

City of Laguna Beach  
AGENDA BILL

No. 10

Meeting Date: 3/24/09

**SUBJECT: ADOPTION OF CITY TICKET POLICY TO CONFORM WITH REGULATIONS OF THE FAIR POLITICAL PRACTICES COMMISSION**

**SUMMARY OF THE MATTER:**

On December 11, 2008, the Fair Political Practices Commission (FPPC) amended Section 18944.1 of Title 2 of the California Code of Regulations relating to tickets or passes to events distributed to public officials. This new regulation, which became effective on February 8, 2009, sets forth the conditions under which a ticket or pass to an entertainment event distributed by an agency to its officials will not be treated as a gift to the official under the Political Reform Act and the FPPC regulations. Because the City receives eight tickets for each showing of the Pageant of the Masters pursuant to the lease of the property, a policy for distribution of those tickets must be adopted.

Under the new regulation, tickets to an event for entertainment purposes distributed by an agency to its public officials will not be considered a gift if 1) the public official uses or behests the tickets for a public purpose, or 2) the public official treats the tickets as income in accordance with applicable state and federal income tax laws. Tickets provided by an agency to its officials for which the agency is reimbursed are not subject to the regulation.

Additionally, in order to avoid a distribution of tickets from an agency to its officials from being treated as a gift, Section 18944.1 requires an agency to adopt a ticket policy that contains, at a minimum: 1) a provision setting forth the public purposes of the agency to be accomplished by the distribution of tickets or passes; 2) a provision requiring that the distribution of any ticket or pass by the agency to, or at the behest of, an official accomplish a public purpose of the agency; and 3) a provision prohibiting the transfer by any official of any ticket or pass, distributed to such official pursuant to the agency policy, to any other person, except to members of the official's immediate family, solely for their personal use.

Finally, the amended regulation requires that the agency disclose on its website all tickets distributed to its officials for a public purpose as well as those that the official will treat as income. Such disclosure is to

**RECOMMENDATION:** It is recommended that the City Council:

Adopt the attached City Ticket Policy applicable to tickets for the Pageant of the Masters in order to conform to the provisions of Section 18944.1 of the Fair Political Practices Commission Regulations that became effective on February 8, 2009.

Appropriations Requested: \$ \_\_\_\_\_

Submitted by: \_\_\_\_\_

Fund: \_\_\_\_\_

Coordinated with: \_\_\_\_\_

Attachments: City of Laguna Beach Ticket Policy

Approved: \_\_\_\_\_



City Manager

**Adoption of City Ticket Policy to Conform with Regulations of the  
Fair Political Practices Commission**

**March 24, 2009**

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be made within 30 days after the distribution on a form provided by the FPPC, which shall include 1) the name of the person or organization receiving the tickets, 2) a description of the event, 3) the date of the event, 4) the face value of the ticket, 5) the number of tickets provided to each person/organization, 6) if the ticket was behested, the name of the official who behested the ticket, and 7) a description of the public purpose under which the distribution was made or, alternatively, that the ticket will be treated as income by the official.

The attached policy, which was adapted substantially from the policy adopted by the City of Anaheim, conforms to the requirements of Section 18944.1 as set forth above. Additionally, it designates the City Manager as the Ticket Administrator for purposes of implementing this policy and establishing the ticket distribution procedures in accordance with the policy. The policy also limits the ability to behest tickets to the City Council and City Manager, and prohibits any person who behests a ticket from using that ticket to attend the event.

CITY OF LAGUNA BEACH  
PAGEANT OF THE MASTERS TICKET POLICY  
MARCH 2009

1.0 Application of Policy.

This policy applies to tickets which the City receives to the Pageant of the Masters under the lease between the Festival of Arts and the City of Laguna Beach.

2.0 Definitions: Unless otherwise expressly provided herein, words and terms used in this policy shall have the same meaning as that ascribed to such words and terms in the California Political Reform Act of 1974 (Government Code Sections 81000 *et seq.*, as the same may from time to time be amended) and the Fair Political Practices Commission ("FPPC") Regulations (Title 2, Division 6 of the California Code of Regulations, Sections 18110 *et seq.*, as the same may from time to time be amended).

2.1 "City" or "City of Laguna Beach" shall mean the City of Laguna Beach, any other affiliated agency created or activated by the Laguna Beach City Council, and any departments, boards and commissions thereof.

2.2 "City Official" means every member, officer, employee or consultant of the City of Laguna Beach, as defined in Government Code Section 82048 and FPPC Regulation 18701. Such term shall include, without limitation, any City board or commission member or other appointed official or employee required to file an annual Statement of Economic Interests (FPPC Form 700).

3.0 General Provisions.

3.1 Limitation on Transfer of Tickets: Tickets distributed to a City Official pursuant to this policy shall not be transferred to any other person, except to members of such City Official's immediate family solely for their personal use.

3.2 Prohibition Against Sale of or Receiving Reimbursement for Tickets: No person who receives a ticket pursuant to this policy shall sell or receive reimbursement for the value of such ticket.

4.0 Ticket Administrator.

4.1 The City Manager shall be the Ticket Administrator for purposes of implementing the provisions of this policy.

4.2 The Ticket Administrator shall establish procedures for the distribution of tickets in accordance with this policy. All requests for tickets which fall within the scope of this policy shall be made in accordance with the procedures established by the Ticket Administrator.

- 4.3 The Ticket Administrator shall determine the face value of tickets distributed by the City for purposes of Sections 5.1, 5.2 and 7.1, subparagraph d), of this policy.
- 4.4 The Ticket Administrator may revoke or suspend the ticket privileges of any person who violates any provision of this policy or the procedures established by the Ticket Administrator for the distribution of tickets in accordance with this policy.
- 5.0 Conditions Under Which Tickets May be Distributed: Subject to the provisions of this policy, complimentary tickets may be distributed to City Officials under the following conditions:
  - 5.1 The City Official reimburses the City for the face value of the ticket(s).
    - a) Reimbursement shall be made at the time the ticket(s) is/are distributed to the City Official.
  - 5.2 The City Official treats the ticket(s) as income consistent with applicable federal and state income tax laws.
  - 5.3 The City Official uses, or behests, such ticket(s) for one or more of the following public purposes:
    - a) Performance of a ceremonial role or function representing the City at the event, for which the City Official may receive enough tickets for the City Official and each member of his or her immediate family.
    - b) The job duties of the City Official require his or her attendance at the event, for which the City Official may receive enough tickets for the City Official and each member of his or her immediate family.
    - c) Economic or business development purposes on behalf of the City.
    - d) Intergovernmental relations purposes, including but not limited to attendance at an event with or by elected or appointed public officials from other jurisdictions, their staff members and their guests.
    - e) Attracting or rewarding volunteer public service.
    - f) Encouraging or rewarding significant academic, athletic, or public service achievements by Laguna Beach students, residents or businesses.
    - g) Attracting and retaining highly qualified employees in City service, for which such employee may receive no more than four (4) tickets per event.

- h) As special recognition or reward for meritorious service by a City employee, for which such employee may receive no more than four (4) tickets per event.
- i) For use in connection with a City employee competition or drawing, for which there shall be made available no more than four (4) tickets per event.
- j) Recognition of contributions made to the City by former City Councilmembers or Management Personnel, for which such former City Councilmember or Management Personnel may receive no more than four (4) tickets per event.

6.0 Tickets Distributed at the Behest of a City Official.

- 6.1 Only the City Councilmembers and the City Manager shall have authority to behest tickets.
- 6.2 Tickets shall be distributed at the behest of a City Official only for one or more public purposes set forth in Section 5.3 above.
- 6.3 If tickets are distributed at the behest of a City Official, such City Official shall not use one of the tickets so distributed to attend the event.

7.0 Disclosure Requirements.

- 7.1 Tickets distributed by the City to any City Official either i) which the City Official treats as income pursuant to Section 5.2 above, or ii) for one or more public purposes described in Section 5.3 above, shall be posted on a form provided by the FPPC in a prominent fashion on the City's website within thirty (30) days after distribution. Such posting shall include the following information:
  - a) The name of the recipient, except that if the recipient is an organization, the City may post the name, address, description of the organization and number of tickets provided to the organization in lieu of posting the names of each recipient;
  - b) A description of the event;
  - c) The date of the event;
  - d) The face value of the ticket;
  - e) The number of tickets provided to each person;

- f) If the ticket was distributed at the behest of a City Official, the name of the City Official who made such behest; and
- g) A description of the public purpose(s) under which the distribution was made, or, alternatively, that City Official is treating the ticket as income.

7.2 Tickets distributed by the City for which the City receives reimbursement from the City Official as provided under Section 5.1 above shall not be subject to the disclosure provisions of Section 7.1.