# UNITED STATES OFFICE OF GOVERNMENT ETHICS

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#### **LEGAL ADVISORY**

TO: Designated Agency Ethics Officials

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SUBJECT: Application of the Standards of Conduct to Presidential Inaugural Events

The U.S. Office of Government Ethics (OGE) is issuing this Legal Advisory to remind agency ethics officials of the ethical requirements relevant for executive branch employees during a presidential Inauguration celebration, particularly regarding gifts.<sup>1</sup>

In connection with the national, historic event of Inauguration on January 20, 2025, executive branch employees may receive offers of free attendance to attend Inauguration-related events, including the inaugural parade as well as inaugural balls, receptions, dinners, and fundraisers. This Advisory discusses (1) the most relevant gift exceptions and exclusions for inaugural events, (2) potential misuse of position concerns relating to inaugural events, and (3) fundraising rules applicable to inaugural events.

## I. Gifts of Free Attendance to Inaugural Events

Although generally an executive branch employee may not solicit or accept a gift from a prohibited source or a gift given because of the employee's official position, many offers of free attendance to Inauguration-related events may fall within one of the exclusions or exceptions to

<sup>&</sup>lt;sup>2</sup> *Id.* § 2635.202(a), (b). Full-time, non-career appointees continue to be bound by the Ethics Pledge ban on accepting gifts from a registered lobbyist or lobbying organization for the duration of their service as appointees. *See* Exec. Order No. 13,989, § 1, para. 1, 86 Fed. Reg. 7,029, 7,029 (Jan. 20, 2021). This Legal Advisory does not address these additional restrictions. *See* OGE Legal Advisory LA-12-10 (Dec. 20, 2012); *see also* OGE DAEOgram DO-10-003 (Feb. 18, 2010); OGE DAEOgram DO-09-007 (Feb. 11, 2009); OGE Legal Advisory LA-21-05 (Feb. 23, 2021).



<sup>&</sup>lt;sup>1</sup> For purposes of the Standards of Ethical Conduct for Employees of the Executive Branch (the Standards), a gift is defined as "any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value." 5 C.F.R. § 2635.203(b).

the gift rules. Some of the gift exceptions and exclusions most relevant to inaugural events<sup>3</sup> are set out below.

A. Events that are Free to the Public or Free to All Government Employees. Events that are free to the public, or free to a class consisting of all Government employees or all uniformed military personnel, are not considered "gifts." Employees may accept invitations to such events even if they are given by a prohibited source or because of the employee's official position. For example, an employee may accept free attendance to a talk on "Inauguration Day in History" hosted by a prohibited source, even though others must pay a \$30 registration fee, provided that free attendance is offered to all Government employees.

B. Employee Pays Market Value. An inaugural event for which an executive branch employee pays market value is similarly not a "gift" under the Standards. An employee may therefore accept an invitation to an inaugural gala if they pay market value for the ticket, even if the invitation to the event is from a prohibited source or is offered because of the employee's official position.

C. Gifts of \$20 or Less. Executive branch employees may accept unsolicited gifts that are valued at \$20 or less per occasion, provided that the total value of gifts from the same source does not exceed \$50 in a calendar year. This exception could apply, for example, if the market value of food, drink, and entertainment at an inaugural breakfast to which an employee is invited is not more than \$20.8 Note, however, that if the event is ticketed, the market value of the event is equal to the face value of the ticket.9

D. Gifts from the Federal Government. An executive branch employee may accept gifts from an entity of the Federal Government or an employee acting on behalf of such entity, either in their personal or official capacity. For example, an employee may accept tickets to inaugural events offered by the Joint Congressional Committee on Inaugural Ceremonies, by the Presidential Inaugural Committee (PIC), or by members of Congress to their constituents.

<sup>&</sup>lt;sup>3</sup> See 5 C.F.R. §§ 2635.203, .204.

<sup>&</sup>lt;sup>4</sup> *Id.* § 2635.203(b)(4).

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> *Id.* § 2635.203(b)(10).

<sup>&</sup>lt;sup>7</sup> *Id.* § 2635.204(a).

<sup>&</sup>lt;sup>8</sup> This exception would also apply to a virtual inaugural event if attendees are charged an admission fee of \$20 or less. In addition, OGE Legal Advisory LA-15-05 (May 5, 2015) provides guidance on how to determine the market value when no fee is charged to attend.

<sup>&</sup>lt;sup>9</sup> *Id.* § 2635.203(c).

<sup>&</sup>lt;sup>10</sup> See id. § 2635.102(j) (excluding from the definition of "person" "any agency or other entity of the Federal Government or any officer or employee thereof when acting in [their] official capacity on behalf of that agency or entity").

<sup>&</sup>lt;sup>11</sup> The Joint Congressional Committee on Inaugural Ceremonies is the official committee appointed by Congress to arrange for the Inauguration of the President-elect and the Vice President-elect on property under Congressional jurisdiction. *See* 36 U.S.C. § 507.

<sup>&</sup>lt;sup>12</sup> Although "[s]trictly speaking, the PIC may not be a part of the Federal Government," OGE has long viewed gifts of free attendance from PICs for PIC events as permissible under Subpart B because of the unique nature and mission of the entity. OGE DAEOgram DO-09-001, at 3 (Jan. 15, 2009).

*E. Gifts Offered by Political Organizations*. Because certain Inauguration-related gifts may be offered by political organizations, <sup>13</sup> an employee may be able to rely on the exception for gifts in connection with political activities permitted by the Hatch Act Reform Amendments. <sup>14</sup> Under this exception, an executive branch employee who actively participates in political management or political campaigns may accept various benefits from political organizations <sup>15</sup> when provided in connection with the employee's active participation. Such benefits include travel and free attendance to events for the employee and an accompanying guest.

F. Gifts Based on a Personal Relationship or Resulting from an Employee's or Spouse's Business or Employment. Gifts that are clearly motivated by a family relationship or personal friendship may be accepted by executive branch employees. <sup>16</sup> Similarly, gifts that result from the outside employment or business activities of the employee or the employment or business activities of the employee's spouse may be accepted, as long as it is clear that the gifts were not offered or enhanced because of the employee's official position. <sup>17</sup> For example, if an employee's spouse works for a law firm that has provided its personnel and their spouses with free tickets to an Inauguration-related reception, the employee may attend the event with their spouse, even if the law firm is a prohibited source.

G. Widely Attended Gatherings. The widely attended gathering (WAG) exception may also apply to inaugural events. <sup>18</sup> An executive branch employee may accept an offer of free attendance to a WAG from the sponsor of the event, provided that the appropriate agency designee makes a written determination after finding that the event is a WAG, the employee's attendance at the event is in the agency's interest because it will further agency programs or operations, and the agency's interest in the employee's attendance outweighs the concern that the employee may be, or may appear to be, improperly influenced in the performance of official duties. <sup>19</sup> When the offer of free attendance comes from a non-sponsor, the agency designee also must determine that more than 100 persons are expected to attend the event, and that the market value of the gift is \$480 or less. <sup>20</sup>

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Even if a gift satisfies one or more of the exceptions or exclusions listed above, an executive branch employee should consider declining an otherwise permissible gift if they believe that a reasonable person with knowledge of the relevant facts would question the employee's integrity or impartiality as a result of accepting the gift.<sup>21</sup> To properly evaluate

<sup>&</sup>lt;sup>13</sup> See 26 U.S.C. § 527(e).

<sup>&</sup>lt;sup>14</sup> See 5 C.F.R. § 2635.204(f).

<sup>&</sup>lt;sup>15</sup> Examples of political organizations are the Democratic and Republican National Committees, Federally registered candidate committees, state party committees, and tax-exempt 527(e) political action committees.

<sup>&</sup>lt;sup>16</sup> 5 C.F.R. § 2635.204(b).

<sup>&</sup>lt;sup>17</sup> *Id.* § 2635.204(e)(1)-(2).

<sup>&</sup>lt;sup>18</sup> See id. § 2635.204(g). When an employee subject to a leave system is attending a WAG, attendance at the event will be on the employee's own time, or, if authorized by the employee's agency, on excused absence pursuant to applicable guidelines for granting such absence, or otherwise without charge to the employee's leave account. *Id.* § 2635.204(g)(1).

<sup>&</sup>lt;sup>19</sup> *Id.* § 2635.204(g)(3)-(4).

<sup>&</sup>lt;sup>20</sup> See id. § 2635.204(g)(3)(iv); see also OGE Legal Advisory LA-17-04, at 2 (Apr. 18, 2017).

<sup>&</sup>lt;sup>21</sup> 5 C.F.R. § 2635.201(b).

this standard, employees may consider: (1) the value of the gift; (2) the timing of the offer of the gift; (3) the identity of the donor; and (4) whether the gift would provide the donor with significantly disproportionate access.<sup>22</sup>

## II. Misuse of Position Considerations for Inaugural Events

When attending inaugural events in their personal capacity, executive branch employees should ensure the proper use of their Government position or title, or any authority associated with their public office, as well as the appropriate use of Federal resources.

- A. Use of Title. Executive branch employees may not use or permit the use of their Government position or title, or any authority associated with their public office, in a manner that could reasonably be construed to imply that their agency or the Government sanctions or endorses their personal activities or those of another.<sup>23</sup> This restriction applies to an employee's participation in inaugural events. For example, if an employee is speaking at an inaugural event in a personal capacity, the event's program may not feature an official photo of the employee in front of an agency seal.
- *B. Use of Official Time.* Executive branch employees may not attend events in their personal capacity on official time, or encourage, direct, coerce, or request a subordinate to use official time on such events.<sup>24</sup> For example, an employee may not attend an inaugural gala in a personal capacity while on official time.
- C. Use of Government Property. Executive branch employees may not use Government property for other than authorized purposes, including in connection with an inaugural event.<sup>25</sup>

## III. Fundraising for Inaugural Events

The restrictions on fundraising apply to any fundraisers held in connection with the Inauguration. <sup>26</sup> Although the OGE fundraising rule does not apply to fundraising for a political party, a candidate for partisan political office, or a partisan political group, the Hatch Act and its implementing regulations continue to restrict political fundraising. <sup>27</sup>

## IV. Conclusion

Executive branch employees who have questions related to their participation in Inauguration-related events should contact their ethics officials for guidance. Agency ethics officials should reach out to their OGE Desk Officer if they have any questions about the application of the Standards of Conduct rules to inaugural events, and should consult the U.S. Office of Special Counsel website for guidance on the Hatch Act.

<sup>&</sup>lt;sup>22</sup> *Id.* § 2635.201(b)(2).

<sup>&</sup>lt;sup>23</sup> *Id.* § 2635.702(b).

 $<sup>^{24}</sup>$  See id. § 2635.705(a)-(b); see also § 2635.204(g)(1) (discussing leave status of employees when attending WAGs).

<sup>&</sup>lt;sup>25</sup> See id. § 2635.704.

<sup>&</sup>lt;sup>26</sup> See id. § 2635.808; OGE DAEOgram DO-93-024 (Aug. 25, 1993).

<sup>&</sup>lt;sup>27</sup> See 5 U.S.C. § 7323(a)(2); 5 C.F.R. § 734.303.