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Ranking Member



ONE HUNDRED FOURTEENTH CONGRESS

U.S. House of Representatives

COMMITTEE ON ETHICS

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MEMORANDUM FOR ALL MEMBERS, OFFICERS, AND EMPLOYEES

FROM: **Committee on Ethics**
Charles W. Dent, Chairman *CWD*
Linda T. Sánchez, Ranking Member *LS*

SUBJECT: Gift Rules Applicable to National Political Conventions

With the time for the 2016 Presidential nominating conventions approaching, we believe it would be helpful to provide you with a summary of the key provisions of the House gift rule (House Rule 25, clause 5) that apply in the context of the conventions. Any questions on how these provisions apply to a specific proposed event or other gift should be directed to the Committee.

Note that the advice contained in this memorandum should be read in conjunction with the guidance provided in the Committee's general advisory memorandum of May 13, 2016, entitled "Member Participation in Certain Events Taking Place During a National Political Convention," addressing events held in honor of a Member and sponsored by a lobbyist or entity that employs lobbyists. While that memorandum addressed a particular rule applicable only to national political conventions, this memorandum summarizes the general rules that are always applicable, and places them in the context of the national political conventions.

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The gift rule prohibits Members and House staff from accepting any gift – including any meal, entertainment, transportation, services, or anything else having monetary value – except as specifically provided in the rule. Members and staff are also generally prohibited from *soliciting* any gift, whether for themselves or for others. Under the gift rule as applied by the Committee, gifts that *may* be accepted in connection with the conventions include the following.

1. Any gift paid for by the host *cities of Cleveland or Philadelphia*, or any unit of federal, state, or local government, may be accepted. However, this provision does *not* apply when a governmental entity is being used merely as a conduit for a gift from another person or entity. Thus, for example, if a city were given event tickets that were designated by the donor, either formally or informally, for distribution to Members or

staff, those tickets would be deemed a gift from the original donor and would be subject to the restrictions of the rule that apply to gifts from that source.

2. The rule allows the acceptance of a range of gifts – including meals, lodging, entertainment, and transportation – from a ***political organization in connection with a campaign or fundraising event*** that the organization is sponsoring. Under this provision, as applied by the Committee, Members and staff may accept such gifts provided in connection with the convention from the Democratic National Committee (DNC) or Republican National Committee (RNC) or the Democratic or Republican Convention Committee, as well as from the convention host committees for Cleveland and Philadelphia.¹ In addition, travel expenses to the convention may be accepted from a state or local party organization, or a Member may use the Member’s campaign funds to pay travel expenses to the convention.²

3. At times, state or local party organizations, campaign committees, and other political organizations sponsor their own ***campaign or fundraising events*** at the conventions. Under the same gift rule provision that is referred to in item 2, Members and staff may accept an offer of free attendance, and related benefits, at such events from the sponsoring political organization (but not from anyone other than the sponsoring political organization). However, Members and staff should consult with the FEC regarding their attendance at non-federal political fundraising events.

4. Attendance at ***receptions***, at which the food served is limited to food and beverages of nominal value and does not include a meal, is permissible under the gift rule.

5. Staff and Members who are ***convention delegates*** may accept invitations to events and other gifts that are offered to all of the convention delegates or to, for example, all of the convention delegates from their state.

6. A Member or staff person, as well as one accompanying individual, may accept an offer of free attendance at a ***“widely attended” event***, if all of the following are true: (a) the invitation is extended by the event organizer; (b) the event will have at least 25 non-congressional attendees; (c) the event is open to the general public, or the non-congressional attendees represent a wide range of individuals interested in a given matter; **and** (d) the Member’s or staff person’s attendance is connected to the performance of their official duties. This provision generally does not allow free attendance at events

¹ However, the same caveat noted at item 1 with regard to gifts earmarked for distribution to Members or staff applies as well with regard to any such gifts received from these committees. Any such gifts would be deemed to be from the original donor, and not from the party, convention, or host committee.

² The Federal Election Commission (FEC) has issued advisory opinions that address circumstances in which a Member may use campaign funds to pay for the convention-related travel expenses of the Member’s spouse or child, or those of a congressional staff member. Please note, however, that a congressional employee may attend a convention only on the individual’s own time, not on official time. FEC staff should be consulted directly with regard to use of campaign funds to pay the convention-related travel expenses of these other individuals. The FEC’s congressional liaison office may be reached at (202) 694-1006.

such as shows or sporting events. In addition, events that are political in nature or are fundraising events for any entity generally are deemed not to be connected to official duties for purposes of the gift rule.

7. A House Member or employee may accept free attendance at a *charity event* provided that: (a) the invitation is extended by the event organizer; and (b) the primary purpose of the event is to raise funds for an organization qualified under § 170(c) of the Internal Revenue Code (including § 501(c)(3) charitable organizations). This latter criterion is generally satisfied when more than half of the cost of the admission fee is deductible as a charitable donation.

8. A Member or staff person may also accept any gift (other than cash or cash equivalent) having a value of *less than \$50*, provided the donor is not a registered federal lobbyist, registered foreign agent, or an entity that employs or retains such individuals. Each Member or staff person has a cap of less than \$100 in gifts from any one source during the calendar year under this exception. *Members and staff must be especially cautious about accepting invitations to sporting events, shows, recreational activities, or small group or one-on-one meals.* Unless acceptable under one of the gift rule provisions noted above, attendance likely will be permissible only if the market value of the gift is worth less than \$50. For the purposes of valuing tickets to an event, the gift rule provides that a ticket to a sporting or entertainment event is “valued at the face value of the ticket or, in the case of a ticket without a face value, at the highest cost of a ticket with a face value for the event.” If individually priced tickets for a particular event are not made available for sale to the public, please contact the Committee for advice on the value of tickets.

9. At times Members wish to hold an event of their own, such as a reception, at the convention. As a general matter, Members may pay for such events with their campaign funds.

10. This guidance is limited to the acceptance of gifts. Members and senior staff may need to disclose the acceptance of gifts on their financial disclosure statements.³ However, tickets to widely attended events and political events are not required to be disclosed.

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If you have any questions regarding this guidance, or would like further explanation of the gift rule, please feel free to contact the Committee’s Office of Advice and Education at (202) 225-7103.

³ In 2016, staff are considered to be “senior staff” for financial disclosure purposes if they are paid at or above the annual rate of \$123,175 for 60 days or more during the calendar year.