

Frequently Asked Questions: Inauguration Events

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The funding of “inauguration events” for elected candidates¹ raises issues related to the use of campaign funds, post-election fundraising restrictions, contribution limitations, behested payments, gift limits, and reporting requirements under the Political Reform Act (the “Act”).²

This fact sheet provides general guidance through answers to frequently asked questions related to candidate or third-party funded inaugural events. Please note that this fact sheet cannot address all of the unique variables and circumstances related to funding an inaugural event. For more information, contact the FPPC with specific questions.

What is an “Inauguration Event”?

An “inauguration event” is a *privately funded event* conducted post-election in conjunction with the formal inauguration or swearing-in of a candidate elected to public office.

Swearing-In Ceremony: Generally, when the governmental agency involved pays for events related to the candidate’s formal inauguration or swearing-in, the Act does not regulate those payments, and those publicly funded payments are not addressed in this discussion.³

Election Night Celebration: An election victory celebration or similar campaign event is considered to be directly related to a political, legislative, or governmental purpose, and thereby is a permissible use of campaign funds. (Section 89513(f)(3).)

¹ An individual who is a “candidate” retains that status until they leave office and terminate that status by filing the appropriate campaign reports under Government Code Section 84214. (Section 82007.) A “candidate” includes an individual who has been newly elected to office but does not yet hold that office as well as an individual who has been elected to and taken office. (Regulation 18404.) An “elected officer” includes an elected candidate who has not yet taken office. (Section 82020.)

² The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 19997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

³ However, if private funds are solicited and donated to the agency to pay for the agency’s costs, candidates and officials attending the event may be receiving a reportable gift. (See Regulation 18944.) Additionally, candidates and officials soliciting donations to the agency may have to file “behested payment” reports. (See Sections 82004.5 and 84224.)

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Use of Candidate Campaign Funds for Inaugural Event

1. Q. May a candidate use their campaign funds to pay for their inauguration event?
 - A. Yes, but subject to the limits discussed below. Campaign funds are held in trust for expenses associated with the candidate's election or those associated with holding office. (Section 89510.) Campaign funds may only be used for expenditures that are reasonably related to a political, legislative, or governmental purpose. If the expenditure confers a substantial personal benefit, however, the expenditure must be *directly* related to a political, legislative, or governmental purpose. (Section 89512.) As noted above, an election victory celebration or similar campaign event is considered to be *directly related* to a political, legislative, or governmental purpose. (Section 89513(f)(3).) Consequently, a candidate may use the following campaign funds to pay for their inauguration event:
 - Leftover campaign funds after an election in the campaign account established for the candidate's election to that office. (Section 85201 and Regulation 18525); or
 - Campaign funds from an officeholder account authorized by local law,⁴ or for elected state officers, authorized under the Act. (Section 85316 and Regulation 18531.62).⁵

Use of Other Candidate-Controlled Committee Funds

2. Q. I was recently elected to the state Senate. May I use my controlled ballot measure committee to fund my inaugural event?
 - A. No. A candidate *may not use* campaign funds from a controlled committee for a different elective office or a controlled ballot measure committee, because the inaugural event is unrelated to the purpose of these committees. (See *Sullivan* Advice Letter, No. I-23-163.)

Post-election Fundraising

3. Q. May a candidate accept contributions after the election to fund their inaugural event?
 - A. In some circumstances. The post-election fundraising restrictions may limit or prevent the acceptance of contributions for the inaugural event, depending on the committee.

For Candidates Elected to State Office:

A state candidate *may not* continue to fundraise or accept contributions after the election unless the candidate has campaign debt ("net debts outstanding"). Accordingly, a candidate elected to state office **is prohibited** from accepting contributions into their campaign account for the

⁴ Officeholder accounts are not permitted for a candidate elected to a city or county office subject to the default state campaign contribution limits under Section 85301(d) [referred to as an "AB571 jurisdiction"].

⁵ Elected state officers include individuals who hold, are elected to, or are appointed to fill a vacancy in, the following offices: Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, Controller, Secretary of State, Treasurer, Superintendent of Public Instruction, Member of the Legislature, member elected to the Board of Administration of the Public Employees Retirement System, members of the Board of Equalization, and members elected to the Teachers' Retirement Board. (See Sections 82020, 82021, and 82024.)

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recent election to pay for an inauguration event. (Section 85316 and Regulation 18531.61, defining “net debts outstanding.”)

The candidate elected to state office *may* fundraise and accept contributions for an inaugural event into their:

- Officeholder account established for the new office (Section 85316(b) and Regulation 18531.62), or
- Campaign account established for re-election to the new office.

Contributions to either of these accounts must be deposited into the appropriate campaign bank account, reported, and are subject to any applicable contribution limit. (See Sections 85316 (officeholder accounts) and 85301-85303 (campaign accounts).)

For Candidates Elected to Local Office:

A local office candidate elected to a county or city office in a jurisdiction that has not adopted local campaign contribution limits and therefore is subject to the default state campaign contribution limits under Section 85301(d) [an “AB 571 jurisdiction”] *may not* fundraise or accept contributions after the election unless the candidate has campaign debt. Accordingly, the candidate **is prohibited** from accepting contributions into their campaign account for the recent election to pay for an inauguration event. (Sections 85301(d), 85316(a), and Regulation 18531.64, defining “net debts outstanding”.)

The candidate elected to a **county or city office** in an AB 571 jurisdiction *may* fundraise and accept contributions for an inaugural event into their:

- Campaign account established for re-election.

Contributions to this account must be deposited into the appropriate campaign bank account, reported, and are subject to any applicable contribution limit. (See Sections 85301-85303 (campaign accounts).)

Local elected candidates in a jurisdiction that has enacted its own contribution limits may be subject to local contribution and post-election rules and should refer to their local jurisdiction.

4. Q. I was recently elected to my city council in an AB 571 jurisdiction. Can I accept contributions after my election to fund an inauguration event?

- A. You may fundraise into a campaign account you have established for re-election to the city council. You may use existing, leftover funds in the election committee for the current office for officeholder expenses. You cannot accept post-election contributions into your campaign account for the recent election, and the Act does not permit you to have an officeholder account.

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Behests for Payments Made to a Vendor

5. Q. May the candidate solicit payments to be made directly to a vendor for the event?
- A. Yes, subject to the behested payment reporting rules, and if the gift results in a personal benefit to the candidate, the gift rules. Because an inauguration event is typically related to a governmental purpose, a candidate may solicit payments to be made directly to a vendor or a third party for the event expenses. The candidate must file a **behested payment report** ([FPPC Form 803](#)) when the payments from a single source meet or exceed \$5,000 in the calendar year.⁶ Please see the [Behested Payment Reporting Fact Sheet](#) for further information. (See the discussion on reporting gifts below, if the payment results in a personal benefit to the candidate.)
6. Q. What if the above payment or donation is made directly to the candidate or campaign committee instead of the vendor?
- A. Any payment, including donation of an item, made directly to the campaign committee or candidate will be a *contribution* and subject to the limitations on post-election contributions, discussed above.

Not Permissible – Nonprofits Controlled by a Candidate

7. Q. May the candidate establish a nonprofit 501(c)(4) “inaugural host organization” for the inaugural event?
- A. No. A 501(c)(4) nonprofit organization *may not* be established by the candidate, their agent, or staff, in place of a campaign committee, to raise funds for the inaugural event. Any payments to an organization *established or controlled by the candidate*, their staff, or agents will be deemed contributions to the candidate, and the organization would qualify as a Section 82013(a) committee operated for a political purpose related to the candidacy or status as an officeholder. (See *Sullivan* Advice Letter, No. I-23-163.) The Act prohibits a candidate from having more than one controlled committee for election to office, and this would be an impermissible committee. (Section 85201.)

Third-Party Funded Inaugural Event

8. Q. May a candidate’s political party or a general purpose committee not controlled by the candidate hold a fundraiser and celebrate the candidate’s inauguration at the same event?
- A. Yes, so long as the committee is not controlled by the candidate and the event is a fundraiser for the committee, not the candidate. The event *may not* be used as a “pass-

⁶ For purposes of behested payment reporting, a “behested payment” is defined as a payment “made at the behest of” an elected officer [which includes an elected candidate who has not yet taken office] that is made principally for a charitable, legislative or governmental purpose. (Section 82004.5.) A payment is considered “made at the behest of” an elected officer when the payment is made under the control or at the direction of, in cooperation, consultation, coordination, or concert with, at the request or suggestion of, or with the express, prior consent of the elected official or their agent. (Section 82041.3.) This is a broad standard that covers in-person solicitations as well as less active roles in fundraising.

A behested payment must be reported by the elected candidate to their agency within 30 days following the date on which the payment(s) equal or exceed \$5,000 in the aggregate from the same source in the same calendar year. (Section 84224.)

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through” where funds are donated to the committee in order to pay for the inaugural event. Additionally:

Tickets: The candidate may receive two tickets to the fundraiser that will have no reportable value under the exception for political fundraiser event tickets. (Regulation 18946.4(c).) Additional tickets provided to the candidate will be reportable gifts to the candidate and subject to the gift limit of \$630 for 2025-2026.⁷

Solicited Payments: If the candidate solicits contributions to the committee in connection with the fundraiser, the contribution is a reportable contribution to the committee. It is not a contribution to the candidate, nor is it a “behested payment” reportable by the candidate.

9. Q. May a third party establish a nonprofit 501(c)(4) inaugural host organization to host the inaugural event?
- A. Yes, if the nonprofit organization is not “controlled by the candidate” and is not “operated for a political purpose” as described in Regulation 18217. A third-party inaugural host organization is operated for a political purpose if it accepts or makes contributions or expenditures for any candidate or ballot measure. (See also the discussions in *Willis* Advice Letter, No. I-11-130, *Sutton* Advice Letter, No. A-05-256, and *Bell* Advice Letter, No. A-94-376.)
10. Q. May a candidate solicit payments to be made to the third-party nonprofit host organization?
- A. Yes, where the third-party host is a nonprofit 501(c)(4) organization that is not controlled by the candidate or operated for a political purpose, as discussed above.

Tickets: See the discussion below on reporting gifts of tickets/admission to the event.

Solicited Payments: In this circumstance, an inauguration event is typically related to a governmental purpose, and a candidate may make a request for payment to a third-party host. The candidate must file a **behested payment report** (FPPC Form 803) where the payments from a single source meet or exceed \$5,000 in the calendar year.⁸

Note: Where the third party entity, such as an inaugural host organization, *coordinates with the candidate or their agents* on the details of the inauguration event, the entire event is “at the behest” of the candidate and the entity’s expenditures for the event must be reported by the candidate as a behested payment under the criteria noted in the behested payments discussion above. (Section 82041.3, and *Sullivan* Advice Letter, No. I-23-163.)

⁷ The gift limit is adjusted biennially to reflect changes in the Consumer Price Index.(Section 89503; Regulation 18940.2.)

⁸ See footnote 6 for the definition of a behested payment and the reporting requirements.

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Tickets to Third-Party Hosted Events – Gifts

11. Q. May a candidate accept the gift of admission/tickets to the inaugural event or other benefits?
- A. Yes; however, the value of admission/tickets and any benefits the candidate receives is a reportable gift⁹ and subject to the Act's gift limit of \$630 for 2025-2026 from a single source in a calendar year.¹⁰ (See discussion below on determining the source of the gift.)
- Note: Limit on Lobbyist/Lobbying Firm Gifts:* Elected state officers and candidates for those offices are prohibited from receiving gifts from, or arranged by, a registered state lobbyist or lobbying firm in excess of \$10 in a calendar month. (Section 86203 and Regulation 18624.)
12. Q. What is the gift value of a candidate and their guest's attendance at an invitation-only Inaugural Event hosted by a third-party?
- A. For **invitation-only events**, the admission value is the candidate and one guest's pro rata cost of the event (i.e., total cost of the event divided by the number of acceptances or the number of attendees). (Regulation 18946.2.(b) and (c).)¹¹ Any specific benefit provided to the candidate and their guest is valued at its fair market value. (*Ibid.*)
- For a **ticketed event**, where the tickets are available for sale to the public, the value of the gift attributed to the candidate is the face value of the tickets. (Regulation 18946.1.)
13. Q. Must the *candidate* also report tickets or admission given to their spouse or children?
- A. Yes, in most instances, and this will be counted toward the candidate's gift limit. A candidate will have a reportable gift for any ticket or admission provided to the candidate's family member (dependent child or spouse). Admission is presumed to be a gift to the candidate, aggregated with all other gifts from that source, where:
- The source is a lobbyist, lobbying firm, lobbyist employer, or other person who is required to file lobbying reports under the Act.
 - There is no established working or social relationship between the source and the family member.

⁹ A gift must be reported on the candidate's Statement of Economic Interest if it is from a reportable source and the gifts from the source aggregate \$50 or more during the reporting period. Gifts from sources that are not required to be disclosed on the Form 700 are not subject to the gift limit but still may subject the public official to disqualification. (See Sections 87207 and 87302.)

¹⁰ Additionally, the Act prohibits any public official from making, participating in making, or using their official position to influence the outcome of a governmental decision involving the donor of a gift or gifts with an aggregate value of \$630 or more provided to, received by, or promised to the official within the 12 months prior to the date the decision is made. (Sections 87100 and 87103(e).)

¹¹ The "cost of the event" is the cost of food, catering services, entertainment, and any item provided to the candidate that is provided to all other attendees.

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- The source of the gift is a person who is or has been involved in a governmental decision before the candidate within the past 12 months.
- The source has a contract or regularly engages in business with the candidate's agency.

(Regulation 18943(c).)

14. Q. Who is the reportable source of a gift related to the Inaugural Event?

- A. Generally, the source of a gift is the person who makes the gift and is not acting as an intermediary for another. (Regulation 18945(a).) When donations are made through an entity, determining the source of a gift is important for reporting purposes and to ensure compliance with the Act's \$630 gift limit.

A person is acting as an intermediary for the source of the gift when the gift to the candidate or official is provided under any of the following conditions:

- (1) the person receives a payment from a source and gives the payment to the candidate or official upon direction of the source;
- (2) the person receives a payment from a source after soliciting the payment with the understanding that the payment will be provided to a candidate or official; or
- (3) the person receives a payment from a source after the payment was solicited by the candidate or official or the candidate's or official's agent to be given to the candidate or official. (Regulation 18945.)

In each of the above instances, the source and not the intermediary is reportable.