

ARKANSAS ETHICS COMMISSION

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ADVISORY OPINION NO. 98-EC-009 Issued May 22, 1998

ISSUE:

Whether a member of the General Assembly must report wedding gifts from friends and family on her Statement of Financial Interest (SFI)?

BRIEF ANSWER:

Wedding gifts from relatives are nonreportable on the SFI due to the exclusion contained in Ark. Code Ann. § 21-8-402(5)(B)(iv) but wedding gifts of more than \$100.00 from friends are reportable on the SFI.

FACTS PRESENTED:

A state legislator was married in February of 1998. As is the custom, she received wedding gifts from her friends and family. She seeks advice on whether or not she needs to report any of these gifts on her annual SFI.

DISCUSSION:

State legislators are public officials who are required to file an annual Statement of Financial Interest with the office of the Secretary of State. Pursuant to Ark. Code Ann. § 21-8-701(d)(7), anyone filing an SFI is required to list in section 9 thereof, "[t]he source, date, and description of each gift of more than one hundred dollars (\$100) received by the public servant or his or her spouse."

"Gift" is a defined term in the law. The legal definition of gift is set forth in Ark. Code Ann. § 21-8-402(5)(A). Gift means any payment, entertainment, advance, services, or anything of value, unless equal value has been given therefor. Ark. Code Ann. § 21-8-402(5)(B) contains eight (8)

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specific exclusions to the definition of gift. The “family” exclusion is contained in Ark. Code Ann. § 21-8-402(5)(B)(iv), which provides as follows:

The term “gift” does not include:

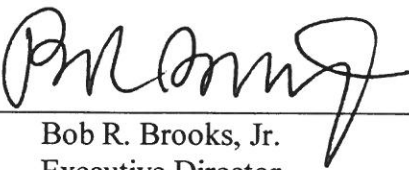
[g]ifts from an individual’s spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any of these persons, unless the person is acting as an agent or intermediary for any person not covered by this paragraph.

Wedding gifts received from any of the relatives enumerated in Ark. Code Ann. § 21-8-701(d)(7) are not reportable on the SFI because same are excluded from the definition of “gifts.”

Any wedding gift with a value in excess of \$100 received from a friend would be reportable under Ark. Code Ann. § 21-8-701(d)(7) on the SFI due for the year in which the gift was received. In the instant situation, the gifts were received in calendar year 1998 and, pursuant to Ark. Code Ann. § 21-7-801(c)(1), would be reportable on the SFI due on January 31, 1999. Wedding gifts received from friends¹ worth \$100 or less are not reportable by a public official.

This advisory opinion is issued by the Commission pursuant to Ark. Code Ann. § 7-6-217(g)(2).

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by: 

Bob R. Brooks, Jr.
Executive Director

¹ To the extent that one of the “friends” was a lobbyist registered pursuant to Ark. Code Ann. § 21-8-601(a)(1), that lobbyist would be required to report the giving of any such wedding gift to the state legislator on his or her lobbyist activity report pursuant to Ark. Code Ann. § 21-8-604(b)(2)(A). The reporting threshold for wedding gifts from lobbyists to state legislators is \$25.00. See Ark. Code Ann. § 21-8-604(b)(2)(A)(iii).