



Irvine Community Land Trust

REQUEST FOR IRVINE COMMUNITY LAND TRUST BOARD ACTION

LAND TRUST BOARD MEETING DATE:

MARCH 17, 2010

TITLE: BOARD POLICY FOR DISTRIBUTION OF TICKETS AND/OR PASSES TO COMMUNITY EVENTS.

Executive Director

RECOMMENDED ACTION:

Adopt a resolution of the Irvine Community Land Trust establishing a policy for the distribution of tickets and/or passes to conform with Section 18944.1 of Title 2 of the California Code of Regulations, as amended by the Fair Political Practices Commission.

BACKGROUND:

Although the Irvine Community Land Trust is a private nonprofit corporation, various State laws that regulate local public agencies have been opined to apply, in certain circumstances, to private nonprofit corporations formed by a local public agency and having a governing body with specified characteristics. To this end, the Land Trust has complied with one such State law, the Political Reform Act and its implementing regulations adopted and enforced by the Fair Political Practices Commission (“FPPC”).

The FPPC has established new requirements in Title 2 of the California Code of Regulations, Section 18944.1 (“Regulation 18944.1”) for the distribution of tickets or passes to community events that require the Land Trust to establish a formal policy on this matter. Regulation 18944.1 relates to tickets and passes to certain events that are distributed by the Land Trust to its directors and officials. Under Regulation 18944.1, the term “tickets or passes” is defined as “admission to a facility, event, show, or performance for entertainment, amusement, recreational, or similar purposes.” Regulation 18944.1 does not apply to tickets or passes that are given directly to Land Trust directors or officials, or are earmarked for the specific use of identified directors or officials, by event sponsors or third parties; rather, these are governed by other FPPC regulations.

The Land Trust is required to report when it distributes such tickets or passes it owns or receives to directors or officials or other individuals or organizations outside the Land Trust. The regulation further requires that any distribution of tickets or passes by the Land Trust, or at the behest of its officials, must be made pursuant to a written policy adopted by the Board of Directors (“Board”). The policy must contain certain provisions, at a minimum, including but not limited to a provision that sets forth the public purposes to be accomplished by the

distribution of tickets or passes.

Even though tickets or passes distributed by the Land Trust to a director or official under Regulation 18944.1 is not considered a “gift” to the director or official for either reporting (i.e., the official’s FPPC Form 700 Statement of Economic Interests) or gift limit purposes, the Land Trust must disclose the distribution on FPPC Form 802, Tickets Provided by Agency Report. Regulation 18944.1 requires that the Land Trust report whether the tickets or passes it distributed are considered income to the director or official or describe the public purpose for which the director or official received the tickets or passes. Form 802 must be signed by the Executive Director and filed with the Secretary for posting to the Land Trust’s website within thirty days after the tickets or passes are distributed.

Pursuant to the regulations, the policy addresses the following minimum provisions:

1. A provision setting forth the public purposes of the Land Trust to be accomplished by the distribution of tickets or passes;
2. A provision requiring that the distribution of any ticket or pass by the Land Trust to, or at the behest of, an official accomplish a purpose that is consistent with the Land Trust’s Articles of Incorporation, governing policies, and public purposes associated therewith; and
3. A provision prohibiting the transfer by any official of any ticket or pass, distributed to such official pursuant to the Land Trust policy, to any other person, except to members of the official’s immediate family solely for their personal use.

In addition to the above, the Land Trust must post its adopted policy on its web site in a “prominent fashion”. All tickets distributed by the Land Trust pursuant to Regulation 18944.1, including those tickets the value of which the official reports as income, must be accounted for and reported on FPPC Form 802. (The blank form is set forth as Attachment 2). Each Form 802 must be posted in a prominent fashion on the Land Trust’s website within thirty days after the date of distribution. The information required to be reported includes:

1. The name of the person(s) or outside organization receiving the ticket or pass;
2. A description of the event;
3. The date of the event;
4. The face value of the ticket or pass;
5. The number of tickets or passes provided to each official;
6. If the ticket or pass is behested, the name of the official who behested the ticket or pass; and
7. A description of the public purpose under which the distribution was made or, alternatively, that the ticket or pass was distributed as income to the official.

FISCAL IMPACT:

None.

CONCLUSION:

The FPPC adopted new regulations affecting the distribution of tickets and/or passes obtained by the Land Trust to its directors or officials. The regulations require the Land Trust to adopt a formal policy on how ticket and/or passes will be accounted for and disclosed. The attached resolution and policy address the FPPC's regulation and establish Board policy on the distribution of tickets to directors and officials and disclosure. Staff recommends the Board approve and adopt the resolution of the Irvine Community Land Trust adopting a policy for the distribution of tickets and/or passes to conform with Regulation 18944.1.

Attachments:

- 1: Section 18944.1, Title 2, California Code of Regulations
- 2: FPPC Form 802
- 3: Resolution and Policy