

January 20, 2015
2015 Edition, Issue II

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New Gift Restrictions in Pennsylvania, Illinois and Washington

Pennsylvania, Illinois and Washington recently strengthened their respective state restrictions on gift and entertainment to public officials from interested parties.

Pennsylvania

On January 20, 2015, Pennsylvania Gov. Tom Wolf signed Executive Order 2015-01, narrowing the exceptions under the section of the Governor's Code of Conduct that restricts gifts and entertainment from an interested party to employees, appointees and officials of the executive branch. The only exceptions to the gift ban are: (1) participation in widely attended gatherings free of charge when officials have been invited and are acting in furtherance of their official duties, though no food or drink can be accepted without payment at market value, (2) a family relationship/personal friendship exception, and (3) customary loans from financial institutions. Thus, the exceptions for nominal food and refreshment in the ordinary course of a meeting, travel reimbursement, advertising and promotional material, nominal items, and awards are no longer available.

Interested party continues to include a person (1) seeking to obtain business from or having financial relations with the Commonwealth, (2) conducting operations or activities regulated by the Commonwealth, (3) engaged in proceedings before or adverse to the Commonwealth, or (4) having interests that may be substantially affected by the performance or nonperformance of the employee's official duty. The Executive Order went into effect immediately.

Illinois

On January 13, 2015, Illinois Gov. Bruce Rauner signed Executive Order 15-09, narrowing the exceptions under the state interested party gift rules for employees, officers and board members of the executive branch.

Under the state interested party gift statute, gifts to state officials and employees from interested parties are prohibited, though there are several exceptions, including: (1) any items from any one interested party of less than \$100 aggregate per calendar year, (2) food or refreshments up to \$75 per day, if either catered or consumed on the premises where purchased or prepared, (3) certain educational materials and missions, and (4) certain travel expenses for a meeting to discuss state business. Under Executive Order 15-09, these four exceptions are no longer available for employees, officers and board members of the executive branch, effective immediately. The family, personal friendship and outside activities exceptions remain available.

The Executive Order does permit these public officials to accept *de minimis* meals or refreshments served at a business meeting or reception attended in the course of official duties, provided he or she adheres to any rules issued by the Governor's Office of Management and Budget and his or her state agency. Also, an interested party may pay for the cost of registration fees, travel, lodging or meals, provided that payment or reimbursement of such costs is made or arranged directly with the state agency, and the trip is approved in writing in advance by the executive director of the state's Executive Ethics Commission.

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Interested party continues to include a person (1) seeking official action by, doing or seeking business with, or conducting activities regulated by an officer or employee, or an officer, agency, or other employee directing an employee, (2) having interests that may be substantially affected by the performance or nonperformance of a public official's official duties, (3) registered or required to be registered under the state lobby law, or (4) who is an agent of, a spouse of, or an immediate family member living with any of the above.

The Executive Order also enacts other ethics restrictions, including revolving door restrictions and enhanced economic interest statement disclosure for these public officials.

Washington

On January 1, 2015, a rule issued by the Washington Legislative Ethics Board went into effect, clarifying the exception to the state's restriction on gifts to state legislators for infrequent meals where attendance is related to performance of official duties. In particular, for such meals that are paid for by a registered lobbyist or lobbyist employer, "infrequent" means up to 12 meals total per calendar year.