

# State of California



## Fair Political Practices Commission

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Technical Assistance • • Administration • • Executive/Legal • • Enforcement  
(916) 322-5662 322-5660 322-5901 322-6441

April 24, 1984

Rich Eichman  
Neilsen, Hodgson, Parrinello & Mueller  
1225 Eighth St, Suite 550  
Sacramento, CA 95814

Re: FPPC No. A-84-098

Dear Rich:

This is to confirm our telephone conversation of last week regarding the lobbying disclosure provisions of the Political Reform Act.

The question you asked concerned reporting by a lobbyist employer of expenses in connection with a reception at which legislative and agency officials are guests. Specifically, you asked whether expenses for certain items in connection with such an event are reportable, and whether the costs of each of those items must be added to the total cost of the event for the purpose of determining the pro rata benefit to each guest. Of the items you asked about, the following expenses must be included in determining the total cost of the activity, and for the purpose of determining the pro rata benefit to each guest: rent of the facility; food and beverages; entertainment; room decorations; and payments to the bartender or other servers. Such payments must be reported as "Activity Expenses."

Expenses in connection with sending the invitations, however, are not required to be included in the cost of the activity and are not required to be included in determining the pro rata benefit to each guest. In addition, payments for salary, travel and other expenses of the filer's employees in connection with coordinating and conducting the event are not a part of the activity expense. Such payments for

TO: [ ] JEANNE [ ] JAY [ ] OTHER: \_\_\_\_\_ FROM: J.Pritchard  
[ ] LYNN [ ] BARBARA DATE: 4/24/84  
[ ] JEANETTE [ ] ALICE  
[ ] HELEN [ ] MARY ANN  
[ ] CARLA  
[ ] TELEPHONE ADVICE - SEE BELOW  
[ ] CORRESPONDENCE ADVICE - SEE ATTACHED DRAFT  
(IF YOU HAVE ANY COMMENTS, NOTIFY ADVISOR WITHIN 1 DAY)

FILE LOCATION: 86109(c); 18620  
INCLUDE IN ADVICE PACKAGE: YES [xx] NO [ ]

CALLER J.Richard Eichman  
REPRESENTING Nielsen, Hodgson, Parrinello & Mueller  
PHONE NUMBER: \_\_\_\_\_

QUESTION: Must the costs of certain items in connection with a reception  
at which legislative and agency officials are guests be included  
in the amount reported as an "activity expense," and be included  
for the purpose of determining the pro rata benefit to each  
guest?

ANSWER: The following items must be included in the cost of such  
an event: rent of the facility; food and beverages; entertainment  
room decorations; payments to the bartender or other servers.

The following items are not required to be included in the  
total cost of the activity, and are not required to be included  
for the purpose of determining the pro rata benefit to each guest:  
expenses in connection with preparing and sending invitations;  
salary, travel and other expenses of the filer's employees in  
connection with coordinating and conducting the event.

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invitations, salary, travel and other expenses are to be reported as "Other Payments to Influence Legislative and Administrative Action."

Thank you for your inquiry. If you have any questions about other types of costs in connection with sponsoring such an event, we will be glad to address them.

Sincerely,

A handwritten signature in cursive script that reads "Jeanne Pritchard".

Jeanne Pritchard  
Political Reform Consultant