

1 Amend 2 Cal. Code Regs., Section 18940 to read:

2 **§ 18940. Guide to the Gift Regulations.**

3 (a) Basic Rule. A gift is a payment made by any person of anything of value, whether
4 tangible or intangible, real or personal property, a good or service that provides a personal
5 benefit to an official when the official does not provide full consideration for the value of the
6 benefit received. A gift includes the forgiveness of a debt or obligation and a rebate or a discount
7 in the price of anything of value unless the rebate or discount is offered in the ordinary course of
8 business without regard to official status. (See Sections 82028, 82044, and 82047.) A gift may be
9 reportable by the official under Sections 87200, 87202, 87203,~~and 87204~~ or Sections, 87207,
10 87300~~and, or~~ 87302; subject to limits under Sections 89503 and 86203 and Regulation 18940.2;
11 result in a disqualifying conflict of interest for the official under Sections 87100 and 87103 and
12 Regulation~~18703.4~~ 18702.4; and/or require the filing of an activity expense report by a lobbyist,
13 lobbying firm, or lobbyist employer, or person who directly or indirectly makes payments to
14 influence legislative or administrative action of \$5,000 or more in any calendar quarter as
15 defined in Section 86111.

16 (b) Exceptions. Certain payments that otherwise meet the Act's definition of gift, are
17 excepted from the definition of gift as provided by statute and these regulations. (See Section
18 82028(b) and Regulation 18942.) These payments are neither a gift nor income. Certain
19 payments that do not meet the Act's definition of gift may be considered income.

20 (c) Valuation. Generally, the value of a gift is determined by its fair market value.
21 (Regulation 18946, exceptions are provided in Regulations 18946.1 through~~18946.6~~ 18946.5.)
22 An official must report gifts received from a source subject to disclosure if the cumulative value
23 is \$50 or more within a reporting period. (Section 87207(a)(1).) With certain exceptions (See

1 Wedding Gifts, Regulation 18946.3; Travel Payments, Section 89506) if a gift is reportable
2 under the Act, it is prohibited if the value is *more than* the amount specified in the gift limits
3 identified in Regulation 18940.2 (Section 89503(c) or Section 86203.) Whether or not a gift is
4 reportable, if an official receives any gift(s) from one source with a cumulative value that meets
5 the amount specified in Regulation 18940.2 within 12 months before the making or participating
6 in the making of a governmental decision, the official has an economic interest in that source
7 pursuant to Regulation ~~18703.4~~ 18700, and the official may have a conflict of interest with
8 respect to that source under the Act's conflict of interest provisions (Sections 87100, 87103)(e.).

9 (d) Disclosure. For officials required to disclose under ~~Section~~ Sections 87200, 87202,
10 87204, or 87207 of the Act (“statutory filers”), any gift, or combination of gifts, received from
11 any source is reportable by the official if the value of the gift, or the cumulative value of multiple
12 gifts, received from the source in the reporting period is \$50 or more. For officials required to
13 disclose under an agency conflict of interest code (“code filers”) the gift, or combination of gifts
14 valued at \$50 or more is only reportable by the official if received from a source identified in the
15 disclosure category under which the official files pursuant to the official's agency conflict of
16 interest code. For those making gifts required to be disclosed under Section 86113 (Lobbyists),
17 86114 (Lobbying Firms), and 86116 (Lobbyist Employers), and \$5,000 filers, any gift, or
18 combination of gifts, of any amount must be disclosed by the donor to the extent required under
19 Section 86111.

20 (1) Travel Payments, Advances, or Reimbursements: Travel Destination Disclosure. With
21 respect to a gift that is a travel payment, advance, or reimbursement, a person required to file a
22 statement of economic interests must disclose the travel destination on his or her statement of
23 economic interests as required by Section 87207(a)(4).

1 (2) Nonprofit Travel Payments, Advances, or Reimbursements: Donor Disclosure. A
2 501(c)(3) or 501(c)(4) nonprofit organization that regularly organizes and hosts travel for elected
3 officials and makes travel payments, advances, or reimbursements, as specified in Section
4 89506(f), must disclose the names of donors that meet the criteria set forth in that Section to the
5 Commission by April 30 of the following year on a form provided by the Commission.

6 Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028, 82030,
7 87100, 87103, 87207, 87302 and 89501-89506, Government Code.