

New Illinois and Pennsylvania Governors Issue Executive Orders Restricting Gifts

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Upon taking office, Illinois Governor Bruce Rauner and Pennsylvania Governor Tom Wolf each issued an executive order imposing new, more restrictive gift rules on executive branch officials and employees in their states.

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Illinois

While the Illinois State Officials and Employees Ethics Act restricts state officers and employees from soliciting or accepting gifts from so-called "prohibited sources," there are a number of statutory exceptions to this gift rule. Executive Order 2015-09 eliminated several key exceptions for employees, officers, and board members of executive branch state agencies.

\$100/Calendar Year Gift Limit. The statutory exception permitting gifts from a prohibited source that have a total cumulative value of less than \$100 in a calendar year no longer applies to state agency employees, officers, and board members.

\$75/Day Food and Refreshments Exception. The statutory exception for food or refreshments not exceeding \$75 in value per person on a single calendar day (provided that the food or refreshments are consumed on the premises from which they were purchased or prepared or catered) no longer applies to state agency employees, officers, and board members.

Instead, state agency employees, officers, and board members may only accept *de minimis* meals or refreshments from a prohibited source when served at a business meeting or reception attended in the course of his or her official duties (provided that the employee,

officer, or board member adheres to any additional rules issued by the Governor's Office of Management and Budget or his or her agency).

"Educational Materials and Missions" and "Travel Expenses for a Meeting to Discuss State Business"

Exceptions. The statutory exceptions for "educational materials and missions" and "travel expenses for a meeting to discuss state business" no longer apply to state agency employees, officers, and board members. Instead, state agency employees, officers, and board members may only accept the payment of registration fees, travel, lodging, or meals from a prohibited source if: (1) the requirements of the "educational materials and missions" or "travel expenses for a meeting to discuss state business" exceptions to the statutory gift ban are satisfied; (2) the prohibited source makes or arranges payment or reimbursement of such costs directly to the state agency; and (3) the trip is approved in writing in advance by the Executive Director of the Executive Ethics Commission.

Pennsylvania

Executive Order 2015-01 modified Pennsylvania's Executive Branch Code of Conduct so that executive branch employees, officials, and appointees may only solicit or accept a "thing of monetary value" from certain restricted sources under the three limited exceptions. Notably, none of these exceptions permits the acceptance of food and beverages or travel expenses from restricted sources (absent a family relationship or personal friendship).

Gifts from Family and Friends. Executive branch employees, officials, and appointees may continue to accept gifts from a friend, parent, spouse, child, or other close relative that qualifies as a restricted source, but only under circumstances which make it clear that the gift is motivated by a family relationship or personal friendship rather than the position of the employee, official, or appointee.

Loans. Executive branch employees, officials, and appointees may continue to accept loans from banks or other financial institutions that qualify as restricted sources on customary terms of finance for proper and usual activities, such as home mortgage loans.

Widely Attended Gatherings. Under this new exception, executive branch employees, officials, and appointees may participate in widely attended gatherings sponsored by restricted sources free of charge, but only when they have been invited and are acting in furtherance of their official duties. This exception only permits participation at widely attended gatherings and does not extend to the acceptance of food or drink at such events. Executive Order 2015-01 notes that executive branch employees, officials, and appointees must pay the fair market value for any food or drink provided at such events.