



MEMORANDUM

To: Virginia Conflict of Interest and Ethics Advisory Council

From: Rebekah Stefanski, Attorney

Date: October 17, 2017

Re: Formal Advisory Opinion 2017-F-004 Legislator reporting of an event § 30-111

ISSUES PRESENTED:

You ask how a legislator should report attendance at an event in three different scenarios. In your first scenario, the host of the event invites the legislator to attend. In your second scenario, an individual or entity gives the legislator a ticket to the event. In your final scenario, an individual or entity pays for or sponsors a table at the event and gives a seat at the table to the legislator. The individual or entity in the final scenario receives additional benefits with the sponsorship, such as advertising at the event.

DISCUSSION:

The definition of a gift specifically includes entertainment, hospitality, meals, and tickets.¹ Therefore, unless it falls under one of the exceptions to the definition of a gift, attendance at an event such as a banquet, gala, dinner, etc., is a gift. For the purposes of this analysis, we will assume that none of the exceptions to the definition of a gift applies and that the individual or entity enabling the legislator to attend the event is a registered lobbyist or lobbyist's principal.²

To determine the value of the gift the legislator accepts, it is the responsibility of the legislator to determine how much was spent on him and by whom.

¹ VA. CODE ANN. § 30-101. "Gift" means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of transportation, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred."

² If an event is excluded from the definition of a gift, a legislator should not report such event as a gift on his Statement of Economic Interests. The General Assembly Statement of Economic Interests Schedule G requires a legislator to report gifts received from registered lobbyists and lobbyist's principals only.

If a legislator is invited to attend an event for no charge by the host of the event, the legislator must determine how much his attendance cost the host. In such a situation, the cost of attendance should be reported as the cost-per-person value. To determine the cost-per-person value, or average cost per person, the event host's total cost for the event is divided by the total number of persons attending the event.³ The cost-per-person value is the amount spent on the legislator by the host, and it is this amount that is accepted by the legislator. Therefore, the cost-per-person value is the amount the legislator should report on his Statement of Economic Interests as received from the event host.

If a legislator is given a ticket to an event, the value of the ticket is the amount accepted by the legislator. The legislator should report on his Statement of Economic Interests the value of the ticket as received from the entity that gave him the ticket.

If a legislator is given a seat at a table sponsored or purchased by an entity, the legislator must determine the value of a seat at that table. In such a situation, the value of his seat can be determined by dividing the total amount paid by the entity by the number of seats at the table. This system of calculating value mirrors the system already established for calculating the cost-per-person value of an entire event.⁴ The cost of the table remains the same regardless of any additional benefits to the sponsor included in the purchase of the table package. The legislator should report the value of the seat on his Statement of Economic Interests as received from the entity that paid for his seat.

CONCLUSIONS:

In summary, if a legislator is invited to an event by the event host, he should report the cost-per-person value of the event, calculated as the host's total cost for the event divided by the number of attendees. If a legislator is given a ticket to an event, he should report the value of the ticket. If the legislator is invited to sit at a table that has been purchased via a sponsorship, the legislator should report the value of his seat, calculated as the total cost of the table purchase divided by the number of seats at the table.

This analysis applies only to the stated facts. If the facts differ, the analysis will change.

³ 2015-F-004, Va. Confl. of Interest & Ethics Advis. Council.

⁴ *Id.*