

OFFICE OF GOVERNMENT ETHICS

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**Memorandum dated August 13, 1998,
from Stephen D. Potts, Director,
to Designated Agency Ethics Officials
Regarding Regulatory Removal of Honoraria Rules**

At 62 Fed. Reg. 48746-48748 of September 17, 1997, the Office of Government Ethics published minor amendments to the Standards of Ethical Conduct for Employees of the Executive Branch (5 C.F.R. part 2635). Those amendments removed references to the former honoraria ban (5 U.S.C. app., § 501(b)), which was declared inoperative in 1996 by the Department of Justice. See DAEOgram DO-96-012 of February 28, 1996. The amendments also made several technical cleanup changes, such as removing superseded provisions about previously grandfathered agency rules on outside employment and prohibited financial interests; updating citations to the statute on procurement integrity; and adding new cross-references to the rules implementing 18 U.S.C. § 208 at 5 C.F.R. part 2640.

A follow-up rulemaking, published at 63 Fed. Reg. 43067-43069 (August 12, 1998), has now completed the process of eliminating obsolete rules concerning the former honoraria ban, by amending references and text throughout 5 C.F.R. part 2636 and by entirely removing subpart B of part 2636, effective immediately. Subpart B had contained substantive provisions interpreting the honoraria ban for the executive branch. It had also implemented for the executive branch the supplemental disclosure requirements of the financial disclosure statute at 5 U.S.C. app., § 102(a)(1)(A), for certain payments to charitable organizations in lieu of honoraria, though the effective date for that section of the regulation had been deferred indefinitely.

The supplemental disclosure portion of old subpart B of part 2636 for SF 278 filers that was removed by this rulemaking is being preserved in capsule form as part of the overall financial disclosure rules at 5 C.F.R. part 2634. It will, however, be stayed and remain dormant, pending further review of its legal viability. We will, of course, advise the ethics community of any decision to activate this supplemental disclosure provision.