kadden POLITICAL LAW ALERT

April 28, 2014 2014 Edition, Issue XIII

If you have any questions regarding the matters discussed in this memorandum, please call one of the following representatives in the Political Law Group (Washington, D.C. office) or your regular Skadden contact.

> Kenneth A. Gross Partner | 202.371.7007 kenneth.gross@skadden.com

> > Ki P. Hong Partner | 202.371.7017 ki.hong@skadden.com

Matthew Bobys Counsel | 202.371.7739 matthew.bobys@skadden.com

Melissa Miles Counsel | 202.371.7836 melissa.miles@skadden.com

Patricia Zweibel Counsel | 202.371.7089 patricia.zweibel@skadden.com

Rachel Applestein Associate | 202.371.7511 rachel.applestein@skadden.com

> Shayla Parker Associate | 202.371.7534 shayla.parker@skadden.com

Charles Ricciardelli Associate | 202.371.7573 charles.ricciardelli@skadden.com

> Tyler Rosen Associate | 202.371.7035 tyler.rosen@skadden.com

Tanya Sehgal Associate | 202.371.7636 tanya.sehgal@skadden.com

Kelvin Reese Head Political Reports Analyst 202.371.7498 kelvin.reese@skadden.com

This memorandum is provided by Skadden, Arps, Slate, Meagher & Flom LLP and its affiliates for educational and informational purposes only and is not intended and should not be construed as legal advice. This memorandum is considered advertising under applicable state laws.

Virginia Adopts New Gift Law

On April 23, 2014, Virginia adopted Senate Bill 649 amending the state's ethics laws. Effective July 1, 2014, the amendments, among other things, impose a gift limit on certain government officers and employees from lobbyists, lobbyist employers and interested parties, change the lobbyist expenditure reporting schedule, and create the Virginia Conflict of Interest and Ethics Advisory Council to facilitate compliance with the state's ethics laws.

Specifically, the new gift law prohibits officers or employees of state or local governmental or advisory agencies, legislators or candidates for the state General Assembly, and other candidates or officials required to file disclosure forms from accepting, within any calendar year, any single tangible gift or a combination of tangible gifts that, in the aggregate, are in excess of \$250, from lobbyists, lobbyist principals, or persons, organizations, or businesses who are a party to or are seeking to become a party to a contract with the state or local government agency of which the donee is an officer or an employee. These candidates and officials must also report to the Virginia Conflict of Interest and Ethics Advisory Council (1) all tangible gifts (i.e., things of value that do not lose their value upon the happening of certain events, such as currency, securities or stock options) with a value of \$250 or less and (2) any intangible gifts (i.e., things of temporary value that lose their value upon the happening of a certain event, such as entertainment, tickets, transportation or meals) received by them or a member of their immediate family from lobbyists, lobbyist principals, or persons, organizations, or businesses who are a party to or are seeking to become a party to a contract with the state or local government agency of which the donee is an officer or an employee. These donees must report the source, a description of the exact gift or event, and the approximate value of the gift or event that they or a member of their immediate families received. This new gift restriction is in addition to the Executive Order signed by Governor Terry McAuliffe in January (described in the attached mailing of January 17, 2014) restricting gifts to executive branch officials and employees.

The new law also requires lobbyists to file semiannual reports of expenditures with the Virginia Conflict of Interest and Ethics Advisory Council by December 15 for the preceding six-month period complete through the last day of October and June 15 for the preceding six-month period complete through the last day of April each year. Previously, filings were required annually.

Senate Bill 649 can be viewed at http://leg1.state.va.us/cgi-bin/legp504. exe?141+cab+SC10308SB0649+BC.