



P.O. Box 27685

Raleigh, NC 27611 (919) 814-3600

<https://ethics.nc.gov>



November 2024

During this time of government transition, we are so thankful for the Ethics Liaisons who add consistency and stability to governmental operations. The State Ethics Commission and staff wish you Happy Holidays!



Kathleen Edwards, Executive Director

## Ethics Act Gift Ban

The holidays are almost here, and you all know what that means...hot cocoa, holiday lights, fireside family gatherings, and gift ban questions! At the risk of casting Scrooge's shadow over the festivities, remember that holiday celebrations and gift-giving this year are still subject to the gift ban of the Ethics Act and Lobbying Law. This newsletter summarizes the gift ban and provides information to help you navigate gift-giving this holiday season. As always, if you have any questions or doubts about what may or may not be allowed, please contact our office and we will be happy to assist you.

## What is the Gift Ban?

The Ethics Act prohibits public servants, legislators, and legislative employees from accepting gifts from lobbyist and lobbyist principals, and public servants from accepting gifts from those doing or seeking to do business with the State, unless a gift ban exception applies. (See G.S. 138A-32). Likewise, the Lobbying Law prohibits lobbyists, lobbyist principals, and liaison personnel from giving gifts to those individuals. (See G.S. 120C-303 and -501).

## What is a Gift?

*A gift is anything of monetary value given or received without valuable consideration. In North Carolina, there is no allowance for de minimis or small gifts, so all gifts from givers listed above (even candy canes!) are prohibited unless an exception applies.*

## Who is Covered?

Not sure if the gift ban applies to you? Names of covered persons and boards can be found at:

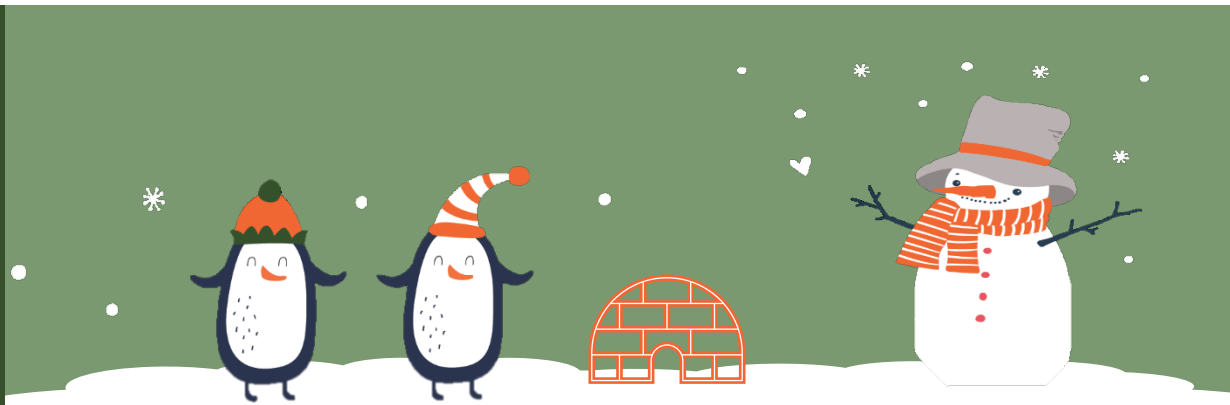
<https://ethics.nc.gov/coverage>

## Who are Lobbyists & Principals?

Search for registered lobbyists and lobbyist principals at:

<https://sosnc.gov/divisions/lobbying>





## Holiday Gift Ban Q & A

**Q:** *Are holiday greeting cards gifts?*

**A:** No, holiday greeting cards alone are not considered gifts and may therefore be exchanged without violating the gift ban.

**Q:** *What about gifts from family members?*

**A:** Gifts from extended family members or members of the same household are allowed as long as they are not given for lobbying purposes, but the gifts may need to be reported if they are from a registered lobbyist.

**Q:** *I'm a Public Servant/Legislator/Legislative Employee; can I ask my employees to contribute to a local charity instead of giving me a holiday gift?*

**A:** No, covered persons are generally prohibited from soliciting charitable donations from subordinate State employees, although generic written solicitations sent to all employees are allowed.

**Q:** *What should I do if I receive a prohibited gift?*

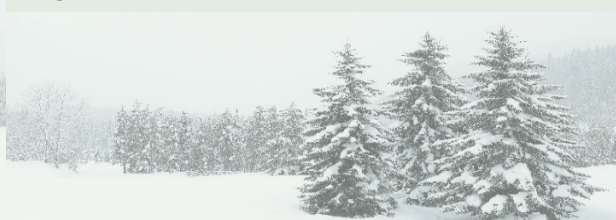
**A:** Promptly decline or return it, pay fair market value for it, or donate it to a charity or the State. And make sure you document your return of the gift and get a receipt if you opt to pay for it or donate it to charity.

**Q:** *What should I do if I'm uncertain about whether I can give/receive a gift?*

**A:** If you have any questions or doubts, please contact the State Ethics Commission staff and we will be happy to assist you.

**Q:** *May I attend a holiday party hosted by my neighbor, a lobbyist?*

**A:** Since the food and beverages are being given by a lobbyist, a gift ban exception must apply before you join in the merriment. One exception allows gifts given as part of a business, civic, religious, fraternal, personal, or commercial relationship if: (1) that relationship is not tied to your public position; and (2) the gift is not given to lobby you. Here, since you were invited to the party because you are a neighbor, and not because you are a public servant, and you are being given the same food and beverages as all attendees, you may accept the food and beverages.





## We Welcome New State Officials!

As we usher in the New Year, newly elected State officials are busy setting up their offices and hiring new staff members. This is also a busy time for the State Ethics Commission, which regulates around 900 senior-level State employees.

Although some agencies will maintain their current staff, others will hire new staff beginning in January 2025. During the first 60 days of a new administration, employees hired or transferred into positions subject to the Ethics Act have thirty days from employment to file their 2025 Statement of Economic Interest and six months to take ethics education. File your 2025 SEI at [ethicssei.nc.gov/efile](https://ethicssei.nc.gov/efile). Take ethics education at [ethics.nc.gov/ethics-education](https://ethics.nc.gov/ethics-education).

Those agencies may also appoint new Ethics Liaisons to assist with SEI and education compliance.

Please use our webform to notify us of new staff members and Ethics Liaisons: [ethics.nc.gov/ethics-liaison/new-covered-person-or-ethics-liaison-form](https://ethics.nc.gov/ethics-liaison/new-covered-person-or-ethics-liaison-form).

Welcome aboard the *Ethics Train!*



## Your Board Membership May Not End When Your Term Expires

Public servants are appointed by various appointing authorities to State boards or commissions for specific terms. Because North Carolina has thousands of community members in appointed positions, it can be difficult for officials to appoint your replacement before the official end of your term, say June 30th. So sometimes gaps can arise between the end of one board member's term and the date that member's replacement is appointed.

Since it is important that State boards can continue to do business during the transition of its members, North Carolina's Constitution requires that appointed State board members continue to hold their positions until other appointments are made . . . ." A North Carolina statute echoes this principle, "All officers shall continue in their respective offices until their successors are elected or appointed, and duly qualified." G.S. § 128-7.

So, even if your term on a board has expired, you will continue to serve until a new member is appointed, files their SEI, and is sworn in. Of course, that means that your obligations under the Ethics Act – including SEI filings and ethics education – continue unless you resign.



Kathleen Edwards  
Mary Roerden  
Jameson Marks  
Susy Sing  
Tracey Powell  
David Smyth  
Angela Pryor  
Katie Stephan  
Jane Steffens  
Aaron Harris

**Remember:** you can track your agency's or board members' SEI and education compliance at <https://ethicssei.nc.gov/Tools/Report>



**Across:**

- 2. Highest Mountain Peak in NC (2 wds)
- 4. Frontiersman who made NC his home for 21 years (2 wds.)
- 5. NC town with the highest elevation (2 wds.)
- 9. Home to NC's two biggest snow resorts (2 wds.)
- 14. Boundless creativity and expression found in this district (3 wds.)
- 15. #1 county in the US for growing Christmas trees (2 wds.)
- 17. Opulent estate located in Asheville, NC (2 wds.)
- 18. Buncombe County nickname (4 wds.)
- 21. Town known as the "Gem Capital of the World" (1 wd.)

**Down:**

- 1. Most visited national park in America (3 wds. - 1 wd. abbr.)
- 3. Two national forests located in Western NC (3 wds.)
- 6. Mineral City of the World' (2 wds.)
- 7. Town that inspired "Mayberry" for a beloved 1960s sitcom (2 wds.)
- 8. Mountain vista on a mile-high swinging bridge (2 wds.)
- 11. Known as "Christmas Town USA" (1 wd.)
- 12. Famous scenic road (3 wds.)
- 13. Wild west adventure on a steam locomotive ride (2 wds.)
- 16. State Park that offers 75-mile panoramic views of Hickory Nut Gorge (2 wds.)
- 20. Madison County Seat town and hub for the arts (1 wd.)

## Hero Corner

Because Ethics Liaisons are our Heroes!

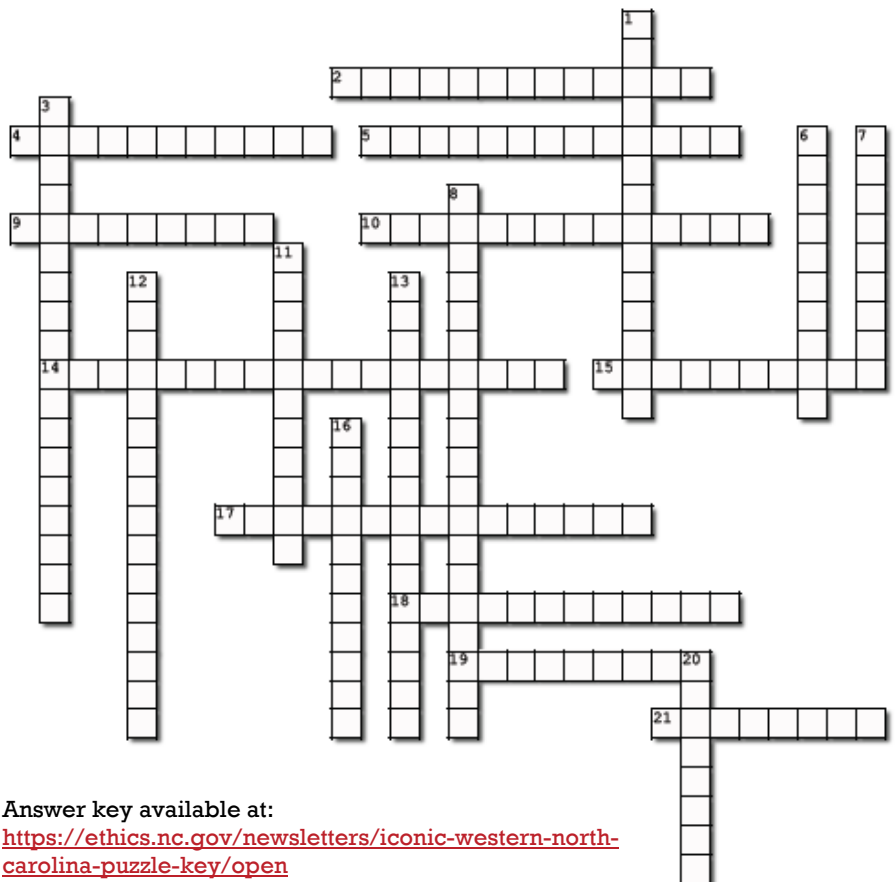
**Help!** Did you know that our database system is not automated? We rely on Ethics Liaisons to inform us when an agency has changes to covered persons or a member joins or leaves a board or commission. Updates can be submitted directly to our webform at: <https://ethics.nc.gov/ethics-liaison/new-covered-person-or-ethics-liaison-form>

If you cannot use the webform, you may email updates to [SEI@ethics.nc.gov](mailto:SEI@ethics.nc.gov). Please include:

- The date the change is effective, or start/end dates for board members,
- The appointing authority and board position,
- Who the new member or employee replaces, &
- The new member's contact information.

Please donate to the North Carolina Disaster Relief Fund to help communities recover from Helene <https://pay.payitgov.com/ncdonations>

## Iconic Western North Carolina Crossword



Answer key available at: <https://ethics.nc.gov/newsletters/iconic-western-north-carolina-puzzle-key/open>