

IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD

An Independent Agency of the Executive Branch

MEGAN DIRECTOR TOOKER
Executive Director
& Legal Counsel

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

MINUTES

OPEN SESSION
AUGUST 23, 2012 NOON
JESSIE PARKER BUILDING
510 EAST 12TH, Ste 1A
DES MOINES, IA

I. CALL TO ORDER

Chair Albert calls the meeting to order at 12:04 pm.

Board members present: James Albert, John Walsh, Carole Tillotson, Saima Zafar, Mary Rueter, and Jonathan Roos.

Staff Present: Megan Tooker, Sharon Wright, Brian Woline, Patti Newton, Tim Annee.

II. ELECTION OF OFFICERS

Pursuant to Iowa Code 68B.32(3), The board shall annually elect one member to serve as the chairperson of the board and one member to serve as vice chairperson. The vice chairperson shall act as the chairperson in the absence or disability of the chairperson or in the event of a vacancy in that office.

Motion to elect James Albert, Chair, by Tillotson, second Roos. All ayes, passes.

Motion to elect John Walsh, Vice Chair by Tillotson, second Roos. All ayes, passes.

III. APPROVAL OF MINUTES

Documents

- April 27, 2012
- May 31, 2012

Motion to approve minutes for April meeting by Zafar, second by Rueter. All ayes, passes.

Motion to approve minutes for May meeting by Tillotson, second Zafar. All ayes, passes.

IV. PRESENTATIONS

- 10 minutes for presentation by Iowa CCI regarding Rastetter complaint

Powerpoint presentation by Ross Grooters, member of Iowa CCI –from 12:08 to 12:18 outlining the basis of allegations in Iowa CCI's complaint against Bruce Rastetter

- 10 minutes for response by a Rastetter representative

Oral presentation by Richard Sapp, counsel for Bruce Rastetter, - from 12:19 to 12:28 refuting allegation made in complaint. Counselor Paula Dierenfeld and Joe Murphy of Summit Farms is also present.

V. ADJOURN TO CLOSED SESSION

Tooker states that in accordance with past practice and Iowa Code section 21.5(1)(g), she recommends the Board adjourn to closed session to discuss:

- A. Formal complaint against Bruce Rastetter – alleged conflict of interest and alleged failure to file a true personal financial disclosure statement.

Unanimous roll call vote to adjourn 12:32 pm
Closed session begins 12:35 pm

Board returns to open session at 1:30 pm after unanimous roll call vote.

Albert begins by introducing members of the Board for the benefit of the public in attendance.
John Walsh, appointed by Vilsack & re-appointed by Culver
Carole Tillotson, appointed by Culver
Saima Zafar, appointed by Culver
Mary Rueter, appointed by Branstad
Jonathan Roos, appointed by Branstad
James Albert, appointed by Branstad during his first administration, reappointed by both Vilsack & Culver

Albert states the Board consists of 3 Republicans, 2 Democrats and 1 Independent. He says the Board never considers politics and assiduously follows the laws within its jurisdiction.

Albert asks Tooker to explain the determination of a legally sufficient complaint. Tooker states that the complaint must have all of the following:

1. Allege facts that would establish a violation of chapters 68A or 68B of the Iowa Code
2. Allege facts that would establish conduct providing the basis of the complaint occurred within 3 years
3. Allege facts that would establish the subject of the complaint is a party subject to the Board's jurisdiction

Tooker says Rastetter as a Regent is subject to the Board's jurisdiction and the conduct complained of occurred within 3 years. Tooker says the remaining question is whether the complaint alleges facts that would establish a violation of chapters 68A or 68B.

Albert says the complaint is based on a major misunderstanding of the law. He says the complaint alleges a conflict of interest but under Iowa Code section 68B.2A if there is no official action or official duty, then there is no conflict. Rastetter did not take any official action or duty with respect to the Tanzanian project, therefore no violation could have occurred. Tooker agrees.

Albert states the second issue in the complaint concerns the personal financial disclosure report that Rastetter filed with the Board and recently supplemented. Tooker states Iowa Code section 68B.35 requires certain individuals to file a personal financial disclosure statement and Board rule 7.5(3) prohibits filing a report containing false or fraudulent information. Tooker opines that although Rastetter's report lacked specificity and was therefore incomplete, it did not provide false or fraudulent information.

Roos states the Board should improve its electronic filing system for personal financial disclosure reports so that the Board gathers more detailed information from the filers. Tookers says she has been discussing several options with the IT company that maintains the Board's electronic filing system and will propose improvements to the system at the Board's next meeting.

Albert notes the complaint raises other issues that are beyond the Board's jurisdiction: The Board does not have the authority to review Governor appointees' qualifications or to remove Governor appointees from their positions. The Ethics Board does not have jurisdiction to review the propriety of the tentative agreement between AgriSol and the Tanzanian government or the propriety of the college's involvement in the Tanzanian project. Finally, the Board does not have the authority to review the Tanzanian government's decision to require Burundian refugees to relocate in return for Tanzanian citizenship, a decision that has been approved by the United Nations.

Motion by Walsh, second by Tillotson, to dismiss complaint as not legally sufficient. All ayes, motion passes.

Motion by Tillotson, Roos second, to return to closed session to discuss remaining pending complaints. Meeting adjourns to closed session 1:59 pm.

VI. RETURN TO OPEN SESSION

Return to open session 2:25pm

- A. Formal complaint against Jeff Mullen for State Senate
– alleged violation of attribution statement requirements.
Motion by Walsh, Tillotson second, to investigate. All ayes, passes.
- B. Formal complaint against Iowans for Taylor
– alleged acceptance of PAC contributions during session.
Motion by Rueter, Walsh second, to Admonish. All ayes, passes.
- C. Formal complaint against Residents for Richmond
–alleged failure to create a PAC and alleged coordination for an independent expenditure.
Motion by Roos, Tillotson second, to investigate. All ayes, passes.
- D. Appeal of Reprimand
– Request by Tom Slockett for a contested case hearing.
Motion by Tillotson, Rueter second, to appoint Administrative Law Judge for hearing. All ayes, passes
- E. Staff-initiated complaint against Citizens for Jon Kallen-alleged failure to file true and accurate reports.
Motion by Walsh, Rueter second, to investigate All ayes, passes.

VII. ADVISORY OPINIONS

- 2012-5 – reporting requirements for trusts making contributions
- Motion to adopt proposed advisory opinion by Walsh, Roos second. All ayes, passes.

- 2012-6 – defining a partisan political committee organized to represent persons within the boundaries of a congressional district.

Motion to approve the proposed opinion as written by Tillotson, Rueter second. All ayes, passes

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

- STATE COMMITTEES (Rule 351 IAC 4.59(3))
 1. Meyer for State House -\$100 –recommend waiver
 2. Citizens for Sharon Steckman -\$50 –recommend waiver
 3. Olson for Representative -\$50 –recommend waiver
 4. McRae for Iowa House -\$50 -recommend waiver
 5. Roquette America Inc PAC -\$50 -recommend denial
 6. Laborers’ Local 177 - \$50 -recommend denial
 7. Ironworkers Local 89 Political Education Fund \$50 -recommend denial
 8. Cedar Rapids Trades Council CRIC Building Trades PAC \$50 -recommend denial

Motion by Roos, second by Tillotson, to accept Tooker’s recommendations. All ayes, passes.

- COUNTY LOCAL COMMITTEES (Rule 351 IAC 4.59(2))
 1. Krumm for Auditor \$100 – recommend reduction to \$25
 2. Facebook Friends of Josh Eskow \$20- recommend waiver
 3. Hull for Supervisor \$20- recommend reduction to \$10
 4. Veeder for Auditor \$100- recommend denial
 5. Reelect Fitzgerald Sheriff \$100- recommend waiver
 6. Justin4Davenport \$50- recommend denial
 7. Collins-Maxwell KIDS \$700 (multiple penalties) - recommend reduction of total amount of penalties to \$100

Motion by Rueter, second by Tillotson, to accept Tooker’s recommendations. All ayes, passes.

- COUNTY CENTRAL COMMITTEES (Rule 351 IAC 4.59(2))
 1. Montgomery County Republican Central Committee \$20-recommend reduction to \$10
 2. Butler County Democratic Central Committee \$20-recommend waiver
 3. Warren County Democratic Central Committee \$20-recommend waiver
 4. Sioux County Democratic Central Committee \$600 (multiple requests)- recommend reduction to \$200

Motion by Tillotson, Rueter second, to accept Tooker’s recommendation on 1, 2, 3. All ayes, passes.

Sioux County Democratic Central Committee request: Tooker states the committee has been inactive for several years and consisted of only a treasurer who wanted to resign but didn’t know how since she was the only member of the committee. At the presidential caucuses, several democrats volunteered to get involved and have requested the reduction of outstanding

penalties due to their small balance. Tooker recommends reducing penalties to \$200. Motion by Tillotson, Roos second, to reduce the total penalties to \$200, all ayes, passes.

IX. ATTRIBUTION NOTICES

Document

For informational purposes only, no action needed. Remedial notice published regarding lack of/incorrect attribution statement on political material.

- Romar for Sheriff
- Mardesenfosenate.com
- Stan Stoops for BOS
- Matt Block for Sheriff Committee

X. REQUEST FOR ADMINISTRATIVE DISSOLUTION

- Citizens for Carlin

Motion by Rueter, Tillotson second, to dissolve the committee. All ayes, passes.

XI. COLA FOR DIRECTOR

Albert states he is very grateful for the work Tooker has done for the agency. He likes that the staff are present at the meetings and all of the changes made by Tooker have been positive. Mary asked about a merit increase as well as COLO but Tooker doesn't think that's feasible with the budget. Motion by Tillotson, Rueter second, to approve 3% cost-of-living-adjustment for Tooker. All ayes, passes.

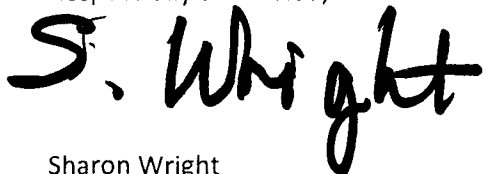
Discussion follows regarding administratively setting a monthly Board meeting via phone. Quarterly meetings in person. Possibly on the 1st or 4th Fridays. General consensus was to deal with small issues for phone, large issues in person.

XII. ADJOURNMENT

Motion to adjourn by Walsh, Tillotson second.

Meeting adjourns at 2:51 pm

Respectfully submitted,



Sharon Wright
Administrative Assistant