Amend 2 Cal. Code Regulations Section 18942 to read:

§ 18942. Exceptions to Gift and Exceptions to Gift Limits.

(a) For purposes of Section 82028, none of the following is a gift and none is subject to any limitation on gifts:

(1) Informational material as defined by Regulation 18942.1.

(2) Except for passes and tickets as provided in Regulation 18946.1, a gift that is not used and that, within 30 days after receipt, is returned or donated pursuant to Regulation 18943, or for which reimbursement is paid pursuant to said Regulation 18943.

(3) A gift from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin or the spouse of any such person, unless the donor is acting as an agent or intermediary for any person not identified in this subdivision (a)(3).

(4) A campaign contribution required to be reported under Chapter 4 of the Act (commencing with Government Code section 84100).

(5) Any devise or inheritance.

(6) A personalized plaque or trophy with an individual value of less than ~~two hundred fifty dollars ($250)~~ $250.

(7)(A) The cost of hospitality (including food, beverages, or occasional lodging) provided to an official by an individual in the individual's home when the individual is present, unless one of the following provisions applies:

(i) Any part of the cost of the hospitality is paid directly or reimbursed by another person.

(ii) Any person deducts any part of the cost of such hospitality as a business expense on

any government tax return.

(iii) There is an understanding between the individual extending the hospitality and another person that any amount of compensation the individual receives from that person includes a portion to be utilized to provide gifts of hospitality in the individual's home.

(B) In determining the applicability of subparagraph (A), the following apply:

(i) The cost of providing hospitality does not include any part of the value or rental cost of the home nor does it include any depreciation value on the home where the hospitality is extended.

(ii) An official may presume that the cost of home hospitality is paid by the host unless the host discloses to the official, or it is clear from the surrounding circumstances at the time the hospitality is provided, that a person, other than the host, paid the cost of the hospitality.

(8) Gifts exchanged between an individual who is required to file a statement of economic interests and another individual, other than a lobbyist, on holidays, birthdays, or similar occasions to the extent that the gifts exchanged are not substantially disproportionate in value. For purposes of this subdivision, and notwithstanding Regulation 18946.2(b), “gifts exchanged” includes food, beverages, entertainment, and nominal benefits provided at the occasion by the honoree or another individual, other than a lobbyist, hosting the event.

(9) Leave credits, including vacation, sick leave, or compensatory time off, donated to an official in accordance with a bona fide catastrophic or similar emergency leave program established by the official's employer and available to all employees in the same job classification or position. This shall not include donations of cash.

(10) Payments received under a government agency program or a program established by

a bona fide charitable organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code designed to provide disaster relief or food, shelter, or similar assistance to qualified recipients if such payments are available to members of the public without regard to official status.

(11) Free admission, and refreshments and similar non-cash nominal benefits provided to a filer at an event at which the filer gives a speech, participates in a panel or seminar, or provides a similar service, and transportation and any necessary lodging and subsistence that is exempt under Regulation 18950.3. These items are not payments and need not be reported by the filer.

(12) The transportation, lodging, and subsistence specified by Regulation 18950.4.

<u>(13) A ticket or pass, provided to an official for his or her admission to an event at which the official performs a ceremonial role or function on behalf of the agency, so long as the official complies with the posting provisions set forth in subdivision (c) of Regulation 18944.1.</u>

(b) The following items, if they are otherwise gifts, are exempt from the limitations on gifts described in Section 89503:

(1) Payments for transportation, lodging, and subsistence that are exempt from limits on gifts by Section 89506 and Regulations 18950, et seq.

(2) Wedding gifts.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028, 86113, 86203, 87100, 87103, 87207, 87302 and 89503, Government Code.