

State of California



Fair Political Practices Commission

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October 17, 1984

Frederick K. Lowell
Pillsbury, Madison and Sutro
225 Bush Street
P.O. Box 7880
San Francisco, CA 94120

Re: Advice Letter No. A-84-237

Dear Fred,

This letter is to confirm our office's past advice to you regarding the reporting of honoraria pursuant to 2 Cal. Adm. Code Section 18623. Subsection (a) of the regulation provides that the term "honorarium" means a payment for speaking at any event, participating in a panel or seminar or engaging in any similar activity. Free admission, food, beverages and similar nominal benefits provided at the event; and reimbursements for actual intrastate travel and necessary accommodations provided directly in connection with the event do not constitute payments.

Subsection (b) of 2 Cal. Adm. Code Section 18623 provides that an honorarium paid directly or indirectly by a lobbyist to an elected state official, a legislative official, agency official, or state candidate, must be reported as a gift, unless the official provides equal or greater consideration for the honorarium. The "gift" will be reported as a payment which benefits the elected state official, legislative official, agency official, or state candidate and it will be subject to the gift limitation in Government Code Section 86203.^{1/}

Subsection (c) of 2 Cal. Adm. Code Section 18623 provides that an honorarium paid by a lobbyist or a person filing under

^{1/} Hereinafter all statutory references are to the Government Code, unless otherwise indicated.

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Section 86108, which is not reported as a gift, must be reported as a payment which benefits an elected state official, a legislative official, agency official, or state candidate. An honorarium which is not a gift is not subject to the gift limitation in Section 86203.

Confirmation of Previous Advice

1. Free admission, food, beverages and similar nominal benefits provided at the event and reimbursements for actual intrastate travel and necessary accommodations, provided in connection with a speaking event, are not included in the meaning of "honoraria." Therefore, they are not required to be reported as an activity expense pursuant to subsection (c).

2. If, in connection with a speaking event, an official receives the types of items which are exempt from disclosure under subsection (a), the exemption applies regardless of whether or not the official also receives a payment which qualifies as an "honorarium."

3. The exemptions provided in subsection (a) only apply to benefits received by the filer. If an official's spouse receives room, board and other benefits, the spouse's share of the benefits must be reported as a payment benefiting a member of the official's immediate family.

If I can be any additional help to you, please feel free to contact me at (916) 322-5901.

Very truly yours,

Janis Shank McLean

Janis Shank McLean
Staff Counsel
Legal Division

JSM:plh

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September 10, 1984

Ms. Barbara Milman
General Counsel
Fair Political Practices Commission
1100 K Street
Sacramento, CA 95814

Dear Barbara:

Pursuant to our telephone conversation today, this is a request for written advice pursuant to Gov.Code, § 83114(b).

As we discussed, I would appreciate it if you would confirm advice which we have received on various occasions from the FPPC with respect to the proper method of reporting honoraria and associated expenses pursuant to 2 Cal.Admin.Code, § 18623. That section, you will recall, states that for purposes of the section, room, board and certain associated expenses provided to an official for speaking at an event such as a panel, symposium or seminar are not "payments."

In light of the foregoing, we assume the following:

1. Although an honorarium paid to an official must be reported as an activity expense by lobbyist-employers and \$2,500 filers pursuant to § 18623(c), room, board and the associated expenses listed in § 18623(a) need not be reported as activity expenses by the filer.
2. The payment of an honorarium is not a prerequisite for the section to apply to room, board and associated expenses. Thus, for example, if an official were to

speaking at a symposium or seminar without receiving an honorarium, his or her room, board and associated expenses would still not have to be reported by the filer.

3. The regulation only applies to the officials involved; to the extent that spouses participate, an allocable portion of room, board and associated expenses would have to be reported by the filer as a payment benefiting a member of the official's immediate family.

The foregoing conclusions are consistent with our understanding of the FPPC's position with respect to the proper interpretation of § 18623. I would appreciate receiving your written confirmation as early as possible.

Very truly yours,



Frederick K. Lowell

cc: The Honorable Dan Stanford
Ms. Jeanne Pritchard