



Avoiding ethics traps this holiday season

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The holiday season is upon us and with it comes holiday parties and gift giving. Corporations should be especially mindful of Ohio's ethics laws this time of year so that a thoughtful gift does not become a big problem.

Ohio's ethics laws prohibit public officials from accepting anything of substantial value from an improper source. Your corporation is an improper source if you do or seek to do business with the gift recipient's public entity, are interested in matters before the public entity or are regulated by the public entity.

Although the Ohio Ethics Commission has not defined "substantial value," it has generally determined that big ticket items such as golf outings, vacations, jewelry, event tickets, electronics or other high-cost gifts are prohibited under the law. Furthermore, gifts of cash or cash equivalents (gift cards) are prohibited.

If you are in the holiday spirit, small "nominal" gifts are not prohibited, even from an improper source. These may include a cup of coffee, cookie, coffee mug, water bottle or similar small item. However, your company may want to consider any appearance of impropriety and avoid gift giving altogether. Also, bear in mind that some public entities have adopted strict "no gift" policies, prohibiting their employees from receiving even nominal gifts or trinkets. These employees may need to return or decline your gift, even if it is legally permissible.

In lieu of gift giving, corporations may consider other ways to celebrate this year. Public officials may be invited to corporate holiday events or dinners if information allowing them to pay the per-person cost for attending is provided. An open house reception where public officials can interact with company employees but avoid partaking of "anything of value" is another option.

For those interacting with the Ohio General Assembly, the rules vary slightly. Any gift from a lobbyist or his or her employer to a legislator or staffer that is valued at \$25 or more must be reported on the lobbyist's activity and expenditure report. Legislators and staff are prohibited from accepting any gift exceeding \$75. This \$75 limit is aggregated over the course of the year, so be aware of any gifts you may have given earlier this year.

Some lobbyists and employers choose to give a gift to an office rather than an individual. These gifts, such as a popcorn tin or cookie tray, that are placed in an area for all to enjoy, are not reported by lobbyists or their employers as gifts. Further, “all-invited” events that are open to all members of the General Assembly or all members of a particular chamber are permitted and are reported as they would be during the rest of the year.

However you and your company celebrate the holidays this year, don't forget to abide by Ohio's ethics laws to keep you and your public sector friends out of trouble.