparagraph (6).

21 (2) A nonmonetary gift or series of nonmonetary gifts
22 donated within thirty days to a public body, a bona fide
23 educational or charitable organization, or the department of
24 general services as provided in section 68B.7B, subsection 3.

25 11. "Immediate family members" means the spouse and minor
26 children of a public official or public employee.

27 12. "Legislative employee" means a full-time official or
28 employee of the general assembly but does not include members
29 of the general assembly.

30 13. "Lobby" means to advocate the passage or defeat of a
31 measure.

32 14. a. "Lobbyist" means a person who does any of the
33 following:

34 (1) Is paid compensation for encouraging the passage,
35 defeat, or modification of legislation or regulation, or for

1 influencing the decision of the members of the general
2 assembly, a state agency, or any statewide elected official.

3 (2) Represents on a regular basis an organization which
4 has as one of its purposes the encouragement of the passage,
5 defeat, or modification of legislation or regulation, or the
6 influencing of a decision of the members of the general
7 assembly, a state agency, or any statewide elected official.

8 b. "Lobbyist" does not mean:

9 (1) Officials and employees of a political party organized
10 in the state of Iowa representing more than two percent of the
11 total votes cast for governor in the last preceding general
12 election, but only when representing the political party in an
13 official capacity.

14 (2) Representatives of the news media only when engaged in
15 the reporting and dissemination of news and editorials.

16 (3) The governor and lieutenant governor of the state of
17 Iowa, all other statewide elected officials, and elected
18 federal officials.

19 (4) Persons whose activities are limited to formal
20 appearances to give testimony at public sessions of committees
21 of the general assembly or public hearings of state agencies
22 and whose appearances as a result of testifying, are recorded
23 in the records of the committee or agency.

24 (5) A person who appears or communicates as a lawyer
25 licensed to practice law in this state representing a client
26 before any agency or in a contested case proceeding under
27 chapter 17A.

28 15. "Local employee" means a person employed by a
29 political subdivision of this state.

30 16. "Local official" means an officeholder of a political
31 subdivision of this state.

32 17. "Measure" means a bill, joint resolution, concurrent
33 resolution, amendment, nomination, or other matter which has
34 been proposed to or which is pending before the general
35 assembly or any of its committees or subcommittees.

1 18. "Member of the general assembly" means an individual
2 duly elected to the senate or the house of representatives of
3 the state of Iowa.

4 19. "Official" means an officer of the state of Iowa
5 receiving a salary or per diem whether elected or appointed or
6 whether serving full-time or part-time but does not include
7 officers or employees of political subdivisions of the state.
8 "Official" includes but is not limited to supervisory
9 personnel, members and employees of the governor's office,
10 members of other statewide elected offices, and members of
11 state agencies and does not include members of the general
12 assembly, legislative employees, or officers or employees of
13 the judicial branch of government who are not members or
14 employees of the office of attorney general.

15 20. "Person" means, without limitation, any individual,
16 corporation, business trust, estate, trust, partnership or
17 association, labor union, or any other legal entity.

18 21. "Political committee" means political committee as
19 defined in section 56.2.

20 22. "Public disclosure" means a written report filed with
21 the board by a person as required by this chapter or required
22 by rules adopted by the board and issued pursuant to this
23 chapter.

24 23. "Public employee" means state employees, legislative
25 employees, and local employees.

26 24. "Public funds" means funds appropriated by the general
27 assembly or funds obtained from other tax revenues of this
28 state.

29 25. "Public office" means any state, county, city, or
30 school office or any other office of a political subdivision
31 of the state that is filled by election.

32 26. "Public official" means officials, local officials,
33 and members of the general assembly.

34 27. "Regulatory agency" means the department of
35 agriculture and land stewardship, department of employment

1 services, department of commerce, Iowa department of public
2 health, department of public safety, department of education,
3 state board of regents, department of human services,
4 department of revenue and finance, department of inspections
5 and appeals, department of personnel, public employment
6 relations board, state department of transportation, civil
7 rights commission, department of public defense, and
8 department of natural resources.

9 28. "State employee" means a paid employee of the state of
10 Iowa and does not include an independent contractor, an
11 employee of the judicial department, a legislative employee,
12 or an employee of a political subdivision of the state.
13 "State employee" includes but is not limited to all clerical
14 personnel.

15 Sec. 3. Section 68B.3, Code 1991, is amended by striking
16 the section and inserting in lieu thereof the following:

17 68B.3 WHEN PUBLIC BIDS REQUIRED -- DISCLOSURE OF INCOME
18 FROM OTHER SALES.

19 1. An official, state employee, member of the general
20 assembly, or legislative employee shall not sell, in any one
21 occurrence, any goods or services having a value in excess of
22 five hundred dollars to any state agency unless the sale is
23 made pursuant to an award or contract let after public notice
24 and competitive bidding. The board may, however, grant a
25 waiver of the requirements of this subsection upon a showing
26 of good cause by the official, state employee, member of the
27 general assembly, or legislative employee. This subsection
28 shall not apply to the publication of resolutions,
29 advertisements, or other legal propositions or notices in
30 newspapers designated pursuant to law for the publication of
31 legal propositions or notices and for which rates are fixed
32 pursuant to law.

33 For purposes of this section, "services" does not include
34 instruction at an accredited education institution if the
35 person providing the instruction meets the minimum education

1 and licensing requirements established for teachers at the
2 education institution.

3 2. An official, state employee, member of the general
4 assembly, or legislative employee who sells goods or services
5 to a political subdivision of the state shall disclose whether
6 income has been received from commissions from the sales in
7 the manner and on forms provided by the board under section
8 68B.10F.

9 Sec. 4. NEW SECTION. 68B.4A SALES BY LEGISLATIVE
10 EMPLOYEES.

11 A full-time legislative employee shall not sell, either
12 directly or indirectly, any goods or services to individuals,
13 associations, or corporations which employ persons who are
14 registered lobbyists before the general assembly, except when
15 the legislative employee has met all of the following
16 conditions:

17 1. The consent of the person or persons responsible for
18 hiring or approving the hiring of the legislative employee is
19 obtained.

20 2. The duties and functions performed by the legislative
21 employee for the general assembly are not related to the
22 legislative authority of the general assembly over the
23 individual, association, or corporation, or the selling of
24 goods or services by the legislative employee to the
25 individuals, associations, or corporations does not affect the
26 employee's duties or functions at the general assembly.

27 3. The selling of any goods or services by the legislative
28 employee to an individual, association, or corporation does
29 not include lobbying of the general assembly.

30 4. The selling of any goods or services by the legislative
31 employee does not cause the official or employee to sell goods
32 or services to the general assembly on behalf of the
33 individual, association, or corporation.

34 Sec. 5. NEW SECTION. 68B.4B SALES BY MEMBERS OF THE
35 OFFICE OF THE GOVERNOR.

1 A full-time member of the office of the governor shall not
2 sell, either directly or indirectly, any goods or services to
3 individuals, associations, or corporations which employ
4 persons who are registered lobbyists before the general
5 assembly, except when the member of the office of the governor
6 has met all of the following conditions:

7 1. The consent of the person or persons responsible for
8 hiring or approving the hiring of the member of the office of
9 the governor is obtained.

10 2. The duties and functions performed by the member for
11 the office of the governor are not related to the authority of
12 the office of the governor over the individual, association,
13 or corporation, or the selling of goods or services by the
14 member of the office of the governor to the individuals,
15 associations, or corporations does not affect the member's
16 duties or functions at the office of the governor.

17 3. The selling of any goods or services by the member of
18 the office of the governor to an individual, association, or
19 corporation does not include lobbying of the office of the
20 governor.

21 4. The selling of any goods or services by the member of
22 the office of the governor does not cause the member to sell
23 goods or services to the office of the governor on behalf of
24 the individual, association, or corporation.

25 Sec. 6. Section 68B.5, Code 1991, is amended by striking
26 the section and inserting in lieu thereof the following:

27 68B.5 TWO-YEAR BAN ON LOBBYING ACTIVITIES AFTER SERVICE.

28 1. A person who has served as an official, state employee,
29 member of the general assembly, or legislative employee shall
30 not within two years after the termination of service or
31 employment become a lobbyist.

32 2. Upon application, the board may grant a waiver to
33 permit a state employee or legislative employee to become a
34 lobbyist if the board finds that there exists no potential for
35 use of undue influence or unfair advantage by the former

1 employee based upon the nature and extent of the prior
2 governmental service of the former employee.

3 3. This section shall not apply to a person who is a
4 former official, state employee, member of the general
5 assembly, or legislative employee who, within two years of
6 leaving service or employment with the state, is elected to
7 another office of the state or to an office of a political
8 subdivision of the state and appears or communicates on behalf
9 of that office.

10 Sec. 7. Section 68B.6, Code 1991, is amended to read as
11 follows:

12 68B.6 SERVICES AGAINST STATE PROHIBITED.

13 No official, state employee, or legislative employee shall
14 receive, directly or indirectly, or enter into any agreement,
15 express or implied, for any compensation, in whatever form,
16 for the appearance or rendition of services by that person or
17 another against the interest of the state in relation to any
18 case, proceeding, application, or other matter before any
19 state agency, any court of the state of Iowa, any federal
20 court, or any federal bureau, agency, commission or
21 department.

22 Sec. 8. NEW SECTION. 68B.6A USE OF PUBLIC FUNDS --
23 GOVERNMENT LOBBYING PROHIBITED.

24 Public funds shall not be used to lobby. This provision
25 does not prohibit the use of public funds for dissemination of
26 factual information relative to a measure upon the request of
27 the chairperson of the appropriate standing committee or
28 subcommittee of the general assembly, or upon the request of
29 an elected member of the general assembly.

30 Lobbying by a government employee, other than an elected
31 official or the elected official's designee, at a time when
32 the employee is on official business or is performing duties
33 for which the employee receives a salary paid with public
34 funds, constitutes a use of public funds prohibited by this
35 section.

1 A person who violates this section is guilty of a serious
2 misdemeanor.

3 Sec. 9. Section 68B.7, unnumbered paragraph 1, Code 1991,
4 is amended to read as follows:

5 No A person who has served as an official, or state
6 employee of a state agency, member of the general assembly, or
7 legislative employee shall not within a period of two years
8 after the termination of such service or employment appear
9 before ~~such-state~~ the agency or receive compensation for any
10 services rendered on behalf of any person, firm, corporation,
11 or association in relation to any case, proceeding, or
12 application with respect to which ~~such~~ the person was directly
13 concerned and personally participated during the period of
14 service or employment.

15 DIVISION II

16 Sec. 10. NEW SECTION. 68B.7A LEGISLATIVE INTENT.

17 It is the goal of the general assembly that public
18 officials and public employees of the state be extremely
19 cautious and circumspect about accepting a gratuity or favor,
20 especially from persons that have a substantial interest in
21 the legislative, administrative, or political actions of the
22 official or employee. Even where there is a genuine personal
23 friendship, the acceptance of personal benefits from those who
24 could gain advantage by influencing official actions raises
25 suspicions that tend to undermine the public trust. It is
26 therefore the intent of the general assembly that the
27 provisions of this division be construed to discourage all
28 gratuities, but to prohibit only those that create
29 unacceptable conflicts of interest or appearances of
30 impropriety.

31 Sec. 11. NEW SECTION. 68B.7B GIFTS ACCEPTED OR RECEIVED.

32 1. Except as otherwise provided in this section, a public
33 official, public employee, or candidate, or that person's
34 immediate family member shall not, directly or indirectly,
35 accept or receive any gift or series of gifts.

1 2. Except as otherwise provided in this section, a person
2 shall not, directly or indirectly, offer or make a gift or a
3 series of gifts to a public official, public employee, or
4 candidate. Except as otherwise provided in this section, a
5 person shall not, directly or indirectly, join with one or
6 more other persons to offer or make a gift or a series of
7 gifts to a public official, public employee, or candidate.

8 3. A person may give, and a public official, public
9 employee, or candidate, or the person's immediate family
10 member, may accept a nonmonetary gift or a series of
11 nonmonetary gifts and not be in violation of this section if
12 the nonmonetary gift or series of nonmonetary gifts is donated
13 within thirty days to a public body, the department of general
14 services, or a bona fide educational or charitable
15 organization, if no part of the net earnings of the
16 educational or charitable organization inures to the benefit
17 of any private stockholder or other individual. All such
18 items donated to the department of general services shall be
19 disposed of by assignment to state agencies for official use
20 or by public sale.

21 4. Gifts of food and drink, with an annual cumulative
22 value of thirty-five dollars or less per donee, consumed in
23 the presence of the donor, may be received or accepted from
24 any one donor by a public official, public employee,
25 candidate, or member of the person's immediate family provided
26 that the person receiving or accepting the gifts of food and
27 drink reports the receipt or acceptance of any items received
28 at any one time in the manner provided by the board. Gifts
29 given to or received by a member of a public official's,
30 public employee's, or candidate's immediate family shall be
31 deemed to have been given to the public official, public
32 employee, or candidate, for purposes of calculating the amount
33 of gifts received. All gifts made by a lobbyist or other
34 representative of an organization shall be deemed to have been
35 made by the lobbyist or the representative and the client,

1 organization, and any affiliate of the client or organization
2 that the lobbyist or the representative represents.

3 5. Gifts of food, beverages, travel, and lodging which
4 would otherwise be prohibited may be received by a public
5 official or public employee if:

6 a. The public official or public employee is officially
7 representing an agency in a delegation whose sole purpose is
8 to attract a specific new business to locate in the state or
9 encourage expansion or retention of an existing business
10 already established in the state.

11 b. The donor of the gifts is not the business being
12 contacted.

13 c. The public official or public employee makes a planned
14 presentation to the business on behalf of the public
15 official's or public employee's agency.

16 d. A report of the gifts received by the public official
17 or public employee is filed with the board. The board shall
18 adopt rules regarding the confidentiality of the report.

19 6. A public official, public employee, candidate, or the
20 person's immediate family member shall not solicit any gift or
21 series of gifts at any time.

22 7. A person shall not request, and a member of the general
23 assembly shall not agree, that a member of the general
24 assembly sell tickets for a community related social event
25 that is to be held for members of the general assembly in Polk
26 county during the legislative session. This section shall not
27 apply to Polk county or city of Des Moines events that are
28 open to the public generally or are held only for Polk county
29 or city of Des Moines legislators.

30 Sec. 12. NEW SECTION. 68B.7C HONORARIA --EXPENSES.

31 1. A public official or public employee shall not seek or
32 accept an honorarium as defined in section 68B.2. This
33 section does not prohibit a public official or public employee
34 from accepting an honorarium from a governmental entity from
35 another state, from a university from another state, or from a

1 nonprofit educational or civic institution from another state,
2 provided that the amount paid is reasonable and commensurate
3 with the services to be performed and that the circumstances
4 under which the services are to be performed do not create a
5 conflict of interest or appearance of impropriety.

6 2. A public official or public employee may accept an
7 honorarium otherwise prohibited under subsection 1, if, prior
8 to the receipt of the honorarium, the board grants the person
9 a waiver of the requirements of this section that is based
10 upon a finding that the offering and acceptance of the
11 honorarium meets all of the following conditions:

12 a. The amount of the honorarium is reasonable and
13 commensurate with the services to be performed.

14 b. The receipt of the honorarium will not create the
15 appearance of impropriety.

16 c. The receipt of the honorarium will not create a
17 conflict of interest for the official or employee.

18 d. The public official or public employee is not being
19 invited primarily because of the person's office or particular
20 position of employment but, because of some special expertise
21 or other qualification.

22 3. Honoraria received under subsection 2 shall be
23 disclosed in the manner provided by the board under section
24 68B.10B, subsection 2.

25 Sec. 13. NEW SECTION. 68B.7D LOANS -- RECEIPT FROM
26 LOBBYISTS PROHIBITED.

27 A public official, public employee, or candidate shall not,
28 directly or indirectly, seek or accept a loan or series of
29 loans from a person who is a lobbyist.

30 A lobbyist shall not, directly or indirectly, offer or make
31 a loan or series of loans to a public official, public
32 employee, or candidate. A lobbyist shall also not, directly
33 or indirectly, join with one or more persons to offer or make
34 a loan or series of loans to a public official, public
35 employee, or candidate.

1 Sec. 14. Section 68B.8, Code 1991, is amended to read as
2 follows:

3 68B.8 ADDITIONAL PENALTY.

4 In addition to any penalty contained in any other provision
5 of law, a person who knowingly and intentionally violates a
6 provision of ~~section-68B:3-to-68B:6~~ sections 68B.3 through
7 68B.7C is guilty of a serious misdemeanor and may be
8 reprimanded, suspended, or dismissed from the person's
9 position or otherwise sanctioned.

10

DIVISION III

11 Sec. 15. Section 68B.10, Code 1991, is amended to read as
12 follows:

13 68B.10 LEGISLATIVE ETHICS COMMITTEE.

14 1. There shall be an ethics committee in the senate and an
15 ethics committee in the house, each to consist of ~~seven~~ six
16 members; three members to be appointed by the majority leader
17 in each house, ~~two and three~~ members by the minority leader in
18 each house ~~and two individuals who shall not be employees of~~
19 ~~the general assembly by the chief justice of the Iowa supreme~~
20 ~~court.~~ A member of the ethics committee may disqualify
21 himself or herself from participating in any proceeding upon
22 submission of a written statement that the member cannot
23 render an impartial and unbiased decision in a case. A member
24 is ineligible to participate in committee meetings, as a
25 member of the committee, in any proceeding relating to the
26 member's own conduct. A member may be disqualified by a
27 unanimous vote of the remaining eligible members of the
28 committee. If a member of the ethics committee is
29 disqualified from or is ineligible to participate in any
30 committee proceedings, the authority responsible for the
31 original appointment of the disqualified or ineligible member
32 shall appoint a replacement member who shall serve during the
33 period of the original member's disqualification or
34 ineligibility.

35 ~~The two individuals appointed by the chief justice of the~~

1 supreme-court-shall-receive-a-per-diem-as-specified-in-section
2 7E.6-and-travel-expenses-at-the-same-rate-as-paid-members-of
3 interim-committees-for-attending-meetings-of-the-ethics
4 committee:

5 2. Members of-the-general-assembly shall receive a per
6 diem as specified in section 7E.6 and travel expenses at the
7 same rate as paid members of interim committees for attending
8 meetings held when the general assembly is not in session.
9 The per diem and expenses shall be paid from funds
10 appropriated by section 2.12.

11 ~~The-president-pro-tempore-of-the-senate-is-designated-as~~
12 ~~chairperson-of-the-senate-committee:~~

13 3. The house committee of each house shall elect a
14 chairperson. The chairperson of each committee shall have the
15 following powers, duties and functions:

- 16 a. Preside over meetings of the committee.
- 17 b. Call meetings of the committee upon receipt of
18 recommendations from the board relating to findings of ethical
19 violations of members of the general assembly.

20 4. The ethics committee of each house shall have the
21 following powers, duties, and functions:

- 22 ~~1:--Prepare-a-code-of-ethics-within-thirty-days-after-the~~
23 ~~commencement-of-the-session:~~
- 24 ~~2:--Prepare-rules-relating-to-lobbyists-and-lobbying~~
25 ~~activities-in-the-general-assembly:~~
- 26 ~~3:--Issue-advisory-opinions-interpreting-the-intent-of~~
27 ~~constitutional-and-statutory-provisions-relating-to~~
28 ~~legislators-and-lobbyists-as-well-as-interpreting-the-code-of~~
29 ~~ethics-and-rules-issued-pursuant-to-this-section:--Opinions~~
30 ~~shall-be-issued-when-approved-by-a-majority-of-the-seven~~
31 ~~members-and-may-be-issued-upon-the-written-request-of-a-member~~
32 ~~of-the-general-assembly-or-upon-the-committee's-initiation:~~
33 ~~Opinions-are-not-binding-on-the-legislator-or-lobbyist:~~

34 4. a. Receive and-investigate-complaints-and-charges
35 against-members-of-its-house-alleging-a-violation-of-the-code

1 ~~of-ethics,-rules-governing-lobbyists,-this-chapter,-or-other~~
2 matters referred to it by its house or the board. The
3 committee shall recommend rules for the receipt and processing
4 of ~~complaints-made~~ recommendations received relating to
5 findings of ethical violations of members of the general
6 assembly during the legislative session and those ~~made~~
7 received after the general assembly adjourns.

8 5 b. Recommend legislation relating to legislative ethics
9 and lobbying activities.

10 PARAGRAPH DIVIDED. The ethics committees may employ
11 independent legal counsel to assist them in carrying out their
12 duties under this chapter with the approval of a committee's
13 house when the general assembly is in session and with the
14 approval of the rules-and-administration committee charged
15 with the responsibility for the administration of that house
16 when the general assembly is not in session. Payment of costs
17 for the independent legal counsel shall be made from section
18 2.12.

19 ~~The-code-of-ethics-and-rules-relating-to-lobbyists-and~~
20 ~~lobbying-activities-shall-not-become-effective-until-approved~~
21 ~~by-the-members-of-the-house-to-which-the-proposed-code-and~~
22 ~~rules-apply.--The-code-or-rules-may-be-amended-either-upon-the~~
23 ~~recommendation-of-the-ethics-committee-or-by-members-of-the~~
24 ~~general-assembly.~~

25 Violation of the code of ethics or recommendations received
26 from the board may result in censure, reprimand, or other
27 sanctions as determined by a majority of the member's house.
28 However, a member may be suspended or expelled and the
29 member's salary forfeited only if directed by a two-thirds
30 vote of the member's house. A suspension, expulsion, or
31 forfeiture of salary shall be for the duration specified in
32 the directing resolution. However, it shall not extend beyond
33 the end of the general assembly during which the violation
34 occurred. ~~Violation-of-a-rule-relating-to-lobbyists-and~~
35 ~~lobbying-activities-may-result-in-censure,-reprimand,-or-other~~

1 sanctions-as-determined-by-a-majority-of-the-members-of-the
2 house-in-which-the-violation-occurred.--However,a-lobbyist
3 may-be-suspended-from-lobbying-activities-for-the-duration
4 provided-in-the-directing-resolution-only-if-directed-by-a
5 two-thirds-vote-of-the-house-in-which-the-violation-occurred.

6 Sec. 16. NEW SECTION. 68B.10A IOWA ETHICS AND CAMPAIGN
7 FINANCE BOARD -- ESTABLISHED.

8 1. An Iowa ethics and campaign finance board is
9 established as an independent agency. Effective January 1,
10 1993, the board shall administer and set standards for,
11 investigate complaints relating to, and monitor the ethics and
12 campaign finance practices of officials and employees in the
13 executive and legislative branches of state government, of
14 local officials and employees in local government, and of
15 candidates for public office, and monitor and set standards
16 for the conduct of lobbyists. The board shall consist of
17 twelve members of the general public who shall be appointed as
18 follows:

19 a. Four members to be appointed by the governor, not more
20 than two of whom shall be of the same gender or political
21 party. One of the members shall be a former elected public
22 official.

23 b. Four members, one of whom shall be a member of the
24 majority party appointed by the president of the senate, one
25 of whom shall be a member of the minority party appointed by
26 the minority leader of the senate, one of whom shall be a
27 member of the majority party appointed by the speaker of the
28 house of representatives, and one of whom shall be a member of
29 the minority party appointed by the minority leader of the
30 house of representatives. Not more than two of the members
31 appointed under this paragraph shall be of the same gender.
32 One of the members shall be a former elected public official.

33 c. Four members to be appointed by the chief justice of
34 the supreme court, not more than two of whom shall be of the
35 same gender or political party. One of the members shall be a

1 former elected public official.

2 2. Members shall serve staggered six-year terms beginning
3 and ending as provided in section 69.19. Any vacancy on the
4 board shall be filled by appointment for the unexpired portion
5 of the term, within ninety days of the vacancy and in
6 accordance with the procedures for regular appointments. A
7 member of the board may be reappointed to serve additional
8 terms on the board. However, no member shall serve more than
9 two full terms on the board. Members may be removed in the
10 manner provided in chapter 69. A member or employee of the
11 board shall also meet all of the following criteria:

12 a. The member or employee shall not hold or be a candidate
13 for any other public office while the person is a member or
14 employee of the board.

15 b. The member or employee shall not hold office in any
16 political party or political committee or candidate's
17 committee.

18 c. The member shall not be an employee of or be directly
19 responsible to the member's appointing authority. An employee
20 of the board shall not be an employee of or be directly
21 responsible to the governor, the supreme court, or the general
22 assembly.

23 3. The board shall annually elect one member to serve as
24 the chairperson of the board and one member to serve as vice
25 chairperson. The vice chairperson shall act as the
26 chairperson in the absence or disability of the chairperson or
27 in the event of a vacancy in that office. The chairperson
28 shall, in addition to other responsibilities assigned by the
29 board, be responsible for calling for and presiding at regular
30 meetings or special proceedings of the board. Seven members
31 of the board shall constitute a quorum. An affirmative vote
32 of a majority of the members of the board is required for any
33 official action or recommendation of the full board. The
34 quorum and voting requirements shall not, however, preclude
35 the formation of subcommittees of the board for purposes of

1 developing and making recommendations to the full board for
2 official action.

3 4. Members of the board shall receive a per diem as
4 specified in section 7E.6 while conducting business of the
5 board, and payment of actual and necessary expenses incurred
6 in the performance of their duties. Members of the board
7 shall file statements of financial interest under section
8 68B.10F.

9 5. The board shall employ a full-time executive secretary
10 who shall be the board's chief administrative officer. The
11 board shall employ or contract for the employment of legal
12 counsel notwithstanding section 13.7, and any other personnel
13 as may be necessary to carry out the duties of the board. The
14 board's legal counsel shall be the chief legal officer of the
15 board, shall advise the board on all legal matters, and, upon
16 the instructions of the board, may commence any actions as may
17 be appropriate. Notwithstanding section 19A.3, all of the
18 board's employees, except for the executive secretary and
19 legal counsel, shall be employed subject to the merit system
20 provisions of chapter 19A.

21 Sec. 17. NEW SECTION. 68B.10B DUTIES OF THE BOARD.

22 The duties of the board shall include, but are not limited
23 to, all of the following:

24 1. Adopt rules pursuant to chapter 17A and conduct
25 hearings under section 68B.10C and chapter 17A, as necessary
26 to carry out the purposes of this chapter and chapter 56.

27 2. Develop, prescribe, furnish, and distribute any forms
28 necessary for the implementation of the procedures contained
29 in this chapter and chapter 56 for the filing of reports and
30 statements by persons required to file the reports and
31 statements under this chapter and chapter 56.

32 3. Review the contents of all disclosure reports and
33 statements filed with the board and promptly advise each
34 person or committee of errors found. The board may verify
35 information contained in the reports with other parties to

1 assure accurate disclosure. The board, upon its own motion,
2 may initiate action and conduct a hearing relating to
3 requirements under this chapter or chapter 56. The board may
4 require a county commissioner of elections to periodically
5 file summary reports with the board.

6 4. Prepare and publish a manual setting forth examples of
7 approved uniform systems of accounts and approved methods of
8 disclosure for use by persons required to file statements and
9 reports under this chapter and chapter 56. The board shall
10 also prepare and publish other educational materials, and any
11 other reports or materials deemed appropriate by the board,
12 and conduct regular educational programs for public officials
13 and employees, lobbyists, and candidates for public office
14 relating to the requirements imposed upon public officials and
15 employees, lobbyists, and candidates for public office under
16 this chapter and chapter 56. The board shall at least
17 annually provide all public officials and public employees
18 with notification of the contents of this chapter and chapter
19 56 by distributing copies of educational materials to
20 associations that represent the interests of the various
21 governmental entities for dissemination to their membership.

22 5. Assure that the statements and reports which have been
23 filed in accordance with this chapter and chapter 56 are
24 available for public inspection and copying during the regular
25 office hours of the office in which they are filed and not
26 later than by the end of the day during which a report or
27 statement was received. Rules adopted relating to public
28 inspection and copying of statements and reports may include a
29 charge for any copying and mailing of the reports and
30 statements, shall provide for the mailing of copies upon the
31 request of any person and upon prior receipt of payment of the
32 costs by the board, and shall prohibit the use of the
33 information copied from reports and statements for soliciting
34 contributions or for any commercial purpose by any person
35 other than statutory political committees.

1 6. Require that the candidate of a candidate's committee,
2 or the chairperson of a political committee, is responsible
3 for filing disclosure reports under chapter 56, and shall
4 receive notice from the board if the committee has failed to
5 file a disclosure report at the time required under chapter
6 56. A candidate of a candidate's committee, or the
7 chairperson of a political committee may be subject to a civil
8 penalty for failure to file a disclosure report required under
9 section 56.6, subsection 1.

10 7. Establish and impose penalties, and recommendations for
11 punishment of persons who are subject to penalties of or
12 punishment by the board or by other bodies, for the failure to
13 comply with the requirements of this chapter or chapter 56.

14 8. Determine, in case of dispute, at what time a person
15 has become a candidate.

16 9. Preserve reports and statements filed with the board
17 for a period of five years from the date of receipt.

18 10. Establish a procedure for requesting and issuing
19 formal and informal board opinions to persons subject to the
20 authority of the board under this chapter or chapter 56.
21 Advice contained in formal board opinions shall, if followed,
22 constitute a defense to a complaint alleging a violation of
23 this chapter, chapter 56, or rules of the board that is based
24 on the same facts and circumstances.

25 11. Establish rules relating to ethical conduct for
26 persons holding a public office of the state or a political
27 subdivision, including candidates, and for employees of the
28 legislative and executive branch of state government and of
29 political subdivisions of the state and regulations governing
30 the conduct of lobbyists, including but not limited to
31 conflicts of interest, abuse of office, misuse of public
32 property, use of confidential information, participation in
33 matters in which a public official or employee has a financial
34 interest, and rejection of improper offers.

35 12. Establish fees, where necessary, to cover the costs

1 associated with preparing, printing, and distributing
2 materials to persons subject to the authority of the board.

3 Sec. 18. NEW SECTION. 68B.10C COMPLAINTS --PROCEDURE.

4 1. Any person may file a complaint alleging that a public
5 official, public employee, candidate for public office, or a
6 lobbyist has committed a violation of this chapter, chapter
7 56, or the rules adopted by the board. The board shall
8 prescribe and provide forms for this purpose. The complaint
9 shall include the name and address of the complainant and a
10 statement of the facts believed to be true that form the basis
11 of the complaint, including the sources of information and
12 approximate dates of the acts alleged and a certification by
13 the complainant under penalty of perjury that the facts stated
14 to be true are true to the best of the complainant's
15 knowledge.

16 2. Unless the chairperson of the board concludes that
17 immediate notification would prejudice a preliminary
18 investigation or subject the complainant to an unreasonable
19 risk, a copy of the complaint, upon the filing of the
20 complaint, shall be mailed to the party charged with a
21 violation. If a determination is made by the chairperson not
22 to notify the party charged within a period of ten days after
23 the filing of the complaint of the existence and the filing of
24 the complaint, the board must approve and establish the time
25 and conditions under which the party charged will be informed
26 of the filing and contents of the complaint.

27 3. a. The board staff shall review the complaint to
28 determine if the complaint meets the requirements for formal
29 sufficiency. If the complaint is deficient, the complaint
30 shall be returned to the complainant with a statement of the
31 nature of the deficiency. If the complaint is sufficient as
32 to form, the complaint shall be evaluated by legal counsel for
33 the board.

34 b. The board's legal counsel shall advise the chairperson
35 of the board whether the complaint states a valid charge which

1 may be investigated. A valid complaint must allege all of the
2 following:

3 (1) Facts, that if true, establish a violation of a
4 provision of this chapter, chapter 56, or the rules adopted by
5 the board for which civil penalties or other remedies are
6 provided.

7 (2) That the conduct providing the basis for the complaint
8 occurred within three years of the complaint.

9 (3) That the party charged with a violation is a party
10 subject to the jurisdiction of the board.

11 c. Upon receiving legal counsel's evaluation of the
12 validity of the complaint, the chairperson shall refer the
13 complaint to the board, in the manner provided under rules
14 adopted by the board, for a determination of the substantive
15 validity of the complaint.

16 d. If the board determines the complaint is not valid, the
17 complaint shall be dismissed and returned to the complainant
18 with a notice of dismissal stating the reason or reasons for
19 the dismissal. If the board determines that the complaint is
20 valid it shall be referred to the board staff for
21 investigation.

22 e. The board may also, without the filing of a complaint,
23 initiate investigations on the board's own motion into matters
24 subject to the board's jurisdiction.

25 4. The purpose of an investigation by the board and board
26 staff is to determine whether there is probable cause to
27 proceed with an adjudicatory hearing on the matter. In
28 conducting investigations and holding hearings, the board may
29 require by subpoena the attendance and testimony of witnesses
30 and may subpoena books, papers, records, and any other real
31 evidence relating to the matter before the board. The board
32 shall have the additional authority provided in section
33 17A.13. Hearings conducted by the board shall be conducted in
34 the manner prescribed in section 17A.12. The rules of
35 evidence applicable under section 17A.14 shall also apply in

1 hearings conducted by the board. A preponderance of clear and
2 convincing evidence shall be required to support a finding
3 that the person, candidate, or committee has committed a
4 violation. If a complaint is filed or initiated less than
5 ninety days before the election for a public office, for which
6 the person named in the complaint is the incumbent
7 officeholder or is a candidate, the board shall, if possible,
8 set the hearing at the earliest available date so as to allow
9 the issue to be resolved before the election. An extension of
10 time for a hearing may be granted when both parties mutually
11 agree on an alternate date for the hearing. Parties to a
12 complaint may, subject to the approval of the board, negotiate
13 for settlement of disputes that are before the board. Terms
14 of any negotiated settlements shall be publicly recorded.

15 5. The board shall maintain the confidentiality of a
16 complaint unless either the complainant or the alleged
17 violator publicly discloses the existence of a complaint or a
18 preliminary investigation. The board, upon such a disclosure
19 by the complainant or the alleged violator, may publicly
20 confirm the existence of the preliminary inquiry and, in the
21 board's discretion, make public the complaint and any
22 documents which were issued to either party to the complaint.
23 The board's investigations and deliberations relating to
24 probable cause determinations shall be confidential. However,
25 investigative materials may be furnished to the proper
26 prosecutorial authorities by the board. If the board
27 determines, at any stage in the proceedings that take place
28 prior to hearing, that the complaint is groundless, the
29 complaint shall be dismissed and the complainant and the party
30 charged shall be notified. If, after investigation, the board
31 determines evidence exists which, if believed, would support a
32 finding of a violation of this chapter, chapter 56, or the
33 rules adopted by the board, a finding of probable cause shall
34 be made, and hearing shall be ordered. The determination of
35 probable cause, notice of hearing, and final decision of the

1 board shall be public records. After the determination of
2 probable cause, all adjudicatory proceedings of the board,
3 except for the deliberations of the board on the evidence,
4 shall be public. The board may impose a civil penalty not to
5 exceed two thousand dollars upon a person who violates the
6 confidentiality of proceedings or records provided for in this
7 section. If the board determines that a complaint is
8 frivolous or has been filed in bad faith, the board may order
9 the complainant to pay the costs of the proceeding and may
10 impose a civil penalty not to exceed two thousand dollars.

11 6. The board shall determine what role legal counsel for
12 the board shall assume in the conducting of investigations.
13 In addition, upon the request of the board, an appropriate
14 county attorney or the attorney general shall assist the board
15 in any investigation. At board hearings, the complaint shall
16 be prosecuted by legal counsel unless, upon the request of the
17 board, the complaint is prosecuted by the attorney general.

18 7. Upon a finding by the board that the party charged has
19 engaged in an act or practice that violates this chapter,
20 chapter 56, or rules adopted by the board, the board shall
21 proceed as provided under section 68B.10D. Upon a finding
22 that the party charged has not engaged in an act or practice
23 which violates this chapter, chapter 56, or the rules adopted
24 by the board, the complaint shall be dismissed and the party
25 charged and the complainant shall be notified.

26 8. The right of an appropriate county attorney or the
27 attorney general to commence and maintain a district court
28 prosecution for criminal violations of the law is unaffected
29 by any proceedings under this section.

30 9. The board shall by rule pursuant to chapter 17A
31 establish procedures to implement this section.

32 Sec. 19. NEW SECTION. 68B.10D PENALTIES --RECOMMENDED
33 ACTIONS.

34 The board, after a hearing and upon a finding by a
35 preponderance of clear and convincing evidence that a

1 violation of a provision of this chapter, chapter 56, or rules
2 adopted by the board has occurred, may do one or more of the
3 following:

4 1. Issue an order requiring the violator to cease and
5 desist from the violation found.

6 2. Issue an order requiring the violator to file any
7 report, statement or other information as required by this
8 chapter, chapter 56, or rules adopted by the board.

9 3. Publicly reprimand the violator for violations of this
10 chapter, chapter 56, or rules adopted by the board in writing
11 and provide a copy of the reprimand to the violator's
12 appointing authority.

13 4. Make a written recommendation to the violator's
14 appointing authority that the violator be removed or suspended
15 from office, and include in the recommendation the length of
16 the suspension.

17 5. If the violator is a member of the general assembly,
18 make a written recommendation to the house of which the
19 violator is a member that the legislator be censured,
20 reprimanded, suspended, expelled from office, or recommend
21 other sanctions as deemed appropriate by the board.

22 6. If the violator is an elected official other than an
23 official who can only be removed by impeachment, make a
24 written recommendation to the attorney general or the
25 appropriate county attorney that an action for removal from
26 office be initiated pursuant to chapter 66.

27 7. If the violator is a lobbyist, censure, reprimand, or
28 impose other sanctions deemed appropriate by the board. A
29 lobbyist may also be suspended from lobbying activities if the
30 board finds that suspension is an appropriate sanction for the
31 violation committed.

32 8. Issue an order requiring the violator to pay a civil
33 penalty of not more than two thousand dollars for each
34 violation of this chapter, chapter 56, or rules adopted by the
35 board.

1 9. Refer the complaint and supporting information to the
2 attorney general or appropriate county attorney with a
3 recommendation for prosecution or enforcement of criminal
4 penalties.

5 If a person fails to comply with an order of the board
6 under subsection 1, 2, or 8, the board may petition the
7 district court having jurisdiction for an order for
8 enforcement of the order of the board. The enforcement
9 proceeding shall be conducted as provided in section 68B.10E.

10 Sec. 20. NEW SECTION. 68B.10E JUDICIAL REVIEW --
11 ENFORCEMENT.

12 Judicial review of the actions of the board may be sought
13 in accordance with chapter 17A. Judicial enforcement of
14 orders of the board may be sought in accordance with chapter
15 17A.

16 Sec. 21. NEW SECTION. 68B.10F PERSONAL FINANCIAL
17 DISCLOSURE -- CONTENTS OF STATEMENT.

18 1. A candidate for public office shall file a statement of
19 financial interests with the board concerning the calendar
20 year preceding the year in which the election is to be held
21 for which the candidate has filed. The statement shall be
22 filed no later than thirty days after the date on which the
23 person formally becomes a candidate. Public officials and
24 certain employees shall also, if required by the board by
25 rule, file a statement of financial interests for the
26 preceding year with the board in the manner and at times
27 provided by the board.

28 2. The board shall adopt rules providing for the
29 disclosure of sources of income and significant financial
30 interests of all public officials. The rules shall establish
31 standards for different levels of disclosure of sources of
32 income and significant financial interests depending upon the
33 nature and size of the political subdivision of the state that
34 the official represents and the level of responsibility or
35 authority of the office which is held. Rules may provide for

1 a waiver of personal financial disclosure for county or local
2 elected officials, or any other persons who, as defined in the
3 rules of the board, do not occupy a position involving a
4 substantial and material exercise of administrative discretion
5 in the formulation of public policy, expenditure of public
6 funds, enforcement of laws and rules of the state, or the
7 execution of any other public trust, including appointees to
8 boards, commissions, councils, and committees.

9 Sec. 22. NEW SECTION. 68B.10G APPLICABILITY --LOBBYIST
10 REGISTRATION REQUIRED.

11 1. All lobbyists shall, on or before the day their
12 lobbying activity begins, register with the board by filing a
13 lobbyist's registration statement on forms approved by the
14 board. Lobbyists engaged in lobbying activities before the
15 general assembly, the office of the governor, or any state
16 agency, may file the statement with the chief clerk of the
17 house of representatives, secretary of the senate, the office
18 of the governor, or any state agency. The board shall provide
19 appropriate registration forms to the general assembly, the
20 office of the governor, and state agencies. Persons receiving
21 registration statement filings from lobbyists shall forward a
22 copy of the statements to the board. The board shall forward
23 copies of the statements to the entities for which each
24 lobbyist is registered to lobby.

25 2. Registration shall be valid from the date of
26 registration until the expiration of the registration period
27 for the type of lobbying in which the person will be engaging.
28 Any change in or addition to the information shall be
29 registered with the board within ten days after the change or
30 addition is known to the lobbyist.

31 3. For persons registered to lobby before the general
32 assembly, registration expires upon the commencement of the
33 next regular session of the general assembly, except that the
34 board may adopt and implement a reasonable preregistration
35 procedure in advance of each regular session during which

1 persons may register for that session and the following
2 legislative interim. For persons registered to lobby before
3 the office of the governor or a state agency, registration
4 expires upon the commencement of a new calendar year. The
5 board may adopt and implement a reasonable preregistration
6 procedure in advance of each new calendar year during which
7 persons may register for that year.

8 4. If a lobbyist's service on behalf of a particular
9 employer, client, or cause is concluded prior to the end of
10 the calendar year, the lobbyist may cancel the registration on
11 appropriate forms supplied by the board. The cancellation
12 forms shall be filed by the lobbyist in the place where the
13 lobbyist filed the original registration. Persons receiving
14 forms canceling a lobbyist's registration shall forward the
15 forms to the board. Upon cancellation of registration, a
16 lobbyist is prohibited from engaging in any lobbying activity
17 on behalf of that particular employer, client, or cause until
18 reregistering and complying with the rules of the board.

19 5. All federal, state, and local officials or employees
20 representing the official positions of their departments,
21 commissions, boards, or agencies shall present to the board a
22 letter of authorization from their department or agency heads
23 prior to the commencement of their lobbying. The lobbyist
24 registration statement of these officials and employees shall
25 not be deemed complete until the letter of authorization is
26 attached. Federal, state, and local officials who wish to
27 lobby in opposition to the official position of their
28 departments, commissions, boards, or agencies must indicate
29 this on their lobbyist registration statements.

30 Sec. 23. NEW SECTION. 68B.10H LOBBYIST REPORTING.

31 1. A lobbyist shall file, on forms prescribed by the
32 board, a separate report with the board disclosing the
33 following: the lobbyist's clients; contributions,
34 expenditures, and gifts that were made for purposes of
35 lobbying and were initiated or paid by the lobbyist on behalf

1 of each of the lobbyist's clients during the prior calendar
2 month; all campaign contributions made by the lobbyist; and
3 the recipient of the contributions, expenditures, gifts, or
4 campaign contributions.

5 2. The report of contributions, expenditures, and gifts
6 must be filed with the board on a monthly basis on dates to be
7 determined by the board.

8 Sec. 24. NEW SECTION. 68B.10I LOBBYIST'S CLIENT
9 REPORTING.

10 1. No later than January 31 and July 31 of each year, a
11 lobbyist's client shall file with the board a report that
12 contains information on all salaries, fees, and retainers paid
13 by the lobbyist's client to the lobbyist for lobbying purposes
14 during the preceding six calendar months.

15 2. The report due January 31 shall include a cumulative
16 total of all lobbying expenditures for the preceding calendar
17 year.

18 Sec. 25. Section 68B.11, Code 1991, is amended by striking
19 the section and inserting in lieu thereof the following:

20 68B.11 SUPREME COURT RULES.

21 The supreme court of this state shall adopt rules
22 establishing a code of ethics for officials and employees of
23 the judicial department of this state, and the immediate
24 family members of the officials and employees. Rules adopted
25 shall include provisions relating to the receipt or acceptance
26 of gifts and honoraria, interests in public contracts,
27 services against the state, and financial disclosure which are
28 substantially similar to the requirements of this chapter and
29 chapter 56.

30 Sec. 26. Section 56.2, Code Supplement 1991, is amended by
31 adding the following new subsection:

32 NEW SUBSECTION. 1A. "Board" means the Iowa ethics and
33 campaign finance board under section 68B.10A.

34 Sec. 27. Section 56.2, subsection 3, Code Supplement 1991,
35 is amended to read as follows:

1 3. "Candidate" means any individual who has taken
2 affirmative action to seek nomination or election to a public
3 office ~~but and shall exclude~~ also include any judge standing
4 for retention in a judicial election.

5 Sec. 28. Section 56.2, subsection 5, Code Supplement 1991,
6 is amended by striking the subsection and inserting in lieu
7 thereof the following:

8 5. "Commissioner" means the county commissioner of
9 elections designated under section 47.2.

10 Sec. 29. Section 56.2, subsection 11, Code Supplement
11 1991, is amended to read as follows:

12 11. "Disclosure report" means a statement of contributions
13 received, expenditures made, and indebtedness incurred on
14 forms prescribed by rules ~~promulgated~~ adopted by the
15 ~~commission board~~ in accordance with chapter 17A.

16 Sec. 30. Section 56.2, subsection 16, Code Supplement
17 1991, is amended to read as follows:

18 16. "Public office" means any ~~federal~~, state, county,
19 city, or school office filled by election.

20 Sec. 31. Section 56.4, Code 1991, is amended to read as
21 follows:

22 56.4 REPORTS FILED WITH ~~COMMISSION~~ BOARD.

23 All statements and reports required to be filed under this
24 chapter for a state office shall be filed with the ~~commission~~
25 board. If the statement or report is filed for or by a
26 candidate for a seat in the general assembly, the report or
27 statement shall also be filed with the commissioner of
28 elections of each county within the district. All statements
29 and reports required to be filed under this chapter for a
30 county, city, or school office shall be filed with the
31 commissioner. Statements and reports on a ballot issue shall
32 be filed with the commissioner responsible under section 47.2
33 for conducting the election at which the issue is voted upon,
34 except that statements and reports on a statewide ballot issue
35 shall be filed with the ~~commission~~ board. Copies of any

1 reports filed with a commissioner shall be provided by the
2 commissioner to the commission board on its request. State
3 statutory political committees shall file all statements and
4 reports with the commission board. All other statutory
5 political committees shall file the statements and reports
6 with the commissioner with a copy sent to the commission
7 board.

8 Political committees supporting or opposing candidates for
9 both federal office and any elected office created by law or
10 the Constitution of the state of Iowa shall file statements
11 and reports with the commission board in addition to any
12 federal reports required to be filed with the secretary of
13 state.

14 Political committees supporting or opposing candidates or
15 ballot issues for statewide elections and for county,
16 municipal or school elections may file all activity on one
17 report with the commission board and shall send a copy to the
18 commissioner responsible under section 47.2 for conducting the
19 election.

20 Sec. 32. Section 56.5, subsections 3 and 5, Code
21 Supplement 1991, are amended to read as follows:

22 3. Any change in information previously submitted in a
23 statement of organization or notice in case of dissolution of
24 the committee shall be reported to the commission board or
25 commissioner not more than thirty days from the date of the
26 change or dissolution.

27 5. A committee not domiciled in Iowa which makes a
28 contribution to a candidate's committee or political committee
29 domiciled in Iowa shall disclose each contribution to the
30 commission board. A committee not domiciled in Iowa which is
31 not registered and filing full disclosure reports of all
32 financial activities with the federal election commission or
33 another state's disclosure commission shall register and file
34 full disclosure reports with the commission board pursuant to
35 this chapter. A committee which is currently filing a

1 disclosure report in another jurisdiction shall either file a
2 statement of organization under subsections 1 and 2 and file
3 disclosure reports, the same as those required of Iowa-
4 domiciled committees, under section 56.6, or shall file one
5 copy of a verified statement with the commission board and a
6 second copy with the treasurer of the committee receiving the
7 contribution. The form shall be completed and filed at the
8 time the contribution is made. The verified statement shall
9 be on forms prescribed by the commission board. The form
10 shall include the complete name, address, and telephone number
11 of the contributing committee, the state or federal
12 jurisdiction under which it is registered or operates, the
13 identification of any parent entity or other affiliates or
14 sponsors, its purpose, the name and address of an Iowa
15 resident authorized to receive service of original notice and
16 the name and address of the receiving committee, the amount of
17 the cash or in-kind contribution, and the date the
18 contribution was made.

19 Sec. 33. Section 56.6, subsection 1, paragraph a;
20 subsection 2; subsection 3, paragraph k; and subsection 5,
21 Code Supplement 1991, are amended to read as follows:

22 a. Each treasurer of a committee shall file with the
23 commission board or commissioner, or both if required under
24 section 56.4, disclosure reports of contributions received and
25 disbursed on forms prescribed by rules as provided by chapter
26 17A. The reports from all committees, except those committees
27 for municipal and school elective offices and for local ballot
28 issues, shall be filed on the twentieth day or mailed bearing
29 a United States postal service postmark dated on or before the
30 nineteenth day of January, May, July, and October of each
31 year. The May, July, and October reports shall be current as
32 of five days prior to the filing deadline. The January report
33 shall be the annual report covering activity through December
34 31. However, a state or county statutory political committee
35 is not required to file the May and July reports for a year in

1 which no primary or general election is held. A candidate's
2 committee, other than for municipal and school elective
3 offices, for a year in which the candidate is not standing for
4 election, is not required to file the May, July, and October
5 reports. Reports for committees for a ballot issue placed
6 before the voters of the entire state shall be filed at the
7 January, May, July, and October deadlines.

8 2. If any committee, after having filed a statement of
9 organization or one or more disclosure reports, dissolves or
10 determines that it shall no longer receive contributions or
11 make disbursements, the treasurer of the committee shall
12 notify the commission board or the commissioner within thirty
13 days following such dissolution by filing a dissolution report
14 on forms prescribed by the commission board. Moneys refunded
15 in accordance with a dissolution statement shall be considered
16 a disbursement or expense but the names of persons receiving
17 refunds need not be released or reported unless the
18 contributors' names were required to be reported when the
19 contribution was received.

20 k. Other pertinent information required by this chapter,
21 by rules adopted pursuant to this chapter, or forms approved
22 by the commission board.

23 5. A committee shall not dissolve until all loans, debts
24 and obligations are paid, forgiven or transferred and the
25 remaining money in the account is distributed according to the
26 organization statement. If a loan is transferred or forgiven,
27 the amount of the transferred or forgiven loan must be
28 reported as an in-kind contribution and deducted from the
29 loans payable balance on the disclosure form. A statutory
30 political committee is prohibited from dissolving, but may be
31 placed in an inactive status upon the approval of the
32 commission board. Inactive status may be requested for a
33 statutory political committee when no officers exist and the
34 statutory political committee has ceased to function. The
35 request shall be made by the previous treasurer or chairperson

1 of the committee and by the appropriate state statutory
2 political committee. A statutory political committee granted
3 inactive status shall not solicit or expend funds in its name
4 until the committee reorganizes and fulfills the requirements
5 of a political committee under this chapter.

6 Sec. 34. Section 56.6, subsection 1, paragraph c, Code
7 Supplement 1991, is amended by striking the paragraph.

8 Sec. 35. Section 56.13, unnumbered paragraph 1, Code 1991,
9 is amended to read as follows:

10 Action involving a contribution or expenditure which must
11 be reported under this chapter and which is taken by any
12 person, candidate's committee or political committee on behalf
13 of a candidate, if known and approved by the candidate, shall
14 be deemed action by the candidate and reported by the
15 candidate's committee. It shall be presumed that a candidate
16 approves the action if the candidate had knowledge of it and
17 failed to file a statement of disavowal with the commissioner
18 or commission board and take corrective action within seventy-
19 two hours of the action. A person, candidate's committee or
20 political committee taking such action independently of that
21 candidate's committee shall notify that candidate's committee
22 in writing within twenty-four hours of taking the action. The
23 notification shall provide that candidate's committee with the
24 cost of the promotion at fair market value. A copy of the
25 notification shall be sent to the commission board.

26 Sec. 36. NEW SECTION. 56.15A PROHIBITING CONTRIBUTIONS
27 DURING THE LEGISLATIVE SESSION.

28 A lobbyist or political committee, other than a state
29 statutory political committee, county statutory political
30 committee, or a national political party, shall not contribute
31 to, act as an agent or intermediary for contributions to, or
32 arrange for the making of contributions to the campaign funds
33 of an elected state official, member of the general assembly,
34 or candidate for public office on the state level on any day
35 during the regular legislative session and, in the case of the

1 governor or a gubernatorial candidate, during the thirty days
2 following the adjournment of a regular legislative session
3 allowed for the signing of bills. This section shall not
4 apply to the receipt of contributions by an elected state
5 official, member of the general assembly, or other state
6 official who has taken affirmative action to seek nomination
7 or election to a federal elective office.

8 Sec. 37. Section 56.20, Code 1991, is amended to read as
9 follows:

10 56.20 RULES ~~PROMULGATED~~ ADOPTED.

11 The director of revenue and finance, in co-operation with
12 the director of the department of management and the Iowa
13 ethics and campaign finance disclosure-commission board, shall
14 administer the provisions of sections 56.18 to 56.26 and they
15 shall ~~promulgate~~ adopt all necessary rules in accordance with
16 chapter 17A.

17 Sec. 38. Section 56.23, Code 1991, is amended to read as
18 follows:

19 56.23 FUNDS -- ~~CAMPAIGN EXPENSES ONLY~~.

20 The chairperson of the state statutory political committee
21 shall produce evidence to the director of revenue and finance
22 and the Iowa ethics and campaign finance disclosure-commission
23 board not later than the twenty-fifth day of January each
24 year, that all income tax checkoff funds expended for campaign
25 expenses have been utilized exclusively for campaign expenses.

26 The Iowa ethics and campaign finance disclosure-commission
27 board shall issue, prior to the payment of any money,
28 guidelines which explain which expenses and evidence thereof
29 qualify as acceptable campaign expenses.

30 Should the Iowa ethics and campaign finance disclosure
31 commission board and the director of revenue and finance
32 determine that any part of the funds have been used for
33 noncampaign or improper expenses, they may order the political
34 party or the candidate to return all or any part of the total
35 funds paid to that political party for that election. When

1 such the funds are returned, they shall be deposited in the
2 general fund of the state.

3 Sec. 39. Section 56.41, subsection 1, Code Supplement
4 1991, is amended to read as follows:

5 1. A candidate and the candidate's committee shall use
6 campaign funds only for campaign purposes or constituency
7 services, and shall not use campaign funds for personal
8 expenses.

9 Sec. 40. Section 56.41, Code Supplement 1991, is amended
10 by adding the following new subsection:

11 NEW SUBSECTION. 3. The board shall adopt rules which list
12 items that represent proper campaign expenses.

13 Sec. 41. Section 56.42, subsections 1, 2, and 5, Code
14 Supplement 1991, are amended to read as follows:

15 1. In addition to the uses permitted under section 56.41,
16 a candidate's committee may only transfer campaign funds in
17 one or more of the following ways:

18 a. Contributions to charitable organizations.

19 b. Contributions to national, state, or local political
20 party central committees, ~~or other candidate's committees.~~

21 c. Transfers to the treasurer of state for deposit in the
22 general fund of the state.

23 d. Return of contributions to contributors on a pro rata
24 basis, except that any contributor who contributed five
25 dollars or less may be excluded from the distribution.

26 2. If an unexpended balance of campaign funds remains when
27 ~~a candidate ceases to be a candidate or the~~ candidate's
28 committee dissolves, the unexpended balance shall be
29 transferred pursuant to subsection 1.

30 5. A candidate, or candidate's committee, or any other
31 person shall not directly or indirectly receive or transfer
32 campaign funds with the intent of circumventing the
33 requirements of this section. A candidate for statewide or
34 legislative office shall not establish, direct, or maintain a
35 political committee.

1 Sec. 42. Section 331.756, subsection 15, Code 1991, is
2 amended to read as follows:

3 15. Review the any report and recommendations
4 recommendation of the campaign-finance-disclosure-commission
5 Iowa ethics and campaign finance board and proceed to
6 institute the any recommended actions or advise the commission
7 board that prosecution is not merited as-provided-in-section
8 56-117-subsection-4 under chapter 56 or 68B.

9 Sec. 43. Section 602.1609, Code 1991, is amended to read
10 as follows:

11 602.1609 COMPLIANCE WITH ~~68B~~ ETHICS LAW.

12 Judicial officers and court employees shall comply with
13 rules ~~adopted~~ prescribed by the supreme court ~~under-section~~
14 68B-11 with respect to ethical conduct including the reporting
15 acceptance and receipt of gifts received and honoraria,
16 interests in public contracts, services against the state, and
17 financial disclosure. In prescribing rules, the supreme court
18 shall include any appropriate provisions and limitations
19 contained in chapter 68B. Violations are subject to the
20 ~~criminal~~ imposition of criminal and civil penalties in the
21 manner provided in-that-section by law.

22 Sec. 44. Section 602.2101, Code 1991, is amended to read
23 as follows:

24 602.2101 AUTHORITY.

25 The supreme court may retire, discipline, or remove a
26 judicial officer from office or may discipline or remove an
27 employee of the judicial department for cause as provided in
28 this part.

29 Sec. 45. Section 602.2103, Code 1991, is amended to read
30 as follows:

31 602.2103 OPERATION OF COMMISSION.

32 A quorum of the commission is four members. Only those
33 commission members that are present at commission meetings or
34 hearings may vote. An application by the commission to the
35 supreme court to retire, discipline, or remove a judicial

1 officer, or discipline or remove an employee of the judicial
2 department, or an action by the commission which affects the
3 final disposition of a complaint, requires the affirmative
4 vote of at least four commission members. Notwithstanding
5 chapter 21 and chapter 22, all records, papers, proceedings,
6 meetings, and hearings of the commission are confidential, but
7 if the commission applies to the supreme court to retire,
8 discipline, or remove a judicial officer, or to discipline or
9 remove an employee of the judicial department, the application
10 and all of the records and papers in that proceeding are
11 public documents.

12 Sec. 46. Section 602.2104, Code 1991, is amended to read
13 as follows:

14 602.2104 PROCEDURE BEFORE COMMISSION.

15 1. Charges before the commission shall be in writing but
16 may be simple and informal. The commission shall investigate
17 each charge as indicated by its gravity. If the charge is
18 groundless, it shall be dismissed by the commission. If the
19 charge appears to be substantiated but does not warrant
20 application to the supreme court, the commission may dispose
21 of it informally by conference with or communication to the
22 judicial officer or employee of the judicial department
23 involved. If the charge appears to be substantiated and if
24 proved would warrant application to the supreme court, notice
25 shall be given to the judicial officer and a hearing shall be
26 held before the commission. The commission may employ
27 investigative personnel, in addition to the executive
28 secretary, as it deems necessary. The commission may also
29 employ or contract for the employment of legal counsel.

30 2. In case of a hearing before the commission, written
31 notice of the charge and of the time and place of hearing
32 shall be mailed to ~~the~~ a judicial officer or an employee of
33 the judicial department at the officer's person's residence at
34 least twenty days prior to the time set for hearing. Hearing
35 shall be held in the county where the judicial officer or

1 employee of the judicial department resides unless the
2 commission and the judicial officer or employee of the
3 judicial department agree to a different location. The
4 judicial officer shall continue to perform judicial duties
5 during the pendency of the charge and the employee shall
6 continue to perform the employee's assigned duties, unless
7 otherwise ordered by the commission. The commission has
8 subpoena power on behalf of the state and the judicial
9 officer, ~~and disobedience~~ or employee of the judicial
10 department. Disobedience of the commission's subpoena is
11 punishable as contempt in the district court for the county in
12 which the hearing proceeding is held. The attorney general
13 shall prosecute the charge before the commission on behalf of
14 the state. ~~The~~ A judicial officer or employee of the judicial
15 department may defend and has the right to participate in
16 person and by counsel, to cross-examine, to be confronted by
17 the witnesses, and to present evidence in accordance with the
18 rules of civil procedure. A complete record shall be made of
19 the evidence by a court reporter. In accordance with its
20 findings on the evidence, the commission shall dismiss the
21 charge or make application to the supreme court to retire,
22 discipline, or remove the judicial officer or to discipline or
23 remove an employee of the judicial department.

24 Sec. 47. Section 602.2106, Code 1991, is amended to read
25 as follows:

26 602.2106 PROCEDURE BEFORE SUPREME COURT.

27 1. If the commission submits an application to the supreme
28 court to retire, discipline, or remove a judicial officer or
29 to discipline or remove an employee of the judicial
30 department, the commission shall promptly file in the supreme
31 court a transcript of the hearing before the commission. The
32 statutes and rules relative to proceedings in appeals of
33 equity suits apply.

34 2. The attorney general shall prosecute the proceedings in
35 the supreme court on behalf of the state, and the judicial

1 officer or employee of the judicial department may defend in
2 person and by counsel.

3 3. Upon application by the commission, the supreme court
4 may do either any of the following:

5 a. Retire the judicial officer for permanent physical or
6 mental disability which substantially interferes with the
7 performance of judicial duties.

8 b. Discipline or remove the judicial officer for
9 persistent failure to perform duties, habitual intemperance,
10 willful misconduct in office, conduct which brings judicial
11 office into disrepute, or substantial violation of the canons
12 of judicial ethics. Discipline may include suspension without
13 pay for a definite period of time not to exceed twelve months.

14 c. Discipline or remove an employee of the judicial
15 department for conduct which violates the code of ethics
16 prescribed by the supreme court for court employees.

17 4. If the supreme court finds that the application should
18 be granted in whole or in part, it shall render the decree
19 that it deems appropriate.

20 Sec. 48. Section 602.2107, Code 1991, is amended to read
21 as follows:

22 602.2107 CIVIL IMMUNITY.

23 The making of charges before the commission, the giving of
24 evidence or information before the commission or to an
25 investigator or legal counsel employed by the commission, and
26 the presentation of transcripts, extensions of evidence,
27 briefs, and arguments in the supreme court are privileged in
28 actions for defamation.

29 Sec. 49. INITIAL APPOINTMENTS TO STATE ETHICS AND CAMPAIGN
30 FINANCE BOARD. Notwithstanding any contrary requirements
31 contained in section 68B.10A the initial appointments to the
32 Iowa ethics and campaign finance board shall be made by July
33 1, 1992, and staggered as follows:

34 1. Two of the appointees of the governor and the two
35 appointees of the senate shall serve an initial term of two

1 years.

2 2. Two of the appointees of the supreme court and the two
3 appointees of the house of representatives shall serve an
4 initial term of four years.

5 3. Two of the appointees of the governor and two of the
6 appointees of the supreme court shall serve an initial term of
7 six years.

8 The board shall adopt any emergency or transition rules
9 necessary for the assumption of its duties by January 1, 1993,
10 and for the transition and transfer of any matters currently
11 pending before the ethics committees of either house of the
12 general assembly or before the campaign finance disclosure
13 commission.

14 Sec. 50. Sections 6 and 7 of this Act shall apply to
15 officials, employees, members of the general assembly, or
16 legislative employees who are employed, hold office, or
17 terminate service or employment on or after the date of
18 enactment of this Act.

19 Sec. 51. Section 56.9, 56.10A, and 56.11, Code 1991, are
20 repealed.

21 Sec. 52. Section 56.10, Code Supplement 1991, is repealed.

22 Sec. 53. Sections 1, 2, 10, 11, 12, 14, 15, sections 21
23 through 35, and sections 37, 38, 51, and 52 of this Act take
24 effect January 1, 1993.

25 Sec. 54. Sections 6, 7, 15, 16, 41, 49, and 50 of this
26 Act, being deemed of immediate importance, take effect upon
27 enactment.

28 Sec. 55. CODIFICATION. The Code editor shall renumber the
29 sections in chapter 68B, reserving section numbers if
30 appropriate, as the Code editor sees fit."

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HOUSE FILE 2466

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- 1 Amend House File 2466 as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 10, by striking the words "and
4 local level".
5 2. Page 1, lines 11 and 12, by striking the words
6 "and local".
7 3. Page 1, by striking lines 17 through 19 and
8 inserting the following: "executive and legislative
9 branches of state government. The supreme court is
10 required to prescribe rules".
11 4. Page 4, line 21, by inserting after the word
12 "responsibilities" the following: ", provided that
13 the amount of the expenses received is reported to the
14 board".
15 5. Page 5, by striking lines 17 through 24, and
16 inserting the following:
17 "b. "Honorarium" does not include payment for or
18 provision of actual travel and subsistence expenses,
19 including transportation, accommodations, and meals
20 provided that the amount of the payment received is
21 reported to the board."
22 6. Page 6, by striking lines 28 through 31.
23 7. Page 7, by striking lines 24 and 25, and
24 inserting the following:
25 "____. "Public employee" means employees and
26 legislative employees."
27 8. Page 7, line 32, by striking the words ",
28 local officials,".
29 9. Page 12, line 33, by inserting after the word
30 "candidate" the following: "for state office".
31 10. Page 13, line 4, by inserting after the word
32 "candidate" the following: "for state office".
33 11. Page 13, line 7, by inserting after the word
34 "candidate" the following: "for state office".
35 12. Page 13, line 9, by inserting after the word
36 "candidate" the following: "for state office".
37 13. Page 13, line 25, by inserting after the word
38 "candidate" the following: "for state office".
39 14. Page 13, line 26, by striking the words
40 "receiving or accepting" and inserting the following:
41 "giving".
42 15. Page 13, by striking line 27 and inserting
43 the following: "drink reports the donation of any
44 items given".
45 16. Page 13, line 30, by striking the word
46 "candidate's" and inserting the following: "candidate
47 for state office's".
48 17. Page 13, line 32, by inserting after the word
49 "candidate" the following: "for state office".
50 18. Page 14, by inserting after line 2 the fol-

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1 lowing:

2 "_____. Gifts of food and drink may be received or
3 accepted by members of the general assembly at social
4 events to which all members of both houses or of a
5 standing committee of either house of the general
6 assembly are invited, if the donor reports the total
7 cost of the social event to the board."

8 19. Page 14, by striking lines 17 and 18, and
9 inserting the following: "or public employee is filed
10 by the donor with the board. Reports of gifts filed
11 with the board under this subsection are confidential
12 records under chapter 22."

13 20. Page 14, line 19, by inserting after the word
14 "candidate" the following: "for state office".

15 21. Page 15, line 27, by inserting after the word
16 "candidate" the following: "for state office".

17 22. Page 19, lines 11 and 12, by striking the
18 words "and campaign finance practices".

19 23. Page 19, line 13, by inserting after the word
20 "government," the following: "and".

21 24. Page 19, by striking line 14.

22 25. Page 19, line 21, by inserting after the word
23 "party" the following: ", and who shall be subject to
24 confirmation by the senate".

25 26. Page 22, line 24, by inserting after the word
26 "copying" the following: "in a manner consistent with
27 the requirements of chapter 22,".

28 27. Page 23, line 10, by striking the words
29 "Establish and impose" and inserting the following:
30 "Submit proposed legislation establishing a schedule
31 of".

32 28. Page 23, by striking line 26, and inserting
33 the following: "persons holding a statewide public
34 office".

35 29. Page 23, line 27, by striking the words
36 "subdivision, including candidates" and inserting the
37 following: "and candidates for any state office".

38 30. Page 23, by striking lines 28 and 29, and
39 inserting the following: "legislative and executive
40 branch of state government and regulations governing".

41 31. Page 23, line 30, by striking the words "
42 including but" and inserting the following: "; and
43 biennially propose resolutions establishing a code of
44 ethical conduct for members of the general assembly.
45 Rules, regulations, and proposed resolutions shall
46 include but are".

47 32. Page 24, line 5, by striking the words
48 "candidate for public office,".

49 33. Page 24, by striking lines 6 and 7, and
50 inserting the following: "lobbyist has committed a

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1 violation of this chapter or the rules adopted by the
2 board or that a candidate for public office or elected
3 public official has committed a violation of chapter
4 56 or the rules adopted by the board. The board
5 shall".

6 34. Page 26, line 1, by striking the words "A
7 preponderance of clear" and inserting the following:
8 "Clear".

9 35. Page 27, by inserting after line 29, the
10 following:

11 "____. Proceedings on complaints and investigations
12 initiated by the board, including the imposition of,
13 or recommendations for the imposition of, any
14 penalties by the board shall be concluded within six
15 months of the filing of the complaint or initiation of
16 the investigation. The board may, however, seek an
17 extension of up to an additional three months of time
18 for conducting proceedings on complaints or
19 investigations of public officials or public employees
20 who are not members of the general assembly by
21 submitting a request for extension of time to the
22 entity that would be responsible for removing or
23 suspending the person. If the complaint or
24 investigation relates to a member of the general
25 assembly, the board may seek up to an additional three
26 months of time to conduct proceedings by submitting a
27 request to the committee responsible for the
28 administration of the house in which the member holds
29 a seat."

30 36. Page 27, lines 34 and 35, by striking the
31 words "a preponderance of".

32 37. Page 28, by striking lines 27 through 31 and
33 inserting the following:

34 "____. Censure, reprimand, or impose any other
35 sanctions deemed appropriate by the board, if the
36 violator is a lobbyist. The board may suspend a
37 lobbyist from lobbying activities if the board finds
38 that suspension is an appropriate sanction for the
39 violation."

40 38. Page 29, by inserting after line 9, the
41 following:

42 "When the board submits a recommendation for
43 discipline in any form to another entity that is
44 responsible for imposing punishment upon a person for
45 a violation of this chapter, the board shall include
46 with the recommendation a report detailing the factual
47 basis for the board's finding of a violation, a record
48 of the board's vote relating to the violation, and a
49 copy of any dissenting opinions of board members that
50 may be available with respect to the violation. The

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1 board shall also, upon the request of the entity
2 responsible for imposing punishment, furnish items of
3 evidence and the record of the hearings before the
4 board."

5 39. Page 29, line 18, by striking the word
6 "public" and inserting the following: "state".

7 40. Page 29, line 24, by inserting after the word
8 "certain" the following: "public".

9 41. Page 30, by striking lines 1 through 3 and
10 inserting the following: "a waiver of personal
11 financial disclosure for any person who, as defined in
12 the rules of the board, does not occupy a position
13 involving a".

14 42. Page 30, line 7, by inserting after the words
15 "appointees to" the following: "state".

16 43. Page 32, by inserting after line 7 the fol-
17 lowing:

18 "3. A lobbyist's client who fails to file a report
19 required under this section may be subject to the
20 imposition of penalties by the board as provided under
21 section 68B.10D, subsections 1 through 3, 7, and 8."

22 44. Page 32, line 21, by striking the words
23 "adopt rules" and inserting the following: "prescribe
24 rules by January 1, 1993,".

25 45. Page 32, by inserting after line 29 the
26 following:

27 "Sec. ____ . NEW SECTION. 68C.1 TITLE OF ACT.

28 This chapter shall be known as the "Local Public
29 Officials Act".

30 Sec. ____ . NEW SECTION. 68C.2 DEFINITIONS.

31 When used in this chapter, unless the context
32 otherwise requires:

33 1. "Agency" means any political subdivision of the
34 state.

35 2. "Candidate" means a candidate or a person
36 elected to an office of a political subdivision until
37 the person takes office.

38 3. "Compensation" means any money, thing of value,
39 or financial benefit conferred in return for services
40 rendered or to be rendered.

41 4. "Employee" means a full-time, salaried employee
42 of a political subdivision of the state of Iowa and
43 does not include part-time employees or independent
44 contractors. Employee includes but is not limited to
45 all clerical personnel.

46 5. a. "Gift" means a rendering of money,
47 property, services, discount, loan forgiveness,
48 payment of indebtedness, or anything else of value in
49 return for which legal consideration of equal or
50 greater value is not given and received, if the donor

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1 is in any of the following categories:

2 (1) Is doing or seeking to do business of any kind
3 with the donee's agency.

4 (2) Is engaged in activities which are regulated
5 or controlled by the donee's agency.

6 (3) Has interests which may be substantially and
7 materially affected, in a manner distinguishable from
8 the public generally, by the performance or
9 nonperformance of the donee's official duty.

10 b. However, "gift" does not mean any of the
11 following:

12 (1) Campaign contributions.

13 (2) Informational material relevant to a public
14 servant's official functions, such as books,
15 pamphlets, reports, documents, or periodicals, and
16 registration fees or tuition not including travel or
17 lodging, for not more than three days, at seminars or
18 other public meetings conducted in this state, at
19 which the public servant receives information relevant
20 to the public servant's official functions.

21 Information or participation received under the
22 exclusion of this paragraph may be applied to satisfy
23 a continuing education requirement of the donee's
24 regulated occupation or profession if the donee pays
25 any registration costs exceeding thirty-five dollars.

26 (3) Anything received from a person related within
27 the fourth degree by kinship or marriage, unless the
28 donor is acting as an agent or intermediary for
29 another person not so related.

30 (4) An inheritance.

31 (5) Anything available to or distributed to the
32 public generally without regard to official status of
33 the recipient.

34 (6) Actual expenses for food, beverages, travel,
35 lodging, registration, and scheduled entertainment of
36 the donee for a meeting, which is given in return for
37 participation in a panel or speaking engagement at the
38 meeting.

39 (7) Plaques or items of negligible resale value
40 given as recognition for public services.

41 6. "Immediate family members" means the spouse and
42 minor children of a person required to file reports
43 pursuant to this chapter or the rules adopted pursuant
44 to this chapter.

45 7. "Is doing business with the donee's agency"
46 means being a party to any one or any combination of
47 sales, purchases, leases, or contracts to, from, or
48 with a political subdivision, or any agency of a
49 political subdivision.

50 8. "Official" means an officer of a political

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1 subdivision of the state of Iowa receiving a salary or
2 per diem whether elected or appointed or whether
3 serving full-time or part-time. "Official" includes
4 but is not limited to supervisory personnel and
5 members of agencies of political subdivisions of the
6 state.

7 9. "Public disclosure" means a written report
8 filed by the fifteenth day of the month following the
9 month in which a gift is received as required by this
10 chapter or required by rules adopted pursuant to this
11 chapter.

12 Where the term "candidate", "employee", or
13 "official" is used in this chapter, it includes a firm
14 of which any of those persons is a partner and a
15 corporation of which any of those persons holds ten
16 percent or more of the stock either directly or
17 indirectly, and the spouse and minor children of any
18 of those persons.

19 Sec. ____ . NEW SECTION. 68C.3 GIFTS SOLICITED OR
20 ACCEPTED.

21 1. An official, employee, candidate, or that
22 person's immediate family member shall not, directly
23 or indirectly, solicit, accept, or receive from any
24 one donor in any one calendar day a gift or a series
25 of gifts having a value of thirty-five dollars or
26 more.

27 2. A person shall not, directly or indirectly,
28 offer or make a gift or a series of gifts to an
29 official, employee, or candidate in any one calendar
30 day, if the gift or series of gifts has a value of
31 thirty-five dollars or more. A person shall not,
32 directly or indirectly, join with one or more other
33 persons to offer or make a gift or a series of gifts
34 to an official, employee, or candidate in any one
35 calendar day, if the gift or series of gifts has a
36 total value of thirty-five dollars or more. The
37 thirty-five dollar limitation of this section applies
38 separately to a person and the person's immediate
39 family member.

40 3. A person may give and an official, employee,
41 candidate, or the person's immediate family member may
42 accept in any one calendar day a gift or a series of
43 gifts which has a value of thirty-five dollars or more
44 and not be in violation of this section if the gift or
45 series of gifts is donated within thirty days to a
46 public body, a bona fide educational or charitable
47 organization, or the department of general services.
48 All such items donated to the department of general
49 services shall be disposed of by assignment to state
50 agencies for official use or by public sale.

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1 Sec. ____ . NEW SECTION. 68C.4 REPORTING OF GIFTS
2 AND FINANCIAL DISCLOSURE.

3 1. The governing body of a political subdivision
4 of this state shall adopt rules requiring the
5 reporting of gifts made to its respective members and
6 their immediate family members and its officials and
7 employees and their immediate family members. The
8 rules as adopted shall require public disclosure of
9 the nature, amount, date, and donor of a gift or gifts
10 from any one donor made to one of those individuals
11 which exceeds fifteen dollars in cumulative value in
12 any one calendar day. The rules shall require such
13 disclosure by both the donor and donee. The rules may
14 waive the reporting of food and beverage provided for
15 immediate consumption in the presence of the donor.
16 Copies of the rules and reports shall be filed with
17 the county auditor of the county in which the
18 political subdivision is located.

19 The secretary of state shall develop a standard
20 form for public disclosure of gifts in compliance with
21 this subsection which shall be available at every
22 county auditor's office without cost.

23 2. a. In determining the value of a gift, an
24 individual making a gift on behalf of more than one
25 person shall not divide the value of the gift by the
26 number of persons on whose behalf the gift is made.

27 b. The value of a gift to the donee is the value
28 actually received.

29 c. For the purposes of the reporting requirements
30 of this section, a donor of a gift made by more than
31 one individual to one or more donees shall report the
32 gift if the total value of the gift to the donee
33 exceeds fifteen dollars.

34 3. Reporting requirements adopted or issued under
35 this section may include requirements relating to the
36 reporting of income which is not a gift.

37 4. A person who does not make public disclosure of
38 gifts as required by this chapter or the rules adopted
39 pursuant to this chapter is guilty of a serious
40 misdemeanor.

41 Sec. ____ . NEW SECTION. 68C.5 ADDITIONAL PENALTY.

42 In addition to any penalty contained in any other
43 provision of law, a person who knowingly and
44 intentionally violates section 68C.3 or 68C.4 is
45 guilty of a serious misdemeanor and may be
46 reprimanded, suspended, or dismissed from the person's
47 position or otherwise sanctioned.

48 Sec. ____ . NEW SECTION. 68C.6 ACTIONS COMMENCED.

49 Actions to enforce the provisions of this chapter
50 may be commenced by any legal resident of the state of

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1 Iowa who is eighteen years of age or more at the time
2 of commencing the action or by the attorney general.

3 Sec. _____. Section 22.7, Code 1991, is amended by
4 adding the following new subsection:

5 NEW SUBSECTION. 29. Reports filed with the Iowa
6 ethics and campaign finance board of gifts of food,
7 beverages, travel, and lodging received by a public
8 official or public employee as a result of official
9 participation in economic development opportunities
10 under section 68B.7B."

11 46. Page 37, by inserting after line 7, the
12 following:

13 "Sec. _____. Section 56.10A, Code 1991, is amended
14 to read as follows:

15 56.10A REPORTING OF HONORARIA.

16 1. The commission board shall adopt rules
17 requiring the filing of periodic reports by
18 officeholders showing all honoraria received during
19 the reporting period.

20 2. The rules shall require that:

21 ~~a.--Holders of statewide office must file reports~~
22 ~~with the state commissioner of elections.~~

23 ~~b.--Holders of the office of state senator must~~
24 ~~file reports with the secretary of the senate.~~

25 ~~c.--Holders of the office of state representative~~
26 ~~must file reports with the chief clerk of the house of~~
27 ~~representatives.~~

28 ~~d.--Holders~~ holders of county and other offices
29 must file reports with the county commissioner of
30 elections.

31 3. The reports shall be available for public
32 inspection."

33 47. Page 39, by striking line 18 and inserting
34 the following:

35 "~~a.--Contributions to charitable organizations.~~"

36 48. Page 44, line 13, by inserting after the word
37 "commission." the following: "Rules, forms, and
38 precedents established by the campaign finance
39 disclosure commission regarding the administration of
40 chapter 56 shall remain effective until ratified,
41 rescinded, or modified by action by the board."

42 49. Page 44, by inserting after line 13 the
43 following:

44 "Sec. _____. Notwithstanding chapter 68B, until
45 legislation is adopted that establishes a code of
46 ethics for members of the general assembly and
47 regulations governing the conduct of lobbyists, the
48 rules of the Seventy-fourth General Assembly that
49 establish a code of ethics and rules governing
50 lobbyists shall remain in effect."

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1 50. Page 44, line 19, by striking the word and
2 figures "Section 56.9, 56.10A," and inserting the
3 following: "Sections 56.9".

4 51. By numbering, renumbering, relettering, and
5 changing internal references as necessary.

By JOHN P. KIBBIE
JEAN LLOYD-JONES
JIM LIND

RICHARD F. DRAKE
MICHAEL E. GRONSTAL

S-5758 FILED APRIL 20, 1992

Please o/c 4/23

HOUSE FILE 2466

S-5757

1 Amend House File 2466 as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 26, line 34, by inserting after the word
4 "ordered." the following: "If the existence of the
5 complaint is disclosed by the complainant, the board
6 shall, within seven days of the disclosure, make a
7 determination as to whether there is probable cause to
8 believe that a violation of this chapter, chapter 56,
9 or the rules of the board has occurred."

By MAGGIE TINSMAN
JIM KERSTEN

H. KAY HEDGE
RICHARD F. DRAKE

S-5757 FILED APRIL 20, 1992

Please o/c 4/23

HOUSE FILE 2466

S-5763

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 22, line 16, by inserting after the
4 figure "56." the following: "The board shall, as the
5 board deems appropriate, notify and invite members of
6 the press to attend or participate in any regular
7 educational programs for public officials and
8 employees, lobbyists, and candidates for public
9 office."

By MARY E. KRAMER
H. KAY HEDGE

S-5763 FILED APRIL 21, 1992

P. Lacerda c/o 4/23

HOUSE FILE 2466

S-5767

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 19, line 17, by striking the word
4 "twelve" and inserting the following: "eight".
5 2. By striking page 19, line 33, through page 20,
6 line 1.
7 3. Page 20, line 30, by striking the word "Seven"
8 and inserting the following: "Five".
9 4. Page 43, line 34, by striking the word "Two"
10 and inserting the following: "One".
11 5. Page 44, line 2, by striking the words
12 "supreme court" and inserting the following:
13 "governor".
14 6. Page 44, by striking lines 5 and 6 and
15 inserting the following:
16 "3. One of the appointees of the governor shall
17 serve an initial term of".

By JACK RIFE

S-5767 FILED APRIL 21, 1992

P. Lacerda c/o 4/23

HOUSE FILE 2466

S-5760

1 Amend the amendment, S-5758, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 3 through 10.
5 2. Page 1, by striking lines 22 through 49.
6 3. By striking page 1, line 50, through page 2,
7 line 7.
8 4. Page 2, by striking lines 13 through 21.
9 5. Page 2, by striking lines 35 through 40.
10 6. By striking page 2, line 47 through page 3,
11 line 5.
12 7. Page 4, by striking lines 7 and 8.
13 8. By striking page 4, line 27 through page 8,
14 line 2.
15 9. Page 8, by striking lines 11 through 32.
16 10. Page 8, by striking lines 33 through 35.
17 11. Page 9, by striking lines 1 through 3.
18 12. By renumbering and changing internal
19 references as necessary.

By JEAN LLOYD-JONES
EMIL J. HUSAK
H. KAY HEDGE

S-5760 FILED APRIL 21, 1992

Placed 4/23

HOUSE FILE 2466

S-5761

1 Amend the amendment, S-5758, to House File 2466 as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 2, lines 4 and 5, by striking the words
5 "or of a standing committee of either house".

By JOHN P. KIBBIE
RICHARD F. DRAKE

S-5761 FILED APRIL 21, 1992

Placed 4/23

HOUSE FILE 2466

S-5762

1 Amend House File 2466 as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 27, line 10, by striking the word "two"
4 and inserting the following: "ten".

By JIM KERSTEN
MAGGIE TINSMAN

S-5762 FILED APRIL 21, 1992

Placed 4/23

HOUSE FILE 2466

S-5770

1 Amend House File 2466 as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 16, by inserting after line 9 the fol-
4 lowing:

5 "Sec. ____ . NEW SECTION. 68B.8A EXPENSES OF
6 MEMBERS OF GENERAL ASSEMBLY.

7 Each member of the general assembly who submits a
8 claim for reimbursement of actual expenses shall
9 submit proof that the expense or expenses were
10 actually incurred and the day or days on which the
11 expense or expenses were incurred.

12 Each member of the general assembly, before
13 receiving reimbursement for lodging expenses, shall
14 provide independent verification, if the lodging is in
15 other than a hotel or motel, that the member maintains
16 and dwells in an established residence in the member's
17 district. For purposes of this section an
18 "established residence" is a dwelling unit that is
19 rented or owned by the member or for the maintenance
20 of which the member contributes a significant amount
21 of money."

22 2. By renumbering as necessary.

By H. KAY HEDGE

MARY E. KRAMER

RICHARD F. DRAKE

HARRY G. SLIFE

S-5770 FILED APRIL 21, 1992

Placed in 4/23

HOUSE FILE 2466

S-5771

1 Amend House File 2466 as amended, passed, and
2 reprinted by the House as follows:

3 1. Page 10, by striking line 32 through page 11,
4 line 9.

By WILLIAM D. PALMER

S-5771 FILED APRIL 21, 1992

Placed in 4/23

HOUSE FILE 2466

S-5772

1 Amend House File 2466 as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 26, line 16, by inserting after the word
4 "unless" the following: "the board determines that
5 the complaint is valid and in proper form. Once the
6 board determines that a complaint is valid and in
7 proper form and".

8 2. Page 26, by striking lines 18 and 19, and
9 inserting the following: "preliminary investigation,
10 the board may publicly".

By H. KAY HEDGE

MARY E. KRAMER

HARRY G. SLIFE

S-5772 FILED APRIL 21, 1992

Placed in 4/23

HOUSE FILE 2466

S-5769

1 Amend House File 2466 as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 35, by inserting after line 18, the
4 following:

5 "Sec. ____ . Section 56.5A, Code Supplement 1991, is
6 amended to read as follows:

7 56.5A CANDIDATE'S COMMITTEE.

8 Each candidate for federal, state, or county office
9 shall organize one, and only one, candidate's
10 committee for a specific office sought when the
11 candidate receives contributions, makes expenditures,
12 or incurs indebtedness in excess of two hundred fifty
13 dollars in a calendar year.

14 Each candidate for city or school office shall
15 organize one, and only one, candidate's committee for
16 a specific office sought when the candidate receives
17 contributions, makes expenditures, or incurs
18 indebtedness in excess of five hundred dollars in a
19 calendar year.

20 A candidate for any elective office shall not
21 receive contributions during a year in which the
22 candidate is not standing for election."

23 2. By numbering, renumbering, and changing
24 internal references, as necessary.

By H. KAY HEDGE

MARY E. KRAMER

WILLIAM D. PALMER

HARRY G. SLIFE

BERL E. PRIEBE

GEORGE R. KINLEY

S-5769 FILED APRIL 21, 1992

Placed o/o 4/23

HOUSE FILE 2466

S-5780

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 44, line 15, by striking the words "
4 members of the general assembly".
5 2. Page 44, line 18, by inserting after the word
6 "Act" the following: "and to members of the general
7 assembly who are, were, or will be elected to serve in
8 the seventy-fourth or any subsequent general
9 assembly".

By MARK R. HAGERLA
DERRYL MCLAREN
JACK RIFE
H. KAY HEDGE
HARRY SLIFE

MARY KRAMER
BERL E. PRIEBE
JOHN W. JENSEN
WILLIAM DIELEMAN
GEORGE R. KINLEY

S-5780 FILED APRIL 21, 1992

Placed o/c 4/23

HOUSE FILE 2466

S-5781

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 44, by inserting after line 13, the
4 following:
5 "Sec. ____ . CODE REVIEW. The state ethics and
6 campaign finance board shall review all state statutes
7 that prohibit certain conduct by public officials,
8 public employees, and candidates for public office and
9 establish a criminal or other penalty for a violation.
10 The board shall compare the requirements of those
11 provisions with the requirements of the board. The
12 board shall submit to the general assembly any
13 recommendations necessary to assist in establishing
14 relative uniformity in the standards that are applied
15 to the conduct of public officials, public employees,
16 and candidates for public office."
17 2. By numbering, renumbering, and correcting
18 internal references as necessary.

By RALPH ROSENBERG

S-5781 FILED APRIL 21, 1992

Placed o/c 4/23

HOUSE FILE 2466

S-5782

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 30, by inserting after line 8 the
4 following:

5 "For purposes of this section, "disclosure of
6 sources of income" includes disclosure of the nature
7 of each business in which the public official or
8 public employee is engaged and the nature of the
9 business of each company in which the public official
10 or public employee has a financial, income-producing
11 interest. For purposes of this section, "significant
12 financial interests" includes investments in stocks,
13 bonds, bills, notes, mortgages, or other securities
14 offered for sale through recognized financial brokers
15 if greater than five percent of the total outstanding
16 issue of any stock, bonds, bills, notes, mortgages, or
17 other securities of the offering entity, or with a
18 value of greater than five thousand dollars; any in-
19 state or out-of-state business, trade, labor, farm,
20 professional, religious, educational, or charitable
21 association, foundation, or organization which is
22 involved in supporting or opposing legislation brought
23 before the general assembly and by which the public
24 official or public employee is employed or retained or
25 has rendered services for compensation within the
26 previous twelve months; any office or directorship
27 held during the previous twelve months by the public
28 official or public employee in any corporation, firm,
29 enterprise, labor union, farm organization,
30 cooperative, religious, educational, or charitable
31 association or organization, or trade or professional
32 association; indebtedness of greater than a de minimus
33 value; and indebtedness that is not cyclical in
34 nature."

By RALPH ROSENBERG

S-5782 FILED APRIL 21, 1992

Placed 4/23

HOUSE FILE 2466

S-5784

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 32, by inserting after line 29, the
4 following:

5 "Sec. ____ . Section 2.10, subsections 1, 6, and 7,
6 Code Supplement 1991, are amended to read as follows:

7 1. Every member of the general assembly except the
8 presiding officer of the senate, the speaker of the
9 house, the majority and minority floor leader of each
10 house, and the president pro tempore of the senate and
11 speaker pro tempore of the house, shall receive an
12 annual salary of eighteen thousand one hundred dollars
13 for the year 1991 and subsequent years while serving
14 as a member of the general assembly. In addition,
15 each such member shall receive the sum of ~~fifty sixty-~~
16 five dollars per day for expenses of office, except
17 travel, for each day the general assembly is in
18 session commencing with the first day of a legislative
19 session and ending with the day of final adjournment
20 of each legislative session as indicated by the
21 journals of the house and senate, except that if the
22 length of the first regular session of the general
23 assembly exceeds one hundred ten calendar days and the
24 second regular session exceeds one hundred calendar
25 days, the payments shall be made only for one hundred
26 ten calendar days for the first session and one
27 hundred calendar days for the second session.
28 However, members from Polk county shall receive
29 thirty-five dollars per day. Each member shall
30 receive a seventy-five dollar per month allowance for
31 legislative district constituency postage, ~~travel,~~
32 telephone costs, and other expenses. Travel expenses
33 shall be paid at the rate established by section
34 18.117 for actual travel in going to and returning
35 from the seat of government by the nearest traveled
36 route for not more than one time per week during a
37 legislative session. During the period of time which
38 occurs between sessions of the general assembly,
39 travel expenses shall be paid upon the submission of
40 vouchers by the member incurring the expense at the
41 rate established by section 18.117. However, any
42 increase from time to time in the mileage rate
43 established by section 18.117 shall not become
44 effective for members of the general assembly until
45 the convening of the next general assembly following
46 the session in which the increase is adopted; and this
47 provision shall prevail over any inconsistent
48 provision of any present or future statute.

49 6. In addition to the salaries and expenses
50 authorized by this section, members of the general

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1 assembly shall be paid fifty sixty-five dollars per
2 day, and necessary travel and actual expenses incurred
3 in attending meetings for which per diem or expenses
4 are authorized by law for members of the general
5 assembly who serve on statutory boards, commissions,
6 or councils, and for standing or interim committee or
7 subcommittee meetings subject to the provisions of
8 section 2.14, or when on authorized legislative
9 business when the general assembly is not in session.
10 However, if a member of the general assembly is
11 engaged in authorized legislative business at a
12 location other than at the seat of government during
13 the time the general assembly is in session, payment
14 may be made for the actual transportation and lodging
15 costs incurred because of the business. Such per diem
16 or expenses shall be paid promptly from funds
17 appropriated pursuant to section 2.12.

18 7. If a special session of the general assembly is
19 convened, members of the general assembly shall
20 receive, in addition to their annual salaries, the sum
21 of fifty sixty-five dollars per day for each day the
22 general assembly is actually in special session, and
23 the same travel allowances and expenses as authorized
24 by this section. A member of the general assembly
25 shall receive the additional per diem, travel
26 allowances and expenses only for the days of
27 attendance during a special session."

28 2. By numbering, renumbering, and changing
29 internal references as necessary.

By RALPH ROSENBERG

S-5784 FILED APRIL 21, 1992

Placed o/o 4/23

HOUSE FILE 2466

S-5785

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 29, line 30, by inserting after the word
4 "interests" the following: ", including
5 indebtedness,".

6 2. Page 29, line 32, by inserting after the word
7 "interests" the following: ", including
8 indebtedness,".

By RICHARD J. VARN

S-5785 FILED APRIL 21, 1992

Placed o/o 4/23

HOUSE FILE 2466

S-5787

- 1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 4, by striking lines 24 through 26.
4 2. By striking page 13, line 21 through page 14,
5 line 2.
6 3. Page 14, line 31, by striking the figure "1."
7 4. Page 14, line 32, by striking the word "This".
8 5. By striking page 14, line 33 through page 15,
9 line 24.
10 6. Page 16, by striking lines 1 through 9.
11 7. Page 18, line 17, by inserting after the word
12 "from" the following: "funds appropriated by".
13 8. Page 20, line 22, by inserting after the word
14 "assembly." the following: "This section shall not
15 apply, however, to exclude a lawyer if the lawyer is
16 not employed by the governor, the supreme court, or
17 the general assembly."
18 9. Page 29, line 23, by striking the word
19 "Public" and inserting the following: "State".
20 10. Page 29, line 30, by striking the word
21 "public".
22 11. Page 32, by inserting after line 29, the
23 following:
24 "Sec. ____ . NEW SECTION. 68B.11A ACTIONS
25 ENFORCED.
26 Actions to enforce the provisions of this chapter
27 shall be initiated by following the procedures for the
28 filing of complaints with the board."
29 12. Page 38, line 7, by inserting after the word
30 "office" the following: "or who is seeking nomination
31 to a state office as a result of a special election".
32 13. Page 39, line 16, by striking the words "only
33 transfer campaign funds in" and inserting the
34 following: "transfer campaign funds in only".
35 14. Page 44, line 19, by striking the words and
36 figures "Section 56.9, 56.10A, and 56.11" and
37 inserting the following: "Sections 56.9, 56.10A,
38 56.11, 68B.8, and 68B.9".
39 15. By numbering, renumbering, and changing
40 internal references as necessary.

By JEAN LLOYD-JONES
EMIL J. HUSAK

S-5787 FILED APRIL 21, 1992

Placed o/c 4/23

HOUSE FILE 2466

S-5783

1 Amend amendment, S-5758, to House File 2466, as
2 amended, passed, and reprinted by the House as
3 follows:
4 1. Page 8, line 41, by inserting after the word
5 "board." the following: "Pending board action to
6 employ or to contract for the employment of a full-
7 time executive secretary under section 68B.10A,
8 subsection 5, the executive secretary of the campaign
9 finance disclosure commission, who is employed
10 pursuant to section 56.9, subsection 4, Code 1991,
11 shall be the acting executive secretary of the board.
12 Employees of the campaign finance disclosure
13 commission employed under the merit system provisions
14 of chapter 19A shall retain that status and remain as
15 employees of the board. Employees of the commission
16 exempt from the merit system provisions of chapter 19A
17 shall remain employees of the board pending action of
18 the board's designated executive secretary or
19 qualification as an employee under the merit system
20 provisions of chapter 19A."

By RICHARD DRAKE

S-5783 FILED APRIL 21, 1992

Placed o/o 4/23

HOUSE FILE 2466

S-5786

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 14, by inserting after line 29 the
4 following:
5 " . In determining the value of a gift, an
6 individual making a gift on behalf of more than one
7 person shall not divide the value of the gift by the
8 number of persons on whose behalf the gift is made.
9 The value of a gift to any donee is the value actually
10 received or accepted."
11 2. By renumbering as necessary.

By BERL E. PRIEBE
JEAN LLOYD-JONES

S-5786 FILED APRIL 21, 1992

Placed o/o 4/23

HOUSE FILE 2466

S-5789

- 1 Amend House File 2466, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 6, by striking line 35, and inserting the
 4 following: "assembly, any committee or subcommittee
 5 of the general assembly, or an agency."
 6 2. Page 11, line 24, by inserting after the word
 7 "lobby" the following: "the general assembly".
 8 3. Page 11, line 30, by inserting after the word
 9 "Lobbying" the following: "of the general assembly".
 10 4. Page 44, line 14, by striking the word and
 11 figure "and 7" and inserting the following: "and 9".

By JEAN LLOYD-JONES

S-5789 FILED APRIL 21, 1992

Placed o/c 4/23 (of 1589)

HOUSE FILE 2466

S-5790

- 1 Amend House File 2466, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 5, by striking lines 30 and 31.
 4 2. Page 6, by striking lines 32 through 35.
 5 3. By striking page 11, line 22, through page 12,
 6 line 2.
 7 4. By renumbering and changing internal
 8 references as necessary.

By RICHARD F. DRAKE
 MICHAEL E. GRONSTAL
 BILL HUTCHINS

JACK RIFE
 JOHN W. JENSEN

S-5790 FILED APRIL 21, 1992

Placed o/c 4/23

HOUSE FILE 2466

S-5796

- 1 Amend House File 2466, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 40, line 19, by inserting after the
 4 figure "68B." the following: "Rules prescribed shall
 5 also include a provision that prohibits a judicial
 6 officer or court employee from appearing for
 7 compensation before the court on which the person
 8 served or for which the person was employed for a
 9 period of two years after termination of service or
 10 employment."

By JACK RIFE

S-5796 FILED APRIL 21, 1992

Placed o/c 4/23

HOUSE FILE 2466

S-5797

1 Amend House File 2466, as amended, passed, and re-
2 printed by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. Section 68B.2, subsection 5, paragraph
6 b, subparagraph (6), Code 1991, is amended to read as
7 follows:

8 (6) Food, beverages, registration, and scheduled
9 entertainment at group events to which all members of
10 either house or both houses of the general assembly
11 are invited. However, a person who acts on behalf of
12 an organization and the organization the person
13 represents, shall, individually or jointly,
14 participate in sponsoring only one such event during
15 each calendar year.

16 Sec. 2. Section 68B.2, subsection 5, paragraph b,
17 Code 1991, is amended by adding the following new
18 subparagraphs:

19 NEW SUBPARAGRAPH. (9) Items or services with a
20 cumulative retail value of three dollars or less that
21 are received from any one donor during one calendar
22 day.

23 NEW SUBPARAGRAPH. (10) Items or services
24 solicited or given to any state, national, or regional
25 organization in which states or political subdivisions
26 are members.

27 NEW SUBPARAGRAPH. (11) Items or services received
28 as part of an authorized or regularly scheduled event
29 that is part of a conference, seminar, or other
30 meeting that is sponsored and directed by any state,
31 national, or regional organization in which states or
32 political subdivisions are members.

33 Sec. 3. Section 68B.2, Code 1991, is amended by
34 adding the following new subsection:

35 NEW SUBSECTION. 8A. a. "Lobbyist" means a person
36 who does any of the following:

37 (1) Is paid compensation for encouraging the
38 passage, defeat, or modification of legislation or for
39 influencing the decision of the members of the general
40 assembly.

41 (2) Represents on a regular basis an organization
42 which has as one of its purposes the encouragement of
43 the passage, defeat, or modification of legislation or
44 the influencing of a decision of the members of the
45 general assembly.

46 b. For the purpose of computing the value of a
47 gift, "lobbyist" includes any person employed by or
48 affiliated with the organization which employs or
49 retains the lobbyist. Gifts made by any person
50 employed or affiliated with the employing or retaining

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1 organization shall be deemed to have been made by the
2 lobbyist.

3 c. "Lobbyist" does not mean any of the following:

4 (1) Officials and employees of a political party
5 organized in the state of Iowa representing more than
6 two percent of the total votes cast for governor in
7 the last preceding general election, but only when
8 representing the political party in an official
9 capacity.

10 (2) Representatives of the news media only when
11 engaged in the reporting and dissemination of news and
12 editorials.

13 (3) The governor and lieutenant governor of the
14 state of Iowa, all other statewide elected officials,
15 and elected federal officials.

16 (4) Persons whose activities are limited to formal
17 appearances to give testimony at public sessions of
18 committees of the general assembly and whose
19 appearances as a result of testifying are recorded in
20 the records of the committee.

21 (5) Persons employed by or who represent an
22 organization which has as one of its purposes the
23 encouragement of the passage, defeat, or modification
24 of legislation, or the influencing of a decision of
25 the members of the general assembly who does not par-
26 ticipate in such activities.

27 Sec. 4. Section 68B.3, Code 1991, is amended to
28 read as follows:

29 68B.3 WHEN PUBLIC BIDS REQUIRED.

30 No An official, employee, member of the general
31 assembly, or legislative employee shall not sell in
32 any one occurrence, any goods or services having a
33 value in excess of five hundred dollars to any state
34 agency unless pursuant to an award or contract let
35 after public notice and competitive bidding. This
36 section shall not apply to the publication of
37 resolutions, advertisements, or other legal
38 propositions or notices in newspapers designated
39 pursuant to law for such purpose and for which the
40 rates are fixed pursuant to law.

41 Sec. 5. NEW SECTION. 68B.4A TWO-YEAR BAN ON
42 LOBBYING ACTIVITIES AFTER SERVICE.

43 1. A person who has served as an official, state
44 employee, member of the general assembly, or
45 legislative employee shall not, within two years after
46 the termination of service or employment, become a
47 lobbyist.

48 2. This section shall not apply to a person who is
49 a former official, state employee, member of the
50 general assembly, or legislative employee who, within

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1 two years of leaving service or employment with the
2 state, is elected to another office of the state or to
3 an office of a political subdivision of the state and
4 appears or communicates on behalf of that office.

5 Sec. 6. Section 68B.5, Code 1991, is amended to
6 read as follows:

7 68B.5 GIFTS SOLICITED OR ACCEPTED.

8 1. An official, employee, local official, local
9 employee, member of the general assembly, candidate,
10 legislative employee or that person's immediate family
11 member shall not, directly or indirectly, solicit,
12 accept, or receive from any one donor in any one
13 calendar day year a gift or a series of gifts having a
14 value of thirty-five fifty dollars or more.

15 2. A person shall not, directly or indirectly,
16 offer or make a gift or a series of gifts to an
17 official, employee, local official, local employee,
18 member of the general assembly, candidate, or
19 legislative employee, in any one calendar day year, if
20 the gift or series of gifts has a value of thirty-five
21 fifty dollars or more. A person shall not, directly
22 or indirectly, join with one or more other persons to
23 offer or make a gift or a series of gifts to an
24 official, employee, local official, local employee,
25 member of the general assembly, candidate, or
26 legislative employee, in any one calendar day year, if
27 the gift or series of gifts has a total value of
28 thirty-five fifty dollars or more. The thirty-five
29 fifty dollar limitation of this section applies
30 separately to a person and the person's immediate
31 family member.

32 3. A person may give and an official, employee,
33 local official, local employee, member of the general
34 assembly, candidate, legislative employee or the
35 person's immediate family member may accept in any one
36 calendar day year a gift or a series of gifts which
37 has a value of thirty-five fifty dollars or more and
38 not be in violation of this section if the gift or
39 series of gifts is donated within thirty days to a
40 public body, a bona fide educational or charitable
41 organization, or the department of general services.
42 All such items donated to the department of general
43 services shall be disposed of by assignment to state
44 agencies for official use or by public sale.

45 4. Gifts of food, beverages, travel, and lodging
46 which would otherwise be prohibited may be received if
47 all of the following apply:

48 a. The public person is officially representing an
49 agency in a delegation whose purpose is to attract new
50 business to locate in the state or encourage expansion

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1 or retention of an existing business already
2 established in the state.
3 b. The donor of the gifts is not a business being
4 contacted.
5 c. The public person makes or participates in
6 making a planned presentation to a business on behalf
7 of the person's agency.
8 d. A report of the gift received by the person is
9 filed with the agency employing the person. The
10 agency shall adopt rules regarding the confidentiality
11 of the report.
12 5. A public person, a candidate, or the person's
13 immediate family member shall not solicit any gift or
14 series of gifts at any time.
15 6. A person shall not request, and a member of the
16 general assembly shall not agree, that a member of the
17 general assembly sell tickets for a community-related
18 social event that is to be held for members of the
19 general assembly in Polk county during the legislative
20 session. This section shall not apply to Polk county
21 or city of Des Moines events that are open to the
22 public generally or are held only for Polk county or
23 city of Des Moines legislators.

24 Sec. 7. Section 68B.7, unnumbered paragraph 1,
25 Code 1991, is amended to read as follows:

26 No A person who has served as an official, or state
27 employee of a state agency, member of the general
28 assembly, or legislative employee shall not within a
29 period of two years after the termination of such
30 service or employment appear before ~~such-state~~ the
31 agency or receive compensation for any services
32 rendered on behalf of any person, firm, corporation,
33 or association in relation to any case, proceeding, or
34 application with respect to which ~~such~~ the person was
35 directly concerned and personally participated during
36 the period of service or employment.

37 Sec. 8. Section 68B.10, unnumbered paragraphs 1,
38 2, and 3, Code 1991, are amended to read as follows:

39 There shall be an ethics committee in the senate
40 and an ethics committee in the house, each to consist
41 of ~~seven-members;-three-members-to-be-appointed-by-the~~
42 ~~majority-leader-in-each-house;-two-members-by-the~~
43 ~~minority-leader-in-each-house-and-two-individuals-who~~
44 ~~shall-not-be-employees-of-the-general-assembly-by-the~~
45 ~~chief-justice-of-the-Iowa-supreme-court~~ such members
46 as determined by the rules of the senate and house,
47 respectively.

48 ~~The-two-individuals-appointed-by-the-chief-justice~~
49 ~~of-the-supreme-court~~ Citizen members shall receive a
50 per diem as specified in section 7E.6 and travel

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1 expenses at the same rate as paid members of interim
2 committees for attending meetings of the ethics
3 committee. Members of the general assembly shall
4 receive a per diem as specified in section 7E.6 and
5 travel expenses at the same rate as paid members of
6 interim committees for attending meetings held when
7 the general assembly is not in session. The per diem
8 and expenses shall be paid from funds appropriated by
9 section 2.12.

10 ~~The president pro tempore of the senate is~~
11 ~~designated as chairperson of the senate committee.~~
12 ~~The house committee shall elect a chairperson.~~ The
13 ~~chairperson of each committee~~ ethics committees shall
14 have, but not be limited to, the following powers,
15 duties and functions:

16 Sec. 9. Section 68B.11, Code 1991, is amended to
17 read as follows:

18 68B.11 REPORTING OF GIFTS AND FINANCIAL
19 DISCLOSURE.

20 1. The house of representatives and the senate
21 shall adopt rules requiring the reporting of gifts
22 made to members of the general assembly, legislative
23 employees, and their immediate family members. The
24 rules shall require public disclosure of the nature,
25 amount, date, and donor of a gift or gifts from any
26 one donor made to one of those individuals which
27 exceed fifteen dollars in cumulative value in any one
28 calendar day. The rules shall may require such
29 disclosure by both the donor and donee. However, the
30 rules of either or both houses may waive the reporting
31 of food and beverage provided for immediate
32 consumption in the presence of the donor.

33 2. The governor shall issue an executive order
34 requiring the reporting of gifts made to officials and
35 employees of the executive department of the state and
36 their immediate family members. The executive order
37 shall require public disclosure of the nature, amount,
38 date, and donor of a gift or gifts from any one donor
39 made to one of those individuals which exceeds fifteen
40 dollars in cumulative value in any one calendar day.
41 The executive order shall may require such disclosure
42 by both the donor and donee. The executive order may
43 waive the reporting of food and beverage provided for
44 immediate consumption in the presence of the donor.

45 3. The supreme court of this state shall adopt
46 prescribe rules requiring the reporting of gifts made
47 to officials and employees of the judicial department
48 of this state and their immediate family members. The
49 rules shall require public disclosure of the nature,
50 amount, date, and donor of a gift or gifts from any

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1 one donor made to one of those individuals which
 2 ~~exceeds-fifteen-dollars-in-cumulative-value-in-any-one~~
 3 ~~calendar-day.~~ The rules shall may require such
 4 disclosure by both the donor and donee. ~~The-rules-may~~
 5 ~~waive-the-reporting-of-food-and-beverage-provided-for~~
 6 ~~immediate-consumption-in-the-presence-of-the-donor.~~

7 4. The governing body of a political subdivision
 8 of this state shall adopt rules requiring the
 9 reporting of gifts made to its respective members and
 10 their immediate family members and its local officials
 11 and local employees and their immediate family
 12 members. The rules as adopted shall require public
 13 disclosure of the ~~nature,-amount,-date,-and-donor-of-a~~
 14 gift or gifts from any one donor made to one of those
 15 individuals ~~which-exceeds-fifteen-dollars-in~~
 16 ~~cumulative-value-in-any-one-calendar-day.~~ The rules
 17 shall may require such disclosure by both the donor
 18 and donee. ~~The-rules-may-waive-the-reporting-of-food~~
 19 ~~and-beverage-provided-for-immediate-consumption-in-the~~
 20 ~~presence-of-the-donor.~~ Copies of the rules and
 21 reports shall be filed with the county auditor of the
 22 county in which the political subdivision is located.

23 The secretary of state shall develop a standard
 24 form for public disclosure of gifts in compliance with
 25 this subsection which shall be available at every
 26 county auditor's office without cost.

27 5. a. In determining the value of a gift, an
 28 individual making a gift on behalf of more than one
 29 person shall not divide the value of the gift by the
 30 number of persons on whose behalf the gift is made.

31 b. The value of a gift to the donee is the value
 32 actually received.

33 ~~c.--For-the-purposes-of-the-reporting-requirements~~
 34 ~~of-this-section,-a-donor-of-a-gift-made-by-more-than~~
 35 ~~one-individual-to-one-or-more-donees-shall-report-the~~
 36 ~~gift-if-the-total-value-of-the-gift-to-the-donee~~
 37 ~~exceeds-fifteen-dollars.~~

38 6. The rules required under this section shall
 39 provide that expenses for food, beverages,
 40 registration, and scheduled entertainment at group
 41 events to which all members of either house or both
 42 houses of the general assembly have been invited shall
 43 be reported for each such event by reporting the date,
 44 location, and total expense incurred by the donor or
 45 donors.

46 7. Reporting requirements adopted or issued under
 47 this section may include requirements relating to the
 48 reporting of income which is not a gift.

49 8. A person who does not make public disclosure of
 50 gifts as required by this chapter or the rules adopted

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1 or executive order issued pursuant to this chapter is
2 guilty of a serious misdemeanor.

3 Sec. 10. NEW SECTION. 56.15A PROHIBITING
4 CONTRIBUTIONS DURING LEGISLATIVE SESSION AND OTHER
5 TIMES.

6 1. A lobbyist or political committee, other than a
7 state statutory political committee, county statutory
8 political committee, or a national political party,
9 shall not contribute to, act as an agent or
10 intermediary for contributions to, or arrange for the
11 making of contributions to the campaign funds of an
12 elected state official, member of the general
13 assembly, or candidate for public office on the state
14 level on any day during the regular legislative
15 session and, in the case of the governor or a
16 gubernatorial candidate, during the thirty days
17 following the adjournment of a regular legislative
18 session allowed for the signing of bills. This
19 section shall not apply to the receipt of
20 contributions by an elected state official, member of
21 the general assembly, or other state official who has
22 taken affirmative action to seek nomination or
23 election to a federal elective office.

24 2. A candidate's committee for a person who is
25 seeking nomination and election as a state
26 representative or state senator shall only solicit or
27 receive contributions in the form of a gift during the
28 year in which the election for which the candidate is
29 seeking office is held.

30 Sec. 11. Section 56.42, subsections 1, 2, and 5,
31 Code Supplement 1991, are amended to read as follows:

32 1. In addition to the uses permitted under section
33 56.41, a candidate's committee may only transfer
34 campaign funds in one or more of the following ways:

35 a. Contributions to charitable organizations.

36 b. Contributions to national, state, or local
37 political party central committees, ~~or other~~
38 ~~candidate's committees.~~

39 c. Transfers to the treasurer of state for deposit
40 in the general fund of the state.

41 d. Return of contributions to contributors on a
42 pro rata basis, except that any contributor who
43 contributed five dollars or less may be excluded from
44 the distribution.

45 2. If an unexpended balance of campaign funds
46 remains when a ~~candidate ceases to be a candidate or~~
47 ~~the candidate's committee dissolves~~, the unexpended
48 balance shall be transferred pursuant to subsection 1.

49 5. A candidate, or candidate's committee, or any
50 other person shall not directly or indirectly receive

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1 or transfer campaign funds with the intent of
2 circumventing the requirements of this section. A
3 candidate for statewide or legislative office shall
4 not establish, direct, or maintain a political
5 committee.

6 Sec. 12. STUDIES.

7 1. The legislative council shall initiate and
8 organize a study relating to ethics and campaign
9 contributions embracing subject matters considered by
10 the Seventy-fourth General Assembly, as well as such
11 other ethics and campaign contribution issues as it
12 deems necessary, as they affect members of the general
13 assembly.

14 2. The governor shall create a task force to study
15 issues relating to ethics and campaign contributions
16 embracing subject matters considered by the Seventy-
17 fourth General Assembly, as well as such other ethics
18 and campaign contributions issues as the task force
19 deems necessary, as they affect members of the
20 executive branch of government.

21 3. The chief justice of the supreme court shall
22 create a study relating to ethics of the members of
23 the judicial branch of government.

24 4. The league of municipalities and the Iowa state
25 association of counties shall create a joint study
26 relating to ethics and campaign contributions
27 embracing subject matters considered by the Seventy-
28 fourth General Assembly, as well as such other ethics
29 and campaign contribution issues as deemed necessary,
30 as they affect officeholders and candidates of city
31 and county elective positions.

32 5. Not later than December 1, 1992,
33 representatives of the study groups and task force
34 created in subsections 1 through 4 shall meet for the
35 purpose of comparing their findings and developing a
36 joint report which shall be made available to the
37 members of the general assembly, the office of the
38 governor, the chief justice of the supreme court, and
39 the respective political subdivisions not later than
40 February 1, 1993.

41 Sec. 13. EFFECTIVE AND APPLICABILITY DATES.

42 1. Except as provided in subsection 2, this Act,
43 being deemed of immediate importance, takes effect
44 upon enactment.

45 2. Sections 1, 2, 3, 6, 8, 9, and 10 of this Act
46 take effect January 1, 1993. Section 11 of this Act
47 takes effect July 1, 1992.

48 3. Section 5 of this Act applies to members of the
49 Seventy-fourth General Assembly and subsequent general
50 assemblies."

1 2. Title page, by striking line 4, and inserting
2 the following: "and applicability dates and a study."

By GEORGE R. KINLEY

HOUSE FILE 2466

S-5803

- 1 Amend House File 2466, as amended, passed, and re-
 2 printed by the House, as follows:
 3 1. Page 40, line 18, by striking the word
 4 "appropriate" and inserting the following:
 5 "applicable".

By JEAN LLOYD-JONES
 DON GETTINGS

MIKE CONNOLLY
 H. KAY HEDGE

S-5803 FILED APRIL 22, 1992

Placed 4/23/92

HOUSE FILE 2466

S-5804

- 1 Amend the amendment, S-5758, to House File 2466, as
 2 amended, passed, and reprinted by the House, as
 3 follows:
 4 1. Page 1, by striking lines 3 through 10.
 5 2. Page 1, by striking lines 22 through 38.
 6 3. Page 1, by striking lines 45 through 49.
 7 4. By striking page 1, line 50, through page 2,
 8 line 7.
 9 5. Page 2, by striking lines 13 through 21.
 10 6. Page 2, by striking lines 35 through 40.
 11 7. By striking page 2, line 47 through page 3,
 12 line 5.
 13 8. Page 4, by striking lines 7 and 8.
 14 9. By striking page 4, line 27 through page 8,
 15 line 2.
 16 10. Page 8, by striking lines 11 through 32.
 17 11. Page 8, by striking lines 33 through 35.
 18 12. Page 9, by striking lines 1 through 3.
 19 13. By renumbering and changing internal
 20 references as necessary.

By JEAN LLOYD-JONES
 EMIL J. HUSAK

S-5804 FILED APRIL 22, 1992

Placed 4/23/92

HOUSE FILE 2466

S-5805

- 1 Amend House File 2466 as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 7, line 27, by inserting after the word
 4 "assembly" the following: "or any political
 5 subdivision of this state".
 6 2. Page 7, line 28, by inserting after the word
 7 "state" the following: "or tax revenues of any
 8 political subdivision of this state".

By RICHARD VANDE HOEF

S-5805 FILED APRIL 22, 1992

Placed 4/23/92

HOUSE FILE 2466

S-5801

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 6, by inserting after line 27, the
4 following:

5 "() Members of a legislative staff who are
6 performing their required duties."

7 2. By numbering and renumbering as necessary.

By JEAN LLOYD-JONES

MIKE CONNOLLY

DON GETTINGS

H. KAY HEDGE

S-5801 FILED APRIL 22, 1992

Placed o/o 4/23 (7.1589)

HOUSE FILE 2466

S-5802

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 17, by striking lines 11 through 13, and
4 inserting the following:

5 "3. The president pro tempore of the senate is
6 designated as the chairperson of the senate committee.

7 The speaker pro tempore of the house of

8 representatives is designated as the chairperson of
9 the house committee shall-elect-a".

10 2. Page 17, line 14, by striking the word

11 "chairperson" and inserting the following:

12 "chairperson".

By JEAN LLOYD-JONES

MICHAEL E. GRONSTAL

S-5802 FILED APRIL 22, 1992

Placed o/o 4/23

HOUSE FILE 2466

S-5815

1 Amend House File 2466, as amended, passed, and re-
2 printed by the House, as follows:

3 1. Page 19, by inserting after line 5 the fol-
4 lowing:

5 "Sec. 101. Section 68B.10, Code 1991, is amended
6 by adding the following new unnumbered paragraphs:

7 NEW UNNUMBERED PARAGRAPH. Upon a determination
8 that an investigation is to commence on any complaint,
9 the chairperson of the committee shall submit a
10 written request to the supreme court requesting that a
11 senior judge be appointed to act as a master for the
12 purpose of conducting a hearing at which findings of
13 fact shall be made for consideration by the committee
14 during the investigation, and upon which any
15 recommended sanction shall be based. A master
16 appointed pursuant to this paragraph shall have the
17 same powers as provided in Iowa rule of civil
18 procedure 209."

19 2. Page 19, by inserting after line 5 the
20 following:

21 "Sec. 102. Section 68B.10, Code 1991, is amended
22 by adding the following new unnumbered paragraph:

23 NEW UNNUMBERED PARAGRAPH. Prior to making any
24 recommendation concerning the sanctioning of a member
25 for a violation of the code of ethics, each committee
26 shall consult with the commission on judicial
27 qualifications established under section 602.2102 and
28 request an advisory opinion on the appropriateness of
29 sanctions being considered by the committee."

30 3. Page 44, by striking lines 22 through 27 and
31 inserting the following:

32 "Sec. 103. INTERIM STUDY REQUEST. The legislative
33 council is requested to establish an interim study
34 committee to review the report and recommendations of
35 the reform committee on government ethics and
36 procedures, and the provisions of this Act, and to
37 make recommendations concerning necessary amendments
38 to this Act. The committee shall invite, as
39 necessary, members of the reform committee to make
40 presentations to the interim committee concerning the
41 reform committee's findings and recommendations, and
42 concerning areas which the members of the reform
43 committee believe should be addressed, but which
44 currently have not been addressed. The legislative
45 council shall appoint the members of the study
46 committee and should consider appointing members of
47 the house of representatives and the senate, and
48 representatives of local governments, executive branch
49 agencies, the judicial branch, and others representing
50 persons affected by this Act. The study committee

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- 1 shall file its report with the general assembly,
- 2 including any recommendations, on or before January
- 3 20, 1993.
- 4 Sec. _____. Sections 1 through 15, 16 through 52,
- 5 and 55 of this Act take effect July 1, 1993.
- 6 Sec. _____. Sections 101, 102, and 103 of this Act
- 7 take effect July 1, 1992."
- 8 4. Renumber as necessary.

By DONALD V. DOYLE
HARRY SLIFE

S-5815 FILED APRIL 22, 1992

Placed o/s 4/23 (p 1540)

HOUSE FILE 2466

S-5813

- 1 Amend the amendment, S-5758, to House File 2466 as
- 2 follows:
- 3 1. Page 1, by striking lines 15 through 21 and
- 4 inserting the following:
- 5 " _____. Page 5, by striking line 21 and inserting
- 6 the following:
- 7 "(2) A gift or series of gifts".
- 8 2. By renumbering as necessary.

By RICHARD VARN

S-5813 FILED APRIL 22, 1992

o/s

HOUSE FILE 2466

S-5814

- 1 Amend House File 2466, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 23, line 34, by inserting after the word
- 4 "interest," the following: "personal conduct which
- 5 reflects negatively on the person's office or
- 6 position,".
- 7 2. Page 32, by inserting after line 17 the
- 8 following:
- 9 "Sec. _____. NEW SECTION. 68B.10J ILLICIT
- 10 RELATIONSHIPS PROHIBITED -- INFIDELITY.
- 11 A member of the senate who engages in an act of
- 12 infidelity involving marital unfaithfulness on the
- 13 part of the member, or involving another person who is
- 14 married at the time of the act if the senator is not
- 15 married, shall be subject to expulsion from the
- 16 senate. The board, after a hearing and upon a finding
- 17 by a preponderance of clear and convincing evidence
- 18 that a violation of this section has occurred shall
- 19 make a written recommendation to the senate that the
- 20 senator be expelled from office pursuant to section
- 21 68B.10D."
- 22 3. By renumbering as necessary.

By DON GETTINGS

S-5814 FILED APRIL 22, 1992

o/s

HOUSE FILE 2466

S-5822

1 Amend House File 2466, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 8, line 19, by striking the figure "1."
4 2. Page 9, by striking lines 3 through 8.
5 3. Page 29, by striking lines 28 through 30 and
6 inserting the following:
7 "2. The board shall adopt rules for personal
8 financial disclosure by public officials and employees
9 which shall be restricted to disclosure of income,
10 compensation, indebtedness, and other payments
11 received directly from, or as a direct result of, work
12 performed that is related to employment, sales or
13 services exceeding five hundred dollars in any one
14 occurrence, to any state agency or a political
15 subdivision of the state. The rules shall establish".
By DERRYL MCLAREN

S-5822 FILED APRIL 22, 1992

Revised c/o 4/23 (7,590)

HOUSE FILE 2466

S-5823

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by inserting after line 32 the
5 following:
6 "NEW SUBPARAGRAPH. () Travel, food, beverages,
7 registration, and scheduled entertainment received for
8 or at a meeting that is sponsored and directed by an
9 organization that meets the requirements of section
10 501(c)(3) of the Internal Revenue Code."
11 2. By numbering and renumbering as necessary.
By RAY TAYLOR

S-5823 FILED APRIL 22, 1992

DEFERRED *4/15 4/23*

HOUSE FILE 2466

S-5821

1 Amend the amendment, S-5797, to House File 2466 as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 8, by striking lines 48 through 50.
By JOHN P. KIBBIE

S-5821 FILED APRIL 22, 1992

4/15 4/23

HOUSE FILE 2466

S-5816

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 3, by striking line 30, and inserting the
4 following: "controlled by a regulatory agency in
5 which the donee holds an office or is employed."
By RICHARD VARN

S-5816 FILED APRIL 22, 1992

Slack 4/23

HOUSE FILE 2466

S-5818

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 10, line 28, by inserting after the word
4 "employee," the following: "judicial officer,".
5 2. Page 10, line 29, by inserting after the word
6 "assembly," the following: "employee of the judicial
7 department,".
8 3. Page 10, line 33, by inserting after the words
9 "state employee" the following: ", employee of the
10 judicial department,".
11 4. Page 11, line 4, by inserting after the word
12 "official," the following: "judicial officer,".
13 5. Page 11, line 5, by inserting after the word
14 "assembly," the following: "employee of the judicial
15 department,".

By JIM LIND

S-5818 FILED APRIL 22, 1992

4/2

HOUSE FILE 2466

S-5819

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 19, line 9, by striking the word and
4 figure "January 1," and inserting the following:
5 "January 31".
6 2. Page 44, line 9, by striking the word and
7 figure "January 1" and inserting the following:
8 "January 31".
9 3. Page 44, line 13, by inserting after the word
10 "commission." the following: "Rules adopted relating
11 to the conduct of public officials or public employees
12 shall not take effect until after January 31, 1993."

By WILLIAM DIELEMAN

S-5819 FILED APRIL 22, 1992

4/6

HOUSE FILE 2466

S-5820

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 44, line 14, by striking the figure "7"
4 and inserting the following: "9".
5 2. Page 44, by striking lines 25 through 27.

By JOHN P. KIBBIE

S-5820 FILED APRIL 22, 1992

4/6

HOUSE FILE 2466

S-5825

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 37, by inserting after line 25 the
4 following:

5 "Sec. ____ . NEW SECTION. 56.14A LIMITATIONS ON
6 ACCEPTANCE OF CONTRIBUTIONS.

7 A candidate or the candidate's committee shall not
8 accept contributions from political action committees
9 which exceed fifty percent of total contributions
10 received during an election cycle.

11 At least fifty percent of individual contributions
12 received by a candidate or candidate's committee
13 during an election cycle shall have originated as
14 contributions made by individual contributors residing
15 within the counties within the candidate's district."

16 2. By renumbering as necessary.

By PAUL PATE
MAGGIE TINSMAN
MARY E. KRAMER

S-5825 FILED APRIL 22, 1992

Classified 4/23

HOUSE FILE 2466

S-5826

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 3, by inserting after line 4 the
5 following:

6 "Sec. ____ . NEW SECTION. 68B.4B ILLICIT
7 RELATIONSHIPS PROHIBITED -- INFIDELITY.

8 A member of the senate who engages in an act of
9 infidelity involving marital unfaithfulness on the
10 part of the member, or involving another person who is
11 married at the time of the act if the senator is not
12 married, shall be subject to expulsion from the
13 senate. The board, after a hearing and upon a finding
14 by a preponderance of clear and convincing evidence
15 that a violation of this section has occurred shall
16 make a written recommendation to the senate that the
17 senator be expelled from office pursuant to section
18 68B.10D."

19 2. By renumbering as necessary.

By DON GETTINGS

S-5826 FILED APRIL 22, 1992

Classified 4/23

HOUSE FILE 2466

S-5824

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 5, by inserting after line 15 the fol-
5 lowing:

6 "Sec. 101. Section 68B.10, Code 1991, is amended
7 by adding the following new unnumbered paragraph:

8 NEW UNNUMBERED PARAGRAPH. Upon a determination
9 that an investigation is to commence on any complaint,
10 the chairperson of the committee shall submit a
11 written request to the supreme court requesting that a
12 senior judge be appointed to act as a master for the
13 purpose of conducting a hearing at which findings of
14 fact shall be made for consideration by the committee
15 during the investigation, and upon which any
16 recommended sanction shall be based. A master
17 appointed pursuant to this paragraph shall have the
18 same powers as provided in Iowa rule of civil
19 procedure 209."

20 2. Page 5, by inserting after line 15 the
21 following:

22 "Sec. 102. Section 68B.10, Code 1991, is amended
23 by adding the following new unnumbered paragraph:

24 NEW UNNUMBERED PARAGRAPH. Prior to making any
25 recommendation concerning the sanctioning of a member
26 for a violation of the code of ethics, each committee
27 shall consult with the commission on judicial
28 qualifications established under section 602.2102 and
29 request an advisory opinion on the appropriateness of
30 sanctions being considered by the committee."

31 3. Page 8, by striking lines 41 through 50 and
32 inserting the following:

33 "Sec. ____ . Sections 1 through 8, and 9 through 12
34 of this Act take effect July 1, 1993.

35 Sec. ____ . Sections 101 and 102 of this Act take
36 effect July 1, 1992."

37 4. Renumber as necessary.

By DONALD V. DOYLE
HARRY SLIFE
LINN FUHRMAN

S-5824 FILED APRIL 22, 1992

W/D 4/23

HOUSE FILE 2466

S-5829

- 1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:
- 3 1. Page 1, line 19, by inserting after the word
4 "government." the following: "The Iowa ethics and
5 campaign finance board will also serve as an
6 instrument to investigate complaints relating to
7 ethical violations of judicial officers and court
8 employees, to make recommendations for discipline of
9 judicial officers to the judicial qualifications
10 commission, and to discipline court employees for
11 violations of this chapter."
- 12 2. Page 1, line 20, by inserting after the word
13 "ethics" the following: "for judicial officers".
- 14 3. Page 1, line 21, by striking the word "those"
15 and inserting the following: "judicial officers and
16 court employees."
- 17 4. Page 1, by striking lines 22 and 23, and
18 inserting the following: "The supreme court is also
19 required to prescribe rules relating to the receipt
20 and processing of recommendations for the discipline
21 of judicial officers by the judicial qualifications
22 commission."
- 23 5. Page 1, line 30 by striking the words "or
24 legislative" and inserting the following: ",
25 legislative, or judicial".
- 26 6. Page 7, line 12, by striking the words "or
27 officers or" and inserting the following: "and
28 officers and".
- 29 7. Page 7 by striking lines 13 and 14, and
30 inserting the following: "the judicial branch of
31 government."
- 32 8. Page 8, lines 10 and 11, by striking the words
33 "an employee of the judicial department,".
- 34 9. Page 19, line 13, by striking the words "and
35 legislative" and inserting the following: ",
36 legislative, and judicial".
- 37 10. Page 23, line 28, by inserting after the word
38 "legislative" the following: ", judicial,".
- 39 11. Page 28, line 9, by striking the word
40 "Publicly" and inserting the following: "Unless the
41 violator is a judicial officer, publicly".
- 42 12. Page 28, line 13, by striking the word "Make"
43 and inserting the following: "Unless the violator is
44 a judicial officer, member of the general assembly, or
45 an elected official who can be removed under chapter
46 66 or by impeachment, make".
- 47 13. Page 28, by inserting after line 31, the
48 following:
49 " . If the violator is a judicial officer,
50 forward a copy of the complaint, supporting

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Page 2

1 information, and written recommendations for
2 discipline to the judicial qualifications commission
3 for discipline consistent with the requirements of
4 this chapter and rules adopted by the board pursuant
5 to this chapter."

6 14. Page 28, line 32, by striking the word
7 "Issue" and inserting the following: "Unless the
8 violator is a judicial officer, issue".

9 15. Page 28, line 34, by striking the words "
10 chapter 56,".

11 16. Page 28, line 35, by inserting after the word
12 "board" the following: "pursuant to this chapter".

13 17. Page 28, by inserting after line 35, the
14 following:

15 " ____ . Issue an order requiring the violator to
16 pay a civil penalty of not more than two thousand
17 dollars for each violation of chapter 56 or rules
18 adopted by the board pursuant to chapter 56."

19 18. Page 32, line 21, by striking the words
20 "adopt rules" and inserting the following: "prescribe
21 rules relating to the processing of recommendations
22 received by the judicial qualifications commission
23 from the board concerning violations of the rules
24 adopted by the board and".

25 19. By striking page 40, line 22 through page 41,
26 line 11.

27 20. Page 41, by striking lines 15 through 17, and
28 inserting the following:

29 "~~1. Charges before the commission shall be in~~
30 ~~writing but may be simple and informal.~~ The
31 commission shall investigate each charge review each
32 allegation contained in the complaint as indicated by
33 its gravity. If the charge allegation or the
34 complaint is".

35 21. Page 41, line 19, by striking the word
36 "charge" and inserting the following: "charge
37 allegation or complaint".

38 22. Page 41, line 22, by striking the words "or
39 employee of the judicial department".

40 23. Page 41, line 23, by striking the word
41 "charge" and inserting the following: "charge
42 allegation or complaint".

43 24. Page 41, line 31, by striking the word
44 "charge" and inserting the following: "charge
45 allegation, the complaint, and the recommendations by
46 the Iowa ethics and campaign finance board".

47 25. Page 41, lines 32 and 33, by striking the
48 words "or an employee of the judicial department at
49 the officer's person's" and inserting the following:
50 "at the officer's".

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-2-

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Page 3

- 1 26. Page 41, line 35, by striking the word "or".
 2 27. Page 42, line 1, by striking the words
 3 "employee of the judicial department".
 4 28. Page 42, lines 2 and 3 by striking the words
 5 "or employee of the judicial department".
 6 29. Page 42, by striking lines 5 and 6, and
 7 inserting the following: "during the pendency of the
 8 charge proceeding, unless".
 9 30. Page 42, lines 9 and 10, by striking the
 10 words "or employee of the judicial department".
 11 31. Page 42, line 13, by striking the words
 12 "prosecute the charge" and inserting the following:
 13 "prosecute-the-charge represent the position of the
 14 board".
 15 32. Page 42, lines 14 and 15, by striking the
 16 words "or employee of the judicial department".
 17 33. Page 42, line 21, by striking the word
 18 "charge" and inserting the following: "charge
 19 allegation or complaint".
 20 34. Page 42, lines 22 and 23, by striking the
 21 words "or to discipline or remove an employee of the
 22 judicial department".
 23 35. By striking page 42, line 24, through page
 24 43, line 19.
 25 36. Page 43 line 23, by striking the word
 26 "charges" and inserting the following: "charges
 27 recommendations".
 28 37. By renumbering and changing internal
 29 references as necessary.

By JACK RIFE

S-5829 FILED APRIL 22, 1992

c/s 4/23

HOUSE FILE 2466

S-5827

- 1 Amend the amendment, S-5797, to House File 2466 as
 2 amended, passed, and reprinted by the House, as
 3 follows:
 4 1. Page 8, line 46 by striking the word and
 5 figure "Section 11" and inserting the following:
 6 "Sections 5 and 11".

By JOHN P. KIBBIE

S-5827 FILED APRIL 22, 1992

Adopted 4/23 (of 1577)

HOUSE FILE 2466

S-5831

1 Amend amendment, S-5758, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. By striking page 4, line 27 through page 8,
5 line 2 and inserting the following:

6 "Sec. ____ . NEW SECTION. 68B.11A LOCAL OFFICIALS.

7 The governing body or authorities of each political
8 subdivision of the state shall develop and establish a
9 code of ethics for the officials and employees of the
10 political subdivision. The code of ethics of each
11 political subdivision shall be no less strict than the
12 laws and rules establishing a code of ethics for
13 officials and employees of the state and shall also
14 provide a mechanism for the investigation of
15 complaints alleging violations of the code of ethics
16 and for redress for established violations."

17 2. By renumbering as necessary.

By JIM LIND

S-5831 FILED APRIL 22, 1992

c/o 4/23

HOUSE FILE 2466

S-5832

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 7, by inserting after line 2 the
5 following:

6 "Sec. ____ . NEW SECTION. 56.14A LIMITATIONS ON
7 ACCEPTANCE OF CONTRIBUTIONS.

8 A candidate or the candidate's committee shall not
9 accept contributions from political action committees
10 which exceed fifty percent of total contributions
11 received during an election cycle.

12 At least fifty percent of individual contributions
13 received by a candidate or candidate's committee
14 during an election cycle shall have originated as
15 contributions made by individual contributors residing
16 within the counties within the candidate's district."

17 2. By renumbering as necessary.

By PAUL PATE

S-5832 FILED APRIL 22, 1992

Local 4/23 (p. 1574)

HOUSE FILE 2466

S-5830

1 Amend House File 2466, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 3, by striking lines 9 through 13, and
4 inserting the following: "of a candidate for public
5 office in excess of five hundred dollars in the
6 aggregate in any calendar year."

7 2. Page 33, by inserting after line 4, the
8 following:

9 "Sec. ____ . Section 56.2, subsection 4, Code
10 Supplement 1991, is amended by striking the subsection
11 and inserting in lieu thereof the following:

12 4. "Candidate's committee" means the committee
13 designated by a candidate for state, county, city, or
14 school office to receive contributions, expend funds,
15 or incur indebtedness on behalf of the candidate in
16 excess of five hundred dollars in the aggregate in a
17 calendar year.""

18 3. Page 35, by inserting after line 18, the
19 following:

20 "Sec. ____ . Section 56.5A, Code Supplement 1991, is
21 amended to read as follows:

22 56.5A CANDIDATE'S COMMITTEE.

23 Each candidate for ~~federal~~, state, or county, city,
24 or school office shall organize one, and only one,
25 candidate's committee for a specific office sought
26 when the candidate receives contributions, makes
27 expenditures, or incurs indebtedness in excess of two
28 five hundred fifty dollars in a calendar year.

29 ~~Each-candidate-for-city-or-school-office-shall~~
30 ~~organize-one,-and-only-one,-candidate's-committee-for~~
31 ~~a-specific-office-sought-when-the-candidate-receives~~
32 ~~contributions,-makes-expenditures,-or-incurs~~
33 ~~indebtedness-in-excess-of-five-hundred-dollars-in-a~~
34 ~~calendar-year."~~

35 4. By numbering and renumbering as necessary.

By RICHARD VANDE HOEF

S-5830 FILED APRIL 22, 1992

Placed o/s 4/23

HOUSE FILE 2466

S-5835

- 1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 5, by inserting after line 15 the fol-
5 lowing:
6 "Sec. 101. Section 68B.10, Code 1991, is amended
7 by adding the following new unnumbered paragraph:
8 NEW UNNUMBERED PARAGRAPH. Upon a determination
9 that an investigation is to commence on any complaint,
10 the chairperson of the committee shall submit a
11 written request to the supreme court requesting that a
12 senior judge be appointed to act as a master for the
13 purpose of conducting a hearing at which findings of
14 fact shall be made for consideration by the committee
15 during the investigation, and upon which any
16 recommended sanction shall be based. A master
17 appointed pursuant to this paragraph shall have the
18 same powers as provided in Iowa rule of civil
19 procedure 209."
20 2. Page 8, by striking lines 41 through 50 and
21 inserting the following:
22 "Sec. _____. Sections 1 through 8, and 9 through 12
23 of this Act take effect July 1, 1993.
24 Sec. _____. Section 101 of this Act takes effect
25 July 1, 1992."
26 3. Renumber as necessary.

By DONALD V. DOYLE
HARRY SLIFE
LINN FUHRMAN

S-5835 FILED APRIL 22, 1992

W/S 4/23

HOUSE FILE 2466

S-5836

- 1 Amend the amendment, S-5797, to House File 2466 as
2 amended, passed, and reprinted by the House as
3 follows:
4 1. Page 7, by inserting after line 29 the
5 following:
6 "Sec. _____. NEW SECTION. 56.15B CONTRIBUTIONS BY
7 POLITICAL COMMITTEES PROHIBITED.
8 A political committee shall not contribute to, act
9 as an agent or intermediary for contributions to, or
10 arrange for the making of contributions to the
11 campaign funds of an elected state official, member of
12 the general assembly, or candidate for statewide
13 public office or the general assembly at any time."
14 2. By renumbering and correcting internal
15 references as necessary.

By JACK RIFE

S-5836 FILED APRIL 22, 1992

W/S 4/23

HOUSE FILE 2466

S-5833

1 Amend amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 4, by inserting after line 23 the
5 following:

6 "Sec. ____ . RECEIPT OF HONORARIA -- PROHIBITED. A
7 public official or public employee shall not receive
8 an honorarium or other compensation for an appearance,
9 speech, or article. For purposes of this section, an
10 "honorarium" or "compensation" does not include actual
11 expenses of a public official or public employee for
12 food, beverages, travel, and lodging."

13 2. Page 8, by inserting after line 40 the
14 following:

15 "Sec. ____ . Section 56.10A, Code 1991, is
16 repealed."

17 3. By renumbering as necessary.

By EMIL HUSAK

S-5833 FILED APRIL 22, 1992

Rec'd o/a 4/23 (p. 1577)

HOUSE FILE 2466

S-5834

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by striking lines 19 through 22.

5 2. Page 3, line 12, by striking the words "in any
6 one" and inserting the following: "in-any-one".

7 3. Page 3, by striking lines 13 and 14, and
8 inserting the following: "calendar-day a gift or a
9 series of gifts having-a-value-of-thirty-five-dollars
10 or-more."

11 4. Page 3, by striking lines 19 through 21, and
12 inserting the following: "legislative employee, in
13 any-one-calendar-day, if-the-gift-or-series-of-gifts
14 has-a-value-of-thirty-five-dollars-or-more. A person
15 shall not, directly".

16 5. Page 3, by striking lines 26 through 31, and
17 inserting the following: "legislative employee, in
18 any-one-calendar-day, if-the-gift-or-series-of-gifts
19 has-a-total-value-of-thirty-five-dollars-or-more. The
20 thirty-five-dollar-limitation-of-this-section-applies
21 separately-to-a-person-and-the-person's-immediate
22 family-member."

23 6. Page 3, line 37, by striking the words
24 "thirty-five fifty" and inserting the following:
25 "thirty-five".

26 7. By renumbering as necessary.

By EMIL HUSAK

S-5834 FILED APRIL 22, 1992

RULED OUT OF ORDER *(p. 56)*

HOUSE FILE 2466

S-5838

- 1 Amend the amendment, S-5797, to House File 2466 as
 2 amended, passed, and reprinted by the House as
 3 follows:
 4 1. Page 7, by striking line 35 and inserting the
 5 following:
 6 "a.--Contributions-to-charitable-organizations-".

By JIM LIND

S-5838 FILED APRIL 22, 1992

4/19 4/23 (p. 1577)

HOUSE FILE 2466

S-5839

- 1 Amend the amendment, S-5797, to House File 2466 as
 2 amended, passed, and reprinted by the House as
 3 follows:
 4 1. Page 4, line 11, by inserting after the word
 5 "report" the following: "pursuant to chapter 22".

By JIM LIND

S-5839 FILED APRIL 22, 1992

Placed o/c 4/23 (p. 1578)

HOUSE FILE 2466

S-5841

- 1 Amend the amendment, S-5797, to House File 2466 as
 2 amended, passed, and reprinted by the House as
 3 follows:
 4 1. Page 2, line 44, by inserting after the word
 5 "employee" the following: "judicial officer, employee
 6 of the judicial department,".
 7 2. Page 2, line 49, by inserting after the word
 8 "employee," the following: "employee of the judicial
 9 department, judicial officer,".

By JIM LIND

S-5841 FILED APRIL 22, 1992

Adopted 4/13 (p. 1578)

HOUSE FILE 2466

S-5842

- 1 Amend amendment, S-5797, to House File 2466, as
 2 amended, passed, and reprinted by the House, as
 3 follows:
 4 1. Page 4, by inserting after line 36 the
 5 following:
 6 "Sec. ____ . Section 68B.7, Code 1991, is amended by
 7 adding the following new unnumbered paragraph after
 8 unnumbered paragraph 1:
 9 NEW UNNUMBERED PARAGRAPH. A person who has served
 10 as a judicial officer or court employee shall not
 11 appear for compensation before the court on which the
 12 person served or for which the person was employed for
 13 a period of two years after termination of the service
 14 or employment."
 15 2. By renumbering as necessary.

By JIM LIND

S-5842 FILED APRIL 22, 1992

Law 4/23 (p. 1574)

HOUSE FILE 2466

S-5837

1 Amend House File 2466, as amended, passed, and re-
2 printed by the House, as follows:

3 1. Page 19, by inserting after line 5 the fol-
4 lowing:

5 "Sec. 101. Section 68B.10, Code 1991, is amended
6 by adding the following new unnumbered paragraphs:

7 NEW UNNUMBERED-PARAGRAPH. Upon a determination
8 that an investigation is to commence on any complaint,
9 the chairperson of the committee shall submit a
10 written request to the supreme court requesting that a
11 senior judge be appointed to act as a master for the
12 purpose of conducting a hearing at which findings of
13 fact shall be made for consideration by the committee
14 during the investigation, and upon which any
15 recommended sanction shall be based. A master
16 appointed pursuant to this paragraph shall have the
17 same powers as provided in Iowa rule of civil
18 procedure 209."

19 2. Page 44, by striking lines 22 through 27 and
20 inserting the following:

21 "Sec. 102. INTERIM STUDY REQUEST. The legislative
22 council is requested to establish an interim study
23 committee to review the report and recommendations of
24 the reform committee on government ethics and
25 procedures, and the provisions of this Act, and to
26 make recommendations concerning necessary amendments
27 to this Act. The committee shall invite, as
28 necessary, members of the reform committee to make
29 presentations to the interim committee concerning the
30 reform committee's findings and recommendations, and
31 concerning areas which the members of the reform
32 committee believe should be addressed, but which
33 currently have not been addressed. The legislative
34 council shall appoint the members of the study
35 committee and should consider appointing members of
36 the house of representatives and the senate, and
37 representatives of local governments, executive branch
38 agencies, the judicial branch, and others representing
39 persons affected by this Act. The study committee
40 shall file its report with the general assembly,
41 including any recommendations, on or before January
42 20, 1993.

43 Sec. _____. Sections 1 through 15, 16 through 52,
44 and 55 of this Act take effect July 1, 1993.

45 Sec. _____. Sections 101 and 102 of this Act take
46 effect July 1, 1992."

47 3. Renumber as necessary.

By DONALD V. DOYLE
HARRY G. SLIFE
LINN FUHRMAN

S-5837 FILED APRIL 22, 1992

o/c 4/23

HOUSE FILE 2466

S-5846

1 Amend amendment, S-5797, to House File 2466, as
 2 amended, passed, and reprinted by the House, as
 3 follows:

4 1. Page 7, by inserting after line 2 the
 5 following:

6 "Sec. ____ Section 56.10A, subsection 2, Code
 7 1991, is amended by adding the following new
 8 paragraph:

9 NEW PARAGRAPH. e. Holders of any state elective
 10 office shall not donate any honoraria received to a
 11 charitable organization."

12 2. By renumbering as necessary.

By JIM LIND

S-5846 FILED APRIL 22, 1992

Law 4/23 (A-1576)

HOUSE FILE 2466

S-5843

1 Amend the amendment, S-5797, to House File 2466, as
 2 amended, passed, and reprinted by the House, as
 3 follows:

4 1. Page 1, by striking lines 5 through 15.

5 2. Page 1, by striking lines 19 through 22.

6 3. Page 3, line 12, by striking the words "in any
 7 one" and inserting the following: "in-any-one".

8 4. Page 3, by striking lines 13 and 14, and
 9 inserting the following: "calendar-day a gift or a
 10 series of gifts having-a-value-of-thirty-five-dollars
 11 or-more."

12 5. Page 3, by striking lines 19 through 21, and
 13 inserting the following: "legislative employee,-in
 14 any-one-calendar-day,-if-the-gift-or-series-of-gifts
 15 has-a-value-of-thirty-five-dollars-or-more. A person
 16 shall not, directly".

17 6. Page 3, by striking lines 26 through 31, and
 18 inserting the following: "legislative employee,-in
 19 any-one-calendar-day,-if-the-gift-or-series-of-gifts
 20 has-a-total-value-of-thirty-five-dollars-or-more. The
 21 thirty-five-dollar-limitation-of-this-section-applies
 22 separately-to-a-person-and-the-person's-immediate
 23 family-member."

24 7. Page 3, line 37, by striking the words
 25 "thirty-five fifty" and inserting the following:
 26 "thirty-five".

27 8. By renumbering as necessary.

By EMIL HUSAK

S-5843 FILED APRIL 22, 1992

RULED OUT OF ORDER

HOUSE FILE 2466

S-5844

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by striking lines 5 through 15.

5 2. Page 1, by striking lines 19 through 22.

6 3. Page 1, by inserting after line 32 the
7 following:

8 "Sec. ____ . Section 68B.2, subsection 5, paragraph
9 b, subparagraph (6), Code 1991, is amended by striking
10 the subparagraph."

11 4. Page 3, line 12, by striking the words "in any
12 one" and inserting the following: "in-any-one".

13 5. Page 3, by striking lines 13 and 14, and
14 inserting the following: "calendar-day a gift or a
15 series of gifts having-a-value-of-thirty-five-dollars
16 or-more."

17 6. Page 3, by striking lines 19 through 21, and
18 inserting the following: "legislative employee, in
19 any-one-calendar-day, if-the-gift-or-series-of-gifts
20 has-a-value-of-thirty-five-dollars-or-more. A person
21 shall not, directly".

22 7. Page 3, by striking lines 26 through 31, and
23 inserting the following: "legislative employee, in
24 any-one-calendar-day, if-the-gift-or-series-of-gifts
25 has-a-total-value-of-thirty-five-dollars-or-more. The
26 thirty-five-dollar-limitation-of-this-section-applies
27 separately-to-a-person-and-the-person's-immediate
28 family-member."

29 8. Page 3, line 37, by striking the words
30 "thirty-five fifty" and inserting the following:
31 "thirty-five".

32 9. By renumbering as necessary.

By EMIL HUSAK

S-5844 FILED APRIL 22, 1992
ADOPTED + 1560 Motion to Reconsider 4/23 (p. 1579)
Placed 4/16 (p. 1580)

HOUSE FILE 2466

S-5845

1 Amend amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by inserting before line 33 the
5 following:

6 "NEW SUBPARAGRAPH. () Travel, food, beverages,
7 registration, and scheduled entertainment received for
8 or at a meeting that is sponsored and directed by the
9 American legislative exchange council."

10 2. By renumbering as necessary.

By RAY TAYLOR

S-5845 FILED APRIL 22, 1992

DEFERRED
Lost 4/23 (p. 1573)

HOUSE FILE 2466

S-5847

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 4, lines 37 and 38, by striking the words
5 and figures "unnumbered paragraphs 1, 2, and 3, Code
6 1991, are" and inserting the following: "Code 1991,
7 is".

8 2. By striking page 4, line 39 through page 5,
9 line 15, and inserting the following:

10 "68B.10 LEGISLATIVE ETHICS COMMITTEE.

11 1. There shall be an ethics committee in the
12 senate and an ethics committee in the house, each to
13 consist of seven six members; three members to be
14 appointed by the majority leader in each house, ~~two~~
15 and three members to be appointed by the minority
16 leader in each house ~~and two individuals who shall not~~
17 ~~be employees of the general assembly by the chief~~
18 ~~justice of the Iowa supreme court.~~

19 2. ~~The two individuals appointed by the chief~~
20 ~~justice of the supreme court shall receive a per diem~~
21 ~~as specified in section 7E.6 and travel expenses at~~
22 ~~the same rate as paid members of interim committees~~
23 ~~for attending meetings of the ethics committee.~~
24 Members of the general assembly shall receive a per
25 diem as specified in section 7E.6 and travel expenses
26 at the same rate as paid members of interim committees
27 for attending meetings held when the general assembly
28 is not in session. The per diem and expenses shall be
29 paid from funds appropriated by section 2.12.

30 3. ~~The president pro tempore of the senate is~~
31 ~~designated as chairperson of the senate committee.~~
32 The house majority leader of each house shall
33 designate the chairperson and the minority leader of
34 each house shall designate the ranking member of each
35 committee. Each committee shall elect a chairperson
36 vice-chairperson. The chairperson of each committee
37 shall have the following powers, duties, and
38 functions:

39 a. Preside over meetings of the committee.
40 b. Call meetings of the committee during the
41 legislative session and within a reasonable time after
42 receipt of a complaint when the legislature is not in
43 session.

44 4. Each committee shall have the following powers,
45 duties, and functions:

46 1 a. Prepare a code of ethics within thirty days
47 after the commencement of the session.

48 2 b. Prepare rules relating to lobbyists and
49 lobbying activities in the general assembly.

50 3 c. Issue advisory opinions interpreting the

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1 intent of constitutional and statutory provisions
2 relating to legislators and lobbyists as well as
3 interpreting the code of ethics and rules issued
4 pursuant to this section. Opinions shall be issued
5 when approved by a majority of the seven members and
6 may be issued upon the written request of a member of
7 the general assembly or upon the committee's
8 initiation. Opinions are not binding on the
9 legislator or lobbyist.

10 4 d. Receive and investigate complaints and
11 charges against members of its house alleging a
12 violation of the code of ethics, rules governing
13 lobbyists, this chapter, or other matters referred to
14 it by its house. The committee shall recommend rules
15 for the receipt and processing of complaints made
16 during the legislative session and those made after
17 the general assembly adjourns.

18 5 e. Recommend legislation relating to legislative
19 ethics and lobbying activities.

20 The ethics committees may employ independent legal
21 counsel to assist them in carrying out their duties
22 under this chapter with the approval of a committee's
23 house when the general assembly is in session and with
24 the approval of the rules and administration committee
25 of that house when the general assembly is not in
26 session. Payment of costs for the independent legal
27 counsel shall be made from section 2.12.

28 5. The code of ethics and rules relating to
29 lobbyists and lobbying activities shall not become
30 effective until approved by the members of the house
31 to which the proposed code and rules apply. The code
32 or rules may be amended either upon the recommendation
33 of the ethics committee or by members of the general
34 assembly.

35 6. Violation of the code of ethics may result in
36 censure, reprimand, or other sanctions as determined
37 by a majority of the member's house. However, a
38 member may be suspended or expelled and the member's
39 salary forfeited only if directed by a two-thirds vote
40 of the member's house. A suspension, expulsion, or
41 forfeiture of salary shall be for the duration
42 specified in the directing resolution. However, it
43 shall not extend beyond the end of the general
44 assembly during which the violation occurred.

45 Violation of a rule relating to lobbyists and lobbying
46 activities may result in censure, reprimand, or other
47 sanctions as determined by a majority of the members
48 of the house in which the violation occurred.
49 However, a lobbyist may be suspended from lobbying
50 activities for the duration provided in the directing

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1 resolution only if directed by a two-thirds vote of
2 the house in which the violation occurred."

3 3. By renumbering and changing internal
4 references as necessary.

By JIM LIND

7/10 4/23 (p. 1587)

S-5847 FILED APRIL 22, 1992

HOUSE FILE 2466

S-5850

1 Amend amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 7, by inserting after line 2, the
5 following:

6 "Sec. ____ . Section 2.10, subsection 1, Code
7 Supplement 1991, is amended to read as follows:

8 1. Every member of the general assembly except the
9 presiding officer of the senate, the speaker of the
10 house, the majority and minority floor leader of each
11 house, and the president pro tempore of the senate and
12 speaker pro tempore of the house, shall receive an
13 annual salary of eighteen thousand one hundred dollars
14 for the year 1991 and subsequent years while serving
15 as a member of the general assembly. In addition,
16 each such member shall receive the sum of fifty
17 dollars per day for expenses of office, except travel,
18 for each day the general assembly is in session
19 commencing with the first day of a legislative session
20 and ending with the day of final adjournment of each
21 legislative session as indicated by the journals of
22 the house and senate, except that if the length of the
23 first regular session of the general assembly exceeds
24 one hundred ten calendar days and the second regular
25 session exceeds one hundred calendar days, the
26 payments shall be made only for one hundred ten
27 calendar days for the first session and one hundred
28 calendar days for the second session. However,
29 members from Polk county shall receive thirty-five
30 dollars per day. Each member shall receive a seventy-
31 five dollar per month allowance for legislative
32 district constituency postage, ~~travel~~, telephone
33 costs, and other expenses. Travel expenses shall be
34 paid at the rate established by section 18.117 for
35 actual travel in going to and returning from the seat
36 of government by the nearest traveled route for not
37 more than one time per week during a legislative
38 session. During the period of time which occurs
39 between sessions of the general assembly, travel
40 expenses shall be paid upon the submission of vouchers
41 by the member incurring the expense at the rate
42 established by section 18.117. However, any increase
43 from time to time in the mileage rate established by
44 section 18.117 shall not become effective for members
45 of the general assembly until the convening of the
46 next general assembly following the session in which
47 the increase is adopted; and this provision shall
48 prevail over any inconsistent provision of any present
49 or future statute."

50 2. ~~By numbering, renumbering, and changing~~

Page 2

1 internal references as necessary.

By RALPH ROSENBERG

S-5850 FILED APRIL 23, 1992

WITHDRAWN (p. 1576)

HOUSE FILE 2466

S-5848

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 5, by inserting after line 15 the fol-
5 lowing:

6 "Sec. 101. Section 68B.10, Code 1991, is amended
7 by adding the following new unnumbered paragraph:

8 NEW UNNUMBERED PARAGRAPH. Upon a determination
9 that an investigation is to commence on any complaint,
10 the chairperson of the committee shall submit a
11 written request to the supreme court requesting that a
12 senior judge be appointed to act as a master for the
13 purpose of conducting a hearing at which findings of
14 fact shall be made for consideration by the committee
15 during the investigation, and upon which any
16 recommended sanction shall be based. A master
17 appointed pursuant to this paragraph shall have the
18 same powers as provided in Iowa rule of civil
19 procedure 209."

20 2. Page 8, by striking lines 41 through 50 and
21 inserting the following:

22 "Sec. ____ . Sections 1 through 8, and 9 through 11
23 of this Act take effect July 1, 1993.

24 Sec. ____ . Sections 12 and 101 of this Act take
25 effect July 1, 1992."

26 3. Renumber as necessary.

By DONALD V. DOYLE
HARRY G. SLIFE
LINN FUHRMAN

S-5848 FILED APRIL 22, 1992

A - Adopted 4/23 (p 1587) B - Lost (p 1575)

HOUSE FILE 2466

S-5862

- 1 Amend the amendment, S-5758, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 3 through 10.
5 2. Page 1, by striking lines 22 through 38.
6 3. Page 1, by striking lines 45 through 49.
7 4. By striking page 1, line 50, through page 2,
8 line 7.
9 5. Page 2, by striking lines 13 through 21.
10 6. Page 2, by striking lines 32 through 40.
11 7. By striking page 2, line 47 through page 3,
12 line 5.
13 8. Page 4, by striking lines 5 through 8.
14 9. By striking page 4, line 27 through page 8,
15 line 2.
16 10. Page 8, by striking lines 11 through 32.
17 11. Page 8, by striking lines 33 through 35.
18 12. Page 9, by striking lines 1 through 3.
19 13. By renumbering and changing internal
20 references as necessary.

By JEAN LLOYD-JONES
EMIL J. HUSAK

S-5862 FILED APRIL 23, 1992
RULED OUT OF ORDER (p. 1570)

HOUSE FILE 2466

S-5863

- 1 Amend amendment, S-5814, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 10 through 16 and
5 inserting the following: "CONDUCT PROHIBITED.
6 A member of the senate who engages in any of the
7 following activities shall be subject to expulsion
8 from the senate:
9 1. Worships a god other than the true God.
10 2. Takes the name of the Lord in vain.
11 3. Fails to remember and keep the sabbath day
12 holy.
13 4. Fails to honor the member's mother or father.
14 5. Kills another person.
15 6. Commits adultery.
16 7. Steals.
17 8. Bears false witness against another person.
18 9. Covets another person's spouse.
19 10. Covets another person's goods.
20 The board, after a hearing and upon a finding".

By RICHARD VARN

S-5863 FILED APRIL 23, 1992
RULED OUT OF ORDER (p. 1570)

S-5851

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by inserting after line 4 the
5 following:

6 "Section 1. Section 68B.2, subsection 5, paragraph
7 a, subparagraphs (2) and (3), Code 1991, are amended
8 by striking the subparagraphs and inserting in lieu
9 thereof the following:

10 (2) Is engaged in activities which are regulated
11 or controlled by a regulatory agency in which the
12 donee holds an office or is employed.

13 (3) Is a member of a discrete class of persons,
14 who have personal financial or business interests that
15 are identifiably different from other members of the
16 general public, and whose financial interests will be
17 adversely or beneficially affected in a direct,
18 substantial, and material manner by the performance or
19 nonperformance of the donee's official duty. In
20 determining whether a person is a donor under this
21 subparagraph, the donee shall consider whether the
22 giving of a gift by the donor creates an actual
23 unacceptable conflict of interest or appearance of
24 impropriety or whether the situation or circumstances
25 under which the gift is or is to be given would be
26 viewed as usual, customary, appropriate, and a part of
27 normal social interaction. For purposes of this
28 subparagraph, situations and circumstances under which
29 the giving of gifts shall be considered usual,
30 customary, appropriate, and a part of normal social
31 interaction shall include, but are not limited to,
32 weddings, funerals, birthdays, the birth of children,
33 anniversaries, and close personal friendships."

34 2. By renumbering as necessary.

By RICHARD VARN

S-5851 FILED APRIL 23, 1992

RULED OUT OF ORDER (p. 1580)

S-5860

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 5, by inserting after line 15, the
5 following:

6 "Sec. ____ . Section 68B.10, subsection 4, Code
7 1991, is amended to read as follows:

8 4. Receive and investigate complaints and charges
9 against members of its house alleging a violation of
10 the code of ethics, rules governing lobbyists, this
11 chapter, or other matters referred to it by its house.
12 The committee shall recommend rules for the receipt
13 and processing of complaints made during the
14 legislative session and those made after the general
15 assembly adjourns. The rules adopted pursuant to this
16 subsection shall provide for the assessment of fines
17 and the imposition of other sanctions, as deemed
18 appropriate by the committee, against an individual
19 filing a frivolous complaint."

20 2. By renumbering as necessary.

By MAGGIE TINSMAN

H. KAY HEDGE

JIM KERSTEN

RICHARD F. DRAKE

S-5860 FILED APRIL 23, 1992

LOST (p. 1575)

HOUSE FILE 2466

S-5864

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House as
3 follows:

4 1. Page 4, by striking lines 10 and 11 and
5 inserting the following: "reports of gifts filed with
6 agencies under this subsection are confidential
7 records under chapter 22."

By JEAN LLOYD-JONES

S-5864 FILED APRIL 23, 1992

ADOPTED (p. 1578)

HOUSE FILE 2466

S-5867

1 Amend the amendment, S-5797, to House File 2466 as
2 amended, passed, and reprinted by the House as
3 follows:

4 1. Page 2, by inserting after line 26 the
5 following:

6 "Sec. ____ . Section 68B.2, subsection 12, Code
7 1991, is amended by striking the subsection."

8 2. Page 5, by striking line 16 through page 7,
9 line 2 and inserting the following:

10 "Sec. ____ . Section 68B.11, Code 1991, is amended
11 by striking the section."

By EMIL J. HUSAK

S-5867 FILED APRIL 23, 1992

WITHDRAWN (p. 1578)

HOUSE FILE 2466

S-5868

1 Amend amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 4, by striking lines 9 through 11 and
5 inserting the following: "filed with the agency
6 employing the person on forms developed by the agency
7 for that purpose. Forms shall include items that
8 require disclosure of the identity of the donor and
9 recipient of the gift, the total amount or value of
10 the gift received, and the general nature of the
11 circumstances under which the gift was received.
12 Reports of gifts filed under this paragraph are public
13 records under chapter 22."

By LARRY MURPHY

S-5868 FILED APRIL 23, 1992

LOST (p. 1578)

HOUSE FILE 2466

S-5869

1 Amend amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 4, by inserting after line 23 the
5 following:
6 "Sec. ____ . RECEIPT OF HONORARIA -- PROHIBITED. A
7 public official or public employee shall not receive
8 an honorarium or other compensation for an appearance,
9 speech, or article. For purposes of this section, an
10 "honorarium" or "compensation" does not include actual
11 expenses of a public official or public employee for
12 food, beverages, travel, and lodging, or a payment
13 commensurate with the actual personal services
14 rendered by the public official or public employee in
15 connection with a bona fide business, trade, or
16 profession."
17 2. Page 8, by inserting after line 40 the
18 following:
19 "Sec. ____ . Section 56.10A, Code 1991, is
20 repealed."
21 3. By renumbering as necessary.

By JEAN LLOYD-JONES

S-5869 FILED APRIL 23, 1992

ADOPTED (p. 1579)

HOUSE FILE 2466

5866

Amend the amendment, S-5797, to House File 2466, as amended, passed, and reprinted by the House, as follows:

1. Page 1, by inserting after line 4 the following:

"Sec. ____ . Section 68B.2, subsection 5, paragraph a, subparagraphs (2) and (3), Code 1991, are amended by striking the subparagraphs and inserting in lieu thereof the following:

(2) Is engaged in activities which are regulated or controlled by a regulatory agency in which the donee holds an office or is employed.

(3) Is a member of a discrete class of persons, who have personal financial or business interests that are identifiably different from other members of the general public, and whose financial interests will be adversely or beneficially affected in a direct, substantial, and material manner by the performance or nonperformance of the donee's official duty. In determining whether a person is a donor under this subparagraph, the donee shall consider whether the giving of a gift by the donor creates an actual unacceptable conflict of interest or appearance of impropriety or whether the situation or circumstances under which the gift is or is to be given would be viewed as usual, customary, appropriate, and a part of normal social interaction. For purposes of this subparagraph, situations and circumstances under which the giving of gifts shall be considered usual, customary, appropriate, and a part of normal social interaction shall include, but are not limited to, weddings, funerals, birthdays, the birth of children, anniversaries, and close personal friendships."

2. Page 1, by striking lines 5 through 15.

3. Page 1, by striking lines 19 through 22.

4. Page 1, by inserting after line 32 the following:

"Sec. ____ . Section 68B.2, subsection 5, paragraph b, subparagraph (6), Code 1991, is amended by striking the subparagraph."

5. Page 3, by striking lines 11 through 37 and inserting the following: "member shall not, directly or indirectly, solicit, accept, or receive from any one-donor-in-any-one-calendar-day-a gift or a series of gifts having-a-value-of-thirty-five-dollars-or more.

2. A-person-shall-not, directly-or-indirectly, offer-or-make-a-gift-or-a-series-of-gifts-to-an official, employee, local-official, local-employee, member-of-the-general-assembly, candidate, or

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1 legislative-employee, in any one calendar day, if the
2 gift or series of gifts has a value of thirty-five
3 dollars or more. -- A person shall not, directly or
4 indirectly, join with one or more other persons to
5 offer or make a gift or a series of gifts to an
6 official, employee, local official, local employee,
7 member of the general assembly, candidate, or
8 legislative employee, in any one calendar day, if the
9 gift or series of gifts has a total value of thirty-
10 five dollars or more. -- The thirty-five dollar
11 limitation of this section applies separately to a
12 person and the person's immediate family member.
13 ---3- A person may give and an official, employee,
14 local official, local employee, member of the general
15 assembly, candidate, legislative employee or the
16 person's immediate family member may accept in any one
17 calendar day a gift or a series of gifts which has a
18 value of thirty-five dollars or more and".
19 6. By renumbering as necessary.

By EMIL HUSAK
JIM LIND

S-5866 FILED APRIL 23, 1992

ADOPTED (p. 1586)

HOUSE FILE 2466

S-5865

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 7, line 6, by striking the figure "1."
5 2. Page 7, by striking lines 24 through 29.
6 3. By renumbering and changing internal
7 references as necessary.

By DONALD V. DOYLE
JOHN PETERSON

S-5865 FILED APRIL 23, 1992

ADOPTED (p. 1577)

HOUSE FILE 2466

S-5872

1 Amend the amendment, S-5797, to House File 2466 as
2 amended, passed, and reprinted by the House as
3 follows:

4 1. Page 5, by inserting after line 15 the
5 following:

6 "Sec. ____ . NEW SECTION. 68B.10A PERSONAL
7 FINANCIAL DISCLOSURE -- ELECTED OFFICIALS. Each
8 elected official shall file a statement with the
9 county auditor in the official's county of residence
10 disclosing income, compensation, indebtedness, and
11 other payments received directly from, or as a direct
12 result of, work performed that is related to
13 employment, sales or services exceeding five hundred
14 dollars in any one occurrence, to any state agency or
15 a political subdivision of the state."

By DERRYL MCLAREN

S-5872 FILED APRIL 23, 1992

LOST (1587)

HOUSE FILE 2466

S-5871

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 5, by inserting after line 15, the
5 following:

6 "Sec. ____ . NEW SECTION. 68B.10A PERSONAL
7 FINANCIAL DISCLOSURE -- ELECTED OFFICIALS.

8 1. Each elected official shall file a statement of
9 personal financial disclosure that discloses the
10 sources of the elected official's income and any
11 significant financial interests of the elected
12 official in the manner required by this section.

13 2. For purposes of this section, "disclosure of
14 sources of income" includes disclosure of the nature
15 of each business in which the elected official is
16 engaged and the nature of the business of each company
17 in which the elected official has an income-producing
18 interest. For purposes of this section, "significant
19 financial interests" includes investments in stocks,
20 bonds, bills, notes, mortgages, or other securities
21 offered for sale through recognized financial brokers
22 if greater than five percent of the total outstanding
23 issue of any stock, bonds, bills, notes, mortgages, or
24 other securities of the offering entity, or with a
25 value of greater than five thousand dollars; any in-
26 state or out-of-state business, trade, labor, farm,
27 professional, religious, educational, or charitable
28 association, foundation, or organization which is
29 involved in supporting or opposing any measures
30 brought before the body in which the elected official
31 holds office and by which the elected official is
32 employed or retained or has rendered services for
33 compensation within the previous twelve months; any
34 office or directorship held during the previous twelve
35 months by the elected official in any corporation,
36 firm, enterprise, labor union, farm organization,
37 cooperative, religious, education, or charitable
38 association or organization or trade or professional
39 association.

40 3. A holder of statewide office shall file the
41 statement of personal financial disclosure with the
42 secretary of state. A member of the senate shall file
43 the statement of personal financial disclosure with
44 the secretary of the senate. A member of the house of
45 representatives shall file the statement of personal
46 financial disclosure with the chief clerk of the house
47 of representatives. A person who holds an elective
48 office of a political subdivision of the state shall
49 file the statement of personal financial disclosure
50 with the county commissioner of elections."

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1 2. By numbering, renumbering, and changing
2 internal references as necessary.

By RALPH ROSENBERG

S-5871 FILED APRIL 23, 1992

LOST (p 1586)

HOUSE FILE 2466

S-5874

1 Amend the amendment, S-5797, to House File 2466, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 4, lines 37 and 38, by striking the words
5 and figures "unnumbered paragraphs 1, 2, and 3, Code
6 1991, are" and inserting the following: "Code 1991,
7 is".

8 2. By striking page 4, line 39 through page 5,
9 line 15, and inserting the following:

10 "68B.10 LEGISLATIVE ETHICS COMMITTEE.

11 1. There shall be an ethics committee in the
12 senate and an ethics committee in the house, each to
13 consist of ~~seven~~ six members; three members to be
14 appointed by the majority leader in each house, ~~two~~
15 and three members to be appointed by the minority
16 leader in each house ~~and two individuals who shall not~~
17 ~~be employees of the general assembly by the chief~~
18 ~~justice of the Iowa supreme court.~~

19 2. ~~The two individuals appointed by the chief~~
20 ~~justice of the supreme court shall receive a per diem~~
21 ~~as specified in section 7E.6 and travel expenses at~~
22 ~~the same rate as paid members of interim committees~~
23 ~~for attending meetings of the ethics committee.~~
24 Members of the general assembly shall receive a per
25 diem as specified in section 7E.6 and travel expenses
26 at the same rate as paid members of interim committees
27 for attending meetings held when the general assembly
28 is not in session. The per diem and expenses shall be
29 paid from funds appropriated by section 2.12.

30 3. ~~The president pro tempore of the senate is~~
31 ~~designated as chairperson of the senate committee.~~
32 The house majority leader of each house shall
33 designate the chairperson and the minority leader of
34 each house shall designate the ranking member of each
35 committee. Each committee shall elect a chairperson
36 vice-chairperson. The chairperson of each committee
37 shall have the following powers, duties, and
38 functions:

39 a. Preside over meetings of the committee.
40 b. Call meetings of the committee during the
41 legislative session and within a reasonable time after
42 receipt of a complaint when the legislature is not in
43 session.

44 4. Each committee shall have the following powers,
45 duties, and functions:

46 1 a. Prepare a code of ethics within thirty days
47 after the commencement of the session.

48 2 b. Prepare rules relating to lobbyists and
49 lobbying activities in the general assembly.

50 3 c. Issue advisory opinions interpreting the

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1 intent of constitutional and statutory provisions
2 relating to legislators and lobbyists as well as
3 interpreting the code of ethics and rules issued
4 pursuant to this section. Opinions shall be issued
5 when approved by a majority of the ~~seven~~ six members
6 and may be issued upon the written request of a member
7 of the general assembly or upon the committee's
8 initiation. Opinions are not binding on the
9 legislator or lobbyist.

10 4 d. Receive and investigate complaints and
11 charges against members of its house alleging a
12 violation of the code of ethics, rules governing
13 lobbyists, this chapter, or other matters referred to
14 it by its house. The committee shall recommend rules
15 for the receipt and processing of complaints made
16 during the legislative session and those made after
17 the general assembly adjourns.

18 5 e. Recommend legislation relating to legislative
19 ethics and lobbying activities.

20 The ethics committees may employ independent legal
21 counsel to assist them in carrying out their duties
22 under this chapter with the approval of a committee's
23 house when the general assembly is in session and with
24 the approval of the rules and administration committee
25 of that house when the general assembly is not in
26 session. Payment of costs for the independent legal
27 counsel shall be made from section 2.12.

28 5. The code of ethics and rules relating to
29 lobbyists and lobbying activities shall not become
30 effective until approved by the members of the house
31 to which the proposed code and rules apply. The code
32 or rules may be amended either upon the recommendation
33 of the ethics committee or by members of the general
34 assembly.

35 6. Violation of the code of ethics may result in
36 censure, reprimand, or other sanctions as determined
37 by a majority of the member's house. However, a
38 member may be suspended or expelled and the member's
39 salary forfeited only if directed by a two-thirds vote
40 of the member's house. A suspension, expulsion, or
41 forfeiture of salary shall be for the duration
42 specified in the directing resolution. However, it
43 shall not extend beyond the end of the general
44 assembly during which the violation occurred.
45 Violation of a rule relating to lobbyists and lobbying
46 activities may result in censure, reprimand, or other
47 sanctions as determined by a majority of the members
48 of the house in which the violation occurred.
49 However, a lobbyist may be suspended from lobbying
50 activities for the duration provided in the directing

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1 resolution only if directed by a two-thirds vote of
2 the house in which the violation occurred."

3 3. By renumbering and changing internal
4 references as necessary.

By JIM LIND

SENATE AMENDMENT TO HOUSE FILE 2466

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1 Amend House File 2466, as amended, passed, and re-
2 printed by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. Section 68B.2, subsection 5, paragraph
6 a, subparagraphs (2) and (3), Code 1991, are amended
7 by striking the subparagraphs and inserting in lieu
8 thereof the following:

9 (2) Is engaged in activities which are regulated
10 or controlled by a regulatory agency in which the
11 donee holds an office or is employed.

12 (3) Is a member of a discrete class of persons,
13 who have personal financial or business interests that
14 are identifiably different from other members of the
15 general public, and whose financial interests will be
16 adversely or beneficially affected in a direct,
17 substantial, and material manner by the performance or
18 nonperformance of the donee's official duty. In
19 determining whether a person is a donor under this
20 subparagraph, the donee shall consider whether the
21 giving of a gift by the donor creates an actual
22 unacceptable conflict of interest or appearance of
23 impropriety or whether the situation or circumstances
24 under which the gift is or is to be given would be
25 viewed as usual, customary, appropriate, and a part of
26 normal social interaction. For purposes of this
27 subparagraph, situations and circumstances under which
28 the giving of gifts shall be considered usual,
29 customary, appropriate, and a part of normal social
30 interaction shall include, but are not limited to,
31 weddings, funerals, birthdays, the birth of children,
32 anniversaries, and close personal friendships.

33 Sec. 2. Section 68B.2, subsection 5, paragraph b,
34 Code 1991, is amended by adding the following new
35 subparagraphs:

36 NEW SUBPARAGRAPH. (9) Items or services solicited
37 or given to any state, national, or regional
38 organization in which states or political subdivisions
39 are members.

40 NEW SUBPARAGRAPH. (10) Items or services received
41 as part of an authorized or regularly scheduled event
42 that is part of a conference, seminar, or other
43 meeting that is sponsored and directed by any state,
44 national, or regional organization in which states or
45 political subdivisions are members.

46 Sec. 3. Section 68B.2, subsection 5, paragraph b,
47 subparagraph (6), Code 1991, is amended by striking
48 the subparagraph.

49 Sec. 4. Section 68B.2, Code 1991, is amended by
50 adding the following new subsection:

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1 NEW SUBSECTION. 8A. a. "Lobbyist" means a person
2 who does any of the following:

3 (1) Is paid compensation for encouraging the
4 passage, defeat, or modification of legislation or for
5 influencing the decision of the members of the general
6 assembly.

7 (2) Represents on a regular basis an organization
8 which has as one of its purposes the encouragement of
9 the passage, defeat, or modification of legislation or
10 the influencing of a decision of the members of the
11 general assembly.

12 b. For the purpose of computing the value of a
13 gift, "lobbyist" includes any person employed by or
14 affiliated with the organization which employs or
15 retains the lobbyist. Gifts made by any person
16 employed or affiliated with the employing or retaining
17 organization shall be deemed to have been made by the
18 lobbyist.

19 c. "Lobbyist" does not mean any of the following:

20 (1) Officials and employees of a political party
21 organized in the state of Iowa representing more than
22 two percent of the total votes cast for governor in
23 the last preceding general election, but only when
24 representing the political party in an official
25 capacity.

26 (2) Representatives of the news media only when
27 engaged in the reporting and dissemination of news and
28 editorials.

29 (3) The governor and lieutenant governor of the
30 state of Iowa, all other statewide elected officials,
31 and elected federal officials.

32 (4) Persons whose activities are limited to formal
33 appearances to give testimony at public sessions of
34 committees of the general assembly and whose
35 appearances as a result of testifying are recorded in
36 the records of the committee.

37 (5) Persons employed by or who represent an
38 organization which has as one of its purposes the
39 encouragement of the passage, defeat, or modification
40 of legislation, or the influencing of a decision of
41 the members of the general assembly who does not par-
42 ticipate in such activities.

43 Sec. 5. Section 68B.3, Code 1991, is amended to
44 read as follows:

45 68B.3 WHEN PUBLIC BIDS REQUIRED.

46 No An official, employee, member of the general
47 assembly, or legislative employee shall not sell in
48 any one occurrence, any goods or services having a
49 value in excess of five hundred dollars to any state
50 agency unless pursuant to an award or contract let

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1 after public notice and competitive bidding. This
2 section shall not apply to the publication of
3 resolutions, advertisements, or other legal
4 propositions or notices in newspapers designated
5 pursuant to law for such purpose and for which the
6 rates are fixed pursuant to law.

7 Sec. 6. NEW SECTION. 68B.4A TWO-YEAR BAN ON
8 LOBBYING ACTIVITIES AFTER SERVICE.

9 1. A person who has served as an official, state
10 employee, judicial officer, employee of the judicial
11 department, member of the general assembly, or
12 legislative employee shall not, within two years after
13 the termination of service or employment, become a
14 lobbyist.

15 2. This section shall not apply to a person who is
16 a former official, state employee, employee of the
17 judicial department, judicial officer, member of the
18 general assembly, or legislative employee who, within
19 two years of leaving service or employment with the
20 state, is elected to another office of the state or to
21 an office of a political subdivision of the state and
22 appears or communicates on behalf of that office.

23 Sec. 7. Section 68B.5, Code 1991, is amended to
24 read as follows:

25 68B.5 GIFTS SOLICITED OR ACCEPTED.

26 1. An official, employee, local official, local
27 employee, member of the general assembly, candidate,
28 legislative employee or that person's immediate family
29 member shall not, directly or indirectly, solicit,
30 accept, or receive from any one-donor-in-any-one
31 calendar-day-a gift or a series of gifts having-a
32 value-of-thirty-five-dollars-or-more.

33 ~~2. A person shall not, directly or indirectly,~~
34 ~~offer or make a gift or a series of gifts to an~~
35 ~~official, employee, local official, local employee,~~
36 ~~member of the general assembly, candidate, or~~
37 ~~legislative employee, in any one calendar day, if the~~
38 ~~gift or series of gifts has a value of thirty-five~~
39 ~~dollars or more. A person shall not, directly or~~
40 ~~indirectly, join with one or more other persons to~~
41 ~~offer or make a gift or a series of gifts to an~~
42 ~~official, employee, local official, local employee,~~
43 ~~member of the general assembly, candidate, or~~
44 ~~legislative employee, in any one calendar day, if the~~
45 ~~gift or series of gifts has a total value of thirty-~~
46 ~~five dollars or more. The thirty-five dollar~~
47 ~~limitation of this section applies separately to a~~
48 ~~person and the person's immediate family member.~~

49 ~~---3-~~ A person may give and an official, employee,
50 local official, local employee, member of the general

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1 assembly, candidate, legislative employee or the
2 person's immediate family member may accept in any one
3 calendar day a gift or a series of gifts which has a
4 ~~value of thirty-five dollars or more~~ and not be in
5 violation of this section if the gift or series of
6 gifts is donated within thirty days to a public body,
7 a bona fide educational or charitable organization, or
8 the department of general services. All such items
9 donated to the department of general services shall be
10 disposed of by assignment to state agencies for
11 official use or by public sale.

12 4. Gifts of food, beverages, travel, and lodging
13 which would otherwise be prohibited may be received if
14 all of the following apply:

15 a. The public person is officially representing an
16 agency in a delegation whose purpose is to attract new
17 business to locate in the state or encourage expansion
18 or retention of an existing business already
19 established in the state.

20 b. The donor of the gifts is not a business being
21 contacted.

22 c. The public person makes or participates in
23 making a planned presentation to a business on behalf
24 of the person's agency.

25 d. A report of the gift received by the person is
26 filed with the agency employing the person. The
27 reports of gifts filed with agencies under this
28 subsection are confidential records under chapter 22.

29 5. A public person, a candidate, or the person's
30 immediate family member shall not solicit any gift or
31 series of gifts at any time.

32 6. A person shall not request, and a member of the
33 general assembly shall not agree, that a member of the
34 general assembly sell tickets for a community-related
35 social event that is to be held for members of the
36 general assembly in Polk county during the legislative
37 session. This section shall not apply to Polk county
38 or city of Des Moines events that are open to the
39 public generally or are held only for Polk county or
40 city of Des Moines legislators.

41 Sec. 8. RECEIPT OF HONORARIA -- PROHIBITED. A
42 public official or public employee shall not receive
43 an honorarium or other compensation for an appearance,
44 speech, or article. For purposes of this section, an
45 "honorarium" or "compensation" does not include actual
46 expenses of a public official or public employee for
47 food, beverages, travel, and lodging, or a payment
48 commensurate with the actual personal services
49 rendered by the public official or public employee in
50 connection with a bona fide business, trade, or

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1 profession.
2 Sec. 9. Section 68B.7, unnumbered paragraph 1,
3 Code 1991, is amended to read as follows:
4 No A person who has served as an official, or state
5 employee of a state agency, member of the general
6 assembly, or legislative employee shall not within a
7 period of two years after the termination of such
8 service or employment appear before such-state the
9 agency or receive compensation for any services
10 rendered on behalf of any person, firm, corporation,
11 or association in relation to any case, proceeding, or
12 application with respect to which such the person was
13 directly concerned and personally participated during
14 the period of service or employment.

15 Sec. 10. Section 68B.10, Code 1991, is amended to
16 read as follows:

17 68B.10 LEGISLATIVE ETHICS COMMITTEE.

18 1. There shall be an ethics committee in the
19 senate and an ethics committee in the house, each to
20 consist of ~~seven~~ six members; three members to be
21 appointed by the majority leader in each house, ~~two~~
22 and three members to be appointed by the minority
23 leader in each house and two individuals who shall not
24 be employees of the general assembly by the chief
25 justice of the Iowa supreme court.

26 2. ~~The two individuals appointed by the chief~~
27 ~~justice of the supreme court shall receive a per diem~~
28 ~~as specified in section 7E.6 and travel expenses at~~
29 ~~the same rate as paid members of interim committees~~
30 ~~for attending meetings of the ethics committee.~~
31 Members of the general assembly shall receive a per
32 diem as specified in section 7E.6 and travel expenses
33 at the same rate as paid members of interim committees
34 for attending meetings held when the general assembly
35 is not in session. The per diem and expenses shall be
36 paid from funds appropriated by section 2.12.

37 3. ~~The president pro tempore of the senate is~~
38 ~~designated as chairperson of the senate committee.~~
39 The house majority leader of each house shall
40 designate the chairperson and the minority leader of
41 each house shall designate the ranking member of each
42 committee. Each committee shall elect a chairperson
43 vice-chairperson. The chairperson of each committee
44 shall have the following powers, duties, and
45 functions:

46 a. Preside over meetings of the committee.
47 b. Call meetings of the committee during the
48 legislative session and within a reasonable time after
49 receipt of a complaint when the legislature is not in
50 session.

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1 4. Each committee shall have the following powers,
2 duties, and functions:

3 1 a. Prepare a code of ethics within thirty days
4 after the commencement of the session.

5 2 b. Prepare rules relating to lobbyists and
6 lobbying activities in the general assembly.

7 3 c. Issue advisory opinions interpreting the
8 intent of constitutional and statutory provisions
9 relating to legislators and lobbyists as well as
10 interpreting the code of ethics and rules issued
11 pursuant to this section. Opinions shall be issued
12 when approved by a majority of the ~~seven~~ six members
13 and may be issued upon the written request of a member
14 of the general assembly or upon the committee's
15 initiation. Opinions are not binding on the
16 legislator or lobbyist.

17 4 d. Receive and investigate complaints and
18 charges against members of its house alleging a
19 violation of the code of ethics, rules governing
20 lobbyists, this chapter, or other matters referred to
21 it by its house. The committee shall recommend rules
22 for the receipt and processing of complaints made
23 during the legislative session and those made after
24 the general assembly adjourns.

25 5 e. Recommend legislation relating to legislative
26 ethics and lobbying activities.

27 The ethics committees may employ independent legal
28 counsel to assist them in carrying out their duties
29 under this chapter with the approval of a committee's
30 house when the general assembly is in session and with
31 the approval of the rules and administration committee
32 of that house when the general assembly is not in
33 session. Payment of costs for the independent legal
34 counsel shall be made from section 2.12.

35 5. The code of ethics and rules relating to
36 lobbyists and lobbying activities shall not become
37 effective until approved by the members of the house
38 to which the proposed code and rules apply. The code
39 or rules may be amended either upon the recommendation
40 of the ethics committee or by members of the general
41 assembly.

42 6. Violation of the code of ethics may result in
43 censure, reprimand, or other sanctions as determined
44 by a majority of the member's house. However, a
45 member may be suspended or expelled and the member's
46 salary forfeited only if directed by a two-thirds vote
47 of the member's house. A suspension, expulsion, or
48 forfeiture of salary shall be for the duration
49 specified in the directing resolution. However, it
50 shall not extend beyond the end of the general

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1 assembly during which the violation occurred.
2 Violation of a rule relating to lobbyists and lobbying
3 activities may result in censure, reprimand, or other
4 sanctions as determined by a majority of the members
5 of the house in which the violation occurred.
6 However, a lobbyist may be suspended from lobbying
7 activities for the duration provided in the directing
8 resolution only if directed by a two-thirds vote of
9 the house in which the violation occurred.

10 Sec. 11. Section 68B.10, Code 1991, is amended by
11 adding the following new unnumbered paragraph:

12 NEW UNNUMBERED PARAGRAPH. Upon a determination
13 that an investigation is to commence on any complaint,
14 the chairperson of the committee shall submit a
15 written request to the supreme court requesting that a
16 senior judge be appointed to act as a master for the
17 purpose of conducting a hearing at which findings of
18 fact shall be made for consideration by the committee
19 during the investigation, and upon which any
20 recommended sanction shall be based. A master
21 appointed pursuant to this paragraph shall have the
22 same powers as provided in Iowa rule of civil
23 procedure 209.

24 Sec. 12. Section 68B.11, Code 1991, is amended to
25 read as follows:

26 68B.11 REPORTING OF GIFTS AND FINANCIAL
27 DISCLOSURE.

28 1. The house of representatives and the senate
29 shall adopt rules requiring the reporting of gifts
30 made to members of the general assembly, legislative
31 employees, and their immediate family members. The
32 rules shall require public disclosure of the nature
33 ~~amount, date, and donor of a~~ gift or gifts from any
34 one donor made to one of those individuals which
35 ~~exceed fifteen dollars in cumulative value in any one~~
36 ~~calendar day.~~ The rules shall may require such
37 disclosure by both the donor and donee. However, ~~the~~
38 ~~rules of either or both houses may waive the reporting~~
39 ~~of food and beverage provided for immediate~~
40 ~~consumption in the presence of the donor.~~

41 2. The governor shall issue an executive order
42 requiring the reporting of gifts made to officials and
43 employees of the executive department of the state and
44 their immediate family members. The executive order
45 shall require public disclosure of the nature, ~~amount,~~
46 ~~date, and donor of a~~ gift or gifts from any one donor
47 made to one of those individuals which ~~exceeds fifteen~~
48 ~~dollars in cumulative value in any one calendar day.~~
49 The executive order shall may require such disclosure
50 by both the donor and donee. ~~The executive order may~~

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~~1 waive-the-reporting-of-food-and-beverage-provided-for
2 immediate-consumption-in-the-presence-of-the-donor;~~

3 3. The supreme court of this state shall adopt
4 prescribe rules requiring the reporting of gifts made
5 to officials and employees of the judicial department
6 of this state and their immediate family members. The
7 rules shall require public disclosure of the nature,
8 ~~amount,-date,-and-donor-of-a~~ gift or gifts from any
9 one donor made to one of those individuals which
10 ~~exceeds-fifteen-dollars-in-cumulative-value-in-any-one~~
11 ~~calendar-day.~~ The rules shall may require such
12 disclosure by both the donor and donee. ~~The-rules-may~~
13 ~~wave-the-reporting-of-food-and-beverage-provided-for~~
14 ~~immediate-consumption-in-the-presence-of-the-donor;~~

15 4. The governing body of a political subdivision
16 of this state shall adopt rules requiring the
17 reporting of gifts made to its respective members and
18 their immediate family members and its local officials
19 and local employees and their immediate family
20 members. The rules as adopted shall require public
21 disclosure of the ~~nature,-amount,-date,-and-donor-of-a~~
22 gift or gifts from any one donor made to one of those
23 ~~individuals which-exceeds-fifteen-dollars-in~~
24 ~~cumulative-value-in-any-one-calendar-day.~~ The rules
25 shall may require such disclosure by both the donor
26 and donee. ~~The-rules-may-waive-the-reporting-of-food~~
27 ~~and-beverage-provided-for-immediate-consumption-in-the~~
28 ~~presence-of-the-donor.~~ Copies of the rules and
29 reports shall be filed with the county auditor of the
30 county in which the political subdivision is located.

31 The secretary of state shall develop a standard
32 form for public disclosure of gifts in compliance with
33 this subsection which shall be available at every
34 county auditor's office without cost.

35 5. a. In determining the value of a gift, an
36 individual making a gift on behalf of more than one
37 person shall not divide the value of the gift by the
38 number of persons on whose behalf the gift is made.

39 b. The value of a gift to the donee is the value
40 actually received.

41 ~~c.--For-the-purposes-of-the-reporting-requirements~~
42 ~~of-this-section,-a-donor-of-a-gift-made-by-more-than~~
43 ~~one-individual-to-one-or-more-donees-shall-report-the~~
44 ~~gift-if-the-total-value-of-the-gift-to-the-donee~~
45 ~~exceeds-fifteen-dollars;~~

46 6. The rules required under this section shall
47 provide that expenses for food, beverages,
48 registration, and scheduled entertainment at group
49 events to which all members of either house or both
50 houses of the general assembly have been invited shall

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1 be reported for each such event by reporting the date,
2 location, and total expense incurred by the donor or
3 donors.

4 7. Reporting requirements adopted or issued under
5 this section may include requirements relating to the
6 reporting of income which is not a gift.

7 8. A person who does not make public disclosure of
8 gifts as required by this chapter or the rules adopted
9 or executive order issued pursuant to this chapter is
10 guilty of a serious misdemeanor.

11 Sec. 13. NEW SECTION. 56.15A PROHIBITING
12 CONTRIBUTIONS DURING LEGISLATIVE SESSION AND OTHER
13 TIMES.

14 A lobbyist or political committee, other than a
15 state statutory political committee, county statutory
16 political committee, or a national political party,
17 shall not contribute to, act as an agent or
18 intermediary for contributions to, or arrange for the
19 making of contributions to the campaign funds of an
20 elected state official, member of the general
21 assembly, or candidate for public office on the state
22 level on any day during the regular legislative
23 session and, in the case of the governor or a
24 gubernatorial candidate, during the thirty days
25 following the adjournment of a regular legislative
26 session allowed for the signing of bills. This
27 section shall not apply to the receipt of
28 contributions by an elected state official, member of
29 the general assembly, or other state official who has
30 taken affirmative action to seek nomination or
31 election to a federal elective office.

32 Sec. 14. Section 56.42, subsections 1, 2, and 5,
33 Code Supplement 1991, are amended to read as follows:

34 1. In addition to the uses permitted under section
35 56.41, a candidate's committee may only transfer
36 campaign funds in one or more of the following ways:

37 a. Contributions to charitable organizations.

38 b. Contributions to national, state, or local
39 political party central committees, ~~or other~~
40 ~~candidate's committees.~~

41 c. Transfers to the treasurer of state for deposit
42 in the general fund of the state.

43 d. Return of contributions to contributors on a
44 pro rata basis, except that any contributor who
45 contributed five dollars or less may be excluded from
46 the distribution.

47 2. If an unexpended balance of campaign funds
48 remains when a ~~candidate ceases to be a candidate or~~
49 ~~the candidate's committee dissolves,~~ the unexpended
50 balance shall be transferred pursuant to subsection 1.

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1 5. A candidate, or candidate's committee, or any
2 other person shall not directly or indirectly receive
3 or transfer campaign funds with the intent of
4 circumventing the requirements of this section. A
5 candidate for statewide or legislative office shall
6 not establish, direct, or maintain a political
7 committee.

8 Sec. 15. STUDIES.

9 1. The legislative council shall initiate and
10 organize a study relating to ethics and campaign
11 contributions embracing subject matters considered by
12 the Seventy-fourth General Assembly, as well as such
13 other ethics and campaign contribution issues as it
14 deems necessary, as they affect members of the general
15 assembly.

16 2. The governor shall create a task force to study
17 issues relating to ethics and campaign contributions
18 embracing subject matters considered by the Seventy-
19 fourth General Assembly, as well as such other ethics
20 and campaign contributions issues as the task force
21 deems necessary, as they affect members of the
22 executive branch of government.

23 3. The chief justice of the supreme court shall
24 create a study relating to ethics of the members of
25 the judicial branch of government.

26 4. The league of municipalities and the Iowa state
27 association of counties shall create a joint study
28 relating to ethics and campaign contributions
29 embracing subject matters considered by the Seventy-
30 fourth General Assembly, as well as such other ethics
31 and campaign contribution issues as deemed necessary,
32 as they affect officeholders and candidates of city
33 and county elective positions.

34 5. Not later than December 1, 1992,
35 representatives of the study groups and task force
36 created in subsections 1 through 4 shall meet for the
37 purpose of comparing their findings and developing a
38 joint report which shall be made available to the
39 members of the general assembly, the office of the
40 governor, the chief justice of the supreme court, and
41 the respective political subdivisions not later than
42 February 1, 1993.

43 Sec. 16. Section 56.10A, Code 1991, is repealed.

44 Sec. 17. EFFECTIVE AND APPLICABILITY DATES.

45 1. Except as provided in subsection 2, this Act,
46 being deemed of immediate importance, takes effect
47 upon enactment.

48 2. Sections 1, 2, 4, 7, 10, 12, and 13 of this Act
49 take effect January 1, 1993. Sections 6 and 14 of
50 this Act take effect July 1, 1992.

1 3. Section 6 of this Act applies to members of the
2 Seventy-fourth General Assembly and subsequent general
3 assemblies."

4 2. Title page, by striking line 4, and inserting
5 the following: "and applicability dates and a study."

RECEIVED FROM THE SENATE

*House refused to concur 4/24 (p. 1792)
Senate amended 4/27 (p. 1664)*

HOUSE FILE 2466
FISCAL NOTE

REQ, BY SENATOR LIND

A fiscal note for the Conference Committee Report for House File 2466 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

The Conference Committee Report for House File 2466 to Chapters 56 and 68B of the Code of Iowa. Chapter 56 relates to campaign finance for public offices. Chapter 68B relates to conflict of interest provisions for public officials and employees.

Assumptions:

1. The current Campaign Finance Disclosure Commission would be converted to the Iowa Ethics and Campaign Finance Board requiring the addition of 6.0 FTEs effective January 1, 1993. The new Board will be created effective July 1, 1992 and run in tandem with the Commission for the first 6 months of FY 1993 for the purpose of promulgating rules necessitating the addition of 3.0 of the FTE positions for a full year in FY 1993.
2. The House and Senate Ethics Committees would incur minimal annual expenditures (less than \$500 annually).
3. The Judicial Qualifications Commission will double in size and will require 1.0 FTE attorney/investigator position.
4. First year start-up costs required by the Ethics and Campaign Finance Disclosure Commission will be \$124,000.
5. The services of a senior judge will be necessary for hearings held by the Board for ethics or campaign finance issues. Additional cost for the judge is unknown but should be minimal.

Additional Information:

Comparison of the Campaign Finance Disclosure Commission current staff to projected staff of the Ethics and Campaign Finance Board is as follows for a full year:

	Current		Additional		Total	
	Budget	FTE	Budget	FTE	Budget	FTE
Clerk Typist 2*	\$ 22,083	1.00	\$ 22,083	1.00	\$ 44,166	2.00
Admin. Intern**	8,100	0.75	0	0.00	0	0.00
Secretary 2	30,535	1.00	0	0.00	30,535	1.00
Admin. Assist. 1*	30,535	1.00	30,535	1.00	61,070	2.00
Admin. Assist 2	35,526	1.00	0	0.00	35,526	2.00
Investigator 1*	0	0.00	33,835	1.00	33,835	1.00
Field Auditor 2	41,992	1.00	38,799	1.00	80,791	2.00
Conf. Admin. Assist.	0	0.00	36,089	1.00	36,089	1.00
Legal Counsel	0	0.00	53,664	1.00	53,664	1.00
Exec. Director	57,874	1.00	0	0.00	57,874	1.00
Total Staff	\$226,645	6.75	\$215,005	6.00	\$441,650	12.75

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* Positions included at 50.0% of annual cost for FY 1993 because the Board will not begin until January 1, 1993.

**The Intern position is eliminated.

Additional support costs of \$110,000 annually are included. This includes printing, distribution, etc. of new disclosure statements and other forms.

Additional staff for the Judicial Department includes an attorney/investigator at an estimated annual cost of \$76,800.

Fiscal Impact:

This bill will increase General Fund expenditures by \$502,000 for FY 1993 and \$414,000 for FY 1994 and later years compared to the estimated FY 1992 appropriations. The additional cost is broken out as \$425,000 for the Board and \$76,800 for the Judicial Department. The annual cost for FY 1994 and later is \$337,000 for the Board and \$76,800 for the Board.

Counties may incur additional costs, including staff time for disclosure filings and printing expense. However, these costs are not expected to be significant.

Sources: Campaign Finance Disclosure Commission
Judicial Department
House of Representatives' Finance Officer
Senate Finance Officer
Iowa State Association of Counties (ISAC) (LSB 6275hh.2, MAS)

FILED MAY 3, 1992

BY DENNIS PROUTY, FISCAL DIRECTOR

REPORT OF THE SECOND CONFERENCE COMMITTEE
ON HOUSE FILE 2466

To the Speaker of the House of Representatives and the President of the Senate.

We, the undersigned members of the second conference committee appointed to resolve the differences between the House of Representatives and the Senate on House File 2466, a bill for an Act relating to government ethics, the use and receipt of certain campaign contributions by government officials and candidates for government office and providing for effective dates and transition provisions, respectfully make the following report:

1. That the Senate recedes from its amendment, H-6022.
2. That House File 2466, as amended, passed, and reprinted by the House, is amended to read as follows:

1. By striking everything after the enacting clause and inserting the following:

"DIVISION I

Section 1. Section 68B.2, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.2 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Agency" means a department, division, board, commission, bureau, or office of the executive or legislative branch of state government, the office of attorney general, the state board of regents, community colleges, and the office of the governor, including a regulatory agency, or any political subdivision of the state.
2. "Candidate" means a candidate under chapter 56.
3. "Candidate's committee" means the committee designated by the candidate, as provided under chapter 56, to receive contributions, expend funds, or incur indebtedness on behalf of the candidate in the aggregate as follows:

a. For a state, or county office, in excess of two hundred fifty dollars in any calendar year.

b. For a city or school office, in excess of five hundred dollars in any calendar year.

4. "Compensation" means any money, thing of value, or financial benefit conferred in return for services rendered or to be rendered.

5. "Contribution" means a gift, loan, advance, deposit, rebate, refund, transfer of money, an in-kind transfer, or the payment of compensation for the personal services of another person.

6. a. "Gift" means a rendering of anything of value in return for which legal consideration of equal or greater value is not given and received, if the donor is in any of the following categories:

(1) Is or is seeking to be a party to any one or any combination of sales, purchases, leases, or contracts to, from, or with the agency in which the donee holds office or is employed.

(2) Is engaged in activities which are regulated or controlled by a regulatory agency in which the donee holds an office or is employed.

(3) Will be directly and substantially affected financially by the performance or nonperformance of the donee's official duty in a way that is greater than the effect on the public generally or on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region.

(4) Is a lobbyist with respect to matters within the donee's jurisdiction.

b. However, "gift" does not mean any of the following:

(1) Contributions to a candidate or a candidate's committee.

(2) Informational material relevant to a public servant's official functions, such as books, pamphlets, reports, documents, or periodicals.

(3) Anything received from a person related within the fourth degree by kinship or marriage, unless the donor is acting as an agent or intermediary for another person not so related.

(4) An inheritance.

(5) Anything available or distributed to the public generally without regard to the official status of the recipient.

(6) Actual expenses of a donee for food, beverages, travel, and lodging for a meeting, which is given in return for participation in a panel or speaking engagement at the meeting when the expenses relate directly to the day or days on which the donee has participation or presentation responsibilities.

(7) Plaques or items of negligible resale value given as recognition for public services.

(8) Items of food and drink with a value of less than three dollars that are received from any one donor during one calendar day.

(9) Items or services solicited or given to a state, national, or regional organization in which the state of Iowa or a political subdivision of the state of Iowa is a member.

(10) Items or services received as part of a regularly scheduled event that is part of a conference, seminar, or other meeting that is sponsored and directed by any state, national, or regional organization in which the state of Iowa or a political subdivision of the state of Iowa is a member.

c. For purposes of determining the value of an item given or received, an individual who gives an item on behalf of more than one person shall not divide the value of the item by the number of persons on whose behalf the item is given and the value of an item received shall be the value actually received by the donee.

7. a. "Honorarium" means anything of value that is accepted by, or on behalf of, a public official or public employee as consideration for an appearance, speech, or

article if the person giving the thing of value is in any of the following categories:

(1) Is or is seeking to be a party to any one or any combination of sales, purchases, leases, or contracts to, from, or with the agency in which the public official or public employee serves or is employed.

(2) Is engaged in activities which are regulated or controlled by a regulatory agency in which the public official holds an office or the public employee is employed.

(3) Will be directly and substantially affected financially by the performance or nonperformance of the donee's official duty in a way that is greater than the effect on the public generally or on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region.

(4) Is a lobbyist with respect to matters within the public official's or public employee's jurisdiction.

b. "Honorarium" does not include any of the following:

(1) Actual expenses of a donee for food, beverages, travel, and lodging paid as provided under subsection 6, paragraph "b", subparagraph (6).

(2) A nonmonetary gift or series of nonmonetary gifts donated within thirty days to a public body, a bona fide educational or charitable organization, or the department of general services as provided in section 68B.7B, subsection 3.

(3) A payment made to a public official or public employee for services rendered as part of a bona fide private business, trade, or profession in which the public official or public employee is engaged if the payment is commensurate with the actual services rendered and is not being made because of the person's status as a public official or public employee, but, rather, because of some special expertise or other qualification.

8. "Immediate family members" means the spouse and minor children of a public official or public employee.

9. "Legislative employee" means a permanent full-time

official or employee of the general assembly but does not include members of the general assembly.

10. a. "Lobbyist" means a person who does any of the following:

(1) Is paid compensation for encouraging the passage, defeat, or modification of legislation or regulation, or for influencing the decision of the members of the general assembly, a state agency, or any statewide elected official.

(2) Represents on a regular basis an organization which has as one of its purposes the encouragement of the passage, defeat, or modification of legislation or regulation, or the influencing of a decision of the members of the general assembly, a state agency, or any statewide elected official.

(3) Is a federal, state, or local government official or employee who represents the official position of the official or employee's agency and who encourages the passage, defeat, or modification of legislation or regulation, or the influencing of a decision of the members of the general assembly, a state agency, or the office of the governor.

b. "Lobbyist" does not mean:

(1) Officials and employees of a political party organized in the state of Iowa representing more than two percent of the total votes cast for governor in the last preceding general election, but only when representing the political party in an official capacity.

(2) Representatives of the news media only when engaged in the reporting and dissemination of news and editorials.

(3) The governor and lieutenant governor of the state of Iowa, all other statewide elected officials, and elected federal officials.

(4) Persons whose activities are limited to formal appearances to give testimony at public sessions of committees of the general assembly or public hearings of state agencies and whose appearances as a result of testifying, are recorded in the records of the committee or agency.

(5) A person who appears or communicates as a lawyer

licensed to practice law in this state representing a client before any agency or in a contested case proceeding under chapter 17A.

(6) Members of legislative staff.

(7) Agency officials and employees who influence the decisions of the agency in which they serve or are employed.

11. "Local employee" means a person employed by a political subdivision of this state.

12. "Local official" means an officeholder of a political subdivision of this state.

13. "Member of the general assembly" means an individual duly elected to the senate or the house of representatives of the state of Iowa.

14. "Official" means an officer of the state of Iowa receiving a salary or per diem whether elected or appointed or whether serving full-time or part-time but does not include officers or employees of political subdivisions of the state. "Official" includes but is not limited to supervisory personnel, members and employees of the governor's office, members of other statewide elected offices, and members of state agencies and does not include members of the general assembly, legislative employees, or officers or employees of the judicial branch of government who are not members or employees of the office of attorney general.

15. "Person" means, without limitation, any individual, corporation, business trust, estate, trust, partnership or association, labor union, or any other legal entity.

16. "Public disclosure" means a written report filed by a person as required by this chapter or required by rules adopted and issued pursuant to this chapter.

17. "Public employee" means state employees, legislative employees, and local employees.

18. "Public office" means any state, county, city, or school office or any other office of a political subdivision of the state that is filled by election.

19. "Public official" means officials, local officials,

and members of the general assembly.

20. "Regulatory agency" means the department of agriculture and land stewardship, department of employment services, department of commerce, Iowa department of public health, department of public safety, department of education, state board of regents, department of human services, department of revenue and finance, department of inspections and appeals, department of personnel, public employment relations board, state department of transportation, civil rights commission, department of public defense, and department of natural resources.

21. "State employee" means a paid employee of the state of Iowa and does not include an independent contractor, an employee of the judicial department, a legislative employee, or an employee of a political subdivision of the state. "State employee" includes but is not limited to all clerical personnel.

Sec. 2. Section 68B.3, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.3 WHEN PUBLIC BIDS REQUIRED -- DISCLOSURE OF INCOME FROM OTHER SALES.

1. An official, state employee, member of the general assembly, or legislative employee shall not sell, in any one occurrence, any goods or services having a value in excess of five hundred dollars to any state agency unless the sale is made pursuant to an award or contract let after public notice and competitive bidding. This subsection shall not apply to the publication of resolutions, advertisements, or other legal propositions or notices in newspapers designated pursuant to law for the publication of legal propositions or notices and for which rates are fixed pursuant to law.

For purposes of this section, "services" does not include instruction at an accredited education institution if the person providing the instruction meets the minimum education and licensing requirements established for teachers at the education institution.

2. An official or member of the general assembly who sells goods or services to a political subdivision of the state shall disclose whether income has been received from commissions from the sales in the manner provided under section 68B.10D.

Sec. 3. NEW SECTION. 68B.4A SALES BY LEGISLATIVE EMPLOYEES.

A permanent legislative employee shall not sell, either directly or indirectly, any goods or services to individuals, associations, or corporations which employ persons who are registered lobbyists before the general assembly, except when the legislative employee has met all of the following conditions:

1. The consent of the person or persons responsible for hiring or approving the hiring of the legislative employee is obtained.

2. The duties and functions performed by the legislative employee for the general assembly are not related to the legislative authority of the general assembly over the individual, association, or corporation, or the selling of goods or services by the legislative employee to the individuals, associations, or corporations does not affect the employee's duties or functions at the general assembly.

3. The selling of any goods or services by the legislative employee to an individual, association, or corporation does not include lobbying of the general assembly.

4. The selling of any goods or services by the legislative employee does not cause the official or employee to sell goods or services to the general assembly on behalf of the individual, association, or corporation.

Sec. 4. NEW SECTION. 68B.4B SALES BY MEMBERS OF THE OFFICE OF THE GOVERNOR.

A permanent full-time member of the office of the governor shall not sell, either directly or indirectly, any goods or services to individuals, associations, or corporations which employ persons who are registered lobbyists before the general

assembly, except when the member of the office of the governor has met all of the following conditions:

1. The consent of the person or persons responsible for hiring or approving the hiring of the member of the office of the governor is obtained.

2. The duties and functions performed by the member for the office of the governor are not related to the authority of the office of the governor over the individual, association, or corporation, or the selling of goods or services by the member of the office of the governor to the individuals, associations, or corporations does not affect the member's duties or functions at the office of the governor.

3. The selling of any goods or services by the member of the office of the governor to an individual, association, or corporation does not include lobbying of the office of the governor.

4. The selling of any goods or services by the member of the office of the governor does not cause the member to sell goods or services to the office of the governor on behalf of the individual, association, or corporation.

Sec. 5. Section 68B.5, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.5 TWO-YEAR BAN ON LOBBYING ACTIVITIES AFTER SERVICE.

1. A person who has served as an official, state employee, member of the general assembly, or legislative employee shall not within two years after the termination of service or employment become a lobbyist.

2. This section shall not apply to a person who is a former official, state employee, member of the general assembly, or legislative employee who, within two years of leaving service or employment with the state, is elected to another office of the state or to an office of a political subdivision of the state and appears or communicates on behalf of that office.

Sec. 6. Section 68B.6, Code 1991, is amended to read as follows:

68B.6 SERVICES AGAINST STATE PROHIBITED.

No official, state employee, or legislative employee shall receive, directly or indirectly, or enter into any agreement, express or implied, for any compensation, in whatever form, for the appearance or rendition of services by that person or another against the interest of the state in relation to any case, proceeding, application, or other matter before any state agency, any court of the state of Iowa, any federal court, or any federal bureau, agency, commission or department.

Sec. 7. Section 68B.7, unnumbered paragraph 1, Code 1991, is amended to read as follows:

No A person who has served as an official, or state employee of a state agency, member of the general assembly, or legislative employee shall not within a period of two years after the termination of such service or employment appear before such-state the agency or receive compensation for any services rendered on behalf of any person, firm, corporation, or association in relation to any case, proceeding, or application with respect to which such the person was directly concerned and personally participated during the period of service or employment.

DIVISION II

Sec. 8. NEW SECTION. 68B.7A LEGISLATIVE INTENT.

It is the goal of the general assembly that public officials and public employees of the state be extremely cautious and circumspect about accepting a gratuity or favor, especially from persons that have a substantial interest in the legislative, administrative, or political actions of the official or employee. Even where there is a genuine personal friendship, the acceptance of personal benefits from those who could gain advantage by influencing official actions raises suspicions that tend to undermine the public trust. It is therefore the intent of the general assembly that the provisions of this division be construed to discourage all gratuities, but to prohibit only those that create

unacceptable conflicts of interest or appearances of impropriety.

Sec. 9. NEW SECTION. 68B.7B GIFTS ACCEPTED OR RECEIVED.

1. Except as otherwise provided in this section, a public official, public employee, or candidate, or that person's immediate family member shall not, directly or indirectly, accept or receive any gift or series of gifts.

2. Except as otherwise provided in this section, a person shall not, directly or indirectly, offer or make a gift or a series of gifts to a public official, public employee, or candidate. Except as otherwise provided in this section, a person shall not, directly or indirectly, join with one or more other persons to offer or make a gift or a series of gifts to a public official, public employee, or candidate.

3. A person may give, and a public official, public employee, or candidate, or the person's immediate family member, may accept a nonmonetary gift or a series of nonmonetary gifts and not be in violation of this section if the nonmonetary gift or series of nonmonetary gifts is donated within thirty days to a public body, the department of general services, or a bona fide educational or charitable organization, if no part of the net earnings of the educational or charitable organization inures to the benefit of any private stockholder or other individual. All such items donated to the department of general services shall be disposed of by assignment to state agencies for official use or by public sale.

4. Gifts of food, beverages, travel, and lodging which would otherwise be prohibited may be received by a public official or public employee if all of the following apply:

a. The public official or public employee is officially representing an agency in a delegation whose sole purpose is to attract a specific new business to locate in the state or encourage expansion or retention of an existing business already established in the state.

b. The donor of the gifts is not the business being

contacted.

c. The public official or public employee makes a planned presentation to the business on behalf of the public official's or public employee's agency.

5. A public official, public employee, candidate, or the person's immediate family member shall not solicit any gift or series of gifts at any time.

6. A person shall not request, and a member of the general assembly shall not agree, that a member of the general assembly sell tickets for a community related social event that is to be held for members of the general assembly in Polk county during the legislative session. This section shall not apply to Polk county or city of Des Moines events that are open to the public generally or are held only for Polk county or city of Des Moines legislators.

Sec. 10. NEW SECTION. 68B.7C HONORARIA -- BANNED.

A public official or public employee shall not seek or accept an honorarium as defined in section 68B.2, subsection 7.

Sec. 11. NEW SECTION. 68B.7D LOANS -- RECEIPT FROM LOBBYISTS PROHIBITED.

An official, member of the general assembly, state employee, or candidate for state office shall not, directly or indirectly, seek or accept a loan or series of loans from a person who is a lobbyist.

A lobbyist shall not, directly or indirectly, offer or make a loan or series of loans to an official, member of the general assembly, state employee, or candidate for state office. A lobbyist shall also not, directly or indirectly, join with one or more persons to offer or make a loan or series of loans to an official, member of the general assembly, state employee, or candidate for state office.

Sec. 12. Section 68B.8, Code 1991, is amended to read as follows:

68B.8 ADDITIONAL PENALTY.

In addition to any penalty contained in any other provision

of law, a person who knowingly and intentionally violates a provision of ~~section-68B.3-to-68B.6~~ sections 68B.3 through 68B.7D is guilty of a serious misdemeanor and may be reprimanded, suspended, or dismissed from the person's position or otherwise sanctioned.

DIVISION III

Sec. 13. Section 68B.10, Code 1991, is amended to read as follows:

68B.10 LEGISLATIVE ETHICS COMMITTEE.

1. There shall be an ethics committee in the senate and an ethics committee in the house, each to consist of ~~seven~~ six members; three members to be appointed by the majority leader in each house, ~~two~~ and three members by the minority leader in each house ~~and two individuals who shall not be employees of the general assembly by the chief justice of the Iowa supreme court.~~ A member of the ethics committee may disqualify himself or herself from participating in any proceeding upon submission of a written statement that the member cannot render an impartial and unbiased decision in a case. A member is ineligible to participate in committee meetings, as a member of the committee, in any proceeding relating to the member's own conduct. A member may be disqualified by a unanimous vote of the remaining eligible members of the committee. If a member of the ethics committee is disqualified from or is ineligible to participate in any committee proceedings, the authority responsible for the original appointment of the disqualified or ineligible member shall appoint a replacement member who shall serve during the period of the original member's disqualification or ineligibility.

~~The two individuals appointed by the chief justice of the supreme court shall receive a per diem as specified in section 7E.6 and travel expenses at the same rate as paid members of interim committees for attending meetings of the ethics committee.~~

2. Members of the general assembly shall receive a per

diem as-specified-in-section-7E-6 and travel expenses at the same rate as paid members of interim committees for attending meetings held when the general assembly is not in session. The per diem and expenses shall be paid from funds appropriated by section 2.12.

~~The-president-pro-tempore-of-the-senate-is-designated-as chairperson-of-the-senate-committee:~~

3. The house-committee majority leader of each house shall elect-a designate the chairperson and vice-chairperson, and the minority leader of each house shall designate the ranking member, of each committee. The chairperson of each committee shall have the following powers, duties and functions:

- a. Preside over meetings of the committee.
- b. Call meetings of the committee upon receipt of findings from the independent special counsel that there is probable cause to believe that a member of the general assembly or a lobbyist has committed a violation of a provision of this chapter or of the rules relating to ethical conduct that are adopted pursuant to this chapter.

4. The ethics committee of each house shall have the following powers, duties, and functions:

1 a. Prepare a code of ethics within thirty days after the commencement of the-session each general assembly.

2 b. Prepare rules relating to lobbyists and lobbying activities in the general assembly.

3 c. Issue advisory opinions interpreting the intent of constitutional and statutory provisions relating to legislators and lobbyists as well as interpreting the code of ethics and rules issued pursuant to this section. Opinions shall be issued when approved by a majority of the ~~seven~~ six members and may be issued upon the written request of a member of the general assembly or upon the committee's initiation. Opinions are not binding on the legislator or lobbyist.

4- d. Receive and investigate hear complaints and charges against members of its house alleging a violation of the code of ethics, rules governing lobbyists, this chapter, or other

matters referred to it by its house or the independent special counsel. The committee shall recommend rules for the receipt and processing of complaints-made findings of probable cause relating to ethical violations of members of the general assembly or lobbyists during the legislative session and those made received after the general assembly adjourns.

5 e. Recommend legislation relating to legislative ethics and lobbying activities. ~~The ethics committees may employ independent legal counsel to assist them in carrying out their duties under this chapter with the approval of a committee's house when the general assembly is in session and with the approval of the rules and administration committee of that house when the general assembly is not in session.~~

5. Any person may file a complaint with the ethics committee of either house alleging that a member of the general assembly or a lobbyist before the general assembly has committed a violation of this chapter. The ethics committee shall prescribe and provide forms for this purpose. The complaint shall include the name and address of the complainant and a statement of the facts believed to be true that form the basis of the complaint, including the sources of information and approximate dates of the acts alleged and a certification by the complainant under penalty of perjury that the facts stated to be true are true to the best of the complainant's knowledge.

6. The ethics committee shall review a complaint to determine if the complaint meets the requirements for formal sufficiency. If the complaint is deficient as to form, the complaint shall be returned to the complainant with a statement of the nature of the deficiency. If the complaint is sufficient as to form, the ethics committee shall review the complaint to determine whether the complaint states a valid charge which may be investigated. A valid complaint must allege all of the following:

a. Facts, that if true, establish a violation of a provision of this chapter or the code of ethics for which

penalties or other remedies are provided.

b. That the conduct providing the basis for the complaint occurred within three years of the filing of the complaint.

c. That the party charged with a violation is a party subject to the jurisdiction of the ethics committee.

7. If the ethics committee determines that a complaint is not valid, the complaint shall be dismissed and returned to the complainant with a notice of dismissal stating the reason or reasons for the dismissal. If the ethics committee determines that a complaint is valid, the ethics committee shall request that the chief justice of the supreme court appoint an independent special counsel to investigate the allegations contained in the complaint to determine whether there is probable cause to believe that a violation of this chapter has occurred and whether an evidentiary hearing on the complaint should be held. Payment of costs for the independent legal special counsel shall be made from section 2.12.

8. If a hearing on the complaint is ordered the ethics committee shall receive all admissible evidence, determine any factual or legal issues presented during the hearing, and make findings of fact based upon evidence received. Hearings shall be conducted in the manner prescribed in section 17A.12. The rules of evidence applicable under section 17A.14 shall also apply in hearings before the ethics committee. A preponderance of clear and convincing evidence shall be required to support a finding that the member of the general assembly or lobbyist before the general assembly has committed a violation of this chapter. Parties to a complaint may, subject to the approval of the ethics committee, negotiate for settlement of disputes that are before the ethics committee. Terms of any negotiated settlements shall be publicly recorded. If a complaint is filed or initiated less than ninety days before the election for a state office, for which the person named in the complaint is the incumbent officeholder, the ethics committee shall, if possible, set the

hearing at the earliest available date so as to allow the issue to be resolved before the election. An extension of time for a hearing may be granted when both parties mutually agree on an alternate date for the hearing. The ethics committee shall make every effort to hear all ethics complaints within three months of the date that the complaints are filed. However, after three months from the date of the filing of the complaint, extensions of time for purposes of preparing for hearing may only be granted by the ethics committee when the party charged in the complaint with the ethics violation consents to an extension. If the party charged does not consent to an extension, the ethics committee shall not grant any extensions of time for preparation prior to hearing. All complaints alleging a violation of this chapter or the code of ethics shall be heard within nine months of the filing of the complaint. Final dispositions of violations, which the ethics committee have found to have been established by a preponderance of clear and convincing evidence, shall be made within thirty days of the conclusion of the hearing on the complaint.

9. The ethics committee shall maintain the confidentiality of a complaint unless either the complainant or the alleged violator publicly discloses the existence of a complaint or a preliminary investigation. The ethics committee, upon such a disclosure by the complainant or the alleged violator, may publicly confirm the existence of the preliminary inquiry and, in the ethics committee's discretion, make public the complaint and any documents which were issued to either party to the complaint.

10. The code of ethics and rules relating to lobbyists and lobbying activities shall not become effective until approved by the members of the house to which the proposed code and rules apply. The code or rules may be amended either upon the recommendation of the ethics committee or by members of the general assembly.

11. Violation of the-code-of-ethics a provision of this

chapter or rules adopted relating to ethical conduct may result in censure, reprimand, or other sanctions as determined by a majority of the member's house. However, a member may be suspended or expelled and the member's salary forfeited only if directed by a two-thirds vote of the member's house. A suspension, expulsion, or forfeiture of salary shall be for the duration specified in the directing resolution. However, it shall not extend beyond the end of the general assembly during which the violation occurred. Violation of a rule relating to lobbyists and lobbying activities may result in censure, reprimand, or other sanctions as determined by a majority of the members of the house in which the violation occurred. However, a lobbyist may be suspended from lobbying activities for the duration provided in the directing resolution only if directed by a two-thirds vote of the house in which the violation occurred.

Sec. 14. NEW SECTION. 68B.10A COMPLAINTS AGAINST STATE OFFICIALS AND EMPLOYEES -- PROCEDURE.

1. Any person may file a complaint with the executive council established in chapter 19 alleging that an official, state employee, or a lobbyist before the executive branch has committed a violation of this chapter. The executive council shall prescribe and provide forms for this purpose. The complaint shall include the name and address of the complainant and a statement of the facts believed to be true that form the basis of the complaint, including the sources of information and approximate dates of the acts alleged and a certification by the complainant under penalty of perjury that the facts stated to be true are true to the best of the complainant's knowledge.

2. The executive council shall review the complaint to determine if the complaint meets the requirements for formal sufficiency. If the complaint is deficient as to form, the complaint shall be returned to the complainant with a statement of the nature of the deficiency. If the complaint is sufficient as to form, the executive council shall review

the complaint to determine whether the complaint states a valid charge which may be investigated. A valid complaint must allege all of the following:

a. Facts, that if true, establish a violation of a provision of this chapter for which penalties or other remedies are provided.

b. That the conduct providing the basis for the complaint occurred within three years of the filing of the complaint.

c. That the party charged with a violation is a party subject to the jurisdiction of the executive council.

3. If the executive council determines that the complaint is not valid, the complaint shall be dismissed and returned to the complainant with a notice of dismissal stating the reason or reasons for the dismissal. If the executive council determines that a complaint is valid, the executive council shall request that the chief justice of the supreme court appoint an independent special counsel to investigate the allegations contained in the complaint to determine whether there is probable cause to believe that a violation of this chapter has occurred and whether an evidentiary hearing on the complaint should be held.

4. If a hearing on the complaint is ordered the executive council shall receive all admissible evidence, determine any factual or legal issues presented during the hearing, and make findings of fact based upon evidence received. Hearings shall be conducted in the manner prescribed in section 17A.12. The rules of evidence applicable under section 17A.14 shall also apply in hearings before the executive council. A preponderance of clear and convincing evidence shall be required to support a finding that the official, state employee, or lobbyist before the executive branch has committed a violation of this chapter. Parties to a complaint may, subject to the approval of the executive council, negotiate for settlement of disputes that are before the executive council. Terms of any negotiated settlements shall be publicly recorded. If a complaint is filed or initiated

less than ninety days before the election for a state office, for which the person named in the complaint is the incumbent officeholder, the executive council shall, if possible, set the hearing at the earliest available date so as to allow the issue to be resolved before the election. An extension of time for a hearing may be granted when both parties mutually agree on an alternate date for the hearing. The executive council shall make every effort to hear all ethics complaints within three months of the date that the complaints are filed. However, after three months from the date of the filing of the complaint, extensions of time for purposes of preparing for hearing may only be granted by the executive council when the party charged in the complaint with the ethics violation consents to an extension. If the party charged does not consent to an extension, the executive council shall not grant any extensions of time for preparation prior to hearing. All complaints alleging a violation of this chapter, or rules adopted pursuant to this chapter shall be heard within nine months of the filing of the complaint. Final dispositions of violations, which the executive council has found to have been established by a preponderance of clear and convincing evidence, shall be made within thirty days of the conclusion of the hearing on the complaint.

5. The executive council shall maintain the confidentiality of a complaint unless either the complainant or the alleged violator publicly discloses the existence of a complaint or a preliminary investigation. The executive council, upon such a disclosure by the complainant or the alleged violator, may publicly confirm the existence of the preliminary inquiry and, in the executive council's discretion, make public the complaint and any documents which were issued to either party to the complaint.

6. A complaint which is supported by probable cause may be prosecuted at an executive council hearing by the independent special counsel.

7. Upon a finding by the executive council that the party

charged has engaged in an act or practice that violates this chapter, the executive council may impose or request that the agency impose any penalty that is appropriate given the terms and conditions of the official's or employee's office or employment or the activity of the lobbyist. Upon a finding that the party charged has not engaged in an act or practice which violates this chapter or the rules adopted by the executive council, the complaint shall be dismissed and the party charged and the complainant shall be notified.

8. The right of an appropriate county attorney or the attorney general to commence and maintain a district court prosecution for criminal violations of the law is unaffected by any proceedings under this section.

9. The executive council shall by rule pursuant to chapter 17A establish procedures to implement this section.

Sec. 15. NEW SECTION. 68B.10B JUDICIAL REVIEW -- ENFORCEMENT.

Judicial review of the actions of the executive council may be sought in accordance with chapter 17A. Judicial enforcement of orders of the executive council may be sought in accordance with chapter 17A.

Sec. 16. NEW SECTION. 68B.10C INVESTIGATION BY INDEPENDENT SPECIAL COUNSEL -- PROBABLE CAUSE.

The purpose of an investigation by the independent special counsel is to determine whether there is probable cause to proceed with an adjudicatory hearing on the matter. In conducting investigations and holding hearings, the independent special counsel may require by subpoena the attendance and testimony of witnesses and may subpoena books, papers, records, and any other real evidence relating to the matter before the independent special counsel. The independent special counsel shall have the additional authority provided in section 17A.13. If the independent special counsel determines at any stage in the proceedings that take place prior to hearing that the complaint is without merit, the independent special counsel shall report that

determination to the appropriate ethics committee or the executive council and the complaint shall be dismissed and the complainant and the party charged shall be notified. If, after investigation, the independent special counsel determines evidence exists which, if proven, would support a finding of a violation of this chapter, a finding of probable cause shall be made and reported to the ethics committee or executive council, and a hearing shall be ordered by the ethics committee as provided in section 68B.10 or by the executive council as provided in section 68B.10A.

Sec. 17. NEW SECTION. 68B.10D PERSONAL FINANCIAL DISCLOSURE -- PUBLIC OFFICIALS.

1. Except as otherwise provided in this section, each official, member of the general assembly, and candidate for state office shall file a statement of personal financial disclosure in the manner provided in this section that discloses the sources of the person's income and any significant financial interests of the official, member, or candidate in the manner required in this section.

2. For purposes of this section, "disclosure of sources of income" includes disclosure of the nature of each business in which the official, member, or candidate is engaged and the nature of the business of each company in which the official, member, or candidate has an income-producing interest. For purposes of this section, "significant financial interests" includes investments in stocks, bonds, bills, notes, mortgages, or other securities offered for sale through recognized financial brokers if greater than five percent of the total outstanding issue of any stocks, bonds, bills, notes, mortgages, or other securities of the offering entity; any in-state or out-of-state business, trade, labor, farm, professional, religious, educational, or charitable association, foundation, or organization which is involved in supporting or opposing any measures brought before the body in which the official, member, or candidate holds office and by which the official, member, or candidate is employed or

retained or has rendered services for compensation within the previous twelve months; any office or directorship held during the previous twelve months by the official, member, or candidate in any corporation, firm, enterprise, labor union, farm organization, cooperative, religious, education, or charitable association or organization or trade or professional association.

3. A candidate for state office shall file the statement of personal financial disclosure with the campaign finance disclosure commission concerning the year preceding the year in which the election is to be held. The statement shall be filed no later than thirty days after the date on which the person formally becomes a candidate. Officials shall file the statements at times designated by the executive council. Members of the house of representatives shall file the statements with the chief clerk of the house, and members of the senate shall file the statements with the secretary of the senate, at times designated by the chief clerk and the secretary.

Sec. 18. NEW SECTION. 68B.10E APPLICABILITY -- LOBBYIST REGISTRATION REQUIRED.

1. All lobbyists shall, on or before the day their lobbying activity begins, register by filing a lobbyist's registration statement in the manner provided in this section. Lobbyists engaged in lobbying activities before the general assembly shall file the statement with the chief clerk of the house of representatives or the secretary of the senate. Lobbyists engaged in lobbying activities before the office of the governor or any state agency shall file the statement with the executive council or with the agency before which the lobbyist is engaged in lobbying activities. The chief clerk of the house and the secretary of the senate shall provide appropriate registration forms to lobbyists before the general assembly. The executive council shall prescribe appropriate registration forms for lobbyists before the office of the governor and state agencies. Persons receiving registration

statement filings from lobbyists in the office of the governor and state agencies shall forward a copy of the statements to the executive council.

2. Registration shall be valid from the date of registration until the expiration of the registration period for the type of lobbying in which the person will be engaging. Any change in or addition to the information shall be registered within ten days after the change or addition is known to the lobbyist. Changes or additions for executive branch lobbyists may be filed either with the executive council or with the agency or office where the original registration was filed. Changes or additions for registrations of lobbyists of the general assembly shall be filed with either the chief clerk of the house or the secretary of the senate.

3. For persons registered to lobby before the general assembly, registration expires upon the commencement of the next regular session of the general assembly, except that the chief clerk of the house and the secretary of the senate may adopt and implement a reasonable preregistration procedure in advance of each regular session during which persons may register for that session and the following legislative interim. For persons registered to lobby before the office of the governor or a state agency, registration expires upon the commencement of a new calendar year. The executive council may adopt and implement a reasonable preregistration procedure in advance of each new calendar year during which persons may register for that year.

4. If a lobbyist's service on behalf of a particular employer, client, or cause is concluded prior to the end of the calendar year, the lobbyist may cancel the registration on appropriate forms supplied by the executive council, the chief clerk of the house, or the secretary of the senate. The cancellation forms shall be filed by the lobbyist in the place where the lobbyist filed the original registration. Persons within the executive branch receiving forms canceling a

lobbyist's registration shall forward the forms to the executive council. Upon cancellation of registration, a lobbyist is prohibited from engaging in any lobbying activity on behalf of that particular employer, client, or cause until reregistering and complying with the rules of the executive council or the general assembly.

5. All federal, state, and local officials or employees representing the official positions of their departments, commissions, boards, or agencies shall, when lobbying the general assembly, present to the chief clerk of the house or the secretary of the senate a letter of authorization from their department or agency heads prior to the commencement of their lobbying. When lobbying a state agency or the office of the governor, the letter shall be presented to the agency or office. The lobbyist registration statement of these officials and employees shall not be deemed complete until the letter of authorization is attached. Federal, state, and local officials who wish to lobby in opposition to the official position of their departments, commissions, boards, or agencies must indicate this on their lobbyist registration statements.

Sec. 19. NEW SECTION. 68B.10F LOBBYIST REPORTING.

1. A lobbyist before the general assembly shall file with the campaign finance disclosure commission, on forms prescribed by the commission, a separate report disclosing the following: the lobbyist's clients; all campaign contributions made by the lobbyist during the prior calendar month; and the recipient of the campaign contributions.

2. A lobbyist before a state agency or the office of the governor shall file with the campaign finance disclosure commission, on forms prescribed by the commission, a report disclosing the same items described in subsection 1.

3. The report of contributions, expenditures, and gifts must be filed on a monthly basis on dates to be determined by the campaign finance disclosure commission.

Sec. 20. NEW SECTION. 68B.10G LOBBYIST'S CLIENT

REPORTING.

1. No later than January 31 and July 31 of each year, a lobbyist's client shall file with the general assembly or the executive council a report that contains information on all salaries, fees, and retainers paid by the lobbyist's client to the lobbyist for lobbying purposes during the preceding six calendar months. Reports by lobbyists' clients shall be filed with the same entity with which the lobbyist filed the lobbyist's report and registration.

2. The report due January 31 shall include a cumulative total of all lobbying expenditures for the preceding calendar year.

Sec. 21. Section 68B.11, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.11 SUPREME COURT RULES.

The supreme court of this state shall prescribe rules by January 1, 1993, establishing a code of ethics for officials and employees of the judicial department of this state, and the immediate family members of the officials and employees. Rules prescribed shall include provisions relating to the receipt or acceptance of gifts and honoraria, interests in public contracts, services against the state, and financial disclosure which are substantially similar to the requirements of this chapter.

Sec. 22. Section 56.2, subsection 3, Code Supplement 1991, is amended to read as follows:

3. "Candidate" means any individual who has taken affirmative action to seek nomination or election to a public office but and shall exclude also include any judge standing for retention in a judicial election.

Sec. 23. Section 56.2, subsection 11, Code Supplement 1991, is amended to read as follows:

11. "Disclosure report" means a statement of contributions received, expenditures made, and indebtedness incurred on forms prescribed by rules promulgated adopted by the commission in accordance with chapter 17A.

Sec. 24. Section 56.2, subsection 16, Code Supplement 1991, is amended to read as follows:

16. "Public office" means any federal, state, county, city, or school office filled by election.

Sec. 25. Section 56.6, subsection 1, paragraph c, Code Supplement 1991, is amended by striking the paragraph.

Sec. 26. NEW SECTION. 56.15A PROHIBITING CONTRIBUTIONS DURING THE LEGISLATIVE SESSION.

A lobbyist or political committee, other than a state statutory political committee, county statutory political committee, or a national political party, shall not contribute to, act as an agent or intermediary for contributions to, or arrange for the making of contributions to the campaign funds of an elected state official, member of the general assembly, or candidate for public office on the state level on any day during the regular legislative session and, in the case of the governor or a gubernatorial candidate, during the thirty days following the adjournment of a regular legislative session allowed for the signing of bills. This section shall not apply to the receipt of contributions by an elected state official, member of the general assembly, or other state official who has taken affirmative action to seek nomination or election to a federal elective office.

Sec. 27. Section 56.41, subsection 1, Code Supplement 1991, is amended to read as follows:

1. A candidate and the candidate's committee shall use campaign funds only for campaign purposes or constituency services, and shall not use campaign funds for personal expenses.

Sec. 28. Section 56.41, Code Supplement 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 3. The commission shall adopt rules which list items that represent proper campaign expenses.

Sec. 29. Section 56.42, subsections 1, 2, and 5, Code Supplement 1991, are amended to read as follows:

1. In addition to the uses permitted under section 56.41,

a candidate's committee may only transfer campaign funds in one or more of the following ways:

- a. Contributions to charitable organizations.
- b. Contributions to national, state, or local political party central committees, ~~or other candidate's committees.~~
- c. Transfers to the treasurer of state for deposit in the general fund of the state.
- d. Return of contributions to contributors on a pro rata basis, except that any contributor who contributed five dollars or less may be excluded from the distribution.

2. If an unexpended balance of campaign funds remains when a ~~candidate ceases to be a candidate or the~~ candidate's committee dissolves, the unexpended balance shall be transferred pursuant to subsection 1.

5. A candidate, or candidate's committee, or any other person shall not directly or indirectly receive or transfer campaign funds with the intent of circumventing the requirements of this section. A candidate for statewide or legislative office shall not establish, direct, or maintain a political committee.

Sec. 30. Section 602.1609, Code 1991, is amended to read as follows:

602.1609 COMPLIANCE WITH GIFT ETHICS LAW.

Judicial officers and court employees shall comply with rules ~~adopted~~ prescribed by the supreme court ~~under section 68B-11~~ with respect to ethical conduct including the reporting acceptance and receipt of gifts received and honoraria, interests in public contracts, services against the state, and financial disclosure. In prescribing rules, the supreme court shall include any appropriate provisions and limitations contained in chapter 68B. Violations are subject to the ~~criminal~~ imposition of criminal and civil penalties in the manner provided in that section by law.

Sec. 31. Section 602.2101, Code 1991, is amended to read as follows:

602.2101 AUTHORITY.

The supreme court may retire, discipline, or remove a judicial officer from office or may discipline or remove an employee of the judicial department for cause as provided in this part.

Sec. 32. Section 602.2103, Code 1991, is amended to read as follows:

602.2103 OPERATION OF COMMISSION.

A quorum of the commission is four members. Only those commission members that are present at commission meetings or hearings may vote. An application by the commission to the supreme court to retire, discipline, or remove a judicial officer, or discipline or remove an employee of the judicial department, or an action by the commission which affects the final disposition of a complaint, requires the affirmative vote of at least four commission members. Notwithstanding chapter 21 and chapter 22, all records, papers, proceedings, meetings, and hearings of the commission are confidential, but if the commission applies to the supreme court to retire, discipline, or remove a judicial officer, or to discipline or remove an employee of the judicial department, the application and all of the records and papers in that proceeding are public documents.

Sec. 33. Section 602.2104, Code 1991, is amended to read as follows:

602.2104 PROCEDURE BEFORE COMMISSION.

1. Charges before the commission shall be in writing but may be simple and informal. The commission shall investigate each charge as indicated by its gravity. If the charge is groundless, it shall be dismissed by the commission. If the charge appears to be substantiated but does not warrant application to the supreme court, the commission may dispose of it informally by conference with or communication to the judicial officer or employee of the judicial department involved. If the charge appears to be substantiated and if proved would warrant application to the supreme court, notice shall be given to the judicial officer and a hearing shall be

held before the commission. The commission may employ investigative personnel, in addition to the executive secretary, as it deems necessary. The commission may also employ or contract for the employment of legal counsel.

2. In case of a hearing before the commission, written notice of the charge and of the time and place of hearing shall be mailed to the a judicial officer or an employee of the judicial department at the officer's person's residence at least twenty days prior to the time set for hearing. Hearing shall be held in the county where the judicial officer or employee of the judicial department resides unless the commission and the judicial officer or employee of the judicial department agree to a different location. The judicial officer shall continue to perform judicial duties during the pendency of the charge and the employee shall continue to perform the employee's assigned duties, unless otherwise ordered by the commission. The commission has subpoena power on behalf of the state and the judicial officer, ~~and disobedience~~ or employee of the judicial department. Disobedience of the commission's subpoena is punishable as contempt in the district court for the county in which the hearing proceeding is held. The attorney general shall prosecute the charge before the commission on behalf of the state. The A judicial officer or employee of the judicial department may defend and has the right to participate in person and by counsel, to cross-examine, to be confronted by the witnesses, and to present evidence in accordance with the rules of civil procedure. A complete record shall be made of the evidence by a court reporter. In accordance with its findings on the evidence, the commission shall dismiss the charge or make application to the supreme court to retire, discipline, or remove the judicial officer or to discipline or remove an employee of the judicial department.

Sec. 34. Section 602.2106, Code 1991, is amended to read as follows:

602.2106 PROCEDURE BEFORE SUPREME COURT.

1. If the commission submits an application to the supreme court to retire, discipline, or remove a judicial officer or to discipline or remove an employee of the judicial department, the commission shall promptly file in the supreme court a transcript of the hearing before the commission. The statutes and rules relative to proceedings in appeals of equity suits apply.

2. The attorney general shall prosecute the proceedings in the supreme court on behalf of the state, and the judicial officer or employee of the judicial department may defend in person and by counsel.

3. Upon application by the commission, the supreme court may do either any of the following:

a. Retire the judicial officer for permanent physical or mental disability which substantially interferes with the performance of judicial duties.

b. Discipline or remove the judicial officer for persistent failure to perform duties, habitual intemperance, willful misconduct in office, conduct which brings judicial office into disrepute, or substantial violation of the canons of judicial ethics. Discipline may include suspension without pay for a definite period of time not to exceed twelve months.

c. Discipline or remove an employee of the judicial department for conduct which violates the code of ethics prescribed by the supreme court for court employees.

4. If the supreme court finds that the application should be granted in whole or in part, it shall render the decree that it deems appropriate.

Sec. 35. Section 602.2107, Code 1991, is amended to read as follows:

602.2107 CIVIL IMMUNITY.

The making of charges before the commission, the giving of evidence or information before the commission or to an investigator or legal counsel employed by the commission, and the presentation of transcripts, extensions of evidence, briefs, and arguments in the supreme court are privileged in

actions for defamation.

Sec. 36. STUDIES.

1. a. The legislative council and the governor shall initiate and organize a joint study relating to ethics and embracing subject matter examined by the reform committee on government ethics and procedures and included in that committee's final report to the general assembly, and other related matters considered during the 1992 regular session of the general assembly, as they apply to officials as defined in chapter 68B and members of the general assembly.

b. In addition to other subject matter, the committee shall examine the issue of whether gifts of food, beverages, travel, and lodging which would otherwise be prohibited may be received by an official or member of the general assembly if such person is officially representing an agency in a delegation whose purpose is to attract new business to locate in the state or to encourage expansion or retention of an existing business in this state. If the committee determines that the receipt of such gifts should be permissible, the committee shall make recommendations concerning whether the person should file reports concerning such gifts, where any such reports should be filed, and whether or not such reports should be confidential.

The committee shall also examine the issue of personal financial disclosure by an official or member of the general assembly, and whether such disclosure should include candidates for the office of an official or member of the general assembly.

c. The membership of the committee shall be appointed as follows:

(1) Four members shall be appointed from the general assembly with two members to be appointed from the senate, one member appointed by the president and one member appointed by the minority leader, and with two members to be appointed from the house of representatives, one member appointed by the speaker and one member appointed by the minority leader.

(2) Two members shall be appointed by the executive council.

(3) Two members shall be appointed by the governor.

d. Each appointing authority shall make the appointments under paragraph "c" pursuant to sections 69.16 and 69.16A.

e. The members of the committee shall receive a per diem as specified in section 7E.6 while conducting business of the committee, and payment of actual and necessary expenses incurred in the performance of their duties.

f. The committee shall make a written report to the general assembly and the governor no later than January 1, 1993, which shall include recommendations for legislation and other matters deemed appropriate by the committee. The general assembly shall take action on the recommendations of the committee no later than May 1, 1993.

2. a. The league of Iowa municipalities, the Iowa state association of counties, and the Iowa association of school boards shall create a joint study related to ethics and embracing all of the following:

(1) Personal financial disclosure of local public officials. The study shall examine and make recommendations concerning the personal finances to be disclosed and the local public officials who should make such disclosures. The committee shall examine whether the disclosure requirement should be applied to candidates for local public office and, if so, where such reports should be filed. The study shall examine whether it is appropriate to exempt certain local public officials from such disclosure requirements and shall identify the reasons for such exemption, which may include, but is not limited to, the population base which the local public official serves.

(2) The establishment of a code of ethics applicable to local public officials, including conflict of interest guidelines.

(3) The procedures and enforcement provisions related to complaints made against local public officials.

(4) Mechanisms to educate local public officials concerning recommendations made which are enacted or adopted, and become applicable to local public officials.

(5) Whether gifts of food, beverages, travel, and lodging which would otherwise be prohibited may be received by a local public official if such person is officially representing a local government agency in a delegation whose purpose is to attract new business to locate in the state or to encourage expansion or retention of an existing business in this state. If it is determined that the receipt of such gifts would be permissible, the study shall include recommendations concerning whether the person should file reports concerning such gifts, where any such reports should be filed, and whether or not such reports should be confidential.

b. The study shall not include an examination of, or recommendations related to, campaign finance.

c. The study shall develop and recommend model ordinances and statutes for consideration by local governments and the general assembly which would be applicable to local public officials and local public employees. The results and recommendations of the study shall be reported in writing to the general assembly and governor no later than January 1, 1993, and made available to local governments for their consideration. The general assembly shall consider whether legislative action should be taken on any model statutes recommended by the study.

3. The supreme court shall prescribe rules regarding a code of ethics to be applied to judicial officers and court employees. Such rules shall be prescribed and implemented no later than January 1, 1993.

Sec. 37. Notwithstanding section 68B.10, subsection 4, paragraph "a", rules adopted pursuant to that section for the Seventy-fourth General Assembly shall remain in effect until amended or rescinded as a result of action taken as provided in section 36, subsection 1, paragraph "f", of this Act.

Sec. 38. Sections 5 and 7 of this Act shall apply to

officials, employees, members of the general assembly, or legislative employees who are employed, hold office, or terminate service or employment on or after July 1, 1992.

Sec. 39. Section 56.10A, Code 1991, is repealed.

Sec. 40. Sections 1 through 4, 6, 8 through ²¹21, and 30 through 35 of this Act take effect January 1, 1993.

Sec. 41. Sections ²⁷27, and 36 of this Act, being deemed of immediate importance, take effect upon enactment.

Sec. 42. CODIFICATION. The Code editor shall renumber the sections in chapter 68B, reserving section numbers if appropriate, as the Code editor sees fit."

2. Title page, line 4, by inserting after the word "dates" the following: ", an applicability provision,".

ON THE PART OF THE HOUSE:

ON THE PART OF THE SENATE:

MICHAEL PETERSON, Chairperson

GEORGE KINLEY, Chairperson

JOEL BROWN

JEAN LLOYD-JONES

DOROTHY CARPENTER

MICHAEL GRONSTAL

MARY NEUHAUSER

JIM LIND

PHIL TYRRELL

Adopted 5/4 (p. 2244)

JACK RIFE

Adopted CCH 2466.7
5/4 (p. 1850) lw/cf/24

REPORT OF THE CONFERENCE COMMITTEE
ON HOUSE FILE 2466

To the Speaker of the House of Representatives and the President of the Senate:

We, the undersigned members of the conference committee appointed to resolve the differences between the House of Representatives and the Senate on House File 2466, a bill for an Act relating to government ethics, the use and receipt of certain campaign contributions by government officials and candidates for government office and providing for effective dates and transition provisions, respectfully make the following report:

1. That the Senate recedes from its amendment, H-6022.
2. That House File 2466, as amended, passed, and reprinted by the House, is amended to read as follows:
 1. By striking page 1, line 35 through page 3, line 2.
 2. Page 3, by striking lines 27 and 28, and inserting the following:

"(1) Is or is seeking to be a party to any one or any combination of sales, purchases, leases, or contracts to, from, or with the agency in which the donee holds office or is employed."

3. Page 3, by striking lines 30 through 34, and inserting the following: "controlled by a regulatory agency in which the donee holds an office or is employed.

(3) Will be directly and substantially affected financially by the performance or nonperformance of the donee's official duty in a way that is greater than the effect on the public generally or on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region."

4. Page 4, line 24, by striking the words "with a cumulative retail value" and inserting the following: "of food and drink with a value".

5. Page 4, by striking lines 27 through 29, and inserting the following:

"(9) Items or services solicited or given to a state, national, or regional organization in which the state of Iowa or a political subdivision of the state of Iowa is a member."

6. Page 4, by striking lines 32 through 34, and inserting the following: "is sponsored and directed by any state, national, or regional organization in which the state of Iowa or a political subdivision of the state of Iowa is a member."

7. Page 4, by inserting before line 35, the following:

"c. For purposes of determining the value of an item given or received, an individual who gives an item on behalf of more than one person shall not divide the value of the item by the number of persons on whose behalf the item is given and the value of an item received shall be the value actually received by the donee."

8. Page 5, by striking line 5 and inserting the following:

"(1) Is or is seeking to be a party to any one or any combination of sales, purchases, leases, or contracts to, from, or with".

9. Page 5, by striking lines 9 through 14, and inserting the following: "controlled by a regulatory agency in which the public official holds an office or the public employee is

employed.

(3) Will be directly and substantially affected financially by the performance or nonperformance of the donee's official duty in a way that is greater than the effect on the public generally or on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region."

10. Page 5, line 17, by striking the word "either" and inserting the following: "any".

11. Page 5, by inserting after line 24, the following:

"(3) A payment made to a public official or public employee for services rendered as part of a bona fide private business, trade, or profession in which the public official or public employee is engaged if the payment is commensurate with the actual services rendered and is not being made because of the person's status as a public official or public employee, but, rather, because of some special expertise or other qualification."

12. Page 5, by striking lines 30 and 31.

13. Page 6, by inserting after line 7 the following:

"(3) Is a federal, state, or local government official or employee who represents the official position of the official or employee's agency and who encourages the passage, defeat, or modification of legislation or regulation, or the influencing of a decision of the members of the general assembly, a state agency, or the office of the governor."

14. Page 6, by inserting after line 27, the following:

"(6) Members of legislative staff.

(7) Agency officials and employees who influence the decisions of the agency in which they serve or are employed."

15. Page 6, by striking lines 32 through 35.

16. Page 7, by striking lines 26 through 28.

17. Page 9, line 11, by striking the word "full-time" and inserting the following: "permanent".

18. Page 10, line 1, by inserting before the word "full-time" the following: "permanent".

19. Page 10, line 33, by inserting after the words "permit a" the following: "former".

20. Page 10, line 34, by inserting after the words "lobbyist if" the following: "the former employee's duties consisted of the performance of tasks that were purely ministerial in nature and did not involve the exercise of substantial administrative discretion and".

21. By striking page 11, line 22, through page 12, line 2.

22. By striking page 13, line 21 through page 14, line 2.

23. Page 14, by striking lines 17 and 18, and inserting the following: "or public employee is filed by the donor with the board. Reports of gifts filed with the board under this subsection are confidential records under chapter 22."

24. By striking page 14, line 30, through page 15, line 24, and inserting the following:

"Sec. 100. NEW SECTION. 68B.7C HONORARIA -- BANNED.

A public official or public employee shall not seek or accept an honorarium as defined in section 68B.2, subsection 10."

25. Page 17, by striking lines 13 and 14, and inserting the following:

"3. The house-committee majority leader of each house shall elect-a designate the chairperson and vice-chairperson, and the minority leader of each house shall designate the ranking member, of each committee. The chairperson of each committee shall have the".

26. Page 17, by striking lines 18 and 19 and inserting the following: "findings from the board that a member of the general assembly has committed a violation of a provision of this chapter or of the rules relating to ethical conduct that are adopted pursuant to this chapter."

27. Page 18, by striking line 4, and inserting the following: "of complaints-made".

28. Page 18, line 7, by inserting after the word "adjourns." the following: "Rules adopted shall provide for

the disposition of findings of fact received from the board within thirty days of receiving the findings from the board."

29. Page 18, by inserting after line 24, the following:

"The committees of each house shall receive from the board recommendations for rules relating to ethical conduct for members of the Seventy-fifth General Assembly on or before the end of the first week of the first session of the Seventy-fifth General Assembly. The house and senate shall adopt, by concurrent resolution, a code of ethics based upon the board's recommendations by May 1, 1993. The code adopted by the general assembly shall constitute the permanent code of ethical conduct for subsequent general assemblies but may be amended in whole or in part by rules adopted by the board under chapter 17A. If the general assembly fails to adopt a resolution by May 1, 1993, the rules as recommended by the board shall take effect and constitute the permanent code of ethical conduct, subject to any amendments by the board under chapter 17A."

30. Page 18, by striking lines 25 and 26, and inserting the following:

"Violation of ~~the code of ethics~~ a provision of this chapter or rules adopted relating to ethical conduct may result in censure, reprimand, or other".

31. Page 19, line 17, by striking the word "twelve" and inserting the following: "five".

32. By striking page 19, line 19 through page 20, line 1, and inserting the following:

a. Two members, who shall be appointed by the governor.

b. Two members, who shall be appointed by the legislative council.

c. One member, who shall be appointed by the members appointed pursuant to paragraphs "a" and "b" from a list of individuals that is obtained from organizations which represent the interests of local officials and employees.

The membership of the board shall be balanced as to gender and political affiliation as provided under sections 69.16 and

69.16A."

33. Page 20, line 21, by striking the words ", the supreme court, or the" and inserting the following: ", the".

34. Page 20, line 22, by inserting after the word "assembly" the following: ", or a political subdivision of the state".

35. Page 20, line 30, by striking the word "Seven" and inserting the following: "Three".

36. Page 21, line 11, by striking the word "shall" and inserting the following: "may".

37. Page 21, line 13, by striking the word "The" and inserting the following: "If legal counsel is employed or contracted for, the".

38. Page 21, by striking lines 14 through 17, and inserting the following: "board's legal counsel shall advise and assist the board with all legal matters before the board, and, upon the instructions of the board, shall prosecute complaints filed with the board at any hearings ordered by the board on allegations contained in a complaint. Notwithstanding section 19A.3, all of the".

39. Page 23, by inserting after line 9, the following:

"____. Forward copies of any findings of fact and supporting information relating to ethical complaints against members of the general assembly to the ethics committee of the house in which the person charged in the complaint is a member."

40. Page 23, lines 10 and 11, by striking the words "recommendations for punishment of" and inserting the following: "make recommendations for the taking of disciplinary action against".

41. Page 23, line 12, by striking the words "punishment by the board or by" and inserting the following: "disciplinary action by the board or".

42. Page 23, line 19, by striking the words "formal and informal board opinions" and inserting the following: "informal board opinions and declaratory rulings".

43. Page 23, line 21, by striking the words "Advice contained in formal board opinions" and inserting the following: "Declaratory rulings issued by the board".

44. Page 23, line 34, by inserting after the word "offers." the following: "Rules relating to ethical conduct for members of the general assembly shall be submitted to the ethics committee of each house in the form of a proposed concurrent resolution in the manner described under section 68B.10."

45. Page 23, by inserting after line 34 the following:

"___. Annually review the provisions of this chapter and chapter 56 and make any recommendations necessary for legislation to enhance the efficient administration of this chapter and chapter 56."

46. Page 24, by striking lines 16 through 23, and inserting the following:

"2. A party charged with a violation of a provision of this chapter, chapter 56, or rules adopted by the board shall be notified by mail of the existence and contents of the complaint within ten days of the filing of the complaint with the board, unless the chairperson of the board concludes that notification would prejudice a preliminary investigation of the matter or subject the complainant to an unreasonable risk. If the chairperson determines not to notify the party charged within ten days of the filing of".

47. Page 25, by striking line 33, and inserting the following: "17A.13. If the board determines at any stage in the proceedings that take place prior to hearing that the complaint is without merit, the complaint shall be dismissed and the complainant and the party charged shall be notified. If, after investigation, the board determines evidence exists which, if proven, would support a finding of a violation of this chapter, chapter 56, or the rules adopted by the board, a finding of probable cause shall be made, and a hearing shall be ordered.

Upon making the finding of probable cause and ordering

hearing on any ethics complaint, the chairperson of the board shall submit a written request to the supreme court requesting that a senior judge be appointed as a hearing master to preside at the hearing and make any necessary legal rulings in the matter. The hearing master shall have the same powers as provided in Iowa rule of civil procedure 209.

Upon making the finding of probable cause and ordering hearing on any complaint alleging a violation of chapter 56 or rules adopted pursuant to chapter 56, the chairperson or a member of the board designated by the chairperson shall preside at the hearing. However, the chairperson may also request that the supreme court appoint a senior judge to act as a hearing master and preside at hearings on complaints alleging violations of chapter 56 or rules adopted pursuant to chapter 56.

At all hearings, the legal counsel for the board shall present the allegations contained in the complaint and any supporting information obtained as a result of the investigation. The board shall receive all admissible evidence, determine any factual issues presented during hearing, and make findings of fact based upon evidence received."

48. Page 26, line 11, by inserting after the word "hearing." the following: "The board shall make every effort to hear all ethics complaints within three months of the date that the complaints are filed. However, after three months from the date of the filing of the complaint, extensions of time for purposes of preparing for hearing may only be granted by the board when the party charged in the complaint with the ethics violation consents to an extension. If the party charged does not consent to an extension, the board shall not grant any extensions of time for preparation prior to hearing. All complaints alleging a violation of this chapter, or rules adopted pursuant to this chapter shall be heard within nine months of the filing of the complaint. Final dispositions of violations, which the board has found to have been established

by a preponderance of clear and convincing evidence, shall be made within thirty days of the conclusion of the hearing on the complaint."

49. Page 26, by striking lines 26 through 34, and inserting the following: "prosecutorial authorities by the board. The determination of".

50. Page 27, by striking lines 15 through 17, and inserting the following: "in any investigation. A complaint may be prosecuted at a board hearing by the attorney general if the board submits a request for assistance to the office of attorney general."

51. Page 27, line 25, by inserting after the word "notified." the following: "If a complaint that is dismissed relates to a member of the general assembly, a copy of the notice of dismissal shall also be forwarded to the ethics committee of the house in which the person is a member."

52. Page 27, by striking line 32, and inserting the following:

"Sec. 19. NEW SECTION. 68B.10D FINDINGS -- DISPOSITION OF".

53. Page 28, by striking lines 1 and 2, and inserting the following: "member of the general assembly has committed a violation of a provision of this chapter, or a violation of a rule relating to ethical conduct adopted pursuant to this chapter, shall send a written copy of the board's findings, along with a transcript of the record and any other evidence upon which the finding was made to the ethics committee of the house to which the member of the general assembly belongs. If the board finds, after hearing, by a preponderance of clear and convincing evidence that a public official or a candidate for public office, who is not a member of the general assembly, or a public employee has committed a violation of this chapter or of a rule relating to ethical conduct adopted pursuant to this chapter, or that any public official, candidate, or public employee has committed a violation of chapter 56 or rules adopted by the board pursuant to chapter

56, the board may do one or more of the".

54. Page 28, by striking lines 17 through 21.

55. By striking page 29, line 16 through page 30, line 8, and inserting the following:

"Sec. 101. NEW SECTION. 68B.10F PERSONAL FINANCIAL DISCLOSURE -- PUBLIC OFFICIALS.

1. Except as otherwise provided in this section, each public official and candidate for public office shall file a statement of personal financial disclosure with the board that discloses the sources of the public official's income and any significant financial interests of the public official or candidate in the manner required by the board, pursuant to this section.

2. For purposes of this section, "disclosure of sources of income" includes disclosure of the nature of each business in which the public official or candidate is engaged and the nature of the business of each company in which the public official or candidate has an income-producing interest. For purposes of this section, "significant financial interests" includes investments in stocks, bonds, bills, notes, mortgages, or other securities offered for sale through recognized financial brokers if greater than five percent of the total outstanding issue of any stock, bonds, bills, notes, mortgages, or other securities of the offering entity, or with a value of greater than five thousand dollars; any in-state or out-of-state business, trade, labor, farm, professional, religious, educational, or charitable association, foundation, or organization which is involved in supporting or opposing any measures brought before the body in which the public official or candidate holds office and by which the public official or candidate is employed or retained or has rendered services for compensation within the previous twelve months; any office or directorship held during the previous twelve months by the public official or candidate in any corporation, firm, enterprise, labor union, farm organization, cooperative, religious, education, or charitable association or

organization or trade or professional association.

3. A candidate for public office shall file the statement of personal financial disclosure concerning the year preceding the year in which the election is to be held. The statement shall be filed no later than thirty days after the date on which the person formally becomes a candidate. Public officials shall file the statements at times designated by the board.

4. This section shall not apply to township and library trustees, members of statutory boards or commissions that do not have or exercise any policymaking authority, and cemetery association members or directors. The board may also exempt any public official or candidate for public office from the requirements of this section if the board finds that the official's position or the office which the candidate is seeking does not involve the exercise of any policymaking authority."

56. By striking page 31, line 33 through page 32, line 3, and inserting the following: "following: the lobbyist's clients; all campaign contributions made by the lobbyist during the prior calendar month; and the recipient of the".

57. Page 32, line 21, by striking the words "adopt rules" and inserting the following: "prescribe rules by January 1, 1993,".

58. Page 32, line 24, by striking the word "adopted" and inserting the following: "prescribed".

59. Page 32, by inserting after line 29, the following:
"Sec. ____ . Section 22.7, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 29. Reports filed with the Iowa ethics and campaign finance board of gifts of food, beverages, travel, and lodging received by a public official or public employee as a result of official participation in economic development opportunities under section 68B.7B."

60. Page 33, by striking lines 25 through 28, and inserting the following: "board. All statements".

61. Page 35, lines 23 and 24, by striking the words ", or both if required under section 56.4,".

62. By striking page 43, line 34 through page 44, line 7, and inserting the following:

"1. The appointee selected from the list obtained from the organizations which represent the interests of local officials and local employees shall serve an initial term of two years.

2. The appointees of the governor shall serve initial terms of four years.

3. The appointees of the legislative council shall serve initial terms of six years."

63. Page 44, line 13, by inserting after the word "commission." the following: "Rules, forms, and precedents established by the campaign finance disclosure commission regarding the administration of chapter 56 shall remain effective until ratified, rescinded, or modified by action by the board. Notwithstanding chapter 68B, until rules are adopted that establish standards for ethical conduct for members of the general assembly and the conduct of lobbyists who appear before the general assembly, the rules of the Seventy-fourth General Assembly that establish codes of ethics for members of the general assembly and regulate the conduct of lobbyists of the general assembly shall remain in effect."

64. Page 44, line 14, by striking the figure "7" and inserting the following: "9".

65. Page 44, lines 17 and 18, by striking the words "the date of enactment of this Act" and inserting the following: "July 1, 1992".

66. Page 44, line 22, by striking the figures "12, 14, 15, sections 21" and inserting the following: "100, 101, 14, 15, 18, 19, sections 22".

67. Page 44, line 23, by inserting after the figure "38," the following: "40, 42, 43,".

68. Page 44, by striking line 25, and inserting the following:

"Sec. ____ . Sections 16, 39, 41, and 49 of this".

69. By numbering, renumbering, and changing internal references as necessary.

ON THE PART OF THE HOUSE:

ON THE PART OF THE SENATE:

MICHAEL PETERSON, Chairperson

JOHN KIBBIE, Chairperson

JOEL BROWN

EMIL HUSAK

DOROTHY CARPENTER

JIM LIND

MARY NEUHAUSER

JACK RIFE

PHIL TYRRELL

Adopted 5/2 (p. 2033)

RALPH ROSENBERG

Loct. 5/3 (p. 1813)

House File 2466

Summary of Additional Subject Matter Material

in Conference Committee Report

May 2, 1992

The Conference Committee on House File 2466 met on May 2, 1992, and the following additional subject matter material is included in the Conference Committee Report which was not contained in the bill passed by the House or the Senate amendment:

1. A provision that requires the board to annually review the provisions of chapter 68B and chapter 56 and make any recommendations necessary for legislation to enhance the efficient administration of chapter 68B and chapter 56.
2. A provision that requires that ethics complaints filed with the board be heard within nine months of the filing of the complaint. The board is to make every effort to hear the complaints within three months of the filing of the complaint. Extensions of time for preparation prior to hearing, after the initial three months, shall only be granted with the consent of the party charged with the violation. The board is to dispose of all ethics complaints within thirty days of the conclusion of the hearing on the complaint.
3. A provision that requires the legislative ethics committees to dispose of findings of fact on ethics complaints that are received from the board within thirty days of receiving the findings.

NOTE: The purpose of this summary is to indentify significant subject matter material which was not included in either the bill as amended and passed by the House or the Senate. Subject matter material contained in the Conference Committee Report that was part of the bill, or the Senate amendment, is not included.

Prepared by the Legislative Service Bureau
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HOUSE FILE 2466

AN ACT

RELATING TO GOVERNMENT ETHICS, THE USE AND RECEIPT OF CERTAIN
CAMPAIGN CONTRIBUTIONS BY GOVERNMENT OFFICIALS AND
CANDIDATES FOR GOVERNMENT OFFICE AND PROVIDING FOR EFFECTIVE
DATES, AN APPLICABILITY PROVISION, AND TRANSITION PROVISIONS.

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

DIVISION I

Section 1. Section 68B.2, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.2 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Agency" means a department, division, board, commission, bureau, or office of the executive or legislative branch of state government, the office of attorney general, the state board of regents, community colleges, and the office of the governor, including a regulatory agency, or any political subdivision of the state.

2. "Candidate" means a candidate under chapter 56.

3. "Candidate's committee" means the committee designated by the candidate, as provided under chapter 56, to receive contributions, expend funds, or incur indebtedness on behalf of the candidate in the aggregate as follows:

a. For a state, or county office, in excess of two hundred fifty dollars in any calendar year.

b. For a city or school office, in excess of five hundred dollars in any calendar year.

4. "Compensation" means any money, thing of value, or financial benefit conferred in return for services rendered or to be rendered.

5. "Contribution" means a gift, loan, advance, deposit, rebate, refund, transfer of money, an in-kind transfer, or the payment of compensation for the personal services of another person.

6. a. "Gift" means a rendering of anything of value in return for which legal consideration of equal or greater value is not given and received, if the donor is in any of the following categories:

(1) Is or is seeking to be a party to any one or any combination of sales, purchases, leases, or contracts to, from, or with the agency in which the donee holds office or is employed.

(2) Is engaged in activities which are regulated or controlled by a regulatory agency in which the donee holds an office or is employed.

(3) Will be directly and substantially affected financially by the performance or nonperformance of the donee's official duty in a way that is greater than the effect on the public generally or on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region.

(4) Is a lobbyist with respect to matters within the donee's jurisdiction.

b. However, "gift" does not mean any of the following:

(1) Contributions to a candidate or a candidate's committee.

(2) Informational material relevant to a public servant's official functions, such as books, pamphlets, reports, documents, or periodicals.

(3) Anything received from a person related within the fourth degree by kinship or marriage, unless the donor is acting as an agent or intermediary for another person not so related.

(4) An inheritance.

(5) Anything available or distributed to the public generally without regard to the official status of the recipient.

(6) Actual expenses of a donee for food, beverages, travel, and lodging for a meeting, which is given in return for participation in a panel or speaking engagement at the meeting when the expenses relate directly to the day or days on which the donee has participation or presentation responsibilities.

(7) Plaques or items of negligible resale value given as recognition for public services.

(8) Items of food and drink with a value of less than three dollars that are received from any one donor during one calendar day.

(9) Items or services solicited or given to a state, national, or regional organization in which the state of Iowa or a political subdivision of the state of Iowa is a member.

(10) Items or services received as part of a regularly scheduled event that is part of a conference, seminar, or other meeting that is sponsored and directed by any state, national, or regional organization in which the state of Iowa or a political subdivision of the state of Iowa is a member.

c. For purposes of determining the value of an item given or received, an individual who gives an item on behalf of more than one person shall not divide the value of the item by the number of persons on whose behalf the item is given and the value of an item received shall be the value actually received by the donee.

7. a. "Honorarium" means anything of value that is accepted by, or on behalf of, a public official or public employee as consideration for an appearance, speech, or article if the person giving the thing of value is in any of the following categories:

(1) Is or is seeking to be a party to any one or any combination of sales, purchases, leases, or contracts to,

from, or with the agency in which the public official or public employee serves or is employed.

(2) Is engaged in activities which are regulated or controlled by a regulatory agency in which the public official holds an office or the public employee is employed.

(3) Will be directly and substantially affected financially by the performance or nonperformance of the donee's official duty in a way that is greater than the effect on the public generally or on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region.

(4) Is a lobbyist with respect to matters within the public official's or public employee's jurisdiction.

b. "Honorarium" does not include any of the following:

(1) Actual expenses of a donee for food, beverages, travel, and lodging paid as provided under subsection 6, paragraph "b", subparagraph (6).

(2) A nonmonetary gift or series of nonmonetary gifts donated within thirty days to a public body, a bona fide educational or charitable organization, or the department of general services as provided in section 688.7B, subsection 3.

(3) A payment made to a public official or public employee for services rendered as part of a bona fide private business, trade, or profession in which the public official or public employee is engaged if the payment is commensurate with the actual services rendered and is not being made because of the person's status as a public official or public employee, but, rather, because of some special expertise or other qualification.

8. "Immediate family members" means the spouse and minor children of a public official or public employee.

9. "Legislative employee" means a permanent full-time official or employee of the general assembly but does not include members of the general assembly.

10. a. "Lobbyist" means a person who does any of the following:

(1) Is paid compensation for encouraging the passage, defeat, or modification of legislation or regulation, or for influencing the decision of the members of the general assembly, a state agency, or any statewide elected official.

(2) Represents on a regular basis an organization which has as one of its purposes the encouragement of the passage, defeat, or modification of legislation or regulation, or the influencing of a decision of the members of the general assembly, a state agency, or any statewide elected official.

(3) Is a federal, state, or local government official or employee who represents the official position of the official or employee's agency and who encourages the passage, defeat, or modification of legislation or regulation, or the influencing of a decision of the members of the general assembly, a state agency, or the office of the governor.

b. "Lobbyist" does not mean:

(1) Officials and employees of a political party organized in the state of Iowa representing more than two percent of the total votes cast for governor in the last preceding general election, but only when representing the political party in an official capacity.

(2) Representatives of the news media only when engaged in the reporting and dissemination of news and editorials.

(3) The governor and lieutenant governor of the state of Iowa, all other statewide elected officials, and elected federal officials.

(4) Persons whose activities are limited to formal appearances to give testimony at public sessions of committees of the general assembly or public hearings of state agencies and whose appearances as a result of testifying, are recorded in the records of the committee or agency.

(5) A person who appears or communicates as a lawyer licensed to practice law in this state representing a client

before any agency or in a contested case proceeding under chapter 17A.

(6) Members of legislative staff.

(7) Agency officials and employees who influence the decisions of the agency in which they serve or are employed.

11. "Local employee" means a person employed by a political subdivision of this state.

12. "Local official" means an officeholder of a political subdivision of this state.

13. "Member of the general assembly" means an individual duly elected to the senate or the house of representatives of the state of Iowa.

14. "Official" means an officer of the state of Iowa receiving a salary or per diem whether elected or appointed or whether serving full time or part-time but does not include officers or employees of political subdivisions of the state. "Official" includes but is not limited to supervisory personnel, members and employees of the governor's office, members of other statewide elected offices, and members of state agencies and does not include members of the general assembly, legislative employees, or officers or employees of the judicial branch of government who are not members or employees of the office of attorney general.

15. "Person" means, without limitation, any individual, corporation, business trust, estate, trust, partnership or association, labor union, or any other legal entity.

16. "Public disclosure" means a written report filed by a person as required by this chapter or required by rules adopted and issued pursuant to this chapter.

17. "Public employee" means state employees, legislative employees, and local employees.

18. "Public office" means any state, county, city, or school office or any other office of a political subdivision of the state that is filled by election.

19. "Public official" means officials, local officials, and members of the general assembly.

20. "Regulatory agency" means the department of agriculture and land stewardship, department of employment services, department of commerce, Iowa department of public health, department of public safety, department of education, state board of regents, department of human services, department of revenue and finance, department of inspections and appeals, department of personnel, public employment relations board, state department of transportation, civil rights commission, department of public defense, and department of natural resources.

21. "State employee" means a paid employee of the state of Iowa and does not include an independent contractor, an employee of the judicial department, a legislative employee, or an employee of a political subdivision of the state. "State employee" includes but is not limited to all clerical personnel.

Sec. 2. Section 68B.3, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.3 WHEN PUBLIC BIDS REQUIRED -- DISCLOSURE OF INCOME FROM OTHER SALES.

1. An official, state employee, member of the general assembly, or legislative employee shall not sell, in any one occurrence, any goods or services having a value in excess of five hundred dollars to any state agency unless the sale is made pursuant to an award or contract let after public notice and competitive bidding. This subsection shall not apply to the publication of resolutions, advertisements, or other legal propositions or notices in newspapers designated pursuant to law for the publication of legal propositions or notices and for which rates are fixed pursuant to law.

For purposes of this section, "services" does not include instruction at an accredited education institution if the person providing the instruction meets the minimum education

and licensing requirements established for teachers at the education institution.

2. An official or member of the general assembly who sells goods or services to a political subdivision of the state shall disclose whether income has been received from commissions from the sales in the manner provided under section 68B.10D.

Sec. 3. NEW SECTION. 68B.4A SALES BY LEGISLATIVE EMPLOYEES.

A permanent legislative employee shall not sell, either directly or indirectly, any goods or services to individuals, associations, or corporations which employ persons who are registered lobbyists before the general assembly, except when the legislative employee has met all of the following conditions:

1. The consent of the person or persons responsible for hiring or approving the hiring of the legislative employee is obtained.

2. The duties and functions performed by the legislative employee for the general assembly are not related to the legislative authority of the general assembly over the individual, association, or corporation, or the selling of goods or services by the legislative employee to the individuals, associations, or corporations does not affect the employee's duties or functions at the general assembly.

3. The selling of any goods or services by the legislative employee to an individual, association, or corporation does not include lobbying of the general assembly.

4. The selling of any goods or services by the legislative employee does not cause the official or employee to sell goods or services to the general assembly on behalf of the individual, association, or corporation.

Sec. 4. NEW SECTION. 68B.4B SALES BY MEMBERS OF THE OFFICE OF THE GOVERNOR.

A permanent full-time member of the office of the governor shall not sell, either directly or indirectly, any goods or services to individuals, associations, or corporations which employ persons who are registered lobbyists before the general assembly, except when the member of the office of the governor has met all of the following conditions:

1. The consent of the person or persons responsible for hiring or approving the hiring of the member of the office of the governor is obtained.
2. The duties and functions performed by the member for the office of the governor are not related to the authority of the office of the governor over the individual, association, or corporation, or the selling of goods or services by the member of the office of the governor to the individuals, associations, or corporations does not affect the member's duties or functions at the office of the governor.
3. The selling of any goods or services by the member of the office of the governor to an individual, association, or corporation does not include lobbying of the office of the governor.
4. The selling of any goods or services by the member of the office of the governor does not cause the member to sell goods or services to the office of the governor on behalf of the individual, association, or corporation.

Sec. 5. Section 68B.5, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.5 TWO-YEAR BAN ON LOBBYING ACTIVITIES AFTER SERVICE.

1. A person who has served as an official, state employee, member of the general assembly, or legislative employee shall not within two years after the termination of service or employment become a lobbyist.
2. This section shall not apply to a person who is a former official, state employee, member of the general assembly, or legislative employee who, within two years of leaving service or employment with the state, is elected to

another office of the state or to an office of a political subdivision of the state and appears or communicates on behalf of that office.

Sec. 6. Section 68B.6, Code 1991, is amended to read as follows:

68B.6 SERVICES AGAINST STATE PROHIBITED.

No official, state employee, or legislative employee shall receive, directly or indirectly, or enter into any agreement, express or implied, for any compensation, in whatever form, for the appearance or rendition of services by that person or another against the interest of the state in relation to any case, proceeding, application, or other matter before any state agency, any court of the state of Iowa, any federal court, or any federal bureau, agency, commission or department.

Sec. 7. Section 68B.7, unnumbered paragraph 1, Code 1991, is amended to read as follows:

No A person who has served as an official, or state employee of a state agency, member of the general assembly, or legislative employee shall not within a period of two years after the termination of such service or employment appear before such state the agency or receive compensation for any services rendered on behalf of any person, firm, corporation, or association in relation to any case, proceeding, or application with respect to which such the person was directly concerned and personally participated during the period of service or employment.

DIVISION II

Sec. 8. NEW SECTION. 68B.7A LEGISLATIVE INTENT.

It is the goal of the general assembly that public officials and public employees of the state be extremely cautious and circumspect about accepting a gratuity or favor, especially from persons that have a substantial interest in the legislative, administrative, or political actions of the official or employee. Even where there is a genuine personal

friendship, the acceptance of personal benefits from those who could gain advantage by influencing official actions raises suspicions that tend to undermine the public trust. It is therefore the intent of the general assembly that the provisions of this division be construed to discourage all gratuities, but to prohibit only those that create unacceptable conflicts of interest or appearances of impropriety.

Sec. 9. NEW SECTION. 68B.7B GIFTS ACCEPTED OR RECEIVED.

1. Except as otherwise provided in this section, a public official, public employee, or candidate, or that person's immediate family member shall not, directly or indirectly, accept or receive any gift or series of gifts.

2. Except as otherwise provided in this section, a person shall not, directly or indirectly, offer or make a gift or a series of gifts to a public official, public employee, or candidate. Except as otherwise provided in this section, a person shall not, directly or indirectly, join with one or more other persons to offer or make a gift or a series of gifts to a public official, public employee, or candidate.

3. A person may give, and a public official, public employee, or candidate, or the person's immediate family member, may accept a nonmonetary gift or a series of nonmonetary gifts and not be in violation of this section if the nonmonetary gift or series of nonmonetary gifts is donated within thirty days to a public body, the department of general services, or a bona fide educational or charitable organization, if no part of the net earnings of the educational or charitable organization inures to the benefit of any private stockholder or other individual. All such items donated to the department of general services shall be disposed of by assignment to state agencies for official use or by public sale.

4. Gifts of food, beverages, travel, and lodging which would otherwise be prohibited may be received by a public official or public employee if all of the following apply:

a. The public official or public employee is officially representing an agency in a delegation whose sole purpose is to attract a specific new business to locate in the state or encourage expansion or retention of an existing business already established in the state.

b. The donor of the gifts is not the business being contacted.

c. The public official or public employee makes a planned presentation to the business on behalf of the public official's or public employee's agency.

5. A public official, public employee, candidate, or the person's immediate family member shall not solicit any gift or series of gifts at any time.

6. A person shall not request, and a member of the general assembly shall not agree, that a member of the general assembly sell tickets for a community related social event that is to be held for members of the general assembly in Polk county during the legislative session. This section shall not apply to Polk county or city of Des Moines events that are open to the public generally or are held only for Polk county or city of Des Moines legislators.

Sec. 10. NEW SECTION. 68B.7C HONORARIA -- BANNED.

A public official or public employee shall not seek or accept an honorarium as defined in section 68B.2, subsection 7.

Sec. 11. NEW SECTION. 68B.7D LOANS -- RECEIPT FROM LOBBYISTS PROHIBITED.

An official, member of the general assembly, state employee, or candidate for state office shall not, directly or indirectly, seek or accept a loan or series of loans from a person who is a lobbyist.

A lobbyist shall not, directly or indirectly, offer or make a loan or series of loans to an official, member of the general assembly, state employee, or candidate for state office. A lobbyist shall also not, directly or indirectly,

join with one or more persons to offer or make a loan or series of loans to an official, member of the general assembly, state employee, or candidate for state office.

Sec. 12. Section 68B.8, Code 1991, is amended to read as follows:

68B.8 ADDITIONAL PENALTY.

In addition to any penalty contained in any other provision of law, a person who knowingly and intentionally violates a provision of ~~section 68B.3 to 68B.6~~ sections 68B.3 through 68B.7D is guilty of a serious misdemeanor and may be reprimanded, suspended, or dismissed from the person's position or otherwise sanctioned.

DIVISION III

Sec. 13. Section 68B.10, Code 1991, is amended to read as follows:

68B.10 LEGISLATIVE ETHICS COMMITTEE.

1. There shall be an ethics committee in the senate and an ethics committee in the house, each to consist of ~~seven~~ six members; three members to be appointed by the majority leader in each house, ~~two and three~~ two and three members by the minority leader in each house ~~and two individuals who shall not be employees of the general assembly by the chief justice of the Iowa supreme court. A member of the ethics committee may disqualify himself or herself from participating in any proceeding upon submission of a written statement that the member cannot render an impartial and unbiased decision in a case. A member is ineligible to participate in committee meetings, as a member of the committee, in any proceeding relating to the member's own conduct. A member may be disqualified by a unanimous vote of the remaining eligible members of the committee. If a member of the ethics committee is disqualified from or is ineligible to participate in any committee proceedings, the authority responsible for the original appointment of the disqualified or ineligible member shall appoint a replacement member who shall serve during the~~

~~period of the original member's disqualification or ineligibility.~~

~~The two individuals appointed by the chief justice of the supreme court shall receive a per diem as specified in section 7B.6 and travel expenses at the same rate as paid members of interim committees for attending meetings of the ethics committee.~~

2. Members of the general assembly shall receive a per diem as specified in section 7B.6 and travel expenses at the same rate as paid members of interim committees for attending meetings held when the general assembly is not in session. The per diem and expenses shall be paid from funds appropriated by section 2.12.

~~The president pro tempore of the senate is designated as chairperson of the senate committee.~~

3. ~~The house committee majority leader of each house shall elect a~~ designate the chairperson and vice-chairperson, and the minority leader of each house shall designate the ranking member of each committee. The chairperson of each committee shall have the following powers, duties and functions:

a. Preside over meetings of the committee.

b. Call meetings of the committee upon receipt of findings from the independent special counsel that there is probable cause to believe that a member of the general assembly or a lobbyist has committed a violation of a provision of this chapter or of the rules relating to ethical conduct that are adopted pursuant to this chapter.

4. The ethics committee of each house shall have the following powers, duties, and functions:

1 a. Prepare a code of ethics within thirty days after the commencement of the session each general assembly.

2 b. Prepare rules relating to lobbyists and lobbying activities in the general assembly.

3 c. Issue advisory opinions interpreting the intent of constitutional and statutory provisions relating to

legislators and lobbyists as well as interpreting the code of ethics and rules issued pursuant to this section. Opinions shall be issued when approved by a majority of the seven six members and may be issued upon the written request of a member of the general assembly or upon the committee's initiation. Opinions are not binding on the legislator or lobbyist.

4. d. Receive and investigate hear complaints and charges against members of its house alleging a violation of the code of ethics, rules governing lobbyists, this chapter, or other matters referred to it by its house or the independent special counsel. The committee shall recommend rules for the receipt and processing of complaints made findings of probable cause relating to ethical violations of members of the general assembly or lobbyists during the legislative session and those made received after the general assembly adjourns.

5. e. Recommend legislation relating to legislative ethics and lobbying activities. ~~The ethics committees may employ independent legal counsel to assist them in carrying out their duties under this chapter with the approval of a committee's house when the general assembly is in session and with the approval of the rules and administration committee of that house when the general assembly is not in session.~~

5. Any person may file a complaint with the ethics committee of either house alleging that a member of the general assembly or a lobbyist before the general assembly has committed a violation of this chapter. The ethics committee shall prescribe and provide forms for this purpose. The complaint shall include the name and address of the complainant and a statement of the facts believed to be true that form the basis of the complaint, including the sources of information and approximate dates of the acts alleged and a certification by the complainant under penalty of perjury that the facts stated to be true are true to the best of the complainant's knowledge.

6. The ethics committee shall review a complaint to determine if the complaint meets the requirements for formal sufficiency. If the complaint is deficient as to form, the complaint shall be returned to the complainant with a statement of the nature of the deficiency. If the complaint is sufficient as to form, the ethics committee shall review the complaint to determine whether the complaint states a valid charge which may be investigated. A valid complaint must allege all of the following:

a. Facts that if true, establish a violation of a provision of this chapter or the code of ethics for which penalties or other remedies are provided.

b. That the conduct providing the basis for the complaint occurred within three years of the filing of the complaint.

c. That the party charged with a violation is a party subject to the jurisdiction of the ethics committee.

7. If the ethics committee determines that a complaint is not valid, the complaint shall be dismissed and returned to the complainant with a notice of dismissal stating the reason or reasons for the dismissal. If the ethics committee determines that a complaint is valid, the ethics committee shall request that the chief justice of the supreme court appoint an independent special counsel to investigate the allegations contained in the complaint to determine whether there is probable cause to believe that a violation of this chapter has occurred and whether an evidentiary hearing on the complaint should be held. Payment of costs for the independent legal special counsel shall be made from section 2.12.

8. If a hearing on the complaint is ordered the ethics committee shall receive all admissible evidence, determine any factual or legal issues presented during the hearing, and make findings of fact based upon evidence received. Hearings shall be conducted in the manner prescribed in section 17A.12. The rules of evidence applicable under section 17A.14 shall also

apply in hearings before the ethics committee. A preponderance of clear and convincing evidence shall be required to support a finding that the member of the general assembly or lobbyist before the general assembly has committed a violation of this chapter. Parties to a complaint may, subject to the approval of the ethics committee, negotiate for settlement of disputes that are before the ethics committee. Terms of any negotiated settlements shall be publicly recorded. If a complaint is filed or initiated less than ninety days before the election for a state office, for which the person named in the complaint is the incumbent officeholder, the ethics committee shall, if possible, set the hearing at the earliest available date so as to allow the issue to be resolved before the election. An extension of time for a hearing may be granted when both parties mutually agree on an alternate date for the hearing. The ethics committee shall make every effort to hear all ethics complaints within three months of the date that the complaints are filed. However, after three months from the date of the filing of the complaint, extensions of time for purposes of preparing for hearing may only be granted by the ethics committee when the party charged in the complaint with the ethics violation consents to an extension. If the party charged does not consent to an extension, the ethics committee shall not grant any extensions of time for preparation prior to hearing. All complaints alleging a violation of this chapter or the code of ethics shall be heard within nine months of the filing of the complaint. Final dispositions of violations, which the ethics committee have found to have been established by a preponderance of clear and convincing evidence, shall be made within thirty days of the conclusion of the hearing on the complaint.

9. The ethics committee shall maintain the confidentiality of a complaint unless either the complainant or the alleged violator publicly discloses the existence of a complaint or a

preliminary investigation. The ethics committee, upon such a disclosure by the complainant or the alleged violator, may publicly confirm the existence of the preliminary inquiry and, in the ethics committee's discretion, make public the complaint and any documents which were issued to either party to the complaint.

10. The code of ethics and rules relating to lobbyists and lobbying activities shall not become effective until approved by the members of the house to which the proposed code and rules apply. The code or rules may be amended either upon the recommendation of the ethics committee or by members of the general assembly.

11. Violation of the code of ethics a provision of this chapter or rules adopted relating to ethical conduct may result in censure, reprimand, or other sanctions as determined by a majority of the member's house. However, a member may be suspended or expelled and the member's salary forfeited only if directed by a two-thirds vote of the member's house. A suspension, expulsion, or forfeiture of salary shall be for the duration specified in the directing resolution. However, it shall not extend beyond the end of the general assembly during which the violation occurred. Violation of a rule relating to lobbyists and lobbying activities may result in censure, reprimand, or other sanctions as determined by a majority of the members of the house in which the violation occurred. However, a lobbyist may be suspended from lobbying activities for the duration provided in the directing resolution only if directed by a two-thirds vote of the house in which the violation occurred.

Sec. 14. NEW SECTION. 68B.10A COMPLAINTS AGAINST STATE OFFICIALS AND EMPLOYEES -- PROCEDURE.

1. Any person may file a complaint with the executive council established in chapter 19 alleging that an official, state employee, or a lobbyist before the executive branch has committed a violation of this chapter. The executive council

shall prescribe and provide forms for this purpose. The complaint shall include the name and address of the complainant and a statement of the facts believed to be true that form the basis of the complaint, including the sources of information and approximate dates of the acts alleged and a certification by the complainant under penalty of perjury that the facts stated to be true are true to the best of the complainant's knowledge.

2. The executive council shall review the complaint to determine if the complaint meets the requirements for formal sufficiency. If the complaint is deficient as to form, the complaint shall be returned to the complainant with a statement of the nature of the deficiency. If the complaint is sufficient as to form, the executive council shall review the complaint to determine whether the complaint states a valid charge which may be investigated. A valid complaint must allege all of the following:

- a. Facts, that if true, establish a violation of a provision of this chapter for which penalties or other remedies are provided.
 - b. That the conduct providing the basis for the complaint occurred within three years of the filing of the complaint.
 - c. That the party charged with a violation is a party subject to the jurisdiction of the executive council.
3. If the executive council determines that the complaint is not valid, the complaint shall be dismissed and returned to the complainant with a notice of dismissal stating the reason or reasons for the dismissal. If the executive council determines that a complaint is valid, the executive council shall request that the chief justice of the supreme court appoint an independent special counsel to investigate the allegations contained in the complaint to determine whether there is probable cause to believe that a violation of this chapter has occurred and whether an evidentiary hearing on the complaint should be held.

4. If a hearing on the complaint is ordered the executive council shall receive all admissible evidence, determine any factual or legal issues presented during the hearing, and make findings of fact based upon evidence received. Hearings shall be conducted in the manner prescribed in section 17A.12. The rules of evidence applicable under section 17A.14 shall also apply in hearings before the executive council. A preponderance of clear and convincing evidence shall be required to support a finding that the official, state employee, or lobbyist before the executive branch has committed a violation of this chapter. Parties to a complaint may, subject to the approval of the executive council, negotiate for settlement of disputes that are before the executive council. Terms of any negotiated settlements shall be publicly recorded. If a complaint is filed or initiated less than ninety days before the election for a state office, for which the person named in the complaint is the incumbent officeholder, the executive council shall, if possible, set the hearing at the earliest available date so as to allow the issue to be resolved before the election. An extension of time for a hearing may be granted when both parties mutually agree on an alternate date for the hearing. The executive council shall make every effort to hear all ethics complaints within three months of the date that the complaints are filed. However, after three months from the date of the filing of the complaint, extensions of time for purposes of preparing for hearing may only be granted by the executive council when the party charged in the complaint with the ethics violation consents to an extension. If the party charged does not consent to an extension, the executive council shall not grant any extensions of time for preparation prior to hearing. All complaints alleging a violation of this chapter, or rules adopted pursuant to this chapter shall be heard within nine months of the filing of the complaint. Final dispositions of violations, which the executive council has found to have been

established by a preponderance of clear and convincing evidence, shall be made within thirty days of the conclusion of the hearing on the complaint.

5. The executive council shall maintain the confidentiality of a complaint unless either the complainant or the alleged violator publicly discloses the existence of a complaint or a preliminary investigation. The executive council, upon such a disclosure by the complainant or the alleged violator, may publicly confirm the existence of the preliminary inquiry and, in the executive council's discretion, make public the complaint and any documents which were issued to either party to the complaint.

6. A complaint which is supported by probable cause may be prosecuted at an executive council hearing by the independent special counsel.

7. Upon a finding by the executive council that the party charged has engaged in an act or practice that violates this chapter, the executive council may impose or request that the agency impose any penalty that is appropriate given the terms and conditions of the official's or employee's office or employment or the activity of the lobbyist. Upon a finding that the party charged has not engaged in an act or practice which violates this chapter or the rules adopted by the executive council, the complaint shall be dismissed and the party charged and the complainant shall be notified.

8. The right of an appropriate county attorney or the attorney general to commence and maintain a district court prosecution for criminal violations of the law is unaffected by any proceedings under this section.

9. The executive council shall by rule pursuant to chapter 17A establish procedures to implement this section.

Sec. 15. NEW SECTION. 68B.10B JUDICIAL REVIEW -- ENFORCEMENT.

Judicial review of the actions of the executive council may be sought in accordance with chapter 17A. Judicial

enforcement of orders of the executive council may be sought in accordance with chapter 17A.

Sec. 16. NEW SECTION. 68B.10C INVESTIGATION BY INDEPENDENT SPECIAL COUNSEL -- PROBABLE CAUSE.

The purpose of an investigation by the independent special counsel is to determine whether there is probable cause to proceed with an adjudicatory hearing on the matter. In conducting investigations and holding hearings, the independent special counsel may require by subpoena the attendance and testimony of witnesses and may subpoena books, papers, records, and any other real evidence relating to the matter before the independent special counsel. The independent special counsel shall have the additional authority provided in section 17A.13. If the independent special counsel determines at any stage in the proceedings that take place prior to hearing that the complaint is without merit, the independent special counsel shall report that determination to the appropriate ethics committee or the executive council and the complaint shall be dismissed and the complainant and the party charged shall be notified. If, after investigation, the independent special counsel determines evidence exists which, if proven, would support a finding of a violation of this chapter, a finding of probable cause shall be made and reported to the ethics committee or executive council, and a hearing shall be ordered by the ethics committee as provided in section 68B.10 or by the executive council as provided in section 68B.10A.

Sec. 17. NEW SECTION. 68B.10D PERSONAL FINANCIAL DISCLOSURE -- PUBLIC OFFICIALS.

1. Except as otherwise provided in this section, each official, member of the general assembly, and candidate for state office shall file a statement of personal financial disclosure in the manner provided in this section that discloses the sources of the person's income and any significant financial interests of the official, member, or candidate in the manner required in this section.

2. For purposes of this section, "disclosure of sources of income" includes disclosure of the nature of each business in which the official, member, or candidate is engaged and the nature of the business of each company in which the official, member, or candidate has an income producing interest. For purposes of this section, "significant financial interests" includes investments in stocks, bonds, bills, notes, mortgages, or other securities offered for sale through recognized financial brokers if greater than five percent of the total outstanding issue of any stocks, bonds, bills, notes, mortgages, or other securities of the offering entity; any in-state or out-of-state business, trade, labor, farm, professional, religious, educational, or charitable association, foundation, or organization which is involved in supporting or opposing any measures brought before the body in which the official, member, or candidate holds office and by which the official, member, or candidate is employed or retained or has rendered services for compensation within the previous twelve months; any office or directorship held during the previous twelve months by the official, member, or candidate in any corporation, firm, enterprise, labor union, farm organization, cooperative, religious, education, or charitable association or organization or trade or professional association.

3. A candidate for state office shall file the statement of personal financial disclosure with the campaign finance disclosure commission concerning the year preceding the year in which the election is to be held. The statement shall be filed no later than thirty days after the date on which the person formally becomes a candidate. Officials shall file the statements at times designated by the executive council. Members of the house of representatives shall file the statements with the chief clerk of the house, and members of the senate shall file the statements with the secretary of the senate, at times designated by the chief clerk and the secretary.

Sec. 18. NEW SECTION. 68B.10E APPLICABILITY -- LOBBYIST REGISTRATION REQUIRED.

1. All lobbyists shall, on or before the day their lobbying activity begins, register by filing a lobbyist's registration statement in the manner provided in this section. Lobbyists engaged in lobbying activities before the general assembly shall file the statement with the chief clerk of the house of representatives or the secretary of the senate. Lobbyists engaged in lobbying activities before the office of the governor or any state agency shall file the statement with the executive council or with the agency before which the lobbyist is engaged in lobbying activities. The chief clerk of the house and the secretary of the senate shall provide appropriate registration forms to lobbyists before the general assembly. The executive council shall prescribe appropriate registration forms for lobbyists before the office of the governor and state agencies. Persons receiving registration statement filings from lobbyists in the office of the governor and state agencies shall forward a copy of the statements to the executive council.

2. Registration shall be valid from the date of registration until the expiration of the registration period for the type of lobbying in which the person will be engaging. Any change in or addition to the information shall be registered within ten days after the change or addition is known to the lobbyist. Changes or additions for executive branch lobbyists may be filed either with the executive council or with the agency or office where the original registration was filed. Changes or additions for registrations of lobbyists of the general assembly shall be filed with either the chief clerk of the house or the secretary of the senate.

3. For persons registered to lobby before the general assembly, registration expires upon the commencement of the next regular session of the general assembly, except that the

chief clerk of the house and the secretary of the senate may adopt and implement a reasonable preregistration procedure in advance of each regular session during which persons may register for that session and the following legislative interim. For persons registered to lobby before the office of the governor or a state agency, registration expires upon the commencement of a new calendar year. The executive council may adopt and implement a reasonable preregistration procedure in advance of each new calendar year during which persons may register for that year.

4. If a lobbyist's service on behalf of a particular employer, client, or cause is concluded prior to the end of the calendar year, the lobbyist may cancel the registration on appropriate forms supplied by the executive council, the chief clerk of the house, or the secretary of the senate. The cancellation forms shall be filed by the lobbyist in the place where the lobbyist filed the original registration. Persons within the executive branch receiving forms canceling a lobbyist's registration shall forward the forms to the executive council. Upon cancellation of registration, a lobbyist is prohibited from engaging in any lobbying activity on behalf of that particular employer, client, or cause until reregistering and complying with the rules of the executive council or the general assembly.

5. All federal, state, and local officials or employees representing the official positions of their departments, commissions, boards, or agencies shall, when lobbying the general assembly, present to the chief clerk of the house or the secretary of the senate a letter of authorization from their department or agency heads prior to the commencement of their lobbying. When lobbying a state agency or the office of the governor, the letter shall be presented to the agency or office. The lobbyist registration statement of these officials and employees shall not be deemed complete until the letter of authorization is attached. Federal, state, and

local officials who wish to lobby in opposition to the official position of their departments, commissions, boards, or agencies must indicate this on their lobbyist registration statements.

Sec. 19. NEW SECTION. 68B.10F LOBBYIST REPORTING.

1. A lobbyist before the general assembly shall file with the campaign finance disclosure commission, on forms prescribed by the commission, a separate report disclosing the following: the lobbyist's clients; all campaign contributions made by the lobbyist during the prior calendar month; and the recipient of the campaign contributions.

2. A lobbyist before a state agency or the office of the governor shall file with the campaign finance disclosure commission, on forms prescribed by the commission, a report disclosing the same items described in subsection 1.

3. The report of contributions, expenditures, and gifts must be filed on a monthly basis on dates to be determined by the campaign finance disclosure commission.

Sec. 20. NEW SECTION. 68B.10G LOBBYIST'S CLIENT REPORTING.

1. No later than January 31 and July 31 of each year, a lobbyist's client shall file with the general assembly or the executive council a report that contains information on all salaries, fees, and retainers paid by the lobbyist's client to the lobbyist for lobbying purposes during the preceding six calendar months. Reports by lobbyists' clients shall be filed with the same entity with which the lobbyist filed the lobbyist's report and registration.

2. The report due January 31 shall include a cumulative total of all lobbying expenditures for the preceding calendar year.

Sec. 21. Section 68B.11, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

68B.11 SUPREME COURT RULES.

The supreme court of this state shall prescribe rules by January 1, 1993, establishing a code of ethics for officials and employees of the judicial department of this state, and the immediate family members of the officials and employees. Rules prescribed shall include provisions relating to the receipt or acceptance of gifts and honoraria, interests in public contracts, services against the state, and financial disclosure which are substantially similar to the requirements of this chapter.

Sec. 22. Section 56.2, subsection 3, Code Supplement 1991, is amended to read as follows:

3. "Candidate" means any individual who has taken affirmative action to seek nomination or election to a public office but and shall exclude also include any judge standing for retention in a judicial election.

Sec. 23. Section 56.2, subsection 11, Code Supplement 1991, is amended to read as follows:

11. "Disclosure report" means a statement of contributions received, expenditures made, and indebtedness incurred on forms prescribed by rules ~~promulgated~~ adopted by the commission in accordance with chapter 17A.

Sec. 24. Section 56.2, subsection 16, Code Supplement 1991, is amended to read as follows:

16. "Public office" means any ~~federal~~ state, county, city, or school office filled by election.

Sec. 25. Section 56.6, subsection 1, paragraph c, Code Supplement 1991, is amended by striking the paragraph.

Sec. 26. NEW SECTION. 56.15A PROHIBITING CONTRIBUTIONS DURING THE LEGISLATIVE SESSION.

A lobbyist or political committee, other than a state statutory political committee, county statutory political committee, or a national political party, shall not contribute to, act as an agent or intermediary for contributions to, or arrange for the making of contributions to the campaign funds of an elected state official, member of the general assembly,

or candidate for public office on the state level on any day during the regular legislative session and, in the case of the governor or a gubernatorial candidate, during the thirty days following the adjournment of a regular legislative session allowed for the signing of bills. This section shall not apply to the receipt of contributions by an elected state official, member of the general assembly, or other state official who has taken affirmative action to seek nomination or election to a federal elective office.

Sec. 27. Section 56.41, subsection 1, Code Supplement 1991, is amended to read as follows:

1. A candidate and the candidate's committee shall use campaign funds only for campaign purposes or constituency services, and shall not use campaign funds for personal expenses.

Sec. 28. Section 56.41, Code Supplement 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 3. The commission shall adopt rules which list items that represent proper campaign expenses.

Sec. 29. Section 56.42, subsections 1, 2, and 5, Code Supplement 1991, are amended to read as follows:

1. In addition to the uses permitted under section 56.41, a candidate's committee may only transfer campaign funds in one or more of the following ways:

- a. Contributions to charitable organizations.
- b. Contributions to national, state, or local political party central committees, ~~or other candidate's committees.~~
- c. Transfers to the treasurer of state for deposit in the general fund of the state.

d. Return of contributions to contributors on a pro rata basis, except that any contributor who contributed five dollars or less may be excluded from the distribution.

2. If an unexpended balance of campaign funds remains when ~~a candidate ceases to be a candidate or the candidate's~~ committee dissolves, the unexpended balance shall be transferred pursuant to subsection 1.

5. A candidate, or candidate's committee, or any other person shall not directly or indirectly receive or transfer campaign funds with the intent of circumventing the requirements of this section. A candidate for statewide or legislative office shall not establish, direct, or maintain a political committee.

Sec. 30. Section 602.1609, Code 1991, is amended to read as follows:

602.1609 COMPLIANCE WITH GPEP ETHICS LAW.

Judicial officers and court employees shall comply with rules adopted prescribed by the supreme court under section 68B with respect to ethical conduct including the reporting acceptance and receipt of gifts received and honoraria, interests in public contracts, services against the state, and financial disclosure. In prescribing rules, the supreme court shall include any appropriate provisions and limitations contained in chapter 68B. Violations are subject to the criminal imposition of criminal and civil penalties in the manner provided in that section by law.

Sec. 31. Section 602.2101, Code 1991, is amended to read as follows:

602.2101 AUTHORITY.

The supreme court may retire, discipline, or remove a judicial officer from office or may discipline or remove an employee of the judicial department for cause as provided in this part.

Sec. 32. Section 602.2103, Code 1991, is amended to read as follows:

602.2103 OPERATION OF COMMISSION.

A quorum of the commission is four members. Only those commission members that are present at commission meetings or hearings may vote. An application by the commission to the supreme court to retire, discipline, or remove a judicial officer, or discipline or remove an employee of the judicial department, or an action by the commission which affects the

final disposition of a complaint, requires the affirmative vote of at least four commission members. Notwithstanding chapter 21 and chapter 22, all records, papers, proceedings, meetings, and hearings of the commission are confidential, but if the commission applies to the supreme court to retire, discipline, or remove a judicial officer, or to discipline or remove an employee of the judicial department, the application and all of the records and papers in that proceeding are public documents.

Sec. 33. Section 602.2104, Code 1991, is amended to read as follows:

602.2104 PROCEDURE BEFORE COMMISSION.

1. Charges before the commission shall be in writing but may be simple and informal. The commission shall investigate each charge as indicated by its gravity. If the charge is groundless, it shall be dismissed by the commission. If the charge appears to be substantiated but does not warrant application to the supreme court, the commission may dispose of it informally by conference with or communication to the judicial officer or employee of the judicial department involved. If the charge appears to be substantiated and if proved would warrant application to the supreme court, notice shall be given to the judicial officer and a hearing shall be held before the commission. The commission may employ investigative personnel, in addition to the executive secretary, as it deems necessary. The commission may also employ or contract for the employment of legal counsel.

2. In case of a hearing before the commission, written notice of the charge and of the time and place of hearing shall be mailed to the a judicial officer or an employee of the judicial department at the officer's person's residence at least twenty days prior to the time set for hearing. Hearing shall be held in the county where the judicial officer or employee of the judicial department resides unless the commission and the judicial officer or employee of the

judicial department agree to a different location. The judicial officer shall continue to perform judicial duties during the pendency of the charge and the employee shall continue to perform the employee's assigned duties, unless otherwise ordered by the commission. The commission has subpoena power on behalf of the state and the judicial officers; and disobedience of employee of the judicial department. Disobedience of the commission's subpoena is punishable as contempt in the district court for the county in which the hearing proceeding is held. The attorney general shall prosecute the charge before the commission on behalf of the state. ~~The~~ A judicial officer or employee of the judicial department may defend and has the right to participate in person and by counsel, to cross-examine, to be confronted by the witnesses, and to present evidence in accordance with the rules of civil procedure. A complete record shall be made of the evidence by a court reporter. In accordance with its findings on the evidence, the commission shall dismiss the charge or make application to the supreme court to retire, discipline, or remove the judicial officer or to discipline or remove an employee of the judicial department.

Sec. 34. Section 602.2106, Code 1991, is amended to read as follows:

602.2106 PROCEDURE BEFORE SUPREME COURT.

1. If the commission submits an application to the supreme court to retire, discipline, or remove a judicial officer or to discipline or remove an employee of the judicial department, the commission shall promptly file in the supreme court a transcript of the hearing before the commission. The statutes and rules relative to proceedings in appeals of equity suits apply.

2. The attorney general shall prosecute the proceedings in the supreme court on behalf of the state, and the judicial officer or employee of the judicial department may defend in person and by counsel.

3. Upon application by the commission, the supreme court may do either any of the following:

a. Retire the judicial officer for permanent physical or mental disability which substantially interferes with the performance of judicial duties.

b. Discipline or remove the judicial officer for persistent failure to perform duties, habitual intemperance, willful misconduct in office, conduct which brings judicial office into disrepute, or substantial violation of the canons of judicial ethics. Discipline may include suspension without pay for a definite period of time not to exceed twelve months.

c. Discipline or remove an employee of the judicial department for conduct which violates the code of ethics prescribed by the supreme court for court employees.

4. If the supreme court finds that the application should be granted in whole or in part, it shall render the decree that it deems appropriate.

Sec. 35. Section 602.2107, Code 1991, is amended to read as follows:

602.2107 CIVIL IMMUNITY.

The making of charges before the commission, the giving of evidence or information before the commission or to an investigator or legal counsel employed by the commission, and the presentation of transcripts, extensions of evidence, briefs, and arguments in the supreme court are privileged in actions for defamation.

Sec. 36. STUDIES.

1. a. The legislative council and the governor shall initiate and organize a joint study relating to ethics and embracing subject matter examined by the reform committee on government ethics and procedures and included in that committee's final report to the general assembly, and other related matters considered during the 1992 regular session of the general assembly, as they apply to officials as defined in chapter 68B and members of the general assembly.

b. In addition to other subject matter, the committee shall examine the issue of whether gifts of food, beverages, travel, and lodging which would otherwise be prohibited may be received by an official or member of the general assembly if such person is officially representing an agency in a delegation whose purpose is to attract new business to locate in the state or to encourage expansion or retention of an existing business in this state. If the committee determines that the receipt of such gifts should be permissible, the committee shall make recommendations concerning whether the person should file reports concerning such gifts, where any such reports should be filed, and whether or not such reports should be confidential.

The committee shall also examine the issue of personal financial disclosure by an official or member of the general assembly, and whether such disclosure should include candidates for the office of an official or member of the general assembly.

c. The membership of the committee shall be appointed as follows:

(1) Four members shall be appointed from the general assembly with two members to be appointed from the senate, one member appointed by the president and one member appointed by the minority leader, and with two members to be appointed from the house of representatives, one member appointed by the speaker and one member appointed by the minority leader.

(2) Two members shall be appointed by the executive council.

(3) Two members shall be appointed by the governor.

d. Each appointing authority shall make the appointments under paragraph "c" pursuant to sections 69.16 and 69.16A.

e. The members of the committee shall receive a per diem as specified in section 7E.6 while conducting business of the committee, and payment of actual and necessary expenses incurred in the performance of their duties.

f. The committee shall make a written report to the general assembly and the governor no later than January 1, 1993, which shall include recommendations for legislation and other matters deemed appropriate by the committee. The general assembly shall take action on the recommendations of the committee no later than May 1, 1993.

2. a. The league of Iowa municipalities, the Iowa state association of counties, and the Iowa association of school boards shall create a joint study related to ethics and embracing all of the following:

(1) Personal financial disclosure of local public officials. The study shall examine and make recommendations concerning the personal finances to be disclosed and the local public officials who should make such disclosures. The committee shall examine whether the disclosure requirement should be applied to candidates for local public office and, if so, where such reports should be filed. The study shall examine whether it is appropriate to exempt certain local public officials from such disclosure requirements and shall identify the reasons for such exemption, which may include, but is not limited to, the population base which the local public official serves.

(2) The establishment of a code of ethics applicable to local public officials, including conflict of interest guidelines.

(3) The procedures and enforcement provisions related to complaints made against local public officials.

(4) Mechanisms to educate local public officials concerning recommendations made which are enacted or adopted, and become applicable to local public officials.

(5) Whether gifts of food, beverages, travel, and lodging which would otherwise be prohibited may be received by a local public official if such person is officially representing a local government agency in a delegation whose purpose is to attract new business to locate in the state or to encourage

expansion or retention of an existing business in this state. If it is determined that the receipt of such gifts would be permissible, the study shall include recommendations concerning whether the person should file reports concerning such gifts, where any such reports should be filed, and whether or not such reports should be confidential.

b. The study shall not include an examination of, or recommendations related to, campaign finance.

c. The study shall develop and recommend model ordinances and statutes for consideration by local governments and the general assembly which would be applicable to local public officials and local public employees. The results and recommendations of the study shall be reported in writing to the general assembly and governor no later than January 1, 1993, and made available to local governments for their consideration. The general assembly shall consider whether legislative action should be taken on any model statutes recommended by the study.

3. The supreme court shall prescribe rules regarding a code of ethics to be applied to judicial officers and court employees. Such rules shall be prescribed and implemented no later than January 1, 1993.

Sec. 37. Notwithstanding section 68B.10, subsection 4, paragraph "a", rules adopted pursuant to that section for the Seventy-fourth General Assembly shall remain in effect until amended or rescinded as a result of action taken as provided in section 36, subsection 1, paragraph "f", of this Act.

Sec. 38. Sections 5 and 7 of this Act shall apply to officials, employees, members of the general assembly, or legislative employees who are employed, hold office, or terminate service or employment on or after July 1, 1992.

Sec. 39. Section 56.10A, Code 1991, is repealed.

Sec. 40. Sections 1 through 4, 6, 8 through 26, and 30 through 35 of this Act take effect January 1, 1993.


Sec. 41. Sections 27, 29, and 30 of this Act, being deemed of immediate importance, take effect upon enactment.

Sec. 42. CODIFICATION. The Code editor shall renumber the sections in chapter 68B, reserving section numbers if appropriate, as the Code editor sees fit.

ROBERT C. ARNOULD
Speaker of the House

MICHAEL E. CROMSTAL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2466, Seventy-fourth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House
Approved  , 1992

TERRY E. BRANSTAD
Governor