



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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October 3, 2022

Victoria Hester
Best Best & Krieger
655 West Broadway, 15th Floor
San Diego, CA 92101

Re: Your Request for Advice
Our File No. A-22-102

Dear Ms. Hester:

This letter responds to your request for advice on behalf of City of Lafayette Mayor Teresa Gerringer regarding the gift provisions of the Political Reform Act (the “Act”).¹

Please note that we are not a finder of fact when rendering advice (*In re Oglesby* (1975) 1 FPPC Ops. 71), and any advice we provide assumes your facts are complete and accurate. If this is not the case or if the facts underlying these decisions should change, you should contact us for additional advice.

QUESTION

Where Mayor Gerringer and her spouse plan to attend an invitation-only event hosted by the French government and City of Lafayette, Louisiana to celebrate relations with other municipalities that share the “Lafayette” name, what are her gift reporting requirements for the event?

CONCLUSION

Mayor Gerringer will have a reportable gift for the invitation-only event, and she will report her, and her guest’s, pro-rata share of the costs of the event attributable to the two hosts for the event, as detailed below. Any additional specific benefits provided, with the exception of items that meet the definition of “informational material,” will be reportable at the item’s fair market value.

FACTS AS PRESENTED BY REQUESTER

On October 27, 2022, the Ambassador of France to the United States along with the Mayor-President of the City of Lafayette, Louisiana will host an event, “an exclusive soirée,” at the French Ambassador’s residence in Washington D.C. “to celebrate the cities and counties named for the

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

Marquis de Lafayette through the United States” (the “Event”). This is an invitation-only event, and Mayor Gerringer and her spouse have been invited to attend. It is your understanding that attendance at the Event, including food and drinks, will be provided free of charge to the attendees, and paid for by the French government and the City of Lafayette, Louisiana. The invitation makes no reference to travel expenses, and it does not appear that either the French government, or the City of Lafayette, Louisiana, will be paying for or reimbursing any of the travel expenses of any of the attendees, including the Mayor and her spouse.

Mayor Gerringer has indicated that she and her spouse would like to attend the Event, and requests guidance as to whether the admission value of her attendance and her spouse’s attendance at the Event is subject to the Act’s gift limit, and her reporting requirements.

ANALYSIS

A gift is a payment that confers a personal benefit on the recipient, where there is no exchange of an item or service of equal value. (Section 82028(a).) The Act regulates the receipt of gifts by local public officials in two ways that are relevant to your question.

First, the Act places limitations on the acceptance of gifts by certain public officials. As the mayor of Lafayette, Mayor Gerringer is prohibited from accepting gifts from any single source in any calendar year with a total value of more than the gift limit, currently \$520 from a single source in a calendar year. (Section 89503 and Regulation 18940.2.). The source of the gift here may be presumed by the official to be the two hosts listed on the invitation, the French government and the City of Lafayette, Louisiana. (Regulation 18945(a).) As you note in your request, to the extent a gift from a single source exceeds the gift limit, the official may reimburse the donor to reduce the value of the gift. (Regulation 18941(c).)

Secondly, so that the public is made aware of any potential influences from gifts, the Act imposes reporting obligations requiring public officials such as city mayors, to disclose the source of any gifts aggregating \$50 or more in value. (Sections 87200, 87203.) Accordingly, Mayor Gerringer must report the name and address of each source of gifts aggregating \$50 or more in value and will thus have a reporting duty related to the gift from the two government entities. (Section 87207(a)(1), (4).)

Valuation of the Gift: Invitation-Only Events

Generally, a gift is valued at its fair market value as of the date of receipt. (Regulation 18946.) This situation, however, presents an “invitation-only event”² and valuation of the gift is governed by Regulation 18946.2. This regulation provides that for the official and one guest attending an invitation-only event, the admission value is the official’s and the guest’s “pro-rata share” of the cost of the food, catering services, entertainment, and any item provided to the official and guest that is available to all guests attending the event. To determine the “pro rata share” attributable to the official and the one guest, the official must calculate the cost of all food, catering services, entertainment, and any specific item presented to all attendees as part of the event and divide this cost by the number of attendees. (Regulation 18946.2(a)-(c).) Any other specific benefit

² An “invitation-only event” is defined as a gathering of individuals who attend by invitation and where costs are incurred to hold the event beyond the cost of providing food. (Regulation 18946(d)(5).)

provided to the official and guest at the event is valued at its fair market value. (Regulation 18946.2(b).) Please note that any informational material, “goods or services that serve primarily to convey information and provided for the purpose of assisting the official in the performance of their official duties,” such as books, pamphlets, photographs, or maps, are an exception to the definition of a “gift.” (Section 82028(b)(1); Regulation 18942.1.)

Additionally you asked whether this gift may fall under the exception to the gift limit for gifts of travel provided by a government or foreign government, set forth in Section 89506(a)(2). However, the facts do not indicate that a payment for travel is involved in this invitation. Therefore, Section 89506(a)(2) does not apply.

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Dave Bainbridge
General Counsel

L. Karen Harrison

By: L. Karen Harrison
Senior Counsel, Legal Division

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