

**BEFORE THE IOWA
ETHICS AND CAMPAIGN DISCLOSURE BOARD**
Pursuant to Chapter 17A and Chapter 68B

IN THE MATTER OF:)	
COMMITTEE FOR)	
KAREN BALDERSTON,)	
A candidate's committee,)	
and)	Case No. <u>2004 IECDB 03</u>
KAREN BALDERSTON,)	
Candidate,)	PROPOSED DECISION and ORDER
RESPONDENTS.)	of the PRESIDING OFFICER

Pursuant to Orders previously entered herein this matter has been submitted to the undersigned for further findings in lieu of formal hearing scheduled for January 14, 2005. The letter from the Respondents dated January 10, 2005, and received by the Board on January 12, 2005, has been considered by the undersigned. It is attached hereto and made a part of the record herein. The Presiding Officer makes the following determinations:

ALLEGATION I

The Undersigned Finds That the letter from Respondents regarding Allegation I is the equivalent of an admission that the November 1, 2002 campaign disclosure report in question was indeed filed late. The reduction of the fine from \$200 to \$100 is noted. The undersigned recognizes the sincerity of the Respondents and the difficulties experienced by the Respondents. The Board has already made a concession to the Respondents. The request for waiver is denied. The recommendation of the undersigned is that the Board impose the \$100 penalty.

ALLEGATION II

The undersigned has considered the explanations offered in the Respondents' letter and finds as follows:

a. Parking ticket – Iowa Code §68A.302(2)a states that campaign funds may not be used for “Payment of civil or criminal penalties”. This cannot be found to be a legitimate and permissible expenditure of campaign funds.

b. Allen Motor Company for repairs to vehicle – There is insufficient information to determine the damage which would be related to the campaign as opposed to personal use. This cannot be found to be a legitimate and permissible expenditure of campaign funds.

c. Mulholland Healing Center - There is insufficient information to determine the treatment provided would be related to the campaign. This cannot be found to be a legitimate and permissible expenditure of campaign funds.

d. Janet Sullivan (No relation to the undersigned) for reimbursement to John's Lock and Key to unlock car - This is a legitimate and permissible expenditure of campaign funds.

e. (i) Reimbursement to the candidate of \$672.29 - There is insufficient information to determine whether these funds all were campaign related. The undersigned recognizes that some of the \$672.29 was likely related to the campaign. The undersigned also appreciates the efforts made by Respondents to determine the details of this expenditure. However, the failure to show that all these funds were related to the campaign indicates a failure to keep proper records at the time of the expenditures. This, therefore, cannot be found to be a legitimate and permissible expenditure of campaign funds.

(ii) Reimbursement to the candidate of \$1,591.88 – The letter from the Respondents indicates that this entire amount was for postage charges to send campaign material. Board's Legal Counsel cannot present evidence to the contrary. This, therefore, is found to be a legitimate and permissible expenditure of campaign funds.

The financial position of the Respondents, as disclosed by the January 10, 2005 letter, is noted. The recommendation of the undersigned is that the Board issue a reprimand to the Respondents for improper campaign expenditures made under subparagraphs a, b, c, and e (i) above.

ALLEGATION III

The undersigned is advised that the Respondents are working with the Board in an attempt to resolve the alleged improper campaign disclosures set forth in Allegation III. The undersigned withholds any findings on this Allegation until the Board's Legal Counsel is able to indicate which of the allegations are still at issue. At that time the matter can proceed to hearing before the undersigned, be dismissed, or set for a determination by the Board as a whole at a regularly scheduled meeting.

POST DECISION PROCEDURE

Pursuant to rule 351—11.26, within 14 days of the issuance of this proposed order either party may serve a statement of exceptions including supporting arguments by delivering the original and 5 copies to the Board's office and by serving a copy to the opposing party. With the filing of exceptions, either party may also request an oral argument before the Board. After the Board reviews this proposed decision and any filed exceptions, it will enter a final order. Pursuant to rule 351—11.27, either party may file an application for rehearing from that final order.

IT IS SO ORDERED.

Dated this 14th day of January, 2005.

By 
Gerald T. Sullivan, Presiding Officer