

Presidential Inaugural Events and the Federal Ethics Regulations

As the Presidential Inauguration on January 21, 2013, approaches, Department employees may receive offers of free attendance from various sources to attend Inauguration-related events, including the Inaugural Parade, Inaugural Balls, receptions, dinners and fundraisers. Please remember that there are ethics rules that are relevant to the Inauguration, particularly those pertaining to gifts. The applicable rules are summarized below.

It is permissible for employees to enjoy access to entertainment and other gatherings made available for free to the general public. Additionally, employees may attend any event or accept any other item in connection with the Inauguration for which the employee pays market value. Moreover, employees may accept any items actually paid for under Government contract or offered by an entity of the Federal Government (for example, tickets offered by Members of Congress to constituents or from the Joint Congressional Committee on Inaugural Ceremonies are not prohibited by the federal ethics rules). In addition, although the Presidential Inaugural Committee (PIC) is not, strictly speaking, a government entity, it is unique in its role overseeing the Inaugural ceremonies and as such the Office of Government Ethics has advised that employees may accept gifts of free attendance from the PIC for PIC events.

Aside from the above, however, an executive branch employee may not accept a gift from a prohibited source or a gift given because of the employee's official position, unless one of several exceptions applies. The exceptions and exclusions most relevant to Inaugural events are set forth below.

- Widely attended gatherings: One gift exception that may apply to many Inauguration-related events is the widely attended gathering (WAG) provision. For an event to qualify for this exception, it must be anticipated that a large number of people with a diversity of views or interests will be present, there must be a determination by an agency ethics official that the employee's attendance at the event would further the interests of the agency, and for a full-time non-career appointee, the donor may not be a federally-registered lobbyist or lobbying organization. The ethics official's determination must be in writing where the inviting organization has interests that may be substantially affected by the performance or nonperformance of the employee's official duties.
- Gifts valued at \$20 or less: Any gifts valued at \$20 or less per occasion may be accepted, provided that the total value of gifts from the same source does not exceed \$50 in a calendar year, and for a full-time non-career appointee, the donor is not a federally-registered lobbyist or lobbying organization. This exception could apply, for example, to gifts of food or drink at a reception or dinner or other event; however, any events for which there are tickets must be valued according to the face value of the ticket.
- Gifts from a personal relationship or spouse's employment: Gifts that are clearly motivated by a family relationship or personal friendship are permissible. Similarly, a gift that results from the employment or business activities of the employee's spouse may be accepted, as long as it is clear that the gift was not offered or enhanced because of the employee's official position. For example, if an employee's spouse works for a law firm

that has provided its personnel and their spouses with tickets to an Inauguration-related reception, the federal employee may attend the event for free, even if the law firm is a prohibited source for the employee.

- Gifts offered by political organizations: If permitted to participate under the Hatch Act, employees who actively participate in political management or campaigns in their personal capacity may accept various benefits from political organizations, including travel and free attendance at events, in connection with their political participation. Examples of political organizations would be the Democratic and Republican National Committees, Federally-registered candidate committees, State party committees, and tax-exempt 527(e) political action committees. For a full-time non-career appointee, the appointee is prohibited from accepting a gift from a political organization if the organization is a federally-registered lobbyist or lobbying organization.

It is important that all HHS employees remember that the usual restrictions on fundraising apply to any fundraisers held in connection with the Inauguration. Among other things, employees may not solicit funds at the federal workplace for inaugural events; must refrain from solicitation of subordinates or prohibited sources; and may not permit the use of their official title or position to further an inaugural fundraising effort. In addition, full-time non-career appointees should refrain from serving as the “draw” (e.g., “Honoree,” “Special Guest,” or “Co-Chair”) on invitations for inaugural-related fundraising events or unofficial inaugural events for which tickets are sold.

Employees who are required to file either a public or confidential financial disclosure statement (OGE 450 or 278 forms) generally are required to disclose all gifts from any one source with an aggregate value in excess of \$350 for the reporting period.

If you have any questions about these rules or any other ethics rules, please contact your assigned ethics official: <http://www.hhs.gov/ogc/contact/contacts.html>.



Office of the General Counsel
Ethics Division
Department of Health and Human Services
Room 710E, Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

January 2013