



Revised Gift Rules of the Fair Political Practices Commissions

Legal and Claims Committee

Item 6b

January 10, 2012

New Rules Effective January 1, 2012

- New rules approved by FPPC at its November and December meetings
- Purposes for revisions:
 - Make gift rules simpler
 - Close perceived loopholes in some of the rules
 - Clean up confusion from past revisions of individual rules

Consolidated Guide to Gift Regulations

- Gift definitions and other pertinent definitions
- Reporting and disclosure rule exceptions
- Valuation and disclosure rules
- Gifts resulting in disqualifying conflict of interest or the requirement of filing a lobbyist activity expense report

Basic Rules Are Still the Same

- Gift = “Payment” made by any person of any thing of value
- Gifts to public officials:
 - May be reportable (\$50 threshold)
 - May result in disqualifying conflict of interest
 - May be a reportable as lobbying expense
 - Are subject to annual aggregate limit (\$420 through 12/31/2012)

Clarified and Revised Rules

- Value of Charter Flight: Either first-class airfare OR cost of charter divided by number of *passengers*
- Gifts of Unused Collectible Tickets: Become reportable gifts when transferred to another person
- Ceremonial Role: Official must actively participate for attendance to be exempt.
 - Gift must be posted on FPPC website (current rule)
 - Official may bring one guest

Clarified and Revised Rules (Cont'd)

- Home Hospitality Exemption
 - Applies if person giving gift was present in the home
 - Gift giver must also have a relationship with the official unrelated to the official's position and the home hospitality must be related to that purpose

Clarified and Revised Rules (Cont'd)

- Gifts to an Official Through Family Members
 - Range of persons covered by this rule expanded
 - Applies to gifts from anyone having business with the agency, including persons who engage in a business that regularly seeks contracts with or comes before the agency for the purpose of receiving a license, permit or other entitlement and the official may reasonably foresee participating in such a decision within 12 months of the time the gift is made

New Rule—Dating Relationships

- Gifts commonly exchanged in a dating relationship are exempt (except lobbyists)
- Prohibits official from participating in decisions involving a dating partner if the partner lobbies the official's agency, has a contract pending before the agency, or is regulated by the agency and the official received gifts from his /her dating partner of \$420 or more.

Other Exceptions Recognized

- Reciprocal exchanges in a social relationship (except with lobbyists)
- Benefits of a guest attending a wedding
- Bereavement offering in memory of a close relative
- Acts of neighborliness
- Acts of human compassion
- Other gifts in existing personal or business relationship (except with lobbyist) that are **clearly** unrelated to official's position



Questions?