

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

Technical Assistance • • Administration • • Executive/Legal • • Enforcement • • Statements of Economic Interest
(916) 322-5662 322-5660 322-5901 322-6441 322-6444

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December 21, 1981

Melinda Luedtke
Director
Department of Economic
and Business Development
1030 13th Street
Sacramento, CA 95814

Dear Melinda:

In response to your questions: If an out-of-state trip for the director of your office of international trade is paid for by a group of businesses, he or she would have to report such a trip as a gift or income received from such businesses on his or her annual Statement of Economic Interests. If a foreign government pays for such a trip that too would have to be disclosed as a gift or income. See Sections 87207, 87300, and 87313 of the Government Code, copies attached.

In addition, if the trip is worth \$250 or more, then the director of the international trade office would be required to disqualify himself or herself from participating in any decision which would have a material financial effect -- distinguishable from the public generally -- on the businesses or foreign government involved. For example, he or she could not participate in negotiations which would lead to higher quotas, less shipping expenses, higher prices, etc. for the commodity produced by the companies involved in the gift. See Government Code Sections 87100 and 87103 and 2 Cal. Adm. Code Section 18702, copies attached.

I hope this information is helpful. You may also wish to consult the guidelines for out-of-state travel promulgated by the Department of Finance.

Sincerely,

A handwritten signature in cursive script that reads "Tom K. Houston".

Tom K. Houston
Chairman

TKH:nrw