

# IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD

An Independent Agency of the Executive Branch

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**BOARD MEMBERS:**

James Albert, Chair  
Janet Carl, Vice Chair  
Gerald Sullivan  
Betsy Roe  
John Walsh  
Patricia Harper

IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD  
MINUTES  
DECEMBER 1, 2005  
OPEN SESSION

HELD AT: Jessie Parker Building, 510 East 12<sup>th</sup>, Des Moines, Iowa

BOARD MEMBERS PRESENT: Jim Albert, Janet Carl, Gerald Sullivan, John Walsh, Betsy Roe, Pat Harper

STAFF PRESENT: W. Charles Smithson, Sandy Reier

1. CALL TO ORDER - The meeting was called to order by Chair Albert at 12:08 p.m. with Sullivan, Walsh, Harper, Albert present and Roe present by phone.
2. APPROVAL OF MINUTES FROM SEPTEMBER 29, 2005 MEETING – It was moved by Harper, and seconded by Sullivan that the minutes of the September 29, 2005 meeting be approved as written. Motion carried.
3. ADJOURNMENT TO EXECUTIVE SESSION – At 12:09 p.m. it was moved by Harper and seconded by Sullivan that in accordance with the provisions of Iowa Code section 21.5, the Board go into executive session to discuss complaints, investigations, and personnel matters. Albert, Sullivan, Walsh, Roe, and Harper voted yes in roll call vote.

Carl arrived at 12:11 p.m.

The meeting returned to Open Session at 1:48 p.m. and recessed. The meeting reconvened at 2:04 p.m.

ACTION FROM EXECUTIVE SESSION – It was moved by Walsh and seconded by Harper that the written record of executive session action be made a part of the open record. Motion carried unanimously.

The following executive session action was taken.

It was moved by Walsh and seconded by Sullivan that a Letter of Reprimand be issued to the following for the use of school resources for a political purpose and that the Sheldon Community School District be required to send another email acknowledging a violation occurred. Motion carried unanimously.

Sam Graeve, Manning School  
Sheldon Community School District Self-Reported Violation

Dick Murphy – It was moved by Sullivan and seconded by Harper that a Letter of Reprimand be issued for the committee's acceptance of two corporate contributions. Motion carried unanimously.

Soil Conservation Districts – It was moved by Roe and seconded by Harper that the investigation into whether a conflict of interest exists be closed with a finding of no violation of a statute or rule under the Board's jurisdiction, that the Department of Agriculture be notified of the findings of the investigation, and that the matter be referred to the appropriate county attorneys under 68B.26 and to the Government Oversight Committee. Motion carried unanimously.

Denny Presnall – It was moved by Carl and seconded by Sullivan to close the investigation with a finding of no probable cause to believe that a violation of a statute or rule under the Board's jurisdiction occurred

and to notify the complainants that the Board has no jurisdiction to investigate Ankeny School Board policies concerning use of email. Motion carried unanimously.

Pat McManus/Rock in Prevention – It was moved by Harper and seconded by Walsh that a letter of admonishment be issued to exercise care in the future to register as a lobbyist before lobbying. Motion carried unanimously.

Webster County Citizens for New Jobs – The complaint concerned reporting of payments to consultants but political committees were not required to file Schedule G at the time of the election. It was moved by Roe and seconded by Walsh that the investigation be closed with a finding of no probable cause to believe that a violation of a statute or rule under the Board's jurisdiction occurred. Motion carried unanimously.

It was moved by Sullivan and seconded by Walsh that the following action be taken. Motion carried unanimously.

International Ladies' Garment Workers' Union – Letter of Reprimand for failure to file a Verified Statement Registration.

Benn for Supervisor - Letter of Reprimand for failing to file a complete and accurate disclosure report and a DR-3 within 30 days of closing the committee.

Maggie Stewart for Supervisor – Letter of Reprimand for failure to file an amended Statement of Organization within 30 days and direct staff to administratively amend the Statement of Organization to reflect the current address.

Ron Longmuir for State Senate Committee – Letter of Reprimand for failing to file a true and accurate report.

Pawsitive 4 Children – Assess the appropriate civil penalties, issue a Letter of Reprimand and administratively dissolve the committee.

Christopher Jorgensen – Assess the appropriate civil penalties, issue a Letter of Reprimand and administratively dissolve the committee.

Torgerson for Supervisor – Assess the appropriate civil penalty, issue a Letter of Reprimand and administratively dissolve the committee.

Gates for Mayor – Assess the appropriate civil penalty, issue a Letter of Reprimand and administratively dissolve the committee.

Jason Geary for City Council – Assess the appropriate civil penalty, issue a Letter of Reprimand and administratively dissolve the committee.

It was moved by Walsh and seconded by Sullivan that the following be deferred. Motion carried unanimously.

- A. John Narcisse/Iowa Bystander
- B. John Narcisse/Iowa Bystander Emails
- C. Nan Stillians Postcard

It was moved by Sullivan and seconded by Carl that for the following two agenda items letters be sent to the editor of a local newspaper explaining the Board was unable to determine the author of the flyers without attribution statements and that action be deferred until the statute of limitations runs out or additional information is provided. Motion carried unanimously.

Mark Davenport  
Bob Lacy

Bill Billings/Ted Schoonover – It was moved by Walsh and seconded by Sullivan to investigate whether candidate Ted Schoonover crossed the \$750 threshold for reporting. Motion carried unanimously.

Mike Ottens – It was moved by Sullivan and seconded by Walsh to investigate whether the \$750 threshold for reporting was crossed. Motion carried unanimously.

John Mardis – It was moved by Walsh and seconded by Harper that a letter to the editor of a local newspaper be sent explaining the Board was unable to determine the author of a mailer advocating against John Mardis that did not contain an attribution statement and that action be deferred until the statute of limitations runs out or additional information is provided. Motion carried unanimously.

Friends of Slater Public Library – It was moved by Roe and seconded by Walsh to investigate the alleged use of public resources to endorse three candidates. Motion carried unanimously.

Richard Knowles/Michael Mundt – It was moved by Walsh and seconded by Harper to decline to investigate contents of the Mundt letter as there are no truth in political advertising laws in Iowa but that a correction ad be required for no attribution statement on the letter. Walsh, Harper, Roe, Carl and Albert voted yes. Sullivan abstained. Motion carried.

Panora Chamber/Pride Candidate Forum – It was moved by Walsh and seconded by Harper to investigate whether corporate funds were used to benefit male candidates when the female candidates were not invited to a candidate debate. Motion carried unanimously.

Ron Cleveland/The Daily Nonpareil – It was moved by Walsh and seconded by Carl to decline to investigate use of corporate funds for a political purpose as the prohibition on corporations involved in candidate elections exempts the press. Motion carried unanimously.

City of Sibley – It was moved by Sullivan and seconded by Harper to investigate the use of city resources for a political purpose. Motion carried unanimously.

Bettendorf Health Care Center – It was moved by Rose and seconded by Walsh to investigate the use of corporate property and that staff resolve the no attribution statement issue. Motion carried unanimously.

Scott Kilbride – It was moved by Walsh and seconded by Sullivan to investigate whether this individual campaigned within 300 feet of a polling place. Motion carried unanimously.

James Humpton/Larry Delong – It was moved by Sullivan and seconded by Harper to decline to investigate a county supervisor's alleged conflict of interest and an open meetings law violation as the issues are not under our jurisdiction and refer to the proper authorities. Motion carried unanimously.

Hartley City Ambulance Team – It was moved by Walsh and seconded by Carl to investigate the alleged use of city resources for a political purpose. Motion carried unanimously.

Macedonia Mayoral Flyer – It was moved by Roe and seconded by Carl to investigate the alleged use of governmental resources for political purposes and an attribution statement violation but decline to investigate an alleged defamation of character issue as Iowa does not have a truth in political advertising law. Motion carried unanimously.

Eric Nielsen/Central Bank – It was moved by Carl and seconded by Walsh to investigate the possible use of corporate resources in the Nielsen campaign. Motion carried unanimously.

Mark Wandro – It was moved by Sullivan and seconded by Harper to defer investigation and direct Counsel to review newspaper articles and citizen complaints, research the ethics laws and rules, and provide the Board with a memorandum as to whether there may be a violation of any current law or rule under the board's jurisdiction. Motion carried unanimously.

Clarinda Candidates – It was moved by Walsh and seconded by Harper to investigate whether the threshold for reporting was crossed and reports should have been filed by candidates Geary Kendall and Ken Card. Motion carried unanimously.

Dallas County Democrats – A formal complaint was filed regarding political advertisement without a proper attribution statement. The complaint was ruled legally sufficient by Counsel. It was moved by Carl and seconded by Walsh that the Board finds the complaint legally sufficient and that the complaint be investigated. If the investigation determines the ad was paid for by the Dallas County Democrats, require a correction ad. Motion carried unanimously.

Project Taxpayer Protection Campaign – It was moved by Walsh and seconded by Harper to investigate whether in-kind contributions were accurately reported. Motion carried unanimously.

BPI, Inc. – It was moved by Carl and seconded by Walsh that a Letter of Reprimand be issued for use of the name and address of the corporation in a candidate's campaign with instructions that a notice be published explaining their inappropriate use of corporate resources. Motion carried unanimously.

Chris King/Grow Greater Burlington – It was moved by Walsh and seconded by Harper to investigate the alleged use of corporate resources to advocate for three candidates. Motion carried unanimously.

Chris King/Burlington Derailed.com – It was moved by Roe and seconded by Sullivan to defer investigation and direct counsel to provide a memorandum concerning legal issues involved, including any recent federal rulings and what other states do in applying the campaign laws to blogs. Motion carried unanimously.

Perry Murphy/Sioux City Mailing – It was moved by Carl and seconded by Harper to investigate a survey sent by the city that allegedly contained express advocacy. Motion carried unanimously.

Iowa Competitiveness Telecommunications Coalition – It was moved by Walsh and seconded by Harper to investigate whether the threshold for reporting was crossed and reports should have been filed. Motion carried unanimously.

Waukee Elections – It was moved by Harper and seconded by Roe to investigate the alleged use of public resources and defer referral of the duress/coercion allegation until the investigation is complete. Motion carried unanimously.

Denison City Council – It was moved by Carl and seconded by Roe that staff resolve the attribution statement violation and to investigate the alleged misuse of church and politics and a newspaper advertisement. Motion carried unanimously.

Concerned Citizens for Better Education – It was moved by Walsh and seconded by Harper that a letter of admonishment be issued for failing to file a timely amended Statement of Organization, and decline to investigate dishonest campaigning as that does not violate a campaign finance law. Motion carried unanimously.

Paula Pearson – It was moved by Sullivan and seconded by Walsh to decline to investigate based on a previous identical investigation that had a finding of no probable cause to believe that a violation of a statute or rule under the Board's jurisdiction occurred. The Board does not have jurisdiction to investigate school policies concerning use of email. Motion carried unanimously.

NevadaCare PAC – It was moved by Roe and seconded by Walsh to investigate whether the PAC is filing reports in Nevada or if they should have registered and filed complete reports in Iowa. Motion carried unanimously.

Donald Zeller – It was moved by Walsh and seconded by Harper to investigate whether all campaign activity has been reported. Motion carried unanimously.

Iowa Valley Community College Brochure – It was moved by Carl and seconded by Sullivan to decline to investigate a brochure since it did not contain express advocacy. Motion carried unanimously.

Concerned Citizens of Dallas County Congratulations Ad – It was moved by Sullivan and seconded by Harper to decline to investigate an ad congratulating the winners of the Waukee city elections since it does not advocate an election. Motion carried unanimously.

Request for Appeal from Vicky Salow – A request for hearing for a conditional consent for sale from an employee of the Department of Agriculture was received. It was moved by Roe and seconded by Carl to set the matter for contested case hearing and appoint a presiding officer. Motion carried. The presiding officer will be named at a later date.

Terry Phillips – It was moved by Sullivan and seconded by Harper to rescind the contested case, direct staff to resolve outstanding issues, and bring the matter back to the Board when it is resolved. Motion carried unanimously.

Kathleen Hoffmann Senate Committee – It was moved by Carl and seconded by Sullivan to collect outstanding penalties, administratively dissolve the committee, and issue a Letter of Reprimand for failure to file true and accurate disclosure reports by not disclosing debts accurately. Motion carried unanimously.

4. PROPOSED ADVISORY OPINIONS

A. Campaign Signs on Insurance Company Property when Owned as Franchise – It was moved by Roe and seconded by Sullivan that the proposed opinion be adopted. Motion carried unanimously.

B. Restriction on Lobbying After Leaving State Government – It was moved by Carl and seconded by Harper to adopt the proposed opinion. Motion carried unanimously.

C. Lobbyists/PACs Making Contributions During Session/Contested Primary – It was moved by Harper and seconded by Walsh to adopt the proposed opinion after inclusion of “during a primary election” in the end of the last sentence of the first paragraph on page 2. Motion carried unanimously.

D. Iowa Access Advisory Council/Vertical Infrastructure Advisory Committee/Section 8.7 – It was moved by Walsh and seconded by Harper to adopt the opinion as written. Motion carried unanimously. Rulemaking may be needed to define a grant.

5. ADMINISTRATIVE ACTION

A. Iowa Respite & Crisis Care Coalition – It was moved by Carl and seconded by Walsh to approve the request for hearing to appeal the Board’s denial of a civil penalty waiver request. Motion carried unanimously. Albert will be presiding officer.

B. Democracy for America/Jeanie Murray – It was moved by Carl and seconded by Walsh that a Statement of Charges be filed and the matter set for hearing for failure to file multiple Verified Statement Registrations. Carl, Walsh, Roe, Harper, and Albert voted yes. Sullivan abstained. Motion carried. Sullivan will be presiding officer.

6. POLICY DECISIONS FOR THE BOARD TO MAKE

A. Filing of Form DR-OTC – It was moved by Walsh and seconded by Harper that each ballot issue be treated as a separate election and allow permanent organizations to file one OTC form for each election. Motion carried unanimously.

B. Candidate/Ballot Issue Mailing – It was moved by Carl and seconded by Sullivan that Counsel be directed to prepare an advisory opinion that would allow mailings paid for by a candidate’s committee that advocate for the candidate and for or against a ballot issue that is not done in coordination with a ballot issue committee. Motion carried unanimously.

C. Filing of Campaign Reports Prior to DR1 Filed – It was moved by Carl and seconded by Sullivan that an organization is considered a committee when the \$750 threshold has been crossed and if that date is on or before the cutoff date for reporting, a report is required even though a Statement of Organization is not required for ten days from the date the threshold has been crossed, that staff be directed to change their procedure, and that rulemaking concerning the issue be considered at the next meeting. Motion carried unanimously.

6. BOARD RULES

A. Opinions in Rules - Received for information; no action was taken.

B. Surcharge on Civil Penalties – This agenda item was deferred to the next meeting.

C. Rules under Notice – It was moved by Sullivan and seconded by Walsh to approve for Notice of Intended Action the following three proposed rules with a change in (3) to include a clause under 6.11 that 68B.4 and this rule are the sole legal authority for an agency to use to make a decision. Motion carried unanimously.

1. Permitted procedure for attribution statement violation.

2. Allows filing of form DR-SFA rather than a voluntary Statement of Organization in order to use a shorter attribution statement.

3. Reflects Legislation requiring rules for officials and employees of a regulatory agency to sell goods or services to individuals, associations, and corporations subject to the regulatory authority of the official's or employee's agency.

D. Rules for Adoption – It was moved by Carl and seconded by Walsh that the following rules be adopted. Motion carried unanimously.

1. Placement of campaign signs on corporation property.

2. Amends rules on advisory opinions to reflect statutory changes.

3. Adds debit and credit cards to ways a committee can transact campaign business.

4. Repeals session reception report.

8. REQUESTS FOR WAIVER OF CIVIL PENALTIES – Other agencies will be contacted to determine their criteria when a civil penalty is waived.

Campaign Committees (Rule 351 IAC 4.60)

A. Statewide Committees

1. Hy-Vee, Inc. Employees PAC – It was moved by Walsh and seconded by Roe to uphold the civil penalty assessed for a late-filed July 19, 2005 report. Motion carried unanimously.

2. United Barber Schools PAC – It was moved by Sullivan and seconded by Walsh that the \$500 in civil penalties for late-filed January 19, 2005 and July 19, 2005 reports be reduced to \$280.85. After discussion, this motion was withdrawn.

It was moved by Roe and seconded by Harper that the civil penalties be waived. Roe, Harper, and Albert voted yes. Sullivan, Walsh, and Carl voted no. Motion did not pass.

It was moved by Walsh and seconded by Sullivan that the civil penalties be reduced to \$100. Walsh, Sullivan, Carl, and Harper voted yes. Roe and Albert voted no. Motion carried.

B. County/Local Committees

1. Citizens for Common Sense Solutions (multiple counties) – It was moved by Walsh and seconded by Sullivan that the civil penalty assessed for a late-filed November 3, 2005 report be waived and a letter of admonishment issued. Motion carried unanimously.

2. Opportunity Hudson, Inc. (Black Hawk) – It was moved by Carl and seconded by Sullivan that the civil penalty assessed for a late-filed November 3, 2005 report be upheld. Motion carried unanimously.

3. Committee to Elect Dan Vance (Scott) -- It was moved by Sullivan and seconded by Roe that the civil penalty assessed for a late-filed October 6, 2005 report be waived. Motion carried unanimously.

4. Getter for City Council Committee (Polk) – It was moved by Sullivan and seconded by Harper that the civil penalty assessed for a late-filed November 3, 2005 report be waived. Motion carried unanimously.

9. VIOLATIONS

A. Attribution Statement Violations (Iowa Code section 68A.405) – It was moved by Walsh and seconded by Carl to accept the correction advertisement information received from the following. Motion carried unanimously.

1. Marjie Foster and Steve McElroy (Decatur)
2. Deb Hummel and Vern Reiher (
3. Sue Cannon (Scott)
4. Joni Dittmer (Scott)
5. Kenny Stultz (Linn)
6. High School Now Committee (Buchanan)
7. Russ Trimble (Polk)
8. Ron Foreman (Jasper)
9. Neighbors to Re-Elect Loretta Sieman (Polk)
10. People for Randolph
11. Committee to Elect Dave Ferris
12. Betty Millard (Mills)
13. Nancy Prien (Mills)
14. Jeff Carper (Mills)
15. Dennis Hill (Linn)
16. Kevin Dyrland (Linn)

B. Late-Filed Statement of Organization (Iowa Code section 68A.201) – It was moved by Walsh and seconded by Harper that letters of admonishment be sent to the following for late-filed Statements of Organization. Motion carried unanimously.

1. Knupp for Mayor (Webster)
2. Stanley Olsen School Board (Wright)
3. Grahek for School Board (Mahaska)
4. Sioux County Democratic Central Committee
5. Elect Hari Shankar (Black Hawk)
6. Kolpek for Council (Black Hawk)
7. Bob Meyers for City Council (Wapello)
8. Committee to Elect James A. Haigh (Woodbury)

C. Late-Filed Lobbyist Registration (Iowa Code section 68B.36) – It was moved by Walsh and seconded by Harper that a letter of admonishment be sent to the following for a late-filed lobbyist registration. Motion carried unanimously.

1. Dennis Murdock

10. ITEMS OF BOARD INTEREST NOT NEEDING ACTION – The following report was received for information. No action was taken.

- A. Income Tax Checkoff Report

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The meeting adjourned at 3:10 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "S. Reier".

Sandra Reier  
Secretary