

RESOLUTION NO. 5636

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LOS BANOS, CALIFORNIA,
ESTABLISHING A COMPLIMENTARY TICKET
DISTRIBUTION POLICY

WHEREAS, from time to time, the City of Los Banos ("City") may receive complimentary tickets or passes from public and private entities and individuals, or pursuant to the City's co-sponsorship of an event, or may purchase tickets or passes for both public and private events for distribution to city officials, to further governmental and public purposes, such as the promotion of City businesses, resources, programs, facilities and intergovernmental relations; and

WHEREAS, Fair Political Practices Commission Regulation 18944.1 describes the circumstances in which the distribution of tickets or passes to a city official does not result in a gift to the city official who accepts such ticket or pass; and

WHEREAS, in order not to be considered a gift to the city official any distribution of tickets and/or passes to, or at the behest of, City officials must be made pursuant to a duly adopted written policy governing the distribution of complimentary tickets or passes; and

WHEREAS, the City Council of the City of Los Banos wishes to establish a written policy setting forth procedures and guidelines regarding the distribution of complimentary tickets or passes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Los Banos, California, as follows:

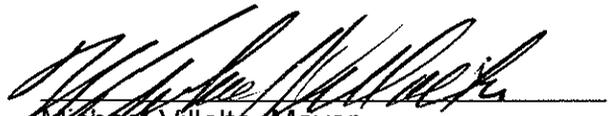
SECTION 1. That the Policy attached hereto as Exhibit A, and incorporated herein by this reference, as if fully set forth, entitled "Complimentary Ticket Distribution Policy" is approved.

SECTION 2. This resolution shall be effective immediately upon adoption.

SECTION 3. That the City Council of the City of Los Banos hereby directs the City Clerk to post the Ticket Policy in a prominent fashion on the City's website, consistent with the requirements of California Code of Regulations Section 18944.1.

The foregoing Resolution was introduced at a regular meeting of the City Council of the city of Los Banos held on this 21st day of January 2015, by Council Member Silveira, who moved its adoption, which motion was duly seconded by Council Member Faria, and the Resolution was adopted by the following vote:

APPROVED:


Michael Villalta, Mayor

ATTEST:

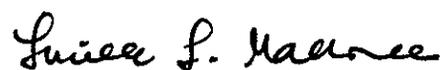

Lucille L. Mallonee, City Clerk

Exhibit "A" to City Council Resolution No. 5636
Policy Regarding Complimentary Ticket Distribution

POLICY REGARDING COMPLIMENTARY TICKET DISTRIBUTION

CITY OF LOS BANOS

Section 1. PURPOSE OF POLICY

The purpose of this policy is to establish a fair and equitable process for the distribution of complimentary tickets or passes provided to the City in compliance with the requirements of Section 18944.1 of the Fair Political Practices Commission Regulations. This Policy is subject to the California Political Reform Act of 1974, Government Code § 81000, et seq. (the Political Reform Act) and the Fair Political Practices Commission ("FPPC") Regulations, Title 2, Division 6 of the California Code of Regulations, Sections 18110 et seq. (FPPC Regulations), as they now exist or may hereafter be added or amended.

Section 2. 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 Political Reform Act and the FPPC Regulations, as the same may from time to time be amended.

"Behest" shall mean an authoritative request.

"City" shall mean and include the City of Los Banos, and any other affiliated agency created or activated by the Los Banos City Council, and any departments, boards and commissions thereof.

"City Official" shall mean every officer, agent, and employee of the City who is obligated to file an Annual Statement of Economic Interests (FPPC Form 700) under state law or the City's current conflict of interest code.

"City Venue" shall mean and refer to any facility owned, controlled, or operated by the City.

"FPPC" shall mean and refer to the California Fair Political Practices Commission.

"Immediate family" shall mean and refer to the spouse and dependent children of the City Official. The term spouse includes registered domestic partners recognized by state law and dependent children shall mean a child, including an adoptive child or stepchild, of a City Official who is under 18 years old and who the City Official is entitled to claim as a dependent on his or her federal tax return.

"Family" means spouse, registered domestic partner, children and dependent children as defined in FPPC Regulation 18943.

"Policy" shall mean and refer to this Policy Regarding the Distribution of Complimentary Tickets and Passes Pursuant to FPPC Regulation 18944.1.

"Ticket" shall mean and refer to a "ticket or pass" as that term is defined in FPPC Regulation 18944.1, as amended from time to time, but which currently defines a "ticket or pass" as admission to a facility, event, show or performance for an entertainment, amusement, recreational, or similar purpose.

Section 3. APPLICATION OF POLICY.

A. This Policy applies to the distribution of all Tickets received by the City that provide admission to a facility, event, show, or performance for an entertainment, amusement, recreational or similar purpose.

B. This policy shall be applicable to every officer, agent, and employee of the City who is obligated to file an Annual Statement of Economic Interests (Form 700) under state law or the City's current Conflict of Interest Code.

C. This Policy governs the distribution of complimentary Tickets received by the City that are either:

1. Gratuitously provided to the City by an outside source;
2. Acquired by the City by purchase for fair market value;
3. Acquired by the City as consideration pursuant to the terms of a contract for the use of a city venue or because the City controls the event;
4. Acquired and distributed by the City in any other manner.

D. This Policy does not apply to:

1. Any other item of value provided to the City or any City Official, regardless of whether received gratuitously or for which consideration is provided.
2. Tickets provided by sources other than the City.
3. A Ticket received by a City Official from the City where both the City Official and the City treat and report the value of the Ticket as income consistent with applicable state and federal income tax laws and the Ticket is reported as income pursuant to the provisions of this Policy.
4. Tickets distributed by the City for which the City receives reimbursement from the City Official shall not be subject to the disclosure provisions set forth herein.

E. Official Duties; Ceremonial Roles. A ticket provided to a City Official and one guest of the official at an event as described in Section 18942(12) at which the official performs a ceremonial role on behalf of the City is not a gift as long as the City Official complies with the posting and disclosure requirements as provided in this Policy.

Section 4. GENERAL PROVISIONS.

A. No Right to Tickets: The use of complimentary Tickets is a privilege extended by the City and not the right of any person to which the privilege may from time to time be extended.

B. 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 attendance at the event. If a City Official transfers a Ticket he or she has received from the City to another person (except as otherwise provided for herein), as opposed to returning the Ticket to the City for redistribution, then the value of the Ticket or Tickets he or she transfers shall constitute a gift to him or her and shall be reportable as provided by the regulations of the FPPC.

C. 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.

D. This policy does not generally apply to political or non-profit fundraisers which are governed by FPPC Regulation 18946.4.

E. Tickets received or directed for use by a City Official not in conformance with this policy remain subject to separate disclosure requirements and the annual gift limit under the California Political Reform Act and related regulations unless otherwise exempted or excluded under state law.

Section 5. TICKET ADMINISTRATOR.

A. The City Council delegates the authority to the City Manager or his/her designee to be the Ticket Administrator for purposes of implementing the provisions of this Policy.

B. The Ticket Administrator shall have the authority, in his or her sole discretion, to establish procedures for the distribution of Tickets in accordance with this Policy. Such authority includes the power to distribute such a Ticket to the City Manager provided that doing so is otherwise consistent with this Policy. All requests for Tickets that fall within the scope of this Policy shall be made in accordance with the procedures established by the Ticket Administrator.

C. The Ticket Administrator shall determine the face value of Tickets distributed by the City for purposes of this Policy.

D. The Ticket Administrator, in his or her sole discretion, 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.

E. For the purpose of implementing this policy, and completing and posting the FPPC California Form 802, the Ticket Administrator shall be the "Agency Head."

Section 6. CONDITIONS UNDER WHICH TICKETS MAY BE DISTRIBUTED.

Subject to the provisions of this Policy, the Ticket Administrator may distribute complimentary Tickets to City Officials under any one of the following conditions:

A. The City Official reimburses the City for the face value of the Ticket(s).

B. The City Official treats the Ticket(s) as income consistent with applicable federal and state income tax laws and the Ticket(s) are reported as income pursuant to the provisions of this Policy.

C. The distribution of the Ticket(s) to, or at the behest of, the City Official accomplishes or furthers one or more of the following governmental and/or public purposes:

1. Promotion of intergovernmental relations and/or cooperation and coordination of resources with other governmental agencies, 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.
2. Promotion or fostering of economic or business development purposes on behalf of the City.
3. Promotion of City resources and/or facilities available to Los Banos residents.
4. Promotion of City-run, sponsored or supported community events, activities, or programs.
5. Promotion of special events under any City contract or agreement, including but not limited to sport and athletic events.
6. Promoting, supporting, and/or showing appreciation for programs or services rendered by charitable and non-profit organizations benefiting Los Banos residents..
7. Promotion of City tourism on a local, state, national or worldwide scale.
8. Business retention or attraction on a local, state, national or worldwide scale.
9. Promotion of City recognition, visibility, and/or profile on a local, state, national or worldwide scale.
10. Encouraging Los Banos resident and business support for and attendance at local events.
11. Attracting or rewarding volunteer public service.
12. Encouraging or rewarding significant academic, athletic, or public service achievements by Los Banos students, residents, businesses, or employees.
13. Recognizing or rewarding meritorious service by a City employee.
14. Encouraging, rewarding, or supporting general employee morale or retention.
15. Facilitating the attendance of a City Official at an event where 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 each member of the City Official's Immediate Family.

16. As an incident to the above public purposes, allowing for the Immediate Family of the City Official to accompany the City Official to events to accomplish any of the purposes listed in this Policy.

Section 7. TICKETS DISTRIBUTED AT THE BEHEST OF A CITY OFFICIAL.

A. Only City Council Members and the City Manager shall have authority to behest Tickets.

B. Tickets shall be distributed at the behest of a City Official only for one or more public purposes set forth above.

C. 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.

Section 8. OTHER BENEFITS.

A. The distribution of Tickets pursuant to this Policy shall not constitute a "gift" to the City Official receiving the Ticket; however, other benefits, such as food or beverage or other gifts provided to the City Official that are not part of the admission provided by the complimentary Ticket, will need to be accounted for as gifts.

B. If the City receives complimentary Tickets that are earmarked for particular City Officials, then the Tickets are considered gifts to that particular City Official. If these Tickets are not returned unused to the provider within thirty (30) days of receipt, then the City Official must comply with the applicable FPPC gift limit regulations and reporting regulations.

Section 9. POSTING AND DISCLOSURE REQUIREMENTS.

A. This Policy and Form 802 reports required by Section 18944.1 of the FPPC Regulations shall be posted on the City's website.

B. The distribution of Tickets pursuant to this Policy shall be documented by the preparation and certification of FPPC Form 802. Within thirty (30) calendar days of the distribution of a Ticket, the Ticket Administrator shall prepare and certify a Form 802 and shall forward it to the FPPC for posting on the FPPC website.

C. The City shall maintain the completed Form 802 as a public record, subject to inspection and copying as set forth in Government Code Section 81008(a).

D. Tickets distributed by the City for which the city receives reimbursement from the City official shall not be subject to the disclosure provisions set forth herein.

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

§ 18944.1. Gifts: Agency Provided Tickets or Passes.

For purposes of this regulation the terms “ticket” and “pass,” as defined in Regulation 18946, apply solely to an admission to a facility, event, show, or performance for an entertainment, amusement, recreational, or similar purpose provided by an agency to, or at the behest of, an official of that agency, other than an admission provided to a school, college or university district official, coach, athletic director, or employee to attend an amateur event performed by students of that school, college, or university district or an admission identified in Regulation 18942(a)(12).

(a)(1) A ticket or pass is not subject to the provisions of this regulation, if the official treats the ticket or pass as income consistent with applicable state and federal income tax laws and the agency reports the distribution of the ticket or pass as income to the official in compliance with the reporting provisions of subdivision (d) below.

(2) Any ticket or pass acquired by the agency under subdivision (b)(2) and distributed to an official, other than an elected official or member of the legislative or governing body of the agency, for the official's personal use, to support general employee morale, retention, or to reward public service is deemed to serve a public purpose, and any tickets distributed to an official for such purpose shall be reported as described under subdivision (d)(3). For purposes of this paragraph, “personal use” means use by the official, his or her family, or no more than one guest.

(b) The official will meet the burden under Section 82028 that equal or greater value has been provided in exchange for the ticket or pass if the official reimburses the agency for the ticket or if all of the following requirements are met:

(1) For a ticket or pass the agency receives from an outside source, other than as provided in subdivision (b)(2):

(A) The ticket or pass is not earmarked by the outside source for use by the agency official who uses the ticket or pass;

(B) The agency determines, in its sole discretion, who uses the ticket or pass.

(C) The distribution of the ticket or pass by the agency is made in accordance with a policy adopted by the agency that incorporates all of the provisions of subdivision (c) below.

(2) For a ticket or pass the agency obtains (i) pursuant to the terms of a contract for use of public property, (ii) because the agency controls the event (such as a state or county fair), or (iii) by purchase at fair market value, the distribution of the ticket or pass is made in accordance with a policy adopted by the agency that incorporates all of the provisions of subdivision (c) below.

(c) Agency Ticket/Pass Distribution Policy. Any distribution of a ticket or pass under this regulation to, or at the behest of, an agency official must be made pursuant to a written agency ticket distribution policy, duly adopted by the legislative or governing body of the agency or, if none, the agency head that contains, at a minimum, all of the following:

(1) A provision setting forth the public purposes of the agency for which tickets or passes may be distributed.

(2) A provision requiring that the distribution of any ticket or pass to, or at the behest of, an agency official accomplish a stated public purpose of the agency.

(3) A provision prohibiting the transfer of any ticket received by an agency official pursuant to the distribution policy except to members of the official's immediate family or no more than one guest solely for their attendance at the event.

(d) Public Posting. A record of a ticket or pass distributed pursuant to this regulation, must be completed, on a form provided by the Commission. The form must be maintained as a public record, be subject to inspection and copying under Section 81008(a), and be forwarded to the Commission for posting on its website.

(1) Except as provided in paragraphs (2) and (3) below, the information must include the following:

(A) The name of the person receiving the ticket or pass;

(B) A description of the event;

(C) The date of the event;

(D) The face value of the ticket or pass;

(E) The number of tickets or passes provided to each person;

(F) If the ticket or pass is behested, the name of the official who behested the ticket; and

(G) A description of the public purpose under which the distribution was made or, alternatively, that the ticket or pass was distributed as income to the official.

(2) If the ticket or pass is distributed to an organization outside the agency, the agency shall post the name, address, description of the organization, and the number of tickets or passes provided to the organization in lieu of posting the names of each individual from the organization as otherwise required in paragraph (1) above;

(3) If the ticket or pass is distributed pursuant to subdivision (b) the agency may post the name of the department or other unit of the agency and the number of tickets or passes provided

to the department or other unit in lieu of posting the name of the individual employee as otherwise required in paragraph (1) above;

(e) The Commission recognizes the discretion of the legislative or governing body of an agency or, if none, the agency head to determine whether the distribution of a ticket or pass serves a legitimate public purpose of the agency, provided the determination is consistent with state law.

(f) The provisions of this regulation apply only to the benefits the official receives that are provided to all members of the public with the same class of ticket.

Note: Authority cited: Section 83112, Government Code. Reference: Section 82028, Government Code.

HISTORY

1. Renumbering of former section 18726.7 to section 18944.1 with amendment of section heading filed 6-22-94; operative 6-22-94 (Register 94, No. 25).
2. Change without regulatory effect relocating section filed 11-17-94 pursuant to section 100, title 1, California Code of Regulations (Register 94, No. 46).
3. Amendment of first paragraph and subsections (a)-(b) and (d)-(e) filed 7-25-95; operative 7-25-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 30).
4. Repealer and new section filed 1-8-2009; operative 2-7-2009. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2009, No. 2).

5. Repealer of subsection (a), subsection relettering and amendment of newly designated subsections (a)(1), (a)(2)(A)(iii)-(b), (c) and (e) filed 9-27-2010; operative 10-27-2010.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2010, No. 40).

6. Amendment of section heading and section filed 1-23-2012. Pursuant to California Code of Regulations, title 2, section 18313(e), FPPC has designated an effective date of 1-1-2012.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2012, No. 4).

**Agency Report of:
Ceremonial Role Events and Ticket/Pass Distributions**

A Public Document

1. Agency Name		Date Stamp	California Form 802 <small>For Official Use Only</small>
Division, Department, or Region <i>(If Applicable)</i>			
Designated Agency Contact <i>(Name, Title)</i>			
Area Code/Phone Number	E-mail	<input type="checkbox"/> Amendment <i>(Must provide explanation in Part 3.)</i> Date of Original Filing: _____ <small><i>(Month, Day, Year)</i></small>	

2. Function or Event Information

Does the agency have a ticket policy? Yes No Face Value of Each Ticket/Pass \$ _____

Event Description _____ Date(s) _____ / _____ / _____
Provide Title/Explanation

Ticket(s)/Pass(es) provided by agency? Yes No If no: _____
Name of Source

Was ticket distribution made at the behest of agency official? No Yes If yes: _____
Official's Name (Last, First)

3. Recipients
 • Use Section A to identify the agency's department or unit. • Use Section B to identify an individual. • Use Section C to identify an outside organization.

A. Name of Agency, Department or Unit	Number of Ticket(s)/Pass(es)	Describe the public purpose made pursuant to the agency's policy
B. Name of Individual <small><i>(Last, First)</i></small>	Number of Ticket(s)/Pass(es)	Identify one of the following:
		Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <small><i>If checking "Ceremonial Role" or "Other" describe below:</i></small>
		Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <small><i>If checking "Ceremonial Role" or "Other" describe below:</i></small>
C. Name of Outside Organization <small><i>(include address and description)</i></small>	Number of Ticket(s)/Pass(es)	Describe the public purpose made pursuant to the agency's policy

4. Verification
I have read and understand FPPC Regulations 18944.1 and 18942. I have verified that the distribution set forth above, is in accordance with the requirements.

Signature of Agency Head or Designee _____
Print Name _____
Title _____
(Month, Day, Year)

Comment: _____

FPPC Form 802 (4/12)
 FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-7772)

This form is for use by all state and local government agencies. The form identifies persons that receive admission tickets and passes and describes the public purpose for the distribution. This form was prepared by the Fair Political Practices Commission (FPPC) and is available at www.fppc.ca.gov.

General Information

FPPC Regulation 18944.1 sets out the circumstances under which an agency's distribution of tickets to entertainment events, sporting events, and like occasions would not result in a gift to individuals that attend the function. In general, the agency must adopt a policy which identifies the public purpose served in distributing the admissions. The Form 802 serves to detail each event and the public purpose of each ticket distribution. FPPC Regulation 18942 lists exceptions to reportable gifts, including ceremonial events, when listed on this form.

When the regulation procedures are followed, persons, organizations, or agencies who receive admissions are listed on a Form 802. Agency officials do not report the admissions on the official's Statement of Economic Interests, Form 700, and the value of the admission is not subject to the gift limit.

The Form 802 also informs the public as to whether the admissions were made at the behest of an agency official and whether the behested tickets were provided to an organization or to specific individuals.

Exception

This form is not required for admission provided to a school or university district official, coach, athletic director, or employee to attend an amateur event performed by students of that school or university.

Public Posting

This form must be maintained as a public document. A copy of all forms must be forwarded to the FPPC for posting on its website. E-mail delivery is preferred. E-mail: Form802@fppc.ca.gov; Fax: 916.322.0886; 428 J Street, Suite 620, Sacramento, CA 95814.

Forms must be sent to the FPPC as soon as possible. General business practice is no later than 45 days from the distribution.

A local agency may also post the forms on its website, but it is not required to do so.

Privacy Information Notice

Information requested by the FPPC is used to administer and enforce the Political Reform Act. Failure to provide

information may be a violation subject to administrative, criminal, or civil penalties. All reports are public records available for inspection and reproduction. Direct questions to FPPC's General Counsel.

Instructions

Part 1. Agency Identification:

List the agency's name. Provide a designated agency contact person, their phone number, and e-mail address. Mark the amendment box if changing any information on a previously filed form and include the date of the original filing.

Part 2. Function or Event Information:

Confirm that your agency has a policy for ticket distribution. Unless the ceremonial role or income box in Part 3, Section B, is marked, this form is only applicable if your agency has a policy.

Complete all of the other required fields that identify the ticket value, description of event, date(s) and whether the ticket was provided by the agency or an outside source. If an agency official behests the tickets, the official's name is also required. Use the comment field or an attachment to explain in full.

Part 3. Ticket Recipients:

This part identifies who uses the tickets. The identification requirements vary depending upon who received the tickets and are categorized into three sections. Each section must list the number of tickets received. Use the comment field or an attachment to explain in full.

Section A. Report tickets distributed to agency staff, other than an elected official or governing board member, pursuant to the agency's policy. It is not necessary to list each employee's name, but identify the unit/department for which the employee works. The agency must describe the public purpose associated with the ticket distribution. A reference to the policy is permissible.

Section B. Report: 1) any agency official who performs a ceremonial role; 2) any agency official who reports the value as income; or 3) tickets used by elected officials and governing board members (including those distributed pursuant to the agency's policy).

Section C. Report tickets provided to an organization. The organization's name, an address (website url is permissible), and a brief description of the public purpose are required.

**Agency Report of:
Ceremonial Role Events and Ticket/Pass Distributions
Continuation Sheet**

Agency Name _____

3. Recipients

• Use Section A to identify the agency's department or unit. • Use Section B to identify an individual. • Use Section C to identify an outside organization.

A. Name of Agency, Department or Unit	Number of Ticket(s)/ Pass(es)	Describe the public purpose made pursuant to the agency's policy
B. Name of Individual <i>(Last, First)</i>	Number of Ticket(s)/ Pass(es)	Identify one of the following:
		Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i>
		Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i>
		Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i>
		Ceremonial Role <input type="checkbox"/> Other <input type="checkbox"/> Income <input type="checkbox"/> <i>If checking "Ceremonial Role" or "Other" describe below:</i>
C. Name of Outside Organization <i>(include address and description)</i>	Number of Ticket(s)/ Pass(es)	Describe the public purpose made pursuant to the agency's policy

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

§ 18946.4. Exception -- Valuation of Gifts: Attendance at Nonprofit or Political Organization Fundraising Event.

This regulation establishes the value of a ticket, or admission by invitation, when the ticket or invitation to attend is to a fundraising event for a nonprofit or political organization.

(a) Nonprofit Fundraiser. Except as provided in subdivision (b), the value of a ticket or admission by invitation, to a fundraising event for a non-profit, tax-exempt organization that is not a committee covered by subdivision (c) is determined as follows:

(1) When the ticket clearly states that a portion of the ticket price is a donation to the organization, or the organization provides information indicating the portion of the admission price that constitutes the donation, the value of the ticket is the nondeductible portion of the admission.

(2) If there is no ticket, or other official information provided by the organization, indicating the value of the nondeductible portion of the admission, the value of the admission is the pro-rata share of the cost of any food, catering services, entertainment, and any other item provided to the official that is available to all guests attending the event, as determined under Regulation 18946.2 for invitation-only events. Any other specific benefit provided to the official at the event, such as golf green fees, is valued at fair market value.

(b) 501(c)(3) Organization Fundraiser. When the event is a fundraising event for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, the organization may provide two tickets or invitations per event to an official that shall be deemed to have no value. Additional tickets or admissions by invitation provided to or controlled by the official and any tickets not provided directly by the 501(c)(3) organization to the official are valued under subdivision (a) above.

(c) Political Fundraiser. For a ticket or invitation to attend a fundraising event for a committee defined in Section 82013(a), or a comparable committee regulated under federal law or the laws of another state, the committee or candidate may provide two tickets or invitations per event to an official that shall be deemed to have no value. Additional tickets or admissions by invitation provided to or controlled by the official and any tickets not provided directly by the committee or candidate to the official are valued under subdivision (a) above.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028, 87207 and 89503, Government Code.

HISTORY

1. Renumbering of section 18726.8 to section 18946.4 with amendment of section heading, text and Note filed 1-25-93; operative 1-25-93 (Register 93, No. 5).
2. Editorial correction deleting irrelevant History note (Register 94, No. 25).
3. Change without regulatory effect relocating section filed 11-17-94 pursuant to section 100, title 1, California Code of Regulations (Register 94, No. 46).
4. Amendment of subsections (a)-(a)(2) and amendment of Note filed 5-2-2005; operative 5-2-2005 pursuant to Government Code section 11343.4 (Register 2005, No. 18).
5. Amendment of section heading and section filed 9-4-2008; operative 10-4-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2008, No. 36).
6. Amendment of section heading, section and Note filed 1-23-2012. Pursuant to California Code of Regulations, title 2, section 18313(e), FPPC has designated an effective date of 1-1-2012. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2012, No. 4).