

Red Tape Review Rule Report

(Due: September 1, 2025)

Department Name:	Iowa Ethics and Campaign Disclosure Board	Date:	March 20, 2025	Total Rule Count:	Start: 21 End: 19
IAC #:	351—7.1 through 351—7.9(2)	Chapter/ SubChapter / Rule(s):	Chapter 351 Subchapter 7	Iowa Code Section Authorizing Rule:	68B.32A
Contact Name:	Kimberly Murphy	Email:	kim.murphy2@iowa.gov	Phone:	515-423-4112

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

Subchapter 7 is intended to provide clarity to executive branch employees on required personal financial disclosures.

Is the benefit being achieved? Please provide evidence.

The benefit is being achieved by the rules offered for re-promulgation, as they have been cited by the Board and used for administrative guidance on many occasions.

What are the costs incurred by the public to comply with the rule?

The public does not incur costs to comply with any of the rules in Subchapter 7.

What are the costs to the agency or any other agency to implement/enforce the rule?

All costs to implement Subchapter 7 are in the normal course of agency business.

Do the costs justify the benefits achieved? Please explain.

As noted, there are no additional costs; nominal costs incurred ensure executive branch government transparency and accountability.

Are there less restrictive alternatives to accomplish the benefit? ☐ YES ☒ NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

Aside from the elimination of obsolete, outdated, inconsistent, redundant, or unnecessary language (as noted below), the rules as offered for re-promulgation are the least restrictive way to offer guidance.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

1. Throughout: spelling out “personal financial disclosure” provides clarity over “Form PFD” and maintains consistency if the form name changes in our web reporting system.
2. 7.1(2) removes reference to an outdated website and clarifies the filing timeframe.
3. 7.1(4) removes redundant language regarding filing.
4. 7.2(1) removes an unnecessary definition.
5. 7.3(1) removes an unnecessary Iowa Code reference.
6. 7.3(2) removes an unnecessary Iowa Code reference.
7. 7.3(5) removes redundant language on where personal financial disclosures should be filed.

8. 7.5(1) increases penalty amounts.
9. 7.5(2) removes unnecessary language on contested case proceedings.
10. 7.6 removes outdated language on waivers of civil penalties.
11. 7.8 removes outdated language regarding where to remit penalty payments.

RULES PROPOSED FOR REPEAL (list rule number[s]):

7.1(4), 7.3(5)

RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):

Attached with suggested changes.

***For rules being re-promulgated with changes, you may attach a document with suggested changes.**

METRICS

Total number of rules repealed:	2
Proposed word count reduction after repeal and/or re-promulgation	-220
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	-39

ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?

With regard to subchapter 7, there are no additional changes recommended for codification.

CHAPTER 7
PERSONAL FINANCIAL DISCLOSURE

351—7.1(68B) Filing requirements and procedures.

7.1(1) ~~Period covered~~Time of filing. All persons who are required to file a personal financial disclosure ~~statement (Form PFD)~~ with the board pursuant to Iowa Code section 68B.35(2) ~~shall will~~ file the statements with the board ~~no later than~~ on or before April 30 of each year following a year during which the person holds a designated position, without regard to the length of time the position was occupied by the person. A person who held a designated position who ~~left~~leaves that position or state employment ~~shall will~~ have a continuing obligation to file the statement for any year or portion of a year in which the position was held prior to termination.

7.1(2) Place ~~and timing~~ of filing. A personal financial disclosure ~~Form PFD~~ ~~shall will~~ be filed with the board electronically ~~no later than 11:59 p.m. on the due date. If the due date falls on a weekend or holiday, the deadline will be extended to the next day the board's office is open, using the board's Web site at www.iowa.gov/ethics.~~

7.1(3) Persons holding more than one designated position. A person who is required to file a personal financial disclosure ~~statement~~ for more than one position ~~shall will~~ be required to file only one statement for the reporting year. A member of the general assembly who files a form with the secretary of the senate or the chief clerk of the house ~~shall will~~ not be required to file the form with the board for any designated position held in the executive branch.

7.1(4) ~~Electronic receipt.~~ ~~The board must receive electronically a filed Form PFD by 11:59 p.m. on April 30 of each year. If the due date falls on a weekend or holiday, the filing deadline shall be extended to the first working day following the deadline.~~

7.1(5) Period covered. Information ~~shall will~~ be filed on a ~~personal financial disclosure~~ ~~Form PFD~~ as designated by the board and ~~shall will~~ cover the ~~previous~~ calendar year ~~immediately preceding the year due~~. However, a statement filed by a person who has left a designated position during the course of a year need only contain information covering the portion of that year that has elapsed prior to the person's leaving the position.

7.1(6) ~~Public record.~~ ~~Rescinded IAB 9/15/04, effective 10/20/04.~~

This rule is intended to implement Iowa Code sections 68B.32A(5), 68B.35 and 68B.35A.

351—7.2(68B) Information disclosed on form.

7.2(1) Definitions. For the purpose of completing a ~~personal financial disclosure~~ ~~Form PFD~~, "income sources" includes those sources which are held ~~solely or~~ jointly with one or more persons and which in total generate more than \$1,000 of income. ~~"Jointly" means that the ownership of the income source is undivided among the owners and that all owners have one and the same interest in an undivided possession, each with full rights of use and enjoyment of the total income. Sources of income that~~

~~are co-owned but with ownership interests that are legally divisible, without full rights of use or enjoyment of the total income, need not be reported unless the person's portion of the income from that source exceeds \$1000.~~

7.2(2) Spousal income. For purposes of completing a personal financial disclosure Form-PFD, income earned solely by the spouse of a person subject to reporting is not income to that person and need not be reported as an income source.

This rule is intended to implement Iowa Code section 68B.35.

351—7.3(68B) Procedure for determining persons required to file with the board—distribution of forms.

7.3(1) Persons required by statute. In order to determine which persons in the executive branch are required ~~by Iowa Code section 68B.35(2)~~ to file a personal financial disclosure Form-PFD, the board ~~shall will~~ contact each agency on an annual basis and provide notification of the statutory requirement. This notification ~~shall will~~ include the name and position title of each person in the agency who filed ~~Form-PFD~~ the previous year. Each agency, in consultation with the board, ~~shall will~~ then determine which persons are required to file ~~Form-PFD~~ for the next filing period and ~~shall will~~ provide the board with the appropriate names and position titles. The board ~~shall will~~ have the final authority to determine whether a position requires that a personal financial disclosure Form-PFD be filed.

7.3(2) Boards, commissions, or authorities not named in statute. ~~On Pursuant to Iowa Code section 68B.35(2) "e,"~~ on an annual basis, the board ~~shall will~~ conduct a review to determine if a member of any other board, commission, or authority not specifically named in Iowa Code ~~section 68B.35(2) "e"~~ should file a personal financial disclosure Form-PFD. If the board determines that a personal financial disclosure Form-PFD should be filed, the board ~~shall will~~ by rule require a personal financial disclosure Form-PFD to be filed.

7.3(3) Statewide candidates. A person who is a candidate for statewide office ~~shall will electronically~~ file a personal financial disclosure Form-PFD with the board by 11:59 p.m. on April 30 of the year the candidate appears on the ballot. If the due date falls on a weekend or holiday, the filing deadline ~~shall will~~ be extended to the first working day following the deadline. Once nomination papers or an affidavit of candidacy is filed, the board ~~shall will~~ notify the person of the requirement ~~to file Form-PFD~~. The notification ~~shall will~~ be sent by first-class mail or ~~eE-mail~~ and ~~shall will~~ include information on how to file ~~Form-PFD electronically~~.

7.3(4) Statewide candidates in a special election. A candidate for statewide office in a special election ~~shall will~~ electronically file a personal financial disclosure Form-PFD with the board within ten days after the certification of the candidate's name as the nominee under Iowa Code section 43.88. Notification to a statewide candidate in a special election ~~shall will~~ be sent by first-class mail or ~~eE-mail~~ and ~~shall will~~ include information on how to file ~~Form-PFD electronically~~.

~~—7.3(5) Distribution of link. The board shall provide each agency with the link on the board's Web site at www.iowa.gov/ethics where forms shall be filed electronically.~~

This rule is intended to implement Iowa Code sections 68B.32A(5) and 68B.35.

351—7.4(68B) Reserved. Delinquent forms.

351—7.5(68B) Penalties.

7.5(1) Penalties for late personal financial disclosure statements. An individual holding a designated position in the executive branch who fails to timely file a personal financial disclosure Form-PFD ~~shall will~~ be subject to an automatic civil penalty according to the following schedule:

Days Delinquent	Penalty Amount
1 to 14	\$25 <u>50</u>
15 to 30	\$50 <u>100</u>
31 and over	\$100 <u>250</u>

7.5(2) Additional penalty. If an individual holding a designated position in the executive branch fails to file a personal financial disclosure statement within 45 days of the required filing date, a contested case proceeding may be held ~~to determine whether or not a violation has occurred. If after a contested case proceeding it is determined that a violation occurred, t~~ The board may impose any of the actions under Iowa Code section 68B.32D. ~~Any action imposed under Iowa Code section 68B.32D would be~~ in addition to ~~the an~~ automatically assessed penalty in ~~subrule 351—7.5(1).~~

7.5(3) Failure to file true statement. It ~~shall will~~ be considered a violation of Iowa Code section 68B.35 for an individual

holding a designated position in the executive branch to file a disclosure statement containing false or fraudulent information. Complaints concerning the filing of a false or fraudulent disclosure statement ~~shall will~~ be handled by the procedures in Iowa Code section 68B.32B. If it is determined after a contested case proceeding that a false or fraudulent disclosure statement was filed, the board may impose any of the actions under Iowa Code section 68B.32D.

This rule is intended to implement Iowa Code sections 68B.32A(9) and 68B.35.

351—7.6(68B) Requests for waiver of penalties. If an individual holding a designated position in the executive branch believes that mitigating circumstances prevented the timely filing of a personal financial disclosure Form PFD, the individual may ~~petition make a written request to~~ the board for waiver of the penalty ~~by filing a Petition for Waiver of Civil Penalty form~~. The ~~petition request~~ for waiver must be received by the board within 30 days of notification to the individual of the civil penalty assessment. ~~Waivers may be granted only under exceptional or very unusual circumstances.~~ The board will review the ~~petition request~~ and may waive the penalty, in whole or in part, or deny issue a waiver or denial of the request. ~~If a waiver is granted, the board will determine how much of the penalty may be waived based on the circumstances.~~

This rule is intended to implement Iowa Code sections 68B.32A(5) and 68B.32A(9).

[Editorial change: IAC Supplement 4/8/09; ARC 7996B, IAB 7/29/09, effective 9/2/09]

351—7.7(68B) Contested case challenge.

7.7(1) Request. If the individual accepts administrative resolution concerning a late-filed personal financial disclosure Form PFD through the payment of the assessed penalty, the matter ~~shall will~~ be closed. If the individual chooses to contest the board's decision to deny the request or grant a partial waiver of an assessed penalty, the individual ~~shall will~~ make a written request to the executive director for a contested case proceeding within 30 days of being notified of the board's decision.

7.7(2) Procedure. Upon timely receipt of a request for a contested case proceeding, the board ~~shall will~~ provide for the issuance of a statement of charges and notice of hearing. The contested case ~~shall will~~ be conducted in accordance with the provisions of 351—Chapter 11. The burden ~~shall will~~ be on the board's legal counsel to prove that a violation occurred.

7.7(3) Failure to request proceeding. The failure to request a contested case proceeding to contest the board's decision on a waiver request is a failure to exhaust administrative remedies for purposes of seeking judicial review in accordance with Iowa Code chapter 17A.

This rule is intended to implement Iowa Code sections 68B.32A(9) and 68B.33.

351—7.8(68B) Payment of penalty. ~~The remittance Checks shall will~~ be made payable to the "State of Iowa ~~General Fund~~" and ~~sent to the Board's office for transfer to the office of the treasurer of the state, who will deposit the check into the general fund forwarded to Iowa Ethics and Campaign Disclosure Board, 510 East 12th Street, Suite 1A, Des Moines, Iowa 50319. The remittance shall be deposited in the general fund of the state of Iowa.~~

This rule is intended to implement Iowa Code section 68B.32A(9).

351—7.9(68B) Retention and availability of filed forms.

7.9(1) Public record. Forms filed with the board are ~~a~~ public records and ~~shall will~~ be available for inspection and copying.

7.9(2) Internet access. Pursuant to Iowa Code section 68B.35A, the board ~~shall will~~ record ~~a~~ filed personal financial disclosure statements Form PFD on the board's website Web site at www.iowa.gov/ethics. Filed forms ~~shall will~~ be accessible ~~via the board's Web site~~ for a period of at least five years from the reporting due date.

This rule is intended to implement Iowa Code sections 68B.35 and 68B.35A.