

GUIDANCE DOCUMENT

LOBBYIST GIFTS AND OTHER BENEFITS

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PURPOSE OF THIS GUIDANCE DOCUMENT

Notice

This document is for information purposes only and does not constitute a decision or finding by the Registrar of Lobbyists for British Columbia or their delegates. This guidance does not affect the powers, duties or functions of the Registrar of Lobbyists, or their delegates, regarding any investigation or other matter under the *Lobbyists Transparency Act*, respecting which the Registrar and their delegates will keep an open mind. Responsibility for compliance with the *Lobbyists Transparency Act* remains with each client, lobbyist, and public office holder.

This guidance document explains the gift-giving prohibition in the <u>Lobbyists Transparency Act</u> (LTA), the limited exception to this prohibition, and the reporting requirements related to gifts. In this guidance document, any reference to "gift" should be read to include "gift or other benefit" as stated in the LTA, with benefits including the provision of products or services or other benefits.

The LTA prohibits lobbyists from promising or giving gifts to public office holders they are lobbying. The gift-giving prohibition is essential to reducing any undue influence that may result from gifts that are associated to lobbying. Promising or giving a gift can unduly influence a public office holder; a public office holder may feel a sense of obligation if offered or given a gift from a lobbyist. Even if a gift does not influence a public office holder, it could nonetheless undermine the integrity of government by creating the perception that the public office holder may be subject to undue influence.

There is a **limited** exception to the gift-giving prohibition, which is explained later in this document. Lobbyists should be **cautious** about promising and/or giving any gift to a public office holder they are lobbying. Lobbyists must declare, in the Lobbyists Registry, **all** gifts given or promised to **any** public office holder they are lobbying.

GIFT GUIDANCE

What is considered a gift?

A gift is anything of value given or promised for free or at a reduced rate.

Gifts may include (but are not limited to):

- Meals, beverages or other hospitality
- Money in any form (cash, cheque, bank draft, gift certificate, honorarium)
- Tangible gifts such as gift baskets, alcoholic beverages, flowers, chocolate, art, jewelry, etc.
- Tickets to events, such as sporting, cultural or speaking events

- VIP passes not available to the public
- Membership at a club (golf club, athletic club, private member club, etc.)
- A service (spa visit, ski pass etc.)
- Use of property or facilities (use of a vehicle, hotel room, residence, or other accommodation)
- Sponsored travel (including flights, ferry, taxi, parking, accommodation or any other travel-related expenses)

What are the fundamental elements of the LTA regarding gifts?

- <u>Prohibition</u>: The LTA prohibits a lobbyist from giving and/or promising to give, directly or indirectly, any gift to any public office holder the lobbyist is lobbying.
- <u>Limited exception to the gift prohibition</u>: A gift to a public office holder whom the lobbyist is lobbying is only acceptable if it meets *all aspects* of the following exception:
 - The gift is given or promised under the protocol or social obligations that normally accompany the duties or responsibilities of office of the public office holder;

<u>AND</u>

- The total value of gifts given or promised to the public office holder by the lobbyist over a 12-month period is less than \$100.
- Reporting requirement: The LTA requires that ALL gifts given and/or promised to be given by a lobbyist to ANY public office holder the lobbyist is lobbying must be declared in the Lobbyists Registry.

When is a gift excepted from the prohibition?

For a gift to meet the exception test, it must be promised and/or given "under the protocol or social obligations that normally accompany the duties or responsibilities of office of the public office holder" and the total combined value of gifts must be less than \$100 over a 12-month period.

There are four distinct considerations that the ORL recommends lobbyists consider when assessing whether a gift qualifies for this exception:

1. Duties and Responsibilities of the office of the public office holder:

Under most circumstances, the permissibility of a gift is limited to circumstances in which the lobbyist is engaging with a public office holder who is performing the duties and responsibilities of their office. This likely includes the responsibilities that fall within in the office holder's job description or those that are understood to be part of their office's official role.

2. Protocol or Social Obligation:

If a public office holder is performing an official duty or responsibility, a gift from a lobbyist **may** be permissible if given under one of the two circumstances set out in the LTA. The following definitions are informative:¹

- <u>Protocol</u>: a rule or practice of proper diplomatic etiquette that cultural or societal groups observe when engaging with one another.
- <u>Social obligation</u>: a courtesy or kindness that is compelled by the unwritten rules of human relationships.

3. The obligations "normally accompany" the duties of office:

The gift exception does not extend to all gifts given or promised under protocol or social obligations that accompany the duties of the office – it only extends to those that would "normally accompany" the protocol or social obligations that connect to the duties of the office. In other words, extraordinary gifts may not qualify for the exception. The ORL recommends that lobbyists consider whether the gift is a "normal" gift or an extraordinary one. A gift can be extraordinary in context for a variety of reasons: the type of gift, the frequency at which gifts are given, or a gift's value to name a few.

In other words, the gift itself must be within the *normal* range of gifts appropriate for that obligation. What is *normal* to an obligation is highly contextual and must be assessed on a case-by-case basis.

One consideration for what is "normal" is what is common practice. For an example of common practice relating to value, since the LTA came into effect in May 2020, the typical value of gifts reported in the Lobbyists Registry is **less than \$40**. In many circumstances, a gift of \$40 or less would likely be seen as *normal* to an obligation and would satisfy this aspect of the LTA's exception test.

In certain contexts, gifts that exceed \$40 in value may also be considered *normal*. For example, an evening dinner reception hosted at a downtown hotel in Victoria or Vancouver may carry a per-person cost in excess of \$40. Gifts in excess of \$40 *may* be normal in certain circumstances, but lobbyists should be prepared to provide additional details or explanation, to the Registrar on request, as to why such a gift is normal to the context in which it is given.

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¹ Definitions drawn from: *Black's Law Dictionary*, (11th ed. 2019).

Did you know?

In addition to the LTA's rules on gifts, many public office holders are subject to employer-imposed restrictions on gifts they may or may not accept (see the "Did you know?" box on page 16 titled "There are other rules that govern gifts that public office holders may accept."). Any gift that a public office holder is prohibited from accepting would likely be seen as extraordinary to the context and impermissible under the LTA.

4. The total value of gifts must be less than \$100 over 12-month period

The final aspect of the exception test requires that the total value of all gifts promised or given to a public office holder a lobbyist is lobbying must be **less than \$100 over a 12-month period**.

It is a clear contravention of the Act to give a gift that has a value of \$100 or greater, or to give multiple gifts over a 12-month period that have a combined value of \$100 or more.

However, *all* aspects of the LTA's exception test must be considered. As discussed in the sections above, it is possible for a gift to contravene the LTA even if its value is under \$100.

Two limits? The LTA and the Members' Conflict of Interest Act

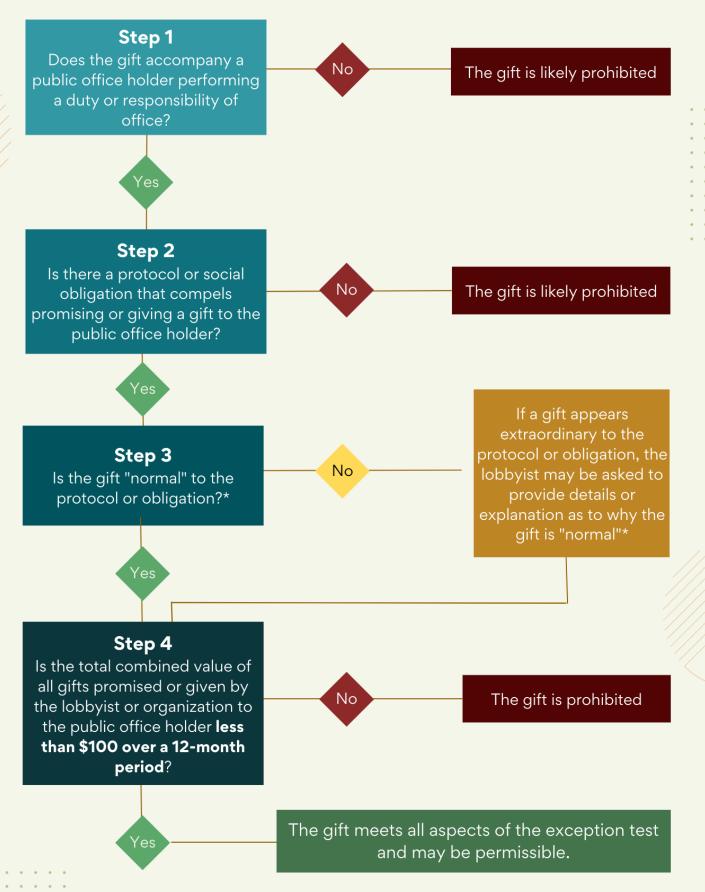
The LTA establishes a **\$100** limit on gifts that a lobbyist may offer a public office holder over a 12-month period. The *Members' Conflict of Interest Act* sets a \$250 limit on gifts an MLA may accept over a 12-month period. For the purpose of compliance with the LTA, the *Members' Conflict of Interest Act's* limit of \$250 is immaterial to an ORL determination of non-compliance.

Giving a gift or gifts to a public office holder whom a lobbyist is lobbying that does not satisfy all aspects of the exception test is a contravention of the LTA that could lead to a compliance investigation. This includes any gift or gifts that have a total value in excess of the LTA's \$100 limit over a 12-month period.

Is the gift permissible? – A flow chart for assessing a gift's permissibility

The flow chart on the following page provides a framework to assess whether a gift meets all aspects of the exception test to the LTA's gift prohibition. This chart is meant for instructive purposes only and is not meant to provide a predetermination on any actual gift. Each gift must be assessed on a case-by-case basis based in context. Specific examples to help illustrate the LTA's exception test are discussed later in this document.

Is the gift permissible?



^{*}Some considerations for assessing whether a gift is normal to an obligation are: the type of gift, the frequency at which gifts are given, and the value of the gift (gifts under \$40 in value would likely be viewed as normal, provided the other conditions are met)

What types of gifts may be permissible?

Tokens of Gratitude or Courtesy:

A token of gratitude or courtesy given to a public office holder must be promised or given under the protocol or social obligations that normally accompany the duties and responsibilities of office of the public office holder.

Reminder: The total value of all gifts promised and/or given to any individual public office holder in any 12-month period must be less than \$100.

EXAMPLES

The following examples are provided to highlight the framework used in assessing the permissibility of a gift/benefit. These examples are **not** to be viewed as predeterminations for assessing whether any actual gift/benefit is permitted or prohibited, as the entire context of each situation contributes to whether or not it is permissible under the LTA. To seek guidance on the permissibility of any specific gift/benefit, please contact the Office of the Registrar of Lobbyists for BC at info@bcorl.ca and provide all relevant details for consideration.

Example 1: A Minister attends an event to celebrate the completion of a project jointly undertaken by the province and a private organization. The Minister was responsible for this project and is attending the event as the government's representative. The organization gives the Minister a T-shirt with the project's name and logo. The value of this gift is \$35.00.



In this context the gift would be **permitted**:

- It falls within a Minister's duties and responsibilities to attend events celebrating the completion of a project that their Ministry was involved in.
- The organizers of the event may feel a social obligation to offer such a "thank you" gift to the Minister to show appreciation for the Minister's attendance and involvement in the project.
- The gift is valued less than \$40 and is a normal expression of a social obligation.

Example 2: Same circumstances as in Example 1 above, except the shirt has a value of \$85.00.



In this context the gift would **likely** be permitted (further explanation may be required):

It falls within a Minister's duties and responsibilities to attend events celebrating the completion of a project that their Ministry was involved in.

- The organizers of the event may feel a sense of social obligation to offer such a "thank you" gift to the Minister to show appreciation for the Minister's attendance and involvement in the project.
- An \$85.00 gift has a higher value than gifts that are normally reported in the Lobbyists Registry. The lobbyist should be prepared to provide additional details or explanation for why a \$85.00 gift is normal to the context in which it is promised or given.

Example 3: A lobbyist who is lobbying several public office holders for changes to government policy sends all of these office holders a box of chocolates in December as a holiday gift. The value of each box of chocolates is \$25.00.



In this context the gift would **NOT** be permitted:

- The gift is not given in connection with a duty or responsibility of the public office holders and thus fails to satisfy the first aspect of the exception test.
- Even if the lobbyist feels socially obligated to give a holiday gift to the office holders, the gift is impermissible because it is not accompanying a duty or responsibility of office of the office holder.
- While the value of the gift is within the normal range of most gifts, the value of the gift does <u>not</u> alone determine its permissibility.

Example 4: A public office holder attends a 30-minute meeting with a lobbyist from a trade association. Lobbying occurs in this meeting. The lobbyist gives the public office holder a box of loose-leaf tea valued at \$15.00 as a thank-you gift for meeting with them.



In this context the gift would **NOT** be permitted:

- It falls within a public office holder's duties and responsibilities to obtain stakeholder feedback, which may include lobbying communications.
- However, there is no protocol or social obligation to give a gift at a routine business meeting and thus the gift fails to satisfy the second aspect of the exception test.
- While the value of the gift is within the normal range of most gifts, this alone does **not** make a gift permissible.

Example 5: An MLA attends a public event, held by a brewery located in the MLA's constituency, to celebrate a new beer coming to market. The brewery gives the

MLA a 6-pack of this new beer valued at \$20.00 to take home as a "thank you" gift for attending the celebration. All other guests were given this gift as well.



In this context the gift would be **permitted**:

- It falls within an MLA's duties and responsibilities to attend events located in the MLA's constituency.
- The organizers of the event would likely feel a sense of social obligation to offer such a "thank you" gift to the guests in attendance.
- Giving a "thank you" gift to guests for attending, especially if the gift is a sample of the organization's own product, would be seen as normal and appropriate to the occasion. The value of the gift is under \$40 and is within the normal range of gifts reported in the Registry.

Hospitality/Receptions:

There may be circumstances in which lobbyists feel socially obligated to provide gifts of hospitality, such as food, beverages and entertainment, to public office holders they are lobbying. Under such circumstances, hospitality-related gifts must be promised or given under the protocol or social obligations that normally accompany the duties or responsibilities of office of the public office holder.

Reminder: The total value of all gifts promised and/or given to any individual public office holder in any 12-month period must be less than \$100.

Restaurants: Gifts of food and/or beverages at restaurants are generally seen as prohibited when they are offered in the context of private, sit-down meetings or meals. Paying for a public office holder's food and/or beverage in this context generally does not meet the conditions of the exception test, as there is likely no protocol or social obligation to pay for a public office holder's meal at a restaurant. Public office holders for whom attending meetings in this context is considered a legitimate business expense will typically have a per diem or approved budgetary means of being reimbursed.

EXAMPLES

The following examples are provided to highlight the framework used in assessing the permissibility of a gift/benefit. These examples are <u>not</u> to be viewed as predeterminations for assessing whether any actual gift/benefit is permitted or prohibited, as the <u>entire context</u> of each situation contributes to whether or not it is permissible under the LTA. To seek guidance on the permissibility of any specific gift/benefit, please contact the Office of the Registrar of Lobbyists for BC at <u>info@bcorl.ca</u> and provide all relevant details for consideration.

Example 1: A non-profit organization hosts a dinner reception that includes speeches by a number of experts to raise awareness and understanding about issues of public concern. The organization hosting the event invites several MLAs they are lobbying to attend the event and provides dinner and beverages for all those in attendance. The per-person cost of the hospitality provided is \$75.00.



In this context the gift would **likely** be permitted (further explanation may be required):

- It typically falls within the duties and responsibilities of an MLA to attend events that raise awareness and understanding of issues of public interest.
- Because the event occurs in the evening, the organizers of the event would likely feel a social obligation to provide their guests with food and drink.
- A \$75.00 gift is higher than what is normally reported in the Lobbyists
 Registry. The lobbyist should be prepared to provide additional details or
 explanation for why a higher-value gift is normal to the context in which it is
 promised or given.

Example 2: An industry association hosts a holiday party and invites several public office holders whom they are lobbying to attend. Complimentary food and beverages with a total value of \$40.00 per person are provided to all guests.



In this context the gifts would **NOT** be permitted:

- It does not typically fall within a public office holder's duties and responsibilities of office to attend purely social events hosted by lobbyists. Therefore, this gift fails to satisfy the first aspect of the exception test and is prohibited.
- A gift given under a social obligation must accompany a public office holder performing a duty or responsibility of office. Because the public office holders are not performing a duty or responsibility in this context, the gift is prohibited.
- While \$40.00 is within the normal range of gifts under most contexts, this alone is <u>not</u> enough to make a gift permissible.
- **Example 3:** A corporation invites a Minister they are lobbying to attend an afternoon infosession at their corporate office. The info-session includes a number of meetings and presentations about important issues related to the Minister's mandate. The corporation provides coffee, tea, and sandwiches to all those in attendance. The total cost of the hospitality is \$30.00. Three months prior, the corporation presented the same Minister with a gift valued at \$85.00.



In this context the gift would **NOT** be permitted:

- It appears to fall within the Minister's duties and responsibilities to attend such info-sessions, as Ministers often communicate with stakeholder groups to understand their concerns.
- The organizers of this info-session would likely feel a sense of social obligation to provide refreshments to their guests.
- Although the \$30.00 refreshments served at this event appear normal to the context, when combined with the \$85.00 gift given three months prior, the total value of gifts promised or given by the organization to this public office holder exceeds \$100.00. The LTA prohibits a lobbyist or organization from giving gifts to a public office holder that have a total combined value over a 12-month period of \$100 or more.

Example 4: An in-house lobbyist for an organization takes an MLA to a restaurant for lunch to discuss the impacts of a specific piece of legislation and to recommend amendments. The total value of the lunch is \$30.00.



In this context the gift would **NOT** be permitted:

- It appears to fall within an MLA's duties and responsibilities obtain stakeholder feedback, which may include meeting with lobbyists.
- However, as stated on page 9 of the BC Conflict of Interest Commissioner's guidance on gifts and benefits, this gift appears to be one an MLA is not permitted to accept. As there is no social obligation to provide a gift that a public office holder is prohibited from accepting, this gift fails to satisfy the second aspect of the exception test.
- While the value of the lunch is normal to the context, this alone is <u>not</u> enough to make a gift permissible.

Example 5: A group of public office holders attends a 3-hour stakeholder meeting with representatives from a corporation located at the corporation's local office. The corporation provides all attendees with a variety of beverages (coffee/tea/water/juice) and muffins. The total value of these refreshments is \$20.00 per person.



In this context the gift would be **permitted**:

- It appears to fall within the public office holders' duties and responsibilities to attend such stakeholder meetings, as public office holders often communicate with stakeholder groups to understand their concerns.
- The organizers of this meeting would likely feel a sense of social obligation to provide refreshments to their guests.
- The refreshments appear to be normal to the occasion, as is evidenced by both type of refreshments and the total \$20.00 value.

<u>Tickets and passes:</u>

There may be circumstances in which a lobbyist could feel socially obligated to provide public office holders with tickets or passes to an event/activity that the lobbyist is directly connected with. Such tickets or passes may be permissible if attendance at the event/activity would fall within the duties and responsibilities of the office of the public office holder and the value of the ticket or pass is normal to the context. Tickets or passes to an event/activity that the lobbyist is not connected to, or in which the public office holder would not be performing the duties and responsibilities of office would likely be prohibited.

Reminder: The total value of all gifts or benefits promised and/or given to any individual public office holder in any 12-month period must be less than \$100.

EXAMPLES

The following examples are provided to highlight the framework used in assessing the permissibility of a gift/benefit. These examples are <u>not</u> to be viewed as predeterminations for assessing whether any actual gift/benefit is permitted or prohibited, as the <u>entire context</u> of each situation contributes to whether or not it is permissible under the LTA. To seek guidance on the permissibility of any specific gift/benefit, please contact the Office of the Registrar of Lobbyists for BC at info@bcorl.ca and provide all relevant details for consideration.

Example 1: A charitable organization is hosting a ticketed fundraising event and invites a local MLA to attend the event. The organization offers to waive the ticket price for the MLA. The value of the ticket is \$35.00.



In this context the gift would be **permitted**:

- It falls within an MLA's duties and responsibilities to attend such fundraisers.
- Because the MLA's attendance would likely help bring public awareness to this event and may encourage others to attend and provide financial support to the charitable organization, the organization would likely feel a social obligation to pay for the MLA's attendance as a thank-you gift.

• The total value of the ticket falls under \$40.00 and appears normal to the context.

Example 2: Same circumstances as Example 1, except the value of the ticket is \$90.00.



In this context the gift would **likely** be permitted (further explanation may be required):

- It falls within an MLA's duties and responsibilities to attend such fundraisers.
- Because the MLA's attendance would likely help bring public awareness to this event and may encourage others to attend and provide financial support to the charitable organization, the organization would likely feel a social obligation to pay for the MLA's attendance as a thank-you gift.
- A \$90.00 gift is higher than the normal value of gifts reported in the Registry. The organization providing this gift should be prepared to provide additional details or explanation as to why a higher-value gift is normal to the context.

Example 3: Executives of a local baseball team provide an MLA with tickets for box seats to one of their local games. During the game, the executives lobby the MLA seeking support for the development of a new baseball stadium. The value of each ticket is \$40.00.



In this context the gift would **NOT** be permitted:

- It likely falls within the duties and responsibilities of an MLA to get input from local businesses, which may include lobbying communications.
- However, there is no social obligation for the organization to provide a gift to the MLA simply for the purpose of lobbying them and thus the gift likely fails to satisfy the second aspect of the exception test and is prohibited.
- While the \$40.00 ticket is within the range of what may be considered a normal expression of a social obligation, the value of a gift alone is <u>not</u> enough to determine its permissibility.

Example 4: A lobbyist offers to pay for tickets to a fundraiser for the public office holder's favorite charity. The ticket is valued at \$35.00



In this context the gift would **NOT** be permitted:

- It may fall within the duties and responsibilities of the public office holder to attend charitable fundraising events.
- However, there would be no social obligation for the lobbyist to give the
 public office holder tickets to a charity fundraiser that the lobbyist is not
 connected to. For the benefit to meet the social obligation aspect of the
 exception test, the tickets would need to be offered by the organizers of the
 fundraiser.
- While the \$35.00 ticket is within the range of what may be considered a normal expression of a social obligation, the value of a gift is not the sole determining factor of its permissibility. Because there is no social obligation to give this gift, the gift is likely impermissible.

OTHER QUESTIONS ABOUT GIFTS

Is sponsored travel a gift/benefit?

If a lobbyist pays for a public office holder's travel expenses, either by paying directly or by reimbursing/offsetting the public office holder's travel expenses, this is considered a gift under the LTA that is subject to the gift-giving prohibition and related exception test.

Which gifts from a lobbyist to a public office holder must be declared in the Lobbyists Registry?

ALL gifts given by a lobbyist, or by an organization that employs lobbyists, to a public office holder the lobbyist is lobbying, must be declared.

Are gifts under \$100 acceptable no matter what?

No. The value of a gift from a lobbyist to a public office holder they are lobbying does not alone determine whether it is acceptable.

If the gift does not meet *all* aspects of the of the limited exception, then the gift is prohibited, regardless of value.

Once gifts from a lobbyist to a public office holder they are lobbying exceed \$100 in value, when can another gift be given or promised to that public office holder?

Consultant Lobbyists/Organizations are prohibited from exceeding the \$100 limit in any given 12-month period. **This is a rolling calculation**. Consultant Lobbyists/Organizations must keep track of gifts given and/or promised to each public office holder they are lobbying to ensure they do not exceed \$100 per public office holder per Consultant Lobbyist/Organization in any given 12-month period.

How do lobbyists declare gifts to public office holders?

All gifts given or promised by a lobbyist to a public office holder the lobbyist is lobbying must be declared in the lobbyist's Registration Return. This includes gifts that meet the exception test.

Failure to declare a gift given or promised is a contravention of the LTA. This includes failure to declare a permitted gift that meets the conditions of the exception test.

Which gift details need to be declared?

If a lobbyist or an organization that is lobbying gives or promises a gift to a public office holder they are lobbying, they must declare:

- the name of the public office holder
- a description of the gift
- the value of the gift
- the date the gift was given or promised, and
- the circumstances under which the gift was given or promised.

When declaring a gift in the Registry, it is essential to provide adequate amount of detail to allow ORL staff to understand to whom the gift was promised or given, the value and details of the gift, and the date and context in which it was promised or given. If the information entered into the Registry is insufficient, filers will be asked to provide additional detail.

Which public office holders are covered by the provisions regarding gifts in the LTA?

The provisions regarding gifts in the LTA apply to all "public office holders", as defined in the LTA to include:

- (a) a member of the Legislative Assembly and any person on the member's staff,
- (b) an officer or employee of the government of British Columbia,
- (c) a person who is appointed to any office or body by or with the approval of the Lieutenant Governor in Council, other than a person appointed on the recommendation of the Legislative Assembly,
- (d) a person who is appointed to any office or body by or with the approval of a minister of the government of British Columbia, and
- (e) an officer, director or employee of any government corporation as defined in the *Financial Administration Act*,

but does not include a judge or a justice of the peace;

This definition of "public office holder" includes (but is not limited to) elected Members of the Legislative Assembly (MLAs), as well as unelected officials in the BC government and Provincial entities.

If you are not sure whether you are lobbying a public office holder, please email the ORL

Did you know? There are other rules that govern gifts that public office holders may accept.

The LTA's gift rules apply to lobbyists who promise or give a gift to a public office holder they are lobbying. There are other rules within the public sector that govern what public office holders may accept in the way of gifts. The ORL oversees and enforces the provisions of the LTA. Any questions regarding other public sector rules around gifts should be directed at the appropriate regulating body.

The Members' Conflict of Interest Act governs what elected members of the legislative assembly (MLAs), including members of cabinet, may accept in the way of gifts. The Conflict of Interest Commissioner oversees that Act. coibc.ca/about/

BC Public Service employees subject to the Standards of Conduct for Public Service Employees may not accept a gift that arises out of employment unless the gift is of nominal value, the exchange creates no obligation, reciprocation is easy, and it occurs infrequently. Public service employers are responsible for overseeing the Standards of Conduct. www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-employee-labour-relations/standards conduct.pdf

Political staff such as ministerial or executive assistants in a minister's office, who are subject to the Standards of Conduct for Political Staff Regulation, may not accept a gift that arises out of employment unless the gift is of nominal value, the exchange creates no obligation, reciprocation is easy, and it occurs infrequently. Managers of political staff and/or the chief of staff to the premier are responsible for overseeing the Standards of Conduct for Political Staff. www.bclaws.ca/civix/document/id/complete/statreg/67 2014

info@bcor.ca

How is the value of a gift calculated?

The total market value (including taxes, fees and service charges) of the item, service, or hospitality offered to the public office holder for free, or at a discount, must be considered.

For tickets to events, the market value is the face value amount plus any fees, service charges and taxes that any member of the public would pay for the ticket.

There may be circumstances in which lobbyists incur venue-related expenses, such as room rental fees, service charges, rental of audio/visual equipment, etc. In circumstances where access to, or use of, the venue does not provide its own benefit to the public office holder, these venue-related expenses would not need to be included when calculating the value of the

gift. Such circumstances may include meetings between lobbyists and public office holders at a hotel's banquet hall where the venue itself does not provide any beneficial experience to the public office holder. However, if the same meeting were to be scheduled at a venue that provides a beneficial experience to the public office holder or where the venue would otherwise charge the public an entrance fee, such as a museum or art gallery, the venue-related expenses incurred by the lobbyist would need to be included in the calculation of the gift's value.

For events where food, beverages, entertainment, or other hospitality is provided, lobbyists must determine the value of what is offered to each public office holder by taking into account the total cost of all relevant expenses associated to the event, including venue rental costs if applicable (see paragraph above), food/catering costs, bar/beverage costs, service costs, music or entertainment costs, transportation costs, taxes, gratuity, and any other costs involved in hosting the event. This total cost should then be divided by the total number of people that the lobbyist reasonably anticipated would attend the event, including public office holders, lobbyists and other guests.

Example 1: A group of 40 MLAs is invited to a luncheon paid for by an industry association wanting to inform the MLAs of its concerns regarding a particular aspect of proposed legislation. All 40 MLAs RSVP accepting the invitation. Five in-house lobbyists from the industry association attend and speak to the MLAs. The total cost of the food and beverage served at the luncheon is \$1,271.25.

The value of the gift is calculated as follows: \$1,271.25 (total cost) \div 45 (number of anticipated attendees, including 40 MLAs and 5 in-house lobbyists) = \$28.25 per person.

Declaration:

The organization declares a "gift promised" of \$28.25 for each public office holder <u>invited</u> (all 40 MLAs). This is the case even if not all of the public office holders invited attend the event.

The organization also declares a "gift given" of \$28.25 for each public office holder that actually <u>attended</u> (all 40 MLAs).

Example 2: A group of 20 MLAs is invited to a meeting hosted by a non-profit organization to discuss proposed legislative amendments. The meeting is scheduled from 10:00 am to 2:00 pm, and consequently the invitation to the event indicates that lunch will be provided. 6 MLAs RSVP to accept the invitation, 4 MLAs RSVP to decline and 10 do not respond. The non-profit anticipates that 3 of these non-responsive MLAs are likely to attend, and so plan accordingly. 3 in-house lobbyists from the non-profit organization attend. Use of the venue itself provides no benefit to the MLAs, and so the venue rental costs would not be included in the calculation. The venue has a set price of \$650.00 for providing this lunch.

The value of the gift is calculated as follows: $$650.00 \text{ (total cost)} \div 12$ anticipated attendees (9 MLAs and 3 in-house lobbyists) = \$54.17 per person.

Declaration:

The organization declares a "gift promised" of \$54.17 for each public office holder <u>invited</u> (all 20 MLAs).

The organization also declares a "gift given" of \$54.17 for each public office holder that actually <u>attended</u>.

Example 3:

A group of 10 MLAs is invited to attend a meeting to hosted by an organization to discuss proposed amendments to legislation. The invitation does not include any mention that food, drink, or any other gift or hospitality will be provided. All 10 MLAs attend, along with 5 members of the organization. Although not stated in the invitation, the organization provides light snacks and coffee for all those in attendance. The total value of this hospitality is \$225.00

The value of the gift is calculated as follows: \$225.00 (total cost) \div 15 attendees (10 MLAs and 5 organizational representatives) = \$15.00 per person.

Declaration:

The organization does not declare a "gift promised" as the invitations to the public office holders did not promise any gift.

The organization declares a "gift given" of \$15.00 for each public office holder that attended.

How is the value of a gift calculated for a guest of a public office holder?

If a gift is offered to a guest of a public office holder, the same considerations apply as if it were offered to the public office holder directly. The value of the gift to the guest must be included in the total value of what is offered to the public office holder.

What if a lobbyist gives a public office holder (they are lobbying) a gift but does not declare it?

Failing to declare a gift given or promised is a contravention of the LTA that could lead to a compliance investigation. The LTA provides for significant administrative monetary penalties (up to \$25,000) and lobbying prohibitions, in appropriate circumstances. For more information, please see our <u>Guide to Investigations</u>.

What if a lobbyist gives a public office holder gifts that add up to more than \$100 in a given 12-month period?

Giving a gift or gifts to a public office holder whom the lobbyist is lobbying that does not meet all aspects of the exception test is a contravention of the LTA that could lead to a compliance

investigation. The LTA provides for significant administrative monetary penalties (up to \$25,000) and lobbying prohibitions, in appropriate circumstances. For more information, please see our <u>Guide to Investigations</u>.

What if I have more questions about gifts?

If you have questions after reading this guidance document, please contact the Office of the Registrar of Lobbyists for BC at info@bcorl.ca