

Iowa to Regulate Corporate Money in Politics

After a U.S. Supreme Court ruling that opened the door to unlimited corporate money in elections, Iowa is on the road to becoming one of the first states to regulate corporate political activity.

In *Citizens United v FEC*, the Court ruled that corporations are persons and, as such, have a right to participate financially in the election process.

With the first in the nation caucuses and a reputation for clean elections, the goal of the legislation is to protect Iowans from unregulated campaign spending by big corporations and prevent the wealthy and special interests from deciding elections.

The bill working its way through the Legislature will require corporations and other similar groups that engage in political activity to file reports with Iowa's ethics and campaign finance board. This is similar to regulations already placed on contributions and activity by individuals and political action committees (PAC).

The bill, Senate File 2354, requires that any entity that makes independent expenditures must file with the board once one or more expenditures exceed \$750. In addition, the entity must file each time they make an expenditure of \$750. The statement must include whether or not they are advocating for or against the candidate or ballot issue.

An entity can not use its treasury to pay for an independent expenditure without the approval of a majority of the board of directors, executive council, or similar leadership body. Any published material or other media such as television advertising must include a disclaimer with the name and address of the corporation and the name and title of the chief executive officer.

These restrictions do not change current law in terms of businesses or unions forming PACS and soliciting their members for contributions. Contributions to the PAC must be voluntary.

This legislation has already passed the Iowa Senate and the House State Government Committee. It is now headed to the full House for consideration.