



Holiday gift guide for companies and public officials

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As the holidays quickly approach, 'tis the season for companies to shower their clients, colleagues and partners with tokens of their appreciation. While the spirit of giving is a welcome tradition in the private sector, gifts can lead to unnecessary stress for public employees and officials.

According to Ohio ethics laws, public employees are prohibited from accepting anything of substantial value from an improper source. Your corporation is considered 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. While the Ohio Ethics commission has not defined "substantial value," it can be assumed that big ticket items such as golf outings, vacations, jewelry, event tickets, electronics or other high-cost gifts are off limits. However, "nominal" gifts, such as a cup of coffee, cookie, coffee mug, water bottle or similar promotional item, are permitted by the law.

To avoid the negative consequences of illegal gift-giving – both for the giver and the recipient – ask the following questions before your company makes its holiday gift plans:

Does the public official or office on our list have a "no gift" policy?

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.

Have we disclosed the source and value of the gift?

Providing gift recipients with these two pieces of information helps them determine if they are permitted to keep the gift and, if they are, easily report the value of the gift in their annual financial disclosure filing.

Is our intended recipient an individual or a group of employees in an office?

Shared 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. However, companies should still disclose the value of the gift, stay away from shared gifts with a substantial value and avoid reoccurring gifts, since their value will substantiate over time.

If inviting to a holiday party or special event, have we provided the option for the public official to pay for his/her ticket?

Inviting a public employee to a holiday dinner or event can be an alternative to gifting physical items. However, if the per-person cost of attendance is likely "substantial," he or she will be unable to attend unless given the option to pay the per-person cost of attendance.

Because the violation of gift restrictions are first-degree misdemeanors, punishable by six months in prison and/or a \$1,000 fine, many companies avoid holiday gift-giving altogether. Others have adopted alternatives to large gifts or lavish events. 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.

Note: 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.

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