

GUIDE FOR LOCAL BALLOT ISSUE COMMITTEES

Revised 7/15

See chapter 68A and the Board's rules in 351-chapter 4 for guidance

WHO MUST FILE?

1. Any group of citizens or an entity that takes a position on a question placed before the voters (either to advocate for or against) AND exceeds \$1000 of financial activity in accepting contributions, making expenditures, or incurring debts. See also brochure on independent expenditures.
2. **VERY IMPORTANT!** Any permanent organization (including corporations and other businesses) that contributes to your ballot issue committee will ALSO have filing requirements if it contributes more than \$1000. Be sure to inform your contributors and help them with the simple filing required. Monetary civil penalties apply for late reports. These provisions apply to in-kind as well as monetary contributions.

GUIDELINES FOR FRANCHISE ELECTION COMMITTEES

The Disclosure Summary Page must show all financial activity, with supporting schedules attached. All expenditures of \$5 and over must be itemized by date, name, complete address and purpose of the expenditure. Expenditures under \$5 (if any) must be shown as unitemized and included in the total. These entries must be shown on Schedule B. Offsetting funds from the parent entity must be shown on Schedule A-Contributions.

The entry might be:

10/12/02 XYZ Power Company \$1000
(General Operating Funds)
123 State Street
Anytown, Iowa

If any goods or services are donated by the parent entity (such as printing, postage, etc.) they must be reported on Schedule E, In-kind Contributions, along with their estimated or actual fair market values. Such entries might be:

10/10/02 XYZ Power Company \$130 Estimated
Printing of 2,000 letters

10/11/02 XYZ Power Company \$340 Actual
Postage Meter

ARE THE COSTS OF THE ELECTION REPORTABLE ON THE DISCLOSURE FORMS?

No. Although the entity may be required to pay the county auditor for the costs of the franchise election, this expense is not considered to be advocating an affirmative vote and is not required to be reported. Therefore, if election costs are the only costs encountered, disclosure reports will not be required.

WHERE ARE REPORTS FILED?

Reports are filed with the Ethics Board. Effective July 1, 2015 they must be filed via the Web Reporting System by 4:30 pm of the due date.

IS A SEPARATE BANK ACCOUNT REQUIRED?

YES, if you are a group that will obtain all or any part of its funds for the ballot issue effort from the direct contributions of individuals or other organizations. You must disclose the contact information for the financial institution where your funds are held. You are required to deposit money received within seven days of receipt.

NO, if you are either an ongoing organization (like a chamber of commerce) or a permanent organization making short-term contributions that will use ONLY existing general operating funds to support your activities, and will NOT be soliciting or receiving funds for the ballot issue effort from other individuals or groups.

WHEN ARE REPORTS DUE?

After qualifying as a committee by exceeding the \$1000 threshold or taking a position on a question placed before the voters, a Statement of Organization (DR-1) must be filed within ten days.

The disclosure reports are due 5 days before the election (contains information through five days prior to the due date) and on the 19th days of May, July, October, and the following January (which contains information through December 31).

Committees must also file reports on the 19th day of January of each year in which the issue does not appear on the ballot until the committee dissolves.

A committee is subject to civil penalties for failure to file timely reports.

WHAT MUST BE REPORTED?

1. All contributions received must be reported on Schedule A, itemizing each in excess of \$25 in a calendar year by date, name, and complete address. Contributions of \$25 and under may be combined and shown as unitemized contributions (so long as any individual contributor does not exceed \$25 in the calendar year). Contributions must be listed alphabetically or chronologically.
2. All expenditures must be shown on Schedule B, itemizing \$5 and over by date, name, complete address, and specific purpose of expenditure. (Under \$5 may be combined and shown as unitemized.) Expenditures must be listed chronologically.
3. Debts outstanding must be reported on Schedule D-Incurred Debts.
4. Contributions of goods or services donated or paid for by others (in-kind) must be itemized on Schedule E by date, name, complete address, description of item, and its estimated fair market value, if the value exceeds \$25. Under \$25 may be combined without itemization.
5. If loans are made to a committee, they must be reported on Schedule F.
6. All transactions related to consultant activity are required to be disclosed on Schedule G.

OTHER IMPORTANT ITEMS

1. Corporate contributions to ballot issue committees ARE permitted (they are not permitted for other types of committees).
2. Anonymous contributions in excess of \$25 are prohibited.
3. Contributions in the name of another are prohibited. The original source of the contribution must be disclosed.
4. Public funds, property, or equipment may not be used to advocate for or against a ballot issue.

POLITICAL MATERIAL ATTRIBUTION REQUIREMENTS

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PENALTIES FOR LATE FILINGS

Civil penalties are assessed for the late filings of disclosure reports. Penalties range from \$20 to \$200. Late-filed reports are also subject to possible civil and criminal penalties.

WHEN DOES REPORTING CEASE?

When the activities are over, with all bills paid, all loans paid or forgiven, and the committee's cash balance reduced to zero. Then the committee dissolves by filing a final report and a Statement of Dissolution (DR-3).

WHERE ARE FORMS AND OTHER INFORMATION OBTAINED?

Most Ballot Issue Committee are required to file electronically via the Board's Web Reporting System. Forms are available for download on the Board's Web site or at the Board's office.

RETENTION OF RECORDS

All committee records must be retained a minimum of 3 years following dissolution or 5 years after the period covered by the report, whichever is shorter.

DISCLAIMER

This brochure is intended for general guidance and is not a restatement of the law or rules and is not legal advice. Please review Iowa Code chapter 68A and the Board's rules in chapter 351 of the Iowa Administrative Code or contact the Board when questions arise.

FOR MORE INFORMATION CONTACT THE BOARD:

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