

## Advisory Opinion

IECDB AO 2002-02

January 24, 2002

Jeffrey R. Boeyink, Trustee American Freedom Trust  
303 Wood Creek Lane  
Muscatine, Iowa 52761

Cloyd E. Robinson, Trustee  
Trust for Taxpayer Defense  
404 Cherry Hill Road SW  
Cedar Rapids, Iowa 52404

Anthony T. Berardi, Trustee  
Iowa Public Interest Trust  
3201 SW 39th Street  
Des Moines, Iowa 50321

Dear Gentlemen:

This opinion is in response to your letters of December 3, 2001, December 4, 2001, and December 6, 2001, in which you request an opinion from the Iowa Ethics and Campaign Disclosure Board. We note at the outset that the Board's jurisdiction is limited to the application of Iowa Code chapters 56 and 68B and rules in Iowa Administrative Code chapter 351.

### FACTUAL STATEMENT:

We understand you request this opinion in your capacities as trustees for trusts that are interested in making campaign contributing in excess of \$500. You are seeking guidance on the specific procedures involved in making such contributions as far as campaign reporting.

### QUESTION:

What are the specific procedures for a trust that makes contributions in excess of \$500?

### OPINION:

We first note that although you requested a Board opinion in separate letters, the Board is consolidating its response into one opinion as the requests encompassed identical issues.

If the trust is going to make a one-time contribution in excess of \$500, then it would fall under the provisions of Iowa Code section 56.6(6) as a "permanent organization temporarily engaging in activity which would qualify it as a political committee". The trust would be required to file a DR-1 organizing a committee (Iowa Code section 56.5), and would also file a disclosure report pursuant to Iowa Code section 56.6(3). The report would disclose the transfer of money from the trust into a campaign account (Schedule A). The trust would also disclose the recipient of the campaign contribution made by the trust's campaign account (Schedule B). The trust would then file a DR-3 dissolving the committee.

If the trust plans on making more than one contribution, it would become a "political committee" under Iowa Code section 56.2(18).<sup>1</sup> It would file a DR-1 and then continue to file disclosure reports showing money coming into the committee from the trust and expenditures made to campaigns. When the trust, through its committee, ceased to make contributions it would file the DR-3 and end all reporting responsibilities.

In closing, we draw your attention to Iowa Code section 56.12 and rule 351 IAC 4.48 that prohibit the giving of a contribution in the name of another. If someone were to give money to the trust with the intention that the trust would then use it to make a campaign contribution, the name of the original donor would have to be disclosed on both the trust's campaign reports and the recipient committee's reports. Also, we draw your attention to Iowa Code section 56.15 that prohibits the use of corporate money to advocate for or against candidates.

#### BY DIRECTION AND VOTE OF THE BOARD

James Albert, Board Chair  
1st Vice-Chair Geraldine Leinen  
2nd Vice-Chair Gwen Boeke  
Mark McCormick  
Bernie McKinley  
Phyllis Peters

Submitted by: W. Charles Smithson, Board Legal Counsel

---

<sup>1</sup> See IECDB Advisory Opinion 2002-12 that discusses this definition in more detail.