~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

April 18, 2013

**H. 3945**

Introduced by Reps. G.M. Smith, Harrell, Lucas, Bannister, Toole, Stringer, Hamilton, Sottile, Barfield, Bingham, Spires, Hardwick, Burns, Brannon, Owens, Hiott, R.L. Brown, Branham, Allison, Forrester, Long, Erickson, Murphy, Horne, Willis, Gagnon, Simrill and Funderburk

S. Printed 4/18/13--H. [SEC 4/19/13 3:17 PM]

Read the first time April 11, 2013.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 3945) to amend the Code of Laws of South Carolina, 1976, by adding Article 4 to Chapter 13, Title 8 so as to establish the South Carolina Commission on Ethics Enforcement and Disclosure, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by deleting all after the enacting words and inserting:

/ SECTION 1. Chapter 13, Title 8 of the 1976 Code is amended by adding:

“Article 4

South Carolina Commission on Ethics Enforcement

and Disclosure

Section 8‑13‑410. (A) There is created the South Carolina Commission on Ethics Enforcement and Disclosure composed of twelve members selected as follows:

(1) four members elected by the House of Representatives;

(2) four members elected by the Senate; and

(3) four members appointed by the Governor.

The House of Representatives and Senate must provide for application, screening, and bipartisan election processes within their respective Houses by rule of that House.

All members shall serve six year terms and until their successors are appointed or elected and qualify. However, one member elected by the House and by the Senate, and one member appointed by the Governor shall serve an initial term of two years and one member elected by the House and by the Senate, and one member appointed by the Governor shall serve an initial term of four years, the initial terms of all members to be designated by their appointing or electing authority when making the appointments or conducting the elections. No person shall serve consecutive terms. The members who serve an initial term of less than six years are eligible to be reappointed or reelected for a single additional term of six years.

No member of the General Assembly or other public official is eligible to serve on the commission and selections must be based on merit regardless of race, color, creed, or gender and shall strive to assure that the membership of the commission is representative of all citizens of the State of South Carolina. In addition, members shall have at least a bachelor’s degree from an accredited college or university and also at least ten years experience in business, industry, law, accounting, investigatory work, or government with a diverse background of positions or responsibilities that best qualify them for selection to the commission.

(B) Vacancies must be filled in the manner of the original selection for the unexpired portion of the term only.

(C) The chairman of the commission is elected by the members of the commission. The commission may elect a vice chairman and such other officers as it considers necessary. Seven members of the commission shall constitute a quorum. The commission shall adopt a policy concerning the attendance of its members at commission meetings. The commission meets at the call of the chairman or a majority of its members and is required to meet at least once a month. Members may set their own policy related to the rotation of the selection of officers other than the chairman.

(D)(1) Each member of the commission shall receive an annual salary of twelve thousand dollars. This compensation must be paid from the approved accounts of the commission. Members, in addition to their annual salary, shall receive mileage and subsistence authorized by law for members of state boards, commissions, and committees paid from approved accounts of the commission.

(2) Notwithstanding any other provision of law, membership on the commission does not make a member eligible to participate in a retirement system administered pursuant to Title 9 and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1. Any compensation paid on account of the member’s service on the commission is not considered earnable compensation for purposes of any state retirement system.

(E) The terms of the members of the commission begins on July first of the applicable year and ends on June thirtieth. The terms of the present members of the State Ethics Commission selected in the manner provided by the provisions of Article 3, Chapter 13, Title 8 now being repealed shall expire on June 30, 2013, and their successors selected in the manner provided by this article shall take office on July 1, 2013. Nothing herein prevents a current member of the commission whose term expires on June 30, 2013, from being considered for or from being appointed or elected to the reconstituted commission for a term to begin July 1, 2013.

(F) The commission shall receive such appropriations for its operations and responsibilities as may be provided by the General Assembly in the annual general appropriations act, in addition to the funding provided to the commission pursuant to Section 8‑13‑465.

(G) A member, while serving on the commission, may not make political contributions in the manner prohibited by Section 8‑13‑470 and shall conduct themselves in accordance with Cannons of Judicial Conduct as issued and amended by the South Carolina Supreme Court.

Section 8‑13‑415. The commission has these duties and powers:

(1) to prescribe online forms for statements required to be filed by this chapter and make these forms available in a publicly accessible online format;

(2) to prepare and publish a manual setting forth recommended uniform methods of reporting for use by persons required to file statements required by this chapter;

(3) to accept and file information voluntarily supplied that exceeds the requirements of this chapter;

(4) to develop and maintain a searchable, online database of all filings received by the commission. At a minimum. the database must be searchable by the name of any filer, contributor, or recipient of campaign funds, office sought, or position held;

(5) to ascertain whether a person has failed to comply fully and accurately with the disclosure requirements of this chapter and to notify promptly the person to file the necessary notices and reports to satisfy the requirements of this chapter or regulations promulgated by the commission under this chapter;

(6)(a) to initiate or receive complaints alleging any violation of Chapter 17, Title 2 or Chapter 13, Title 8, including the receipt of complaints against:

(i) all statewide or constitutional officers of the state and their staffs;

(ii) all members of the General Assembly and their staffs, including employees of caucuses;

(iii) any person who holds an elected or appointed position for any political subdivision of the state and their staffs;

(iv) members of all boards and commission of the State and its political subdivisions and their staffs;

(v) any lobbyist or lobbyist principal or any person acting as a lobbyist or lobbyist principal who has failed to register as such;

(vi) candidates for a state or local public office filled by popular election whether or not elected to such office;

(b)(i) no complaint may be accepted by the commission concerning a candidate for elective office during the fifty‑day period before an election in which the person is a candidate;

(ii) action on a complaint filed against a member or candidate which was received more than fifty days before the election but which cannot be processed by the commission, must be postponed until after the election;

(c) if an alleged violation is found to be groundless by the commission, the entire matter must be stricken from public record. If the commission finds that the complaining party willfully filed a groundless complaint, the finding must be reported to the Attorney General. The willful filing of a groundless complaint is a misdemeanor and, upon conviction, a person must be fined not more than one thousand dollars or imprisoned not more than one year;

(d) action may not be taken on a complaint filed more than one year after the person complained of has left the particular office or position they held during which the alleged violation occurred unless a person, by fraud or other device, prevents discovery of the violation;

(7) to issue, upon request from persons covered by this chapter, and publish advisory opinions on the requirements of this chapter, based on real or hypothetical sets of circumstances; provided, that an opinion rendered by the commission, until amended or revoked, is binding on the commission in any subsequent charges concerning the person who requested the opinion and who acted in reliance on it in good faith unless material facts were omitted or misstated by the person in the request for the opinion. Advisory opinions must be in writing and are considered rendered when approved by five or more commission members subscribing to the advisory opinion. Advisory opinions must be made available to the public unless the commission, by majority vote of the total membership of the commission, requires an opinion to remain confidential. However, the identities of the parties involved must be withheld upon request;

(8) to promulgate regulations to carry out the provisions of this chapter. However, with respect to complaints, investigations, and hearings the rights of due process as expressed in the rules governing the practice of law must be followed;

(9) to administer Chapter 17, Title 2 and Chapter 13, Title 8 by use of the duties and powers listed in this section;

(10) to file, in the court of common pleas of the county in which the respondent of a complaint resides, a certified copy of an order or decision of the commission, whereupon the court shall render judgment in accordance with the order or decision without charge to the commission and shall notify the respondent of the judgment imposed. The judgment has the same effect as though it had been rendered in a case duly heard and determined by the court; and

(11) to file a complaint against an individual over whom the commission has jurisdiction by a majority vote of the full commission upon the receipt of credible information received from a state or federal law enforcement agency.

Section 8‑13‑420. All complaints received by the commission must:

(1) be in written form;

(2) contain specific factual allegations of a violation of Chapter 17, Title 2 or Chapter 13, Title 8 against an individual public official, public employee, or public member;

(3) contain any and all supporting documentation or evidence in the possession of the complainant that supports the allegations contained in the complaint;

(4) be signed by the person filing the complaint; and

(5) contain a signed statement that the complainant will abide by the procedures established by the commission for the investigation and disposition of complaints.

Section 8‑13‑425. (A) Except as otherwise provided in Section 8‑13‑450(D), all complaints, documents, meetings, correspondence, memorandums, or other items in the possession of the commission relating to a specific complaint are considered confidential until the complaint is substantiated by a vote of the full commission as provided in Section 8‑13‑450(C).

(B) The release, in any manner, of any information by any person in violation of subsection (A) is a considered a misdemeanor and, upon conviction, the person must be fined one thousand dollars or imprisoned sixty days, or both.

(C) The commission is authorized through its staff to prosecute violations of this section before the appropriate magistrate’s court of Richland County.

Section 8‑13‑430. A respondent, at any time after being notified of the existence of a complaint against them, may waive their right to confidentiality. This waiver must be made in writing and signed by the respondent or their counsel. All waivers are considered complete and shall apply to all materials, except internal commission communications or attorney work product unrelated to the staff’s investigation of the complaint, that is in the possession of the commission and its staff. Partial waivers are not allowed.

Section 8‑13‑435. (A) Upon the receipt of a complaint, the executive director of the commission shall:

(1) within ten business days forward a copy of the complaint and all supporting evidence or documentation submitted by the complainant to the subject of the complaint;

(2) evaluate the allegations of the complaint, assuming all alleged facts are accurate, to determine if the complaint contains an allegation of a violation of Chapter 17, Title 2 or Chapter 13, Title 8. If the complaint does not contain facts sufficient to constitute a violation of Chapter 17, Title 2 or Chapter 13, Title 8, the executive director shall cause the complaint to be dismissed and notify the complainant and respondent of his decision, in writing. If the matter is dismissed, the executive director shall have no further duties related to the specific complaint;

(3) cause a panel of three commissioners, one from each of the appointing authorities, to be assigned to oversee the commission’s investigation of the complaint;

(4) notify the respondent, in writing, that they shall reply to the allegations in writing within thirty calendar days of this notification. The executive director also shall advise the respondent, in writing, of their right to obtain counsel and the investigation and hearing procedures used by the commission,

(5) cause the commission staff to begin the investigation of the complaint. Staff assigned to investigate a complaint shall report directly to the three member panel assigned for that complaint.

Section 8‑13‑440. (A) The staff may request and receive information in any form from any party relevant to the complaint being investigated.

(B) The commission staff, through an affirmative vote of the three member panel, may issue subpoenas for documents in the possession of either the complainant or respondent in a matter or in possessing of any relevant witness identified by either party in their initial filing with the commission.

(C) The commission staff, through an affirmative vote of the three member panel, may request the assistance of specialized staff from the Department of Revenue or the South Carolina Law Enforcement Division, as the matter may require. Upon a request from the commission, the Department of Revenue or SLED may temporarily assign the necessary staff to the commission. Any temporarily assigned staff shall abide by the policy and procedures for investigation set out by the commission and shall report to the three member panel.

(D) The staff, under the supervision of the three member panel, shall compile the results of its investigation, including all supporting documentation, depositions, or other evidence for presentation to the full commission.

Section 8‑13‑445. The three member panel, at any time during the conduct of the investigation, may recommend to the full commission and the commission may determine by majority vote that the matter be:

(1) disposed of by issuing a confidential letter of reprimand as provided for in Section 8‑13‑450(D) containing specified corrective actions required of the respondent;

(2) disposed of by entering into a public consent order with the respondent by which the respondent agrees to undertake specific actions;

(3) referred to the Public Integrity Unit pursuant to Section 23‑2‑60 for the investigation of alleged criminal activity; or

(4) dismissed for lack of evidence.

Section 8‑13‑450. (A) The results of an investigation by the three member panel, along with the complaint, respondents response, and all documentation accompanying both, then must be presented to the full commission in executive session, unless the respondent has waived their right to confidentiality, by the commission staff.

(B) The full commission shall consider whether the weight of the evidence presented constitutes facts sufficient to determine if the complaint has been substantiated.

(C) The commission, by a majority vote of the membership, may determine that a complaint is substantiated. ‘Substantiated’ for this purpose means the establishment by proof or competent evidence that there is substance to the alleged violation.

(D) If the full commission, based on the recommendation of the three member panel that a confidential letter of reprimand be issued, substantiates the complaint but finds the violation was a technical and not a substantive violation, was committed without intent, and by majority vote of its membership approves the issuance of a confidential letter of reprimand, the confidential letter of reprimand shall be issued, which together with all other materials and information relating to the complaint and investigation, shall remain confidential and privileged and not subject to disclosure. If the full commission finds the complaint has been substantiated and is of a substantive nature, all records and information of the commission relating to the complaint and its investigation at this point become public information.

Section 8‑13‑455. Upon a finding that a complaint is substantiated, the commission may:

(1) enter into a consent order with the respondent by which the respondent agrees to undertake specific actions to rectify the violation substantiated by the commission; or

(2) set a date for a public hearing to determine whether the complaint is factually accurate and a violation occurred.

Section 8‑13‑460. (A) All hearings must be conducted in public before the full commission.

(B) If a hearing is to be held, the respondent must be allowed to examine and make copies of all evidence in the commission’s possession relating to the charges. The same discovery techniques which are available to the commission must be equally available to the respondent, including the right to request the commission to subpoena witnesses or materials and the right to conduct depositions. The commission shall conduct the hearing in accordance with Chapter 23, Title 1 (Administrative Procedures Act), except as otherwise expressly provided. During a commission hearing conducted to determine whether a violation of the chapter has occurred, the respondent must be afforded appropriate due process protections, including the right to be represented by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross‑examine opposing witnesses. All evidence, including records the commission considers, must be offered fully and made a part of the record in the proceedings.

(C) The executive director shall serve as the presiding officer for all hearings.

(D) The commission may deliberate in executive session by its own motion. However, all votes on the merits of the complaint must be held in public session. If the commission determines after hearing that a violation occurred, it may impose the penalties authorized by Section 8‑13‑1510 or 8‑13‑1520.

Section 8‑13‑465. In order to offset costs associated with the: (1) administration and regulation of lobbyists and lobbyists’ principals, and (2) enforcement of Chapter 17, Title 2, the commission shall retain fees generated by the registration of lobbyists and lobbyists’ principals and the initial fine of one hundred dollars, as provided in Section 2‑17‑50(A)(2)(a), and the initial fine of one hundred dollars, as provided in Section 8‑13‑1510(1), for reports received by the commission.

Section 8‑13‑470. (A) The commission may employ and remove, at its pleasure, an executive director. The executive director has the responsibility for employing and terminating other personnel as may be necessary. The executive director administers the daily business of the commission and performs duties assigned by the commission.

(B) No member or employee of the commission may be a candidate, an official in a political party, or a lobbyist. Other than by virtue of membership on or employment with the commission, no member or employee of the commission may be a public official, public member, or public employee.

(C) No member of the commission or its staff may participate in political management or in a political campaign during the member’s or employee’s term of office or employment. No member of the commission or its staff may make a contribution to a candidate or member of the General Assembly or knowingly attend a fundraiser held for the benefit of a candidate or member of the General Assembly. Violation of this provision subjects the employee to immediate dismissal and the commissioner to removal.

Section 8‑13‑475. The commission at the close of each fiscal year shall report to the General Assembly and the Governor concerning the action it has taken, the names, salaries, and duties of all persons in its employ, and the money it has disbursed and shall make other reports on matters within its jurisdiction and recommendations for further legislation as may appear desirable.

Section 8‑13‑480. When hired, filing for office, or appointed and upon assuming the duties of employment, office, or position in state government, a public official, public member, and public employee shall receive a brochure prepared by the commission describing the general application of this chapter.

Section 8‑13‑485. Upon request, the commission shall make statements and reports filed with the commission available for public inspection and copying during regular office hours. The commission shall provide copying facilities at a cost not to exceed the actual cost. A statement may be requested by mail, and the commission shall mail a copy of the requested information to the individual making the request upon payment of appropriate postage, copying costs, and employee labor costs. The commission shall publish and make available to the public and to persons subject to this chapter explanatory information concerning this chapter, the duties imposed by this chapter, and the means for enforcing this chapter.

Section 8‑13‑490. The commission shall establish a system of electronic filing for all disclosures and reports required pursuant to Chapter 13, Title 8 and Chapter 17, Title 2 from all persons and entities subject to its jurisdiction. These disclosures and reports must be filed using an Internet‑based filing system as prescribed by the commission. The information contained in the reports and disclosure forms, with the exception of social security numbers, campaign bank account numbers, and tax ID numbers, must be publicly accessible, searchable, and transferable.”

SECTION 2. Articles 3 and 5, Chapter 13, Title 8 of the 1976 Code are repealed; provided that Section 8‑13‑560 as contained in Article 5, Chapter 13, Title 8 is not repealed but is redesignated as Section 8‑13‑702 of Article 7, Chapter 13, Title 8.

SECTION 3. (A) The appropriations, assets, and liabilities of the State Ethics Commission, as abolished by the provisions of SECTION 2 of this act, are transferred to the newly created South Carolina Commission on Ethics Enforcement and Disclosure on the effective date of this act. References to the State Ethics Commission in any provision of law must be construed to mean appropriate references and the Code Commissioner is directed to conform these references accordingly.

(B) The employees of the State Ethics Commission abolished by the provisions of this act shall not automatically become employees of the newly created South Carolina Commission on Ethics Enforcement and Disclosure, but may be considered for employment by the executive director when the members of the newly created commission take office and select an executive director.

(C) Regulations promulgated by the former State Ethics Committee are continued and are considered to be promulgated by the newly created South Carolina Commission on Ethics Enforcement and Disclosure, mutatis mutandis.

SECTION 4. Section 2‑17‑10(12) and (13) of the 1976 Code is amended to read:

“(12) ‘Lobbying’ means promoting or opposing through direct communication with public officials or public employees:

(a) the introduction or enactment of legislation before the General Assembly or the committees or members of the General Assembly;

(b) covered gubernatorial actions;

(c) covered agency actions; ~~or~~

(d) consideration of the election or appointment of an individual to a public office elected or appointed by the General Assembly; or

(e) the introduction or enactment of ordinances or other local initiatives by county or municipal governing bodies, including those actions taken by mayors or municipal or county administrators and school districts.

‘Lobbying’ does not include the activities of a member of the General Assembly, a member of the staff of a member of the Senate or House of Representatives, the Governor, the Lieutenant Governor, or a member of the executive staff of the Governor or Lieutenant Governor acting in his capacity as a public official or public employee with regard to his public duties.

(13) ‘Lobbyist’ means any person who is employed, appointed, or retained, with or without compensation, by another person to influence by direct communication with public officials or public employees: (i) the action or vote of any member of the General Assembly, the Governor, the Lieutenant Governor, or any other statewide constitutional officer concerning any legislation; (ii) the vote of any public official on any state agency, board, or commission concerning any covered agency actions; ~~or~~ (iii) the action of the Governor or any member of his executive staff concerning any covered gubernatorial actions; or (iv) the introduction or enactment of ordinances or other local initiatives by county or municipal governing bodies, including those actions taken by mayors or municipal or county administrators and school districts. ‘Lobbyist’ also means any person who is employed, appointed, or retained, with or without compensation, by a state agency, college, university, or other institution of higher learning to influence by direct communication with public officials or public employees: (i) the action or vote of any member of the General Assembly, the Governor, the Lieutenant Governor, or any other statewide constitutional officer concerning any legislation; (ii) the vote of any public official of any state agency, board, or commission concerning any covered agency actions; or (iii) the action of the Governor or any member of his executive staff concerning any covered gubernatorial actions. ‘Lobbyist’ does not include:

(a) an individual who receives no compensation to engage in lobbying and who expresses a personal opinion on legislation, covered gubernatorial actions, ordinances or local initiatives, or covered agency actions to any public official or public employee;

~~(b) a person who appears only before public sessions of committees or subcommittees of the General Assembly, public hearings of state agencies, public hearings before any public body of a quasi‑judicial nature, or proceedings of any court of this State~~;

(~~c~~b) any duly elected or appointed official or employee of the State, the United States, a county, municipality, school district, or a political subdivision thereof, or a member of the judiciary when appearing solely on matters pertaining to his office and public duties unless lobbying constitutes a regular and substantial portion of such official’s or employee’s duties;

(~~d~~c) a person performing professional services in drafting legislation, ordinances or local initiatives, or in advising and rendering opinions to clients as to the construction and effect of proposed or pending legislation or ordinances or local initiatives;

(~~e~~d) a person who owns, publishes, or is employed by a radio station, television station, wire service, or other bona fide news medium which in the ordinary course of business disseminates news, editorials, columns, other comments, or other regularly published periodicals if such person represents no other person in lobbying for legislation, covered agency actions, ordinances or local initiatives, or covered gubernatorial actions. This exception applies to the publication of any periodical which is published and distributed by a membership organization to its subscribers at least twelve times annually and for which an annual subscription charge of at least one dollar fifty cents a subscriber is made;

(~~f~~e) a person who represents any established church solely for the purpose of protecting the rights of the membership of the church or for the purpose of protecting the doctrines of the church or on matters considered to have an adverse effect upon the moral welfare of the membership of the church; or

(~~g~~f) a person who is running for office elected by the General Assembly or a person soliciting votes on the behalf of a person who is running for office elected by the General Assembly unless such person is otherwise defined as a lobbyist by this section~~; or~~

~~(h) an individual who receives no compensation to engage in lobbying and who does not make expenditures or incur obligations for lobbying in an aggregate amount in excess of five hundred dollars in a calendar year~~.

SECTION 5. Section 8‑13‑100(4), (11), (17), and (21) of the 1976 Code is amended to read:

“(4) ‘Business with which he is associated’ means a business:

(a) of which the person or a member of his immediate family is a director, an officer, owner, employee, a compensated agent, independent contractor, or consultant;

(b) ~~or~~ of which the person is a holder of stock worth one hundred thousand dollars or more at fair market value and which constitutes five percent or more of the total outstanding stock of any class;

(c) that provides compensation of any type to the person in any manner.

(11)(a) ‘Economic interest’ means an interest distinct from that of the general public in a purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services in which a public official, public member, or public employee, member of their immediate family or a business with which they are associated may gain or lose an economic benefit of fifty dollars or more.

(b) This definition does not prohibit a public official, public member, or public employee from participating in, voting on, or influencing or attempting to influence an official decision if the only economic interest or reasonably foreseeable benefit that may accrue to the public official, public member, or public employee is incidental to the public official’s, public member’s, or public employee’s position or which accrues to the public official, public member, or public employee as a member of a profession, occupation, or large class to no greater extent than the economic interest or potential benefit could reasonably be foreseen to accrue to all other members of the profession, occupation, or large class.

(17) ‘Governmental entity’ means the United States, this State, or a county, municipality, or political subdivision thereof ~~with which a public official, public member, or public employee is associated or employed~~. ‘Governmental entity’ also means any charitable organization or foundation, but not an athletic organization or athletic foundation which is associated with a state educational institution and which is organized to raise funds for the academic, educational, research, or building programs of a college or university.

(21) ‘Individual with whom he is associated’ means an individual with whom the person or a member of his immediate family mutually has an interest in any business:

(a) of which the person or a member of his immediate family is a director, officer, owner, employee, compensated agent, independent contractor, or consultant;

(b) ~~or~~ of which the person is a holder of stock worth one hundred thousand dollars or more at fair market value and which constitutes five percent or more of the total outstanding stock of any class;

(c) that provides compensation to the person in any manner.”

SECTION 6. Section 8‑13‑700(B) of the 1976 Code, as last amended by Act 40 of 2011, is further amended to read:

“(B) ~~No~~ public official, public member, or public employee may not make, participate in making, or in any way attempt to use his office, membership, or employment to influence a governmental decision in which he, a family member, an individual with whom he is associated, or a business with which he is associated has an economic interest. If a member of the General Assembly determines that he has a conflict pursuant to this section, he shall comply with items (1) and (2) before abstaining from all votes on the matter. A public official, public member, or public employee who, in the discharge of his official responsibilities, is required to take an action or make a decision which affects an economic interest of himself, a family member, an individual with whom he is associated, or a business with which he is associated shall:

(1) prepare a written statement describing the matter requiring action or decisions and the specific nature of his potential conflict of interest with respect to the action or decision;

(2) if the public official is a member of the General Assembly, he shall deliver a copy of the statement to the presiding officer of the appropriate house. The presiding officer shall have the statement printed in the appropriate journal and require that the member of the General Assembly be excused from votes, deliberations, and other action on the matter on which a potential conflict exists;

(3) if he is a public employee, he shall furnish a copy of the statement to his superior, if any, who shall assign the matter to another employee who does not have a potential conflict of interest. If he has no immediate superior, he shall take the action prescribed by the ~~State Ethics~~ commission;

(4) if he is a public official, other than a member of the General Assembly, he shall furnish a copy of the statement to the presiding officer of the governing body of an agency, commission, board, or of a county, municipality, or a political subdivision thereof, on which he serves, who shall cause the statement to be printed in the minutes and require that the member be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause the disqualification and the reasons for it to be noted in the minutes;

(5) if he is a public member, he shall furnish a copy to the presiding officer of an agency, commission, board, or of a county, municipality, or a political subdivision thereof, on which he serves, who shall cause the statement to be printed in the minutes and shall require that the member be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause such disqualification and the reasons for it to be noted in the minutes.”

SECTION 7. Section 8‑13‑700 of the 1976 Code, as last amended by Act 40 of 2011, is further amended by adding a new subsection at the end to read:

“(F) Any public official who must recuse himself pursuant to this section shall do so at all times the matter is before the body or agency of which the public official is a member. The requirement of recusal under this section applies to, but is not limited to, matters considered by committees, subcommittees, study committees, or other components of the body or agency of which the public official is a member.”

SECTION 8. Section 8‑13‑740(A)(2)(c) of the 1976 Code, as last amended by Act 181 of 1993, is further amended to read:

“(c) in a contested case or a matter that may become a contested case, as defined in Section 1‑23‑310, excluding a contested case for a rate or price fixing matter before the South Carolina Public Service Commission or South Carolina Department of Insurance, or in an agency’s consideration of the drafting and promulgation of regulations under Chapter 23, ~~of~~ Title 1 in a public hearing.”

SECTION 9. Section 8‑13‑745 of the 1976 Code, as added by Act 248 of 1991, is amended to read:

“Section 8‑13‑745. (A) No member of the General Assembly or an individual with whom he is associated or business with which he is associated may represent a client for a fee in a contested case, as defined in Section 1‑23‑310, before an agency, a commission, board, department, or other entity if the member of the General Assembly has voted in the election, appointment, recommendation, or confirmation of a member of the governing body of the agency, board, department, or other entity within the twelve preceding months.

(B) Notwithstanding any other provision of law, after the effective date of this section, no member of the General Assembly or any individual with whom he is associated or business with which he is associated may represent a client for a fee in a contested case, as defined in Section 1‑23‑310, before an agency, a commission, board, department, or other entity elected, appointed, recommended, or confirmed by the House, the Senate, or the General Assembly if that member has voted on the section of that year’s general appropriation bill or supplemental appropriation bill relating to that agency, commission, board, department, or other entity within one year from the date of the vote. This subsection does not prohibit a member from voting on other sections of the general appropriation bill or from voting on the general appropriation bill as a whole.

(C) ~~Notwithstanding any other provision of law, after the effective date of this section, no member of the General Assembly or an individual with whom he is associated in partnership or a business, company, corporation, or partnership where his interest is greater than five percent may enter into any contract for goods or services with an agency, a commission, board, department, or other entity funded with general funds or other funds if the member has voted on the section of that year’s appropriation bill relating to that agency, commission, board, department, or other entity within one year from the date of the vote...This subsection does not prohibit a member from voting on other sections of the appropriation bill or from voting on the general appropriation bill as a whole.~~

~~(D)~~ The provisions of this section do not apply to any court in the unified judicial system.

~~(E)~~(D) When a member of the General Assembly is required by law to appear because of his business interest as an owner or officer of the business or in his official capacity as a member of the General Assembly, this section does not apply.

~~(F)~~(E) The provisions of subsections (A)~~,~~ and (B)~~, and (C)~~ do not apply in the case of any vote or action taken by a member of the General Assembly ~~prior to~~ before January 1, 1992.”

SECTION 10. Section 8‑13‑1120(A) of the 1976 Code, as last amended by Act 6 of 1995, is further amended to read:

“(A) ~~A statement of economic interests filed pursuant to Section 8‑13‑1110 must be on forms prescribed by the State Ethics Commission and must contain full and complete information concerning:~~

~~(1) the name, business or government address, and workplace telephone number of the filer;~~

~~(2) the source, type, and amount or value of income, not to include tax refunds, of substantial monetary value received from a governmental entity by the filer or a member of the filer’s immediate family during the reporting period;~~

~~(3)(a) the description, value, and location of all real property owned and options to purchase real property during the reporting period by a filer or a member of the filer’s immediate family if:~~

~~(i) there have been any public improvements of more than two hundred dollars on or adjacent to the real property within the reporting period and the public improvements are known to the filer; or~~

~~(ii) the interest can reasonably be expected to be the subject of a conflict of interest; or~~

~~(b) if a sale, lease, or rental of personal or real property is to a state, county, or municipal instrumentality of government, a copy of the contract, lease, or rental agreement must be attached to the statement of economic interests;~~

~~(4) the name of each organization which paid for or reimbursed actual expenses of the filer for speaking before a public or private group, the amount of such payment or reimbursement, and the purpose, date, and location of the speaking engagement;~~

~~(5) the identity of every business or entity in which the filer or a member of the filer’s immediate family held or controlled, in the aggregate, securities or interests constituting five percent or more of the total issued and outstanding securities and interests which constitute a value of one hundred thousand dollars or more;~~

~~(6)(a) a listing by name and address of each creditor to whom the filer or member of the filer’s immediate family owed a debt in excess of five hundred dollars at any time during the reporting period, if the creditor is subject to regulation by the filer or is seeking or has sought a business or financial arrangement with the filer’s agency or department other than for a credit card or retail installment contract, and the original amount of the debt and amount outstanding unless:~~

~~(i) the debt is promised or loaned by a bank, savings and loan, or other licensed financial institution which loans money in the ordinary course of its business and on terms and interest rates generally available to a member of the general public without regard to status as a public official, public member, or public employee; or~~

~~(ii) the debt is promised or loaned by an individual’s family member if the person who promises or makes the loan is not acting as the agent or intermediary for someone other than a person named in this subitem; and~~

~~(b) the rate of interest charged the filer or a member of the filer’s immediate family for a debt required to be reported in (a);~~

~~If a discharge of a debt required to be reported in (a) has been made, the date of the transaction must be shown.~~

~~(7) the name of any lobbyist, as defined in Section 2‑17‑10(13) who is:~~

~~(a) an immediate family member of the filer;~~

~~(b) an individual with whom or business with which the filer or a member of the filer’s immediate family is associated;~~

~~(8) if a public official, public member, or public employee receives compensation from an individual or business which contracts with the governmental entity with which the public official, public member, or public employee serves or is employed, the public official, public member, or public employee must report the name and address of that individual or business and the amount of compensation paid to the public official, public member, or public employee by that individual or business;~~

~~(9) the source and a brief description of any gifts, including transportation, lodging, food, or entertainment received during the preceding calendar year from:~~

~~(a) a person, if there is reason to believe the donor would not give the gift, gratuity, or favor but for the official’s or employee’s office or position; or~~

~~(b) a person, or from an officer or director of a person, if the public official or public employee has reason to believe the person:~~

~~(i) has or is seeking to obtain contractual or other business or financial relationship with the official’s or employee’s agency; or~~

~~(ii) conducts operations or activities which are regulated by the official’s or employee’s agency if the value of the gift is twenty‑five dollars or more in a day or if the value totals, in the aggregate, two hundred dollars or more in a calendar year.~~

~~(B) This article does not require the disclosure of economic interests information concerning:~~

~~(1) a spouse separated pursuant to a court order from the public official, public member, or public employee;~~

~~(2) a former spouse;~~

~~(3) a campaign contribution that is permitted and reported under Article 13 of this chapter; or~~

~~(4) matters determined to require confidentiality pursuant to Section 2‑17‑90(E).~~ A statement of economic interests filed pursuant to Section 8‑13‑1110 must be on forms prescribed by the commission and must contain full and complete information concerning:

(1) the name, position, or office and government or workplace address and phone number of the filer;

(2) the description, value, and location of all real property owned and options to purchase real property during the reporting period by a filer or a member of the filer’s immediate family if:

(a) there have been any public improvements of more than two hundred dollars on or adjacent to the real property within the reporting period and the public improvements are known to the filer; or

(b) the interest reasonably can be expected to be the subject of a conflict of interest; or

(c) if a sale, lease, or rental of personal or real property is to a state, county, or municipal instrumentality of government, a copy of the contract, lease, or rental agreement must be attached to the statement of economic interests;

(3) the name of any lobbyist, as defined in Section 2‑17‑10(13), who is:

(a) an immediate family member of the filer;

(b) an individual with whom or business with which the filer or a member of the filer’s immediate family is associated;

(4) the source and type of all income received from a nonpublic source by a public official that is contained on a W‑2, K‑1, 1099, or any other reporting form used by the Internal Revenue Service for the disclosure of income;

(5) the source, type, and amount or value of all income received by a public official, a business with which he is associated, or an immediate family member that is received:

(a) from a governmental source, exclusive of federal and state tax returns, state or federal retirement benefits, social security, or other federal or state entitlement payment;

(b) from a lobbyist or lobbyist principal;

(c) by a public official who represents another before a governmental entity as permitted by Section 8‑13‑740(A)(2)(c);

(d) by the terms of a contract for goods or services with any governmental entity of this State; and

(e) from any committee, candidate, noncandidate committee, or other entity that is required to disclose either contributions or expenditures pursuant to Chapter 13, Title 8;

(6) the source and amount of all payments, reimbursements, gifts, travel, entertainment, food, lodging, or anything of value which exceeds twenty‑five dollars that a public official or public employee receives:

(a) from a lobbyist principal, except as provided by Section 2‑17‑90;

(b) from a lobbyist;

(c) from a person, business, or other entity, who the recipient has reason to know conducts operations or activities which are regulated by the official’s or employee’s agency;

(d) from a person, business, or entity, who the recipient has reason to know has or is seeking to obtain contractual or other business or financial relationship with the official’s or employee’s agency; and

(e) for speaking before any public or private group.

(7) the identity of each business or entity in which the filer or a member of the filer’s immediate family held or controlled, in the aggregate, securities, or interests constituting five percent or more of the total issued and outstanding securities and interests which constitute a value of one hundred thousand dollars or more;

(8)(a) a listing by name and address of each creditor to whom the filer or member of the filer’s immediate family owed a debt in excess of five hundred dollars at any time during the reporting period, if the creditor is subject to regulation by the filer or is seeking or has sought a business or financial arrangement with the filer’s agency or department other than for a credit card or retail installment contract, and the original amount of the debt and amount outstanding unless:

(i) the debt is promised or loaned by a bank, savings and loan, or other licensed financial institution which loans money in the ordinary course of its business and on terms and interest rates generally available to a member of the general public without regard to status as a public official, public member, or public employee; or

(ii) the debt is promised or loaned by an individual’s family member if the person who promises or makes the loan is not acting as the agent or intermediary for someone other than a person named in this subitem; and

(b) the rate of interest charged the filer or a member of the filer’s immediate family for a debt required to be reported in subitem (a);

If a discharge of a debt required to be reported in subitem (a) has been made, the date of the transaction must be shown.”

SECTION 11. Section 8‑13‑1300(6), (7), (23), and (32) of the 1976 Code, as last amended by Act 76 of 2003, is further amended to read:

“(6) ‘Committee’ means an association, a club, an organization, or a group of persons, including a party committee, a legislative caucus committee, or a noncandidate committee, which~~, to influence the outcome of an elective office,~~ has as its major purpose the nomination, election, or defeat of one or more candidates and receives contributions or makes expenditures in excess of five hundred dollars in the aggregate during an election cycle. It also means a person who~~, to influence the outcome of an elective office,~~ has the major purpose to support or oppose the nomination, election, or defeat of one or more candidates and makes:

(a) contributions aggregating at least twenty‑five thousand dollars during an election cycle to or at the request of a candidate or a committee, or a combination of them; or

(b) independent expenditures aggregating five hundred dollars or more during an election cycle for the election or defeat of a candidate.

~~‘Committee’ includes a party committee, a legislative caucus committee, a noncandidate committee, or a committee that is not a campaign committee for a candidate but that is organized for the purpose of influencing an election.~~

(7) ‘Contribution’ means:

(a) a gift, subscription, loan, guarantee upon which collection is made, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a candidate or committee to influence an election; or payment or compensation for the personal service of another person which is rendered for any purpose to a candidate or committee without charge, whether any of the above are made or offered directly or indirectly; or

(b) a gift, subscription, loan, guarantee upon which collection is made, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a committee, other than a candidate committee, and is used to pay for communications made within the forty‑five calendar days immediately before the election. Funds, used pursuant to this subsection, must be deposited in an account separate from a campaign account as required in Section 8‑13‑1312.

‘Contribution’ does not include ~~(a)~~ volunteer personal services on behalf of a candidate or committee for which the volunteer or any person acting on behalf of or instead of the volunteer receives no compensation either in cash or in‑kind, directly or indirectly, from any source~~; or (b) a gift, subscription, loan, guarantee upon which collection is made, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a committee, other than a candidate committee, and is used to pay for communications made not more than forty‑five days before the election to influence the outcome of an elective office as defined in Section 8‑13‑1300(31)(c). These funds must be deposited in an account separate from a campaign account as required in Section 8‑13‑1312~~.

(23) ‘Noncandidate committee’ means a committee that is not a campaign committee for a candidate but ~~is organized to influence an election or to support or oppose a candidate or public official~~ has as its major purpose the nomination, election, or defeat of one or more candidates, which receives contributions or makes expenditures in excess of five hundred dollars in the aggregate during an election cycle. ‘Noncandidate committee’ does not include political action committees that contribute solely to federal campaigns.

(32) ‘Ballot measure committee’ means:

(a) an association, club, an organization, or a group of persons ~~which, to influence the outcome of a ballot measure,~~ whose major purpose is to promote or defeat a ballot measure and receives contributions or makes expenditures in excess of two thousand five hundred dollars in the aggregate during an election cycle;

(b) a person, other than an individual, who, to influence the outcome of a ballot measure, makes contributions aggregating at least fifty thousand dollars during an election cycle to or at the request of a ballot measure committee; or

(c) a person, other than an individual, who, to influence the outcome of a ballot measure, makes independent expenditures aggregating two thousand five hundred dollars or more during an election cycle.”

SECTION 12. Section 8‑13‑1302 of the 1976 Code, as added by Act 248 of 1991, is amended to read:

“Section 8‑13‑1302. (A) A candidate, committee, or ballot measure committee must maintain and preserve an account of:

(1) the total amount of contributions accepted by the candidate, committee, or ballot measure committee;

(2) the name and address of each person making a contribution and the amount and date of receipt of each contribution;

(3) the total amount of expenditures made by or on behalf of the candidate, committee, or ballot measure committee;

(4) the name and address of each person to whom an expenditure is made including the date, amount, purpose, and beneficiary of the expenditure;

(5) all receipted bills, canceled checks, or other proof of payment for each expenditure; and

(6) the occupation of each person making a contribution; provided however, that a written request for this information shall satisfy this subsection.

(B) The candidate, committee, or ballot measure committee must maintain and preserve all receipted bills and accounts required by this article for four years.”

SECTION 13. Section 8‑13‑1308 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) During the twenty day period prior to an election, a candidate or committee must electronically report the name and address and amount accepted from each person who makes:

(1) a contribution of more than two hundred fifty dollars; or

(2) a contribution of less than two hundred fifty dollars that when combined with all other contributions accepted from the person during the period that have not been reported, exceed two hundred fifty dollars.

The electronic report required by this section must be made within forty‑eight hours after the applicable contribution is accepted, must include in the total the amount of any contribution from the person accepted during the period not previously reported, and must be filed and publicly accessible in the manner provided by Section 8‑13‑365.”

SECTION 14. Section 8‑13‑1309 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) During the twenty day period prior to an election, a ballot measure committee must electronically report the name and address and amount accepted from each person who makes:

(1) a contribution of more than two hundred fifty dollars; or

(2) a contribution of less than two hundred fifty dollars that when combined with all other contributions accepted from the person during the period that have not been reported, exceed two hundred fifty dollars.

The electronic report required by this section must be made within forty‑eight hours after the applicable contribution is accepted, must include in the total the amount of any contribution accepted from the person during the period not previously reported, and must be filed and publicly accessible in the manner provided by Section 8‑13‑365.”

SECTION 15. Section 8‑13‑1314 of the 1976 Code, as last amended by Act 76 of 2003, is further amended to read:

“Section 8‑13‑1314. (A) Within an election cycle, no candidate or anyone acting on his behalf shall solicit or accept, and no person shall give or offer to give to a candidate or person acting on the candidate’s behalf:

(1) a contribution which exceeds:

(a) three thousand five hundred dollars in the case of a candidate for statewide office; or

(b) one thousand dollars in the case of a candidate for any other office;

(2) a cash contribution from an individual unless the cash contribution does not exceed twenty‑five dollars and is accompanied by a record of the amount of the contribution and the name and address of the contributor;

(3) a contribution from, whether directly or indirectly, a registered lobbyist if that lobbyist engages in lobbying the public office or public body for which the candidate is seeking election;

(4) contributions for two elective offices simultaneously, except as provided in Section 8‑13‑1318;

(5) contributions from a noncandidate committee directly or indirectly established, financed, maintained, or controlled by a candidate or public official or any other entity maintained by or affiliated with a candidate or public official. This item does not apply to legislative caucus committees or political parties. This item also does not prohibit a candidate or public official from making a contribution of their personal funds to a candidate for another office.

(B) The restrictions on contributions in subsections (A)(1) and (A)(2) do not apply to a candidate making a contribution to his own campaign.”

SECTION 16. Section 8‑13‑1318 of the 1976 Code, as added by Act 248 of 1991, is amended to read:

“Section 8‑13‑1318. (A) If a candidate has a debt from a campaign for an elective office, the candidate may accept contributions to retire the debt, even if the candidate accepts contributions for another elective office or the same elective office during a subsequent election cycle, as long as those contributions accepted to retire the debt are:

(1) within the contribution limits applicable to the last election in which the candidate sought the elective office for which the debt was incurred; and

(2) reported as provided in this article.

(B) Any contributions received pursuant to this section must be used for the purpose of retiring campaign debt only.”

SECTION 17. Section 8‑13‑1338(A) of the 1976 Code, as added by Section 248 of 1991, is amended to read by adding a new item at the end to read:

“(5) the head of any state agency or department who is selected by the Governor, General Assembly, or an appointed or elected board.”

SECTION 18. Section 8‑13‑1340 of the 1976 Code, as last amended by Act 76 of 2003, is further amended to read:

“Section 8‑13‑1340. (A) Except as provided in ~~subsections~~ subsection (B) ~~and (E)~~, a candidate or public official shall not make a contribution to another candidate or make an independent expenditure on behalf of another candidate or public official from the candidate’s or public official’s campaign account or through a committee, except legislative caucus committees, directly or indirectly established, financed, maintained, or controlled by the candidate or public official.

(B) This section does not prohibit a candidate from:

(1) making a contribution from the candidate’s own personal funds on behalf of the candidate’s candidacy or to another candidate for a different office; or

(2) providing the candidate’s surplus funds or material assets upon final disbursement to a legislative caucus committee or party committee in accordance with the procedures for the final disbursement of a candidate under Section 8‑13‑1370 of this article.

(C) Assets or funds which are the proceeds of a campaign contribution and which are held by or under the control of a public official or a candidate for public office on January 1, 1992, are considered to be funds held by a candidate and subject to subsection (A).

(D) A committee is considered to be directly or indirectly established, financed, maintained, or controlled by a candidate or public official if any of the following are applicable:

(1) the candidate or public official, or an agent of either, has signature authority on the committee’s checks;

(2) funds contributed or disbursed by the committee are authorized or approved by the candidate or public official;

(3) the candidate or public official is clearly identified on either the stationery or letterhead of the committee;

(4) the candidate or public official signs solicitation letters or other correspondence on behalf of the entity;

(5) the candidate, public official, or his campaign staff, office staff, or immediate family members, or any other agent of either, has the authority to approve, alter, or veto the committee’s solicitations, contributions, donations, disbursements, or contracts to make disbursements; or

(6) the committee pays for travel by the candidate or public official, his campaign staff or office staff, or any other agent of the candidate or public official, in excess of one hundred dollars per calendar year.

~~(E)~~ ~~The provisions of subsection (A) do not apply to a committee directly or indirectly established, financed, maintained, or controlled by a candidate or public official if the candidate or public official directly or indirectly establishes, finances, maintains, or controls only one committee in addition to any committee formed by the candidate or public official to solely promote his own candidacy and one legislative caucus committee.~~

~~(F)~~ ~~No committee operating under the provisions of Section 8‑13‑1340(E) may :~~

~~(1)~~ ~~solicit or accept a contribution from a registered lobbyist if that lobbyist engages in lobbying the public office or public body for which the candidate is seeking election; or~~

~~(2)~~ ~~transfer anything of value to any other committee except as a contribution under the limitations of Section 8‑13‑1314(A) or the dissolution provisions of Section 8‑13‑1370.~~”

SECTION 19. Section 8‑13‑1348(A) of the 1976 Code, as added by Act 248 of 1991, is amended to read:

“(A)(1) No candidate, committee, public official, or political party may use campaign funds to defray personal expenses which are unrelated to the campaign or the office if the candidate is an officeholder nor may these funds be converted to personal use. The prohibition of this subsection does not extend to the incidental personal use of campaign materials or equipment nor to an expenditure used to defray any ordinary expenses incurred in connection with an individual’s duties as a holder of elective office.

(2) Campaign funds may not be used to pay penalties and fines issued by the State Election Commission pursuant to a finding of misconduct, or levied by a court of competent jurisdiction as a result of any criminal convictions.”

SECTION 20. Section 8‑13‑1510(A) of the 1976 Code, as last amended by Act 40 of 2011, is further amended to read:

“(A) ~~Except as otherwise specifically provided in this chapter, a person required to file a report or statement under this chapter who files a late statement or report or fails to file a required statement or report must be assessed a civil penalty as follows:~~

~~(1) a fine of one hundred dollars if the statement or report is not filed within five days after the established deadline provided by law in this chapter; and~~

~~(2) after notice has been given by certified or registered mail that a required statement or report has not been filed, a fine of ten dollars per calendar day for the first ten days after notice has been given, and one hundred dollars for each additional calendar day in which the required statement or report is not filed, not exceeding five thousand dollars.~~ Except as otherwise specifically provided in this chapter, a person required to file a report or statement under this chapter who files a late statement or report or fails to file a required statement or report must be assessed a civil penalty as follows:

(1) a fine of one hundred dollars if the statement or report is not filed within five days after the established deadline provided by law in this chapter; and

(2) after notice has been given by certified or registered mail that a required statement or report has not been filed, a fine of ten dollars per calendar day for the first ten days after notice has been given, and one hundred dollars for each additional calendar day in which the required statement or report is not filed, not exceeding five thousand dollars.”

SECTION 21. Section 8‑13‑1520 of the 1976 Code, as last amended by Act 76 of 2003, is further amended to read:

“Section 8‑13‑1520. (A) ~~Except as otherwise specifically provided in this chapter, a person who violates any provision of this chapter is guilty of a misdemeanor and, upon conviction, must be fined not more than five thousand dollars or imprisoned for not more than one year, or both.~~

~~(B) A person who violates any provision of this Article 13 is guilty of a misdemeanor and, upon conviction, must be fined not more than five hundred percent of the amount of contributions or anything of value that should have been reported pursuant to the provisions of this Article 13 but not less than five thousand dollars or imprisoned for not more than one year, or both.~~

~~(C) A violation of the provisions of this chapter does not necessarily subject a public official to the provisions of Section 8‑13‑560.~~ Except as otherwise specifically provided in this chapter, for all violations not punishable pursuant to Section 8‑13‑1510, the commission, in its discretion, through a written public reprimand detailing the nature of the violations, may

(1) impose a civil fine of between two hundred dollars and twenty‑five hundred dollars for each violation of Chapter 13, Title 8 or Chapter 17, Title 2;

(2) order sufficient remedial action of the violator to rectify the violation including, but not limited to, the repayment of funds;

(3) recommend to either the Senate or House of Representatives for members of the General Assembly or the Governor for all other public officials that the official be removed from office by the appropriate process; or

(4) a combination of any of the above.”

SECTION 22. Sections 8‑13‑710 and 8‑13‑715 of the 1976 Code are repealed.

SECTION 23. Title 15 of the 1976 Code is amended by adding:

“CHAPTER 83

QUI TAM AND Related Actions

Section 15‑83‑10. For purposes of this chapter:

(A) ‘Claim’ includes any request or demand, whether under a contract or otherwise, for money or property, whether or not the State has title to the money or property that:

(1) is presented to an officer, employee, or agent of the State; or

(2) is made to a contractor, grantee, or other recipient of the money or property, if the money or property is to be spent or used on the State’s behalf or to advance a State program or interest, and if the State:

(a) provides or has provided any portion of the money or property requested or demanded; or

(b) will reimburse the contractor, grantee, or other recipient for any portion of the money or property that is requested or demanded.

(3) ‘Claim’ does not include a request or demand for money or property that the State has paid to an individual as compensation for State employment or as an income subsidy with no restrictions on that individual’s use of the money or property.

(B) ‘Employer’ includes any natural person, corporation, firm, association, organization, partnership, business, trust, or State‑affiliated entity involved in proprietary function, including State universities and State hospitals.

(C) ‘Knowingly’ or ‘knowing’ means that a person, with respect to information:

(1) has actual knowledge of the information;

(2) acts in deliberate ignorance of the truth or falsity of the information; or

(3) acts in reckless disregard of the truth or falsity of the information;

(4) requires no specific intent to defraud.

(D) ‘Material’ or ‘materially’ means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property.

(E) ‘Obligation’ means an established duty, whether or not fixed, arising from an express or implied contractual, grantor‑grantee, or licensor‑licensee relationship, from a fee‑based or similar relationship, from statute or rule, or from the retention of any overpayment.

(F) ‘Person’ means any natural person, partnership, corporation, organization, association, business, trust or other legal entity, other than the State.

Section 15‑83‑20. (A) Any person who commits any of the following acts shall be liable to the State for three times the amount of damages which the State sustains because of the act of that person. A person who commits any of the following acts shall also be liable to the State for the costs, including attorneys’ fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the State for a civil penalty of not less than five thousand five hundred dollars and not more than eleven thousand dollars, as adjusted by the Federal Civil Penalties Inflation Adjustment Act of 1990, for each violation:

(1) knowingly presents or causes to be presented a false or fraudulent claim for payment or approval;

(2) knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim;

(3) has possession, custody, or control of money or property used or to be used by the State and knowingly delivers or causes to be delivered less than all of that money or property;

(4) is authorized to make or deliver a document certifying receipt of property used, or to be used, by the State and, intending to defraud the State, makes or delivers the receipt without completely knowing that the information on the receipt is true;

(5) knowingly buys, or receives as a pledge of an obligation or debt, public property from an officer, employee, or agent of the State who is not lawfully authorized to sell or pledge the property;

(6) knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the State;

(7) knowingly conceals, or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the State;

(8) conspires to violate any of the items of this subsection.

(B) This section does not apply to claims, records, or statements made under state tax laws, including the provisions of Title 12.

(C) Notwithstanding subsection (A), a person who violates any of the provisions of subsection (A)(1) through (8) is liable to the State for not less than two times the amount of damages that the State sustains because of the violation and the costs of a civil action brought to recover the damages, but no civil penalties, if the court finds all of the following:

(a) the person committing the violation provided officials of the State who are responsible for investigating false claims violations with all information known to that person about the violation within thirty days after the date on which the person first obtained the information;

(b) the person fully cooperated with any state investigation of the violation; and

(c) at the time the person provided the State with information about the violation, no criminal prosecution, civil action, or administrative proceeding had commenced with respect to the violation, and the person did not have actual knowledge of the existence of an investigation into the violation.

Section 15‑83‑30. (A) The Attorney General diligently shall investigate a violation under Section 15‑83‑20(A). If the Attorney General finds that a person has violated or is violating Section 15‑83‑20(A), the Attorney General may bring a civil action under this section against that person.

(B)(1) A person may bring a civil action for a violation of this chapter for the person and for the State in the name of the State. No action may be filed pursuant to this subsection against the federal government, the State, or any officer or employee thereof acting in his or her official capacity. The person bringing the action shall be referred to as the qui tam plaintiff. Once filed, the action may be dismissed only with the written consent of the court and the Attorney General, taking into account the best interest of the parties involved and the public purposes behind this chapter.

(2) A copy of the complaint and written disclosure of substantially all material evidence and information the person possesses shall be served on the State Attorney General. The complaint shall also be filed in camera, shall remain under seal for at least sixty days, and shall not be served on the defendant until the court so orders. The State may elect to intervene and proceed with the action within sixty days after it receives both the complaint and the material evidence and the information. Any information or documents furnished by the relator to the attorney general in connection with the initiation of a qui tam action or investigation under this item (2) is not a public record and is exempt from disclosure under the Freedom of Information Act.

(3) The State may, for good cause shown, move the court for extensions of the time during which the complaint remains under seal under subsection (B)(2). Any such motions may be supported by affidavits or other submissions in camera. The defendant shall not be required to respond to any complaint filed under this section until after the complaint is unsealed and served upon the defendant pursuant to applicable South Carolina Court rules.

(4) Before the expiration of the sixty‑day period or any extensions obtained under item (3), the State shall:

(a) proceed with the action, in which case the Attorney General shall intervene and conduct the action on behalf of the State; or

(b) notify the court that it declines to take over the action, in which case the person bringing the action shall have the right to conduct the action.

(5) When a person brings a valid action under this subsection, no person other than the State may intervene or bring a related action based on the facts underlying the pending action.

(C)(1) If the State proceeds with the action, it shall have the primary responsibility for prosecuting the action, and shall not be bound by an act of the person bringing the action. Such person shall have the right to continue as a party to the action, subject to the limitations set forth in item (2).

(2)(a) The State may seek to dismiss the action for good cause notwithstanding the objections of the qui tam plaintiff if the qui tam plaintiff has been notified by the State of the filing of the motion and the court has provided the qui tam plaintiff with an opportunity to oppose the motion and present evidence at a hearing.

(b) The State may settle the action with the defendant notwithstanding the objections of the qui tam plaintiff if the court determines, after a hearing providing the qui tam plaintiff an opportunity to present evidence, that the proposed settlement is fair, adequate, and reasonable under all of the circumstances.

(c) Upon a showing by the State that unrestricted participation during the course of the litigation by the person initiating the action would interfere with or unduly delay the State’s prosecution of the case, or would be repetitious, irrelevant, or for purposes of harassment, the court may, in its discretion, impose limitations on the person’s participation, including:

(i) limiting the number of witnesses the person may call;

(ii) limiting the length of the testimony of such witnesses;

(iii) limiting the person’s cross‑examination of witnesses; or

(iv) otherwise limiting the participation by the person in the litigation.

(d) Upon a showing by the defendant that unrestricted participation during the course of the litigation by the person initiating the action would be for purposes of harassment or would cause the defendant undue burden or unnecessary expense, the court may limit the participation by the person in the litigation.

(3) If the State elects not to proceed with the action, the person who initiated the action shall have the right to conduct the action. If the State so requests, it shall be served with copies of all pleadings filed in the action and shall be supplied with copies of all deposition transcripts at the State’s expense. When a person proceeds with the action, the court, without limiting the status and rights of the person initiating the action, may nevertheless permit the State to intervene at a later date upon a showing of good cause.

(4) Whether or not the State proceeds with the action, upon a showing by the State that certain actions of discovery by the person initiating the action would interfere with the State’s investigation or prosecution of a criminal or civil matter arising out of the same facts, the court may stay such discovery for a period of not more than sixty days. Such a showing shall be conducted in camera. The court may extend the sixty‑day period upon a further showing in camera that the State has pursued the criminal or civil investigation or proceedings with reasonable diligence and any proposed discovery in the civil action will interfere with the ongoing criminal or civil investigation or proceedings.

(5) Notwithstanding subsection (B), the State may elect to pursue its claim through any alternate remedy available to the State, including any administrative proceeding to determine a civil money penalty. If any such alternate remedy is pursued in another proceeding, the person initiating the action shall have the same rights in such proceeding as such person would have had if the action had continued under this section. Any finding of fact or conclusion of law made in such other proceeding that has become final shall be conclusive on all parties to an action under this section. For purposes of the preceding sentence, a finding or conclusion is final if it has been finally determined on appeal to the appropriate court of the State, if all time for filing such an appeal with respect to the finding or conclusion has expired, or if the finding or conclusion is not subject to judicial review.

(D)(1) If the State proceeds with an action brought by a person under subsection (B), such person shall, subject to the second sentence of this paragraph, receive at least fifteen percent but not more than twenty‑five percent of the proceeds of the action or settlement of the claim, depending upon the extent to which the person substantially contributed to the prosecution of the action. Where the action is one which the court finds to be based primarily on disclosures of specific information, other than information provided by the person bringing the action, relating to allegations or transactions specifically in a criminal, civil, or administrative hearing, in a legislative or administrative report, hearing, audit, or investigation, or from the news media, the court may award such sums as it considers appropriate, but in no case more than ten percent of the proceeds, taking into account the significance of the information and the role of the person bringing the action in advancing the case to litigation. Any payment to a person under the first or second sentence of this item shall be made from the proceeds. Any such person shall also receive an amount for reasonable expenses which the court finds to have been necessarily incurred, plus reasonable attorneys’ fees and costs. All such expenses, fees, and costs shall be awarded against the defendant.

(2) If the State does not proceed with an action under this section, the person bringing the action or settling the claim shall receive an amount which the court decides is reasonable for collecting the civil penalty and damages. The amount shall be not less than twenty‑five percent and not more than thirty percent of the proceeds of the action or settlement and shall be paid out of such proceeds. Such person shall also receive an amount for reasonable expenses which the court finds to have been necessarily incurred, plus reasonable attorneys’ fees and costs. All such expenses, fees, and costs shall be awarded against the defendant.

(3) Whether or not the State proceeds with the action, if the court finds that the action was brought by a person who planned and initiated the violation of Section 15‑83‑20 upon which the action was brought, then the court may, to the extent the court considers appropriate, reduce the share of the proceeds of the action which the person would otherwise receive under items (1) or (2) of this subsection, taking into account the role of that person in advancing the case to litigation and any relevant circumstances pertaining to the violation. If the person bringing the action is convicted of criminal conduct arising from his or her role in the violation of Section 15‑83‑20, that person shall be dismissed from the civil action and shall not receive any share of the proceeds of the action. Such dismissal shall not prejudice the right of the State to continue the action.

(4) If the State does not proceed with the action and the person bringing the action conducts the action, the court may award to the defendant its reasonable attorneys’ fees and expenses if the defendant prevails in the action and the court finds that the claim of the person bringing the action was clearly frivolous, clearly vexatious, or brought primarily for purposes of harassment.

(E)(1) No court shall have jurisdiction over an action brought under subsection (B) against a member of the State legislative branch, a member of the judiciary, or a cabinet level executive branch official if the action is based on evidence or information known to the State when the action was brought.

(2) In no event may a person bring an action under subsection (B) which is based upon allegations or transactions which are the subject of a civil suit or an administrative civil money penalty proceeding in which the State is already a party.

(3)(a) The court shall dismiss an action or claim under this section, unless opposed by the State, if substantially the same allegations or transactions as alleged in the action or claim were publicly disclosed:

(i) in a State criminal, civil, or administrative hearing in which the State or its agent is a party;

(ii) in a federal or State congressional or other report, hearing, audit, or investigation; or

(iii) from the news media, unless the action is brought by the Attorney General or the person bringing the action is an original source of the information.

(b) For purposes of this subsection, ‘original source’ means an individual who either:

(i) before a public disclosure under subsection (E)(3)(A), has voluntarily disclosed to the State the information on which allegations or transactions in a claim are based, or

(ii) who has knowledge that is independent of and materially adds to the publicly disclosed allegations or transactions, and who has voluntarily provided the information to the State before filing an action under this section.

(F) The State is not liable for expenses which a person incurs in bringing an action under this section.

(G) Any employee, contractor, or agent who is discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of employment by the employer of the employee, contractor, or agent because of lawful acts done by the employee, contractor, agent, or associated others in furtherance of an action brought or to be brought under Section 15‑83‑30, or other efforts to stop one or more violations of this chapter, including investigation for, initiation of, testimony for, or assistance in the action, shall be entitled to all relief necessary to make the employee, contractor, or agent whole. The relief shall include reinstatement with the same seniority status the employee, contractor, or agent would have had but for the discrimination, two times the amount of back pay, interest on the back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorney’s fees. An employee, contractor, or agent may bring an action in the appropriate court for the relief provided under this section. The action may not be brought under this section more than three years after the last act of the employer that is alleged to violate this section.

Section 15‑83‑40. (A) A civil action under Section 15‑83‑20 may not be brought:

(1) more than six years after the date on which the violation of Section 15‑83‑20 is committed, or

(2) more than three years after the date when facts material to the right of action are known or reasonably should have been known by the official of the State charged with responsibility to act in the circumstances, but in no event more than ten years after the date on which the violation is committed, whichever occurs last.

(B) A civil action under Section 15‑83‑30 may be brought for activity before the effective date of this chapter if the limitations period set in subsection (A) of this section has not lapsed.

(C) If the State elects to intervene and proceed with an action brought under Section 15‑83‑30(B), the State may file its own complaint or amend the complaint of a person who has brought an action under Section 15‑83‑30(B) to clarify or add detail to the claims in which the State is intervening and to add any additional claims with respect to which the State contends it is entitled to relief. For statute of limitations purposes, any such State pleading shall relate back to the filing date of the complaint of the person who originally brought the action, to the extent that the claim of the State arises out of the conduct, transactions, or occurrences set forth, or attempted to be set forth, in the prior complaint of that person.

(D) Notwithstanding any other provision of law, a guilty verdict rendered in a criminal proceeding charging false statements or fraud, whether upon a verdict after trial or upon a plea of guilty or nolo contendre, shall estop the defendant from denying the essential elements of the offense in any action which involves the same transaction as in the criminal proceeding and which is brought under subsection (A) or (B) of Section 15‑83‑30.

(E) An action under subsection (A) or (B) of Section 15‑83‑30 may be brought in the circuit court in any county in which the defendant or any one of multiple defendants can be found, resides, or transacts business, or in any county in which any act prohibited by Section 15‑83‑20(A) occurred. The Attorney General or the person who brought the action shall prove all essential elements of the cause of action, including damages, by a preponderance of the evidence.

Section 15‑83‑50. (A) The provisions of this chapter are not exclusive, and the remedies provided for in this chapter shall be in addition to any other remedies provided for in any other law or available under common law.

(B) If any provision of this chapter or the application thereof to any person or circumstance is held to be unconstitutional, the remainder of the chapter and the application of the provision to other persons or circumstances shall not be affected thereby.

(C) This chapter shall be liberally construed and applied to promote the public interest. This chapter also adopts the congressional intent behind the Federal False Claims Act, 31 U.S.C. Section 3729‑3733, including the legislative history underlying the 1986, 2009, and 2010 Amendments to the Federal False Claims Act.”

SECTION 24.A. Title 23 of the 1976 Code is amended by adding:

“CHAPTER 2

Public Integrity Unit

Section 23‑2‑10. (A) In order to insure ethical conduct in public service of this State and to promote integrity in government institutions, a partnership of agencies and other persons employed in investigating, auditing, and inspecting serious misconduct by government officials in this State is hereby established to be known as the ‘South Carolina Public Integrity Unit’ and this chapter must be interpreted to achieve the purposes of the Public Integrity Unit.

(B) Nothing in this chapter may be construed to preclude agencies or other entities within this State from performing existing functions, investigation authority, or adjudication as otherwise prescribed by law.

(C) It is the intent of the General Assembly in creating this partnership to maximize existing resources, expertise, and available information to coordinate investigations of alleged government corruption, unethical conduct, and violations of the public trust, all of which are imperative to preserving the faith of the public in its institutions. Each partner agency or entity may release information for investigative purposes to the other named partners as provided in this chapter, but the agency that originates that document remains responsible for release authority.

(D) As contained in this chapter:

(1) ‘Appropriate supervisory office’ means the South Carolina Commission on Ethics Enforcement and Disclosure for all persons required to file reports under Chapter 13, Title 8.

(2) ‘Partner’ means each of the five named members of the Public Integrity Unit, and their respective agencies, namely the Attorney General, Chief of the State Law Enforcement Division, Director of the Department of Revenue, the Executive Director of the South Carolina Commission on Ethics Enforcement and Disclosure and the Inspector General.

(3) ‘Unit’ means the Public Integrity Unit as described in this chapter.

Section 23‑2‑20. (A) There is hereby created a ‘South Carolina Public Integrity Unit’ consisting of the following five partner members:

(1) the Attorney General;

(2) the Chief of the State Law Enforcement Division;

(3) the Director of the Department of Revenue;

(4) the Executive Director of the South Carolina Commission on Ethics Enforcement and Disclosure; and

(5) the Inspector General.

(B) The members provided for in subsection (A) are ex officio members. The members may provide employees or staff from their respective agencies for the unit as necessary. Employees of other government agencies may be included in particular investigations.

(C) Members of the unit shall serve without compensation. A unit member who terminates his office or employment which qualified him as a member of the unit immediately shall cease to be a member of the unit.

Section 23‑2‑30. The Attorney General shall provide administrative support for the unit. The unit shall not have employees, but the partnering entities shall assign members, investigators, auditors, or support staff from within their respective agencies or staff.

Section 23‑2‑40. Nothing in this chapter establishes the unit as a separate entity to receive complaints from the general public. The unit shall receive allegations of criminal conduct from partner entities, an appropriate supervisory office, or any other state agency authorized to receive complaints against public employees, officers, or officials.

Section 23‑2‑50. Upon receipt of an allegation from a partner, the members shall determine whether it is appropriate for investigation by the unit or if the matter should be returned to the forwarding authority for action. The unit is an investigative partnership and not an adjudicating entity. Completed investigations that substantiate serious criminal conduct may be provided directly to the Attorney General or a solicitor. Substantiated investigations of a civil nature or deemed to be procedural error must be sent to the appropriate supervisory office. Unsubstantiated investigations must be returned to the entity that forwarded the investigation to the unit.

Section 23‑2‑60. The unit may accept investigations of criminal conduct by referral only. The referring entity shall identify the scope of the investigation. Completed investigations that substantiate serious criminal conduct may be provided directly to the Attorney General or a solicitor. Substantiated investigations not undertaken by the Attorney General or a solicitor, substantiated investigations deemed procedural errors, or unsubstantiated investigations must be returned to the appropriate referring entity. Referral to the unit may be made by:

(1) the South Carolina Commission on Ethics Enforcement and Disclosure;

(2) the Supreme Court as allowed within its rules or by law; or

(3) any of the five partners identified in Section 23‑2‑20.

Section 23‑2‑70. The unit is a collaborative investigating entity that may include privileged communications, protected information, and protected identities under law. Freedom of Information Act requests must be made directly to the partner agency that generates such documents. Partnering entities that use information from another partner within the unit shall follow the release protocol of the originating partner. The unit shall not release any information related to its investigation or its results until such time as the matter is substantiated by the originating partner or undertaken as a criminal prosecution by the Attorney General or a solicitor.

Section 23‑2‑80. The unit may make recommendations to the General Assembly or to the Governor regarding the carrying out of the purposes, objectives, and intentions of this chapter or other acts relating to enforcement of ethics or public integrity issues. The partners shall report to the General Assembly each year of trends of cases, recommendations of reforms, and fiscal issues of the unit each year through the administrative support of the Attorney General.

Section 23‑2‑90. Partner members of the Public Integrity Unit, to the extent that they are authorized in their respective agencies, are authorized to:

(1) accept contributions, funds, or grants from foundations, state agencies, or the federal government, for the purpose of carrying out the programs and objectives of this chapter, provided such funds are not related to any particular case and are part of an established program for the improvement of investigation capability, and not from a public official or an entity within the control or influence of that public official;

(2) consult and cooperate with counties, municipalities, agencies, or official bodies of this State or of other states, other governmental agencies, and with colleges and universities, including technical colleges, and other institutions, concerning investigations of violations of the laws of this State;

(3) publish or cause to be published manuals, information bulletins, newsletters, and other materials to achieve the objectives of this chapter; and

(4) promulgate regulations as necessary for the administration of this chapter, including the issuance of administrative procedures for coordination among the partner entities.

Section 23‑2‑100. An oral or written report, document, statement, or other communication that is written, made, or delivered concerning the requirements or administration of this chapter or regulations promulgated under it must not be the subject of or basis for an action at law or in equity for slander or libel in any court of the State if the communication is between:

(1) a law enforcement agency, its agents, employees, or representatives; and

(2) the unit, its agents, employees, or representatives.

Section 23‑2‑110. To conduct its investigations, inquiries, and hearings in a matter:

(1) The unit may order testimony to be taken in any investigation or hearing by deposition before a person who is designated by the unit and has the power to administer oaths and, in these instances, to compel testimony. The unit may administer oaths and affirmations for the testimony of witnesses and issue subpoenas by approval of at least three unit partners, subject to judicial enforcement, and issue subpoenas for the procurement of witnesses and materials including books, papers, records, documents, or other tangible objects relevant to the agency’s investigation by approval of the chairman, subject to judicial enforcement. A person to whom a subpoena has been issued may move before the circuit court for an order quashing a subpoena issued under this section.

(2) If the unit determines that assistance is needed in conducting an investigation, the unit shall request the assistance of appropriate agencies.”

B. Section 12‑54‑240 of the 1976 Code, as last amended by Act 116 of 2007, is further amended by adding a new subsection at the end to be appropriately lettered to read:

“( ) The Department of Revenue also is authorized to disclose information for purposes of a Public Integrity Unit investigation pursuant to Chapter 2, Title 23.”

SECTION 25. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 26. This act takes effect July 1, 2013; provided, that the programs, functions, and requirements of the provisions in Chapter 2, Title 23 of the 1976 Code as contained in SECTION 24 must be terminated ten years after the effective date of the act unless otherwise authorized by the General Assembly. Upon termination, the Public Integrity Unit shall be dissolved and must wind up any investigations accepted pursuant to the provisions of Chapter 2, Title 23 of the 1976 Code as contained in SECTION 24 within six months of termination. /

Renumber sections to conform.

Amend title to conform.

F. GREGORY DELLENEY, JR. for Committee.

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 4 TO CHAPTER 13, TITLE 8 SO AS TO ESTABLISH THE SOUTH CAROLINA COMMISSION ON ETHICS ENFORCEMENT AND DISCLOSURE, TO PROVIDE FOR ITS POWERS, DUTIES, PROCEDURES, AND JURISDICTION, AND TO PROVIDE PENALTIES FOR CERTAIN VIOLATIONS; TO REPEAL ARTICLE 3, CHAPTER 13, TITLE 8 RELATING TO THE STATE ETHICS COMMISSION; TO REPEAL ARTICLE 5, CHAPTER 13, TITLE 8 RELATING TO THE HOUSE OF REPRESENTATIVES AND SENATE ETHICS COMMITTEES; TO AMEND SECTION 8‑13‑100, AS AMENDED, RELATING TO DEFINITIONS IN REGARD TO ETHICS, GOVERNMENT ACCOUNTABILITY, AND CAMPAIGN REFORM, SO AS TO REVISE CERTAIN DEFINITIONS; TO AMEND SECTION 8‑13‑700, AS AMENDED, RELATING TO USE OF AN OFFICIAL POSITION OR OFFICE FOR FINANCIAL GAIN, SO AS TO PROVIDE THAT IF A MEMBER OF THE GENERAL ASSEMBLY DETERMINES THAT HE HAS A CONFLICT OF INTEREST, HE MUST COMPLY WITH CERTAIN REQUIREMENTS BEFORE ABSTAINING FROM ALL VOTES ON THE MATTER, AND TO PROVIDE FOR WHEN A PUBLIC OFFICIAL WHO IS REQUIRED TO RECUSE HIMSELF FROM A MATTER MUST DO SO; TO AMEND SECTION 8‑13‑740, AS AMENDED, RELATING TO REPRESENTATION OF ANOTHER PERSON BY A PUBLIC OFFICIAL BEFORE A GOVERNMENTAL ENTITY, SO AS TO FURTHER DELINEATE WHAT IS CONSIDERED A CONTESTED CASE WHEN REPRESENTATION BY A MEMBER OF THE GENERAL ASSEMBLY IS PERMITTED; TO AMEND SECTION 8‑13‑745, RELATING TO PAID REPRESENTATION OF CLIENTS AND CONTRACTING BY A MEMBER OF THE GENERAL ASSEMBLY OR AN ASSOCIATE IN PARTICULAR SITUATIONS, SO AS TO DELETE A PROHIBITION AGAINST CERTAIN CONTRACTS WITH AN ENTITY FUNDED WITH GENERAL FUNDS; TO AMEND SECTION 8‑13‑1120, AS AMENDED, RELATING TO CONTENTS OF STATEMENTS OF ECONOMIC INTEREST, SO AS TO FURTHER PROVIDE FOR THESE CONTENTS; TO AMEND SECTION 8‑13‑1300, AS AMENDED, RELATING TO DEFINITIONS IN REGARD TO CAMPAIGN PRACTICES, SO AS TO REVISE CERTAIN DEFINITIONS; TO AMEND SECTION 8‑13‑1318, RELATING TO ACCEPTANCE OF CONTRIBUTIONS TO RETIRE CAMPAIGN DEBTS, SO AS TO REQUIRE ANY SUCH CONTRIBUTIONS TO BE USED FOR THIS PURPOSE ONLY; TO AMEND SECTION 8‑13‑1338, RELATING TO PERSONS WHO MAY NOT SOLICIT CONTRIBUTIONS, SO AS TO INCLUDE THE HEAD OF ANY STATE AGENCY WHO IS SELECTED BY THE GOVERNOR, THE GENERAL ASSEMBLY, OR AN APPOINTED OR ELECTED BOARD; TO AMEND SECTION 8‑13‑1340, AS AMENDED, RELATING TO RESTRICTIONS ON CONTRIBUTIONS BY ONE CANDIDATE TO ANOTHER OR THROUGH COMMITTEES CONTROLLED BY A CANDIDATE, SO AS TO DELETE AN EXCEPTION FOR A COMMITTEE CONTROLLED BY A CANDIDATE IF IT IS THE ONLY SUCH COMMITTEE, AND TO MAKE CONFORMING CHANGES; TO AMEND SECTIONS 8‑13‑1510 AND 8‑13‑1520, BOTH AS AMENDED, RELATING TO PENALTIES FOR ETHICAL AND OTHER VIOLATIONS, AND BY ADDING SECTION 8‑13‑1530 SO AS TO FURTHER PROVIDE FOR THE PENALTIES FOR VIOLATIONS AND FOR WHERE CERTAIN WILFUL VIOLATIONS MUST BE TRIED; AND TO REPEAL SECTIONS 8‑13‑710 AND 8‑13‑715 RELATING TO REPORTING OF PARTICULAR GIFTS AND AUTHORIZED REIMBURSEMENTS FOR SPEAKING ENGAGEMENTS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 13, Title 8 of the 1976 Code is amended by adding:

SECTION 2. This act takes effect July 1, 2013.

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