

# INTERPRETIVE RULING 2016-4

(Revised: August 29, 2018)

## **Dinners, Receptions, Sponsored Travel and Services— What’s Allowed, What Isn’t, What Needs to be Reported**

Questions have arisen about compliance with the requirements of our new ethics law, RSA 14-C, including the propriety of, and reporting requirements relating to, the acceptance of free admission or tickets to events sponsored by various organizations and entities, or the acceptance of payment for the cost of registration, travel, lodging, or meals and/or other underwriting for certain types of programs and events.

Under RSA 14-C:3, “gifts” to legislators and legislative employees are generally prohibited, unless specifically exempted by law. Unless specifically exempted, money payments to legislators by third persons are prohibited. Also prohibited are transfers by third persons to legislators of items of value other than money, unless the item is worth \$50 or less, or otherwise qualifies for a specific statutory exemption from the definition of “gift.”

In response to the following specific scenarios, the Committee issues the following interpretive rulings.

**1. Complimentary admission to dinners, receptions or other events at which food and beverages are provided and/or a registration or admission fee is otherwise charged.**

**Example A: A political event.** You are offered a ticket worth more than \$50 to attend a “Lincoln-Reagan Dinner” sponsored by the Rockingham County Republican Committee.

**Response:** A legislator or legislative employee may accept the ticket from any source (i.e. from the sponsoring organization or a third party) if the proceeds from this event are subject to the political expenditure reporting law (RSA 664) or the Federal Election Campaign Act of 1971 as amended. The recipient must file a report with the Secretary of State no later than the last day of the month following the month during which ticket was received. RSA 14-C:4, I. Acceptance of tickets or free admission is limited to \$250 in the aggregate from any single source during any calendar year. RSA 14-C:2, IV(b)(9)(A).

**Allowed?—Yes**

**Report if over \$50?—Yes**

**Example B: A charitable event.** You are offered a ticket worth more than \$50 to attend an annual dinner sponsored by City Year, a charitable organization.

**Response:** Complimentary admission from any source may be accepted by a legislator or a legislative employee, even if the value of the admission is greater than \$50, if the event is sponsored by a charitable organization that is registered with the Division of Charitable Trusts of the NH Department of Justice, or is qualified as charitable under Section 501(c)(3) of the Internal Revenue Code. As in the example above, the recipient must report the ticket with the Secretary of State no later than the last day of the month following the month during which the ticket was received. RSA

14-C:4, I. Acceptance of tickets or free admission is limited to \$250 in the aggregate from any single source during any calendar year. RSA 14-C:2, IV(b)(9)(B).

**Allowed?—Yes**

**Report if over \$50?—Yes**

**Example C: A ceremonial or celebratory event.** A registered lobbyist offers you a free ticket worth more than \$50 to attend the Annual Nackey S. Loeb First Amendment Awards.

**Response:** Because the event is primarily ceremonial or celebratory in nature and is public or, if by invitation only, it is planned to have an attendance greater than 50 people, you may accept the free ticket from the lobbyist or any other source. Acceptance of tickets or free admission is limited to \$250 in the aggregate from any single source during any calendar year. RSA 14-C:2, IV(b)(9)(C).

**Allowed?—Yes**

**Report if over \$50?—Yes**

**Example D: An invitation in the legislative calendars.** There is a notice in the House and Senate calendars inviting all legislators and legislative employees to a reception sponsored by Delta Dental where free appetizers and drinks will be provided.

**Response:** Attendance and consumption of complimentary food and beverages at this event does not involve a prohibited gift because the reception qualifies for exemption from the gift prohibition as a political, charitable, or ceremonial event which is published as an event open for attendance by any legislator or legislative employee in the calendar of the Senate or the House. RSA 14-C:2, IV(b)(9)(D). There is no requirement to report your attendance; however, the limit of \$250 in the aggregate from any single source during any calendar year applies.

**Allowed?—Yes**

**Report?—No**

**Example E: Complimentary admission to sporting or performing arts events.** A lobbyist invites you attend the home opener at Fenway Park for a Red Sox game offering you a ticket to a seat costing \$75.

**Response:** Because the value of the ticket is more than \$50 and no exemption appears to apply, it would be a prohibited gift. The baseball game does not appear to be a “charitable, ceremonial or political” event, and so it is not qualified for exemption under RSA 14-C:2, IV(b)(9).

**Allowed?—No**

**Report if over \$50?—N/A**

**2. A legislator has a private breakfast, lunch or dinner meeting with individuals interested in issues before the legislature, at which they discuss these issues.**

**Example A:** The Nashua Chamber of Commerce invites you to a complimentary dinner to present their legislative priorities.

**Example B:** A lobbyist treats you to lunch at which you discuss a bill that is before your committee.

**Response to Examples A and B:** If the meal is consumed at a meeting or event, the purpose of which is to discuss “official business,” the meal would not be a prohibited gift, however, it would

have to be reported if the value of the meal exceeded \$50. “Official business” is construed to mean that the purpose of the meeting or event is the discussion or transaction of legislative business, that is, any official action or non-action with regard to any pending or existing legislation, report or study, any matter pending or proposed in a committee or in either house of the general court, or any other matter which is within the official jurisdiction or cognizance of the general court. The legislator or legislative employee must file a report with the Secretary of State no later than 10 days following the meeting or event and the prohibition which establishes a \$250 annual limit from any given source during any calendar year applies. RSA 14-C:2, IV(b)(12).

**Allowed?—Yes**

**Report if over \$50?—Yes (must be reported within 10 days)**

### 3. Expense reimbursements and honorariums.

**Example A: An expense reimbursement.** You are asked by House Leadership whether you would like to attend the National Conference of State Legislatures’ Annual Legislative Summit. Your attendance would involve acceptance of payment for the costs of travel, lodging, meals, beverages, and registration associated with the event.

**Example B: An expense reimbursement.** You are invited to attend a two-day conference on education policy sponsored by the Heartland Institute, which offers to pay for your travel, lodging, and meals at the conference.

**Response to Examples A and B:** A legislator or legislative employee may accept payment related to attendance at an event if the payment qualifies as an “expense reimbursement.” This exemption allows legislators and legislative employees to accept payment for the costs of travel to and attendance at an event, for example, fares, meals, accommodation, registration or attendance fees. The exemption applies only where the event is a *bona fide* conference, meeting, seminar, or educational or informational program that relates to the legislator’s duties. In this context, a “bona fide” event is taken to mean an event that is primarily focused on communicating information relating to matters of legislative concern to New Hampshire legislators, rather than directed at providing opportunity for tourism, entertainment, or recreation. Reimbursement for “junkets” or “see the sights” trips as part of a legislative group doesn’t qualify for the exemption—the event must offer, as a genuine and central element, organized learning about subjects that are or may become the focus of legislative activity in New Hampshire. See *Interpretive Ruling 2013-1*, which is available on the committee’s website at: <http://www.gencourt.state.nh.us/ethics/default.htm>.

**Allowed?—Yes**

**Report if over \$50?—Yes**

Legislators and legislative employees must report receipt of all expense reimbursements – whether the source is a private entity, the State of New Hampshire or a political subdivision, the federal government, or an organization to which the state pays dues — on the “Honorarium or Expense Reimbursement Report,” which must be filed with the Secretary of State’s office no later than the last day of the month following the month in which the expense reimbursement was received. RSA 14-C:4, I. Expense reimbursements made by the general court to a legislator, legislative officer, or legislative employee are not considered “gifts” under the statute or guidelines and do not have to be reported.

**Example C: An honorarium.** You are offered a scholarship from the Carsey Institute at the University of New Hampshire to attend a policy leadership conference that includes your participation in discussion groups on public policy issues.

**Response:** This event qualifies as an honorarium. This exception allows a legislator to accept payment from third parties for performance of certain services related to the legislator’s or legislative employee’s duties or position as such. It allows receipt of payment for an appearance, speech, written article or other document, service as a consultant or advisor, or participation in a discussion group or similar activities related to legislative matters. A qualifying service must actually be performed, but need not be performed at an event, and a trip need not be made to perform them.

**Allowed?—Yes**

**Report if over \$50?—Yes**

Legislators and legislative employees must report the receipt of honorariums no later than the last day of the month following the month in which the honorarium or expense reimbursement was received. RSA 14-C:4, I.

- 4. Invitations to House or Senate committees by an interested party to a site-visit to view a particular business, government facility, location, hospital, natural area or park that is related to an issue upon which they are or will be deliberating, where the committee may be provided with transportation and a meal or refreshments as part of the site-visit. These site-visits are generally noticed in the calendar of the applicable legislative body.**

**Example:** The House Committee on Resources, Recreation, and Development is invited to Jericho Mountain State Park in Berlin to inspect the park’s ATV trails.

**Response:** When an entire committee is invited to participate in a site-visit on an issue that is relevant to the committee’s business, they may accept the free transportation and meals provided. The site-visit by the committee constitutes an event where the members are attending in their official committee capacity representing the house or senate. As such the meals and transportation are not prohibited gifts. This is an “expense reimbursement” within the meaning of the statute and, therefore, must be reported. RSA 14-C:2, III.

**Allowed?—Yes**

**Report if over \$50?—Yes**

October 3, 2016

Honorable Donna Sytek, Chairman  
Senator Sharon M. Carson, Vice Chairman  
Representative Janet G. Wall  
Senator Martha Fuller Clark  
Representative David A. Welch  
Honorable John A. Graham  
Attorney David H. Bradley

For the Committee,  
Donna Sytek  
Chairman

*[Vote: 6-0]*