

IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD

An Independent Agency of the Executive Branch

MEGAN TOOKER
Executive Director
& Legal Counsel

510 East 12th, Suite 1A
Des Moines, Iowa 50319
Telephone 515-281-4028
Fax Line 515-281-4073
www.iowa.gov/ethics

BOARD MEMBERS:
James Albert, Chair
John Walsh, Vice Chair
Saima Zafar
Carole Tillotson
Jonathan Roos
Mary Rueter

TENTATIVE MINUTES REGULAR MEETING

April 21, 2016 - NOON

JESSIE PARKER BUILDING, DOC BOARDROOM
510 EAST 12TH, DES MOINES, IA

I. **CALL TO ORDER**

Chair Albert calls the meeting to order at 12:01
Walsh, Roos, Albert, Tillotson, Zafar present
Rueter absent
Staff present: Megan Tooker, Sharon Wright

II. **APPROVAL OF MINUTES**

Motion made by Walsh, second Tillotson to approve the minutes as written
All ayes, motion carries unanimously.

III. **PROPOSED SETTLEMENT AGREEMENT RE: LOIS SCHMITZ**

Tooker says this is the 2nd draft. The settlement has been shortened as discussed and includes a specific finding by the Board that Schmitz violated 68B.3. Schmitz agrees to abide by the Board's interpretation that section 68B.3 applies to state employees' closely held businesses. Schmitz agrees to a reprimand and a \$1,000 civil penalty.

Tillotson, Roos and Walsh says they are satisfied with the changes.

Tillotson moves approval of the settlement, Roos second.
All ayes, motion carries unanimously.

Roos suggests the Board staff do more to make state employees aware of the requirements in chapter 68B. Tooker says she plans to offer training seminars for state employees. She says that education and awareness of the law varies from agency to agency.

Alberts says the emphasis of the Board is shifting to providing education rather than only penalizing infractions.

Tooker says she is considering putting short videos on the Board's website.

Zafar says that the medical field cuts training sessions down into small segments and then has a short Q & A after each segment. They also have a minimum of

segments that need to be done. She says that something similar would be a good idea for us.

Tooker says the judicial branch does small topic videos for employees and judges and they were popular.

Albert says that he and Tillotson, as Drake employees, have to take an annual sexual harassment course online.

IV. ADJOURN TO CLOSED SESSION

- V.** Zafar moves to adjourn to closed session in accordance with the provisions of Iowa Code 21.5(1) "c" & "g", Roos second
All ayes per roll call vote
The Board moves into closed session at 12:21

VI. RETURN TO OPEN SESSION-

The Board returns to open session at 12:55

1. Complaint against Earlham School District re: alleged use of government resources for political purposes

Albert states the complaint involves a classroom assignment to make a video in favor or against a ballot measure. General discussion was that the students were given the option to represent either side.

Roos moves to dismiss, Zafar second.

Roos says that he doesn't believe there was a violation given the previous advisory opinions and reviewing the statute.

Albert says that the Attorney General's opinion was significant.

Roos says that there was also no evidence the teacher coerced the students into making videos supportive of the bond referendum.

All ayes, motion to dismiss carries unanimously.

2. Complaint against Iowans for Sam Clovis re: alleged failure to file accurate and complete disclosure reports

Tillotson moves to reprimand, \$500 penalty and order the candidate to reimburse his committee for \$495.48, which represents expenditures related to car repairs, car washes, dry cleaning and a haircuts with an admonishment that the committee's reporting errors were some of the worst the Board had ever seen.

Zafar second.

Albert says these were egregious examples and he says that it was the worst he had seen and warrants the maximum penalty.

Albert says the Board wants the Board's order to emphasize that the Board takes violations very seriously. It is the candidate's responsibility to oversee their campaign finances and officers and the public was deprived of accurate information due to the errors and omissions on the committee's reports.

All ayes, motion carries unanimously.

VII. ADVISORY OPINION RE:

1. Advisory Opinion re: registering a committee

Tooker says this advisory opinion just updates a previous opinion to reflect the new \$1000 threshold and the fact that all committees must file their reports electronically.

Walsh to approve, Roos second

2. Advisory Opinion re: the definition of "insurance company"

Tooker says Iowa law prohibits an "insurance company" from making campaign contributions. This opinion explains the difference between an insurance company and an insurance agency. The latter may make campaign contributions.

Zafar moves to accept, Roos second

All ayes, motion carries

VIII. REQUESTS FOR WAIVER OF CIVIL PENALTIES (RULE 351 IAC 4.60)

- STATE COMMITTEES (Rule 351 IAC 4.59(3))

1. Mary Wolfe Campaign, 1/19/16 report, \$50
Tooker recommends denial
- COUNTY LOCAL COMMITTEES (Rule 351 IAC 4.59(2))
 1. Tuyet Dorau for School Board 2013, 1/19/2016 report, \$50
Tooker recommends waiver

Tillotson moves to accept Tooker's recommendation. Walsh second.
All ayes, motion carries

IX. UPDATE ON LEGISLATIVE SESSION

Tooker reviews the three bills the Board introduced: one to increase the \$3 gift law exception to \$10, one to add the requirement that permissible gifts in excess of \$1000 be reported, and one to modify section 68A.505 to mirror the Board's administrative rules. Tooker says that with regard to the \$3 to \$10 change, legislators were nervous about the jump, particularly in an election year. General comment regarding the modification of 68A.505 was that if the Board is already interpreting it this way, why change it? The gift reporting bill got hung up in the House.

X. PROPOSED GIFT LAW STUDY GROUP

Tooker says that this idea speaks to Roos' comment in November. Tooker proposes the Board put together a study group of everyone who is affected by the gift law in order to do a full-scale review of the law and seek public comment. Some legislators opined that changes to the gift law would be more palatable after study.

Albert asks if Roos & Tillotson would participate and both confirmed they would. Tooker says the Board's intern could possibly research other states' laws.

XI. REVIEW OF THE ETHICS BOARD'S CODE OF ETHICS

Albert says this is for review & consideration. The current code of ethics does not allow board members or staff to run for non-partisan office or to participate in any campaigns.

There was general discussion about whether or not it is too much to restrict a non-partisan activity.

Albert says the adoption of these rules was voted on quickly without too much consideration. The discussion was about 18 years ago. He thinks that it may be time to reconsider some of the guidelines.

The Code of Ethics will be considered again at a future meeting.

Zafar says that she will be moving to Texas in June and resigning from the Board.

XII. ADJOURNMENT

Tillotson moves to adjourn,
Zafar second

All ayes
The Board adjourns at 1:33 pm

Respectfully submitted,

A handwritten signature in black ink that reads "S Wright". The signature is written in a cursive, flowing style.

Sharon Wright, Board Secretary