



City of Long Beach
Working Together to Serve

Memorandum

Office of the City Attorney

DATE: December 17, 2008

To: Distribution

FROM: Heather A. Mahood, Assistant City Attorney *[Signature]*

SUBJECT: New Rules Applicable to Tickets and Passes Given to City Officials and Employees

On December 11, 2008, the California Fair Political Practices Commission adopted new rules which will greatly restrict the use of event tickets and passes by City officials and employees. The specifics of these rules are discussed below, but the most important change will require that these tickets be declared as "gifts" to the official unless the City can demonstrate that the official's use of the ticket serves a specific governmental or public purpose.

Type of Tickets and Passes Affected

For the purposes of the new rules, the term "tickets" means anything that permits admission to a facility, event, show or performance for an entertainment, amusement, recreational or similar purpose.

These new rules apply to both:

1. Tickets donated to the City by an outside source (eg, Rose Parade/Rose Bowl tickets from the Long Beach CVB)
2. Tickets that the City obtains pursuant to a contract with the event (eg, the Long Beach Grand Prix) or because the City owns or controls the facility at which the event occurs (eg, the Performing Arts Center, Blair Field, etc.)

Effect of Use of Ticket by City Official or Employee

Unless one of the exceptions listed below apply, the new general rule is that the official must report the face value of the ticket on his or her Form 700 (if the value is over \$50) as a gift, and the ticket is subject to the \$420 annual limit on acceptance of gifts.

Exceptions to the Gift Rule – When Tickets Are Not “Gifts” to the Official

If any of the following exceptions apply, an official’s personal use of a ticket will not be considered a “gift” and will not be reportable:

1. The use of a ticket to an event at which the official performs a ceremonial role on behalf of the City.
2. The use of the ticket for the official “furthers a specific governmental or public purpose in addition to any private benefit the official may receive”. **IMPORTANT**. This finding cannot be made solely on the official’s position with the City “unless the official’s written job duties require the official to appear at the event for which the ticket is provided”. Further, if the ticket comes from an outside source (eg, Long Beach CVB), that entity cannot determine which official receives the ticket. In the event food and beverages are served at the event, and the value exceeds \$50, the food and beverages must be reported as a “gift.”
3. The official pays the face value of the ticket from his or her personal funds.

New Reporting Requirements

In order for the exceptions described above to apply, two important reporting actions must be taken by the City.

First, the City must have a written policy, “posted on the City’s website in a prominent fashion”, which states the specific governmental or public purpose to be accomplished by the distribution of the ticket. This policy must be posted before the exceptions listed above may be applied.

Second, the use of a ticket by each official must be reported on the City’s website within 30 days of the distribution of the ticket. This report must include:

- the name of person receiving the ticket
- a description of the event
- the date of the event
- the cost of admission
- a description of the governmental or public purpose served by the use of the ticket

The FPPC has provided a sample format for such a report, a copy of which is attached.

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Our office will be working with the City Manager in order to set up the required reporting procedures. **Until that is completed, all tickets received by City officials must be reported as gifts.**

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Tickets Provided by Agency Report

California
Form **802**

A Public Document

This form is for use by all state and local government agencies to disclose the distribution of tickets or passes that allow admission to facilities, events, shows, or performances for entertainment, amusement, recreational, or similar purposes. The agency must complete Form 802 identifying agency officials who receive tickets or passes from the agency as well as other individuals and organizations that receive tickets or passes at the behest of agency officials. Form 802 must be posted in a prominent fashion on the agency's website.

Gifts of Tickets or Passes to Public Officials: FPPC Regulation 18944.1 sets out the circumstances under which an agency's distribution of tickets or passes to or at the behest of an official in the agency does not result in a gift to the official. (Regulation 18944.1 is available on the FPPC website at www.fppc.ca.gov.) Even though the distribution of tickets or passes to a public official under the regulation is not a gift to the official, the agency must disclose the distribution on Form 802. The official does not have to disclose tickets or passes received or distributed under the regulation on his or her Statement of Economic Interests (Form 700), but tickets or passes received or distributed by the official that do not fall under the regulation may be subject to disclosure on the official's Form 700 and subject to gift limits.

Posting Form 802

The Form 802 must be posted on the agency's website within 30 days after the distribution. If the agency does not maintain a website, the form must be maintained by the agency as a public record, be available for public inspection and copying, and be forwarded to the FPPC for posting on its website.

Part 1. Agency Identification

List the agency's name and address and the name of an agency contact. Mark the amendment box if changing any information on a previously filed form and include the date of the original filing.

Part 2. Event For Which Tickets Were Distributed

Provide the date(s) of the event, a description of the event, and the cost of admission. Check the box indicating whether the event was an "agency event" (such as a county fair, or an event for which the agency purchased tickets). If the agency received the tickets from an outside source, identify the source, the number of tickets received, and check the box to identify whether the tickets or passes were provided to the agency:

- Gratuitously (see Regulation 18944.1(b)(2)), or
- Pursuant to a contract (see Regulation 18944.1(b)(3)).

Part 3. Agency Official(s) Receiving Ticket(s)

Disclose the name of each agency official that received a ticket or pass and the number of tickets or passes the official received. Also describe the governmental or public purpose for which the official received the tickets or passes.

Part 4. Individual or Organization Receiving Ticket(s)

If tickets or passes were distributed to an individual or organization outside the agency at the behest of an official of the agency, provide the name of the official. Disclose the name(s) of the individual(s) who received the tickets or passes and the number of tickets or passes provided. If the tickets or passes were provided to an organization, the agency may post the name, address, a description of the organization, and the number of tickets or passes provided to the organization in lieu of posting the name of each individual that received a ticket or pass. Also describe the governmental or public purpose for the distribution to the individual or organization.

Part 5. Verification

The agency head or his or her designee must sign the form.

Privacy Information Notice

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Government Code Sections 81000-91014 and California Code of Regulations Sections 18109-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal, or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Act Notice, please contact the FPPC.

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