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Jane O. Shuler  
Chief Legal Counsel

## House Legislative Ethics Committee



Julia J. Foster  
Assistant Legal Counsel

Lynne Short  
Executive Assistant

P.O. BOX 11867  
519 BLATT BUILDING  
COLUMBIA, SC 29211  
TELEPHONE: 803-734-3114  
FAX: 803-734-8795

### HOUSE ETHICS COMMITTEE MAY 22, 2019 ADVISORY OPINION IN THE MATTER OF ANNIE E. MCDANIEL COMPLAINT NO. C2019-014

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**Complainant:** James E. Branham  
**Address:** 4536 Newberry Road  
Winnsboro, South Carolina 29180  
**Telephone:** 803-635-3121

**Respondent:** Annie E. McDaniel  
**Address:** 2247 Kennedy Road  
Winnsboro, South Carolina 29180  
**Telephone Number:** 803-960-5782

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This is in response to the State Ethics Commission's (herein "SEC") Recommendation and Investigative Report (herein "Report") dated May 17, 2019. The House Legislative Ethics Committee (herein "Committee") met on Wednesday, May 22, 2019 and issues the following advisory opinion pursuant to S.C. Code Section 8-13-540(a).

#### BACKGROUND

On September 17, 2018, the SEC received a complaint filed by James E. Branham against Respondent Annie E. McDaniel, then candidate in the November 6, 2018 House of Representatives District 41 election. Respondent allegedly failed to disclose payment of a newspaper advertisement on her July 10, 2018 Campaign Disclosure Report and allegedly failed to disclose expenditures on her 2018 Initial/Pre-Election Report. Following an investigation, the SEC recommends that the Committee find probable cause is present and charge Respondent with one (1) count of violation of § 8-13-1308(F)(4) for failure to disclose a campaign expenditure; one (1) count of violation of § 8-13-1308(A) for failure to file an initial campaign disclosure upon the receipt of expenditure of \$500; and one (1) count of violation of § 8-13-1312 for failure to pay a campaign expenditure from a campaign account. On May 22, 2019, the Committee met to consider, *inter alia*, this matter.

## FINDINGS

Upon review of the SEC's recommendation and relevant evidence, the Committee makes the following findings:

S.C. Code Ann. Section 8-13-1308(F)(4) provides that certified campaign reports detailing campaign contributions and expenditures must contain the name and address of each person to whom an expenditure is made from campaign funds, including the date, amount, purpose, and beneficiary of the expenditure.

S.C. Code Ann. Section 8-13-1308(A) provides:

Upon the receipt or expenditure of campaign contributions or the making of independent expenditures totaling an accumulated aggregate of five hundred dollars or more, a candidate or committee required to file a statement of organization pursuant to Section 8-13-1304(A) must file an initial certified campaign report within ten days of these initial receipts or expenditures. However, a candidate who does not receive or expend campaign contributions totaling an accumulated aggregate of five hundred dollars or more must file an initial certified campaign report fifteen days before an election.

S.C. Code Ann. Section 8-13-1312 provides:

Except as is required for the separation of funds and expenditures under the provisions of Section 8-13-1300(7), a candidate shall not establish more than one campaign checking account and one campaign savings account for each office sought, and a committee shall not establish more than one checking account and one savings account unless federal or state law requires additional accounts. For purposes of this article, certificates of deposit or other interest bearing instruments are not considered separate accounts. A candidate's accounts must be established in a financial institution that conducts business within the State and in an office located within the State that conducts business with the general public. The candidate or a duly authorized officer of a committee must maintain the accounts in the name of the candidate or committee. An acronym must not be used in the case of a candidate's accounts. An acronym or abbreviation may be used in the case of a committee's accounts if the acronym or abbreviation commonly is known or clearly recognized by the general public. Except as otherwise provided under Section 8-13-1348(C), expenses paid on behalf of a candidate or committee must be drawn from the campaign account and issued on a check signed by the candidate or a duly authorized officer of a committee. All contributions received by the candidate or committee, directly or indirectly, must be deposited in the campaign account by the candidate or committee within ten days after receipt. All contributions received by an agent of a candidate or committee must be forwarded to the candidate or committee not later than five days after receipt. A contribution must not be deposited until the candidate or committee receives information regarding the name and address of the contributor. If the name and address cannot

be determined within seven days after receipt, the contribution must be remitted to the Children's Trust Fund.

A review of Respondent's bank records from Palmetto Citizens Federal Credit Union revealed a \$1,300.00 expense on April 18, 2018 to Political Election Services. Because Respondent spent over \$500.00 with this expense, she was required to file an Initial Campaign Disclosure Report no later than April 28, 2018. This expense was not disclosed on Respondent's Initial Campaign Disclosure Report filed May 24, 2018. Further review revealed this expense was paid from the Respondent's personal bank account. These actions were taken in violation of Sections 8-13-1308(F)(4), 8-13-1308(A), and 8-13-1312 of the South Carolina Ethics Act.

### **CONCLUSION**

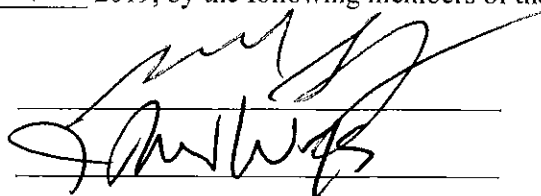
Accordingly, the Committee hereby **CONCURS** with the SEC's recommendation and finds probable cause is present to charge Respondent with one (1) counts of violation of § 8-13-1308(F)(4) for failure to disclose a campaign expenditure; one (1) count of violation of § 8-13-1308(A) for failure to file an initial campaign disclosure upon the receipt of expenditure of \$500; and one (1) count of violation of § 8-13-1312 for failure to pay a campaign expenditure from a campaign account.

The Committee additionally **FINDS** that Respondent must pay a penalty of \$100.00 (One Hundred Dollars and 00/100) within thirty (30) days of the date of this Advisory Opinion.

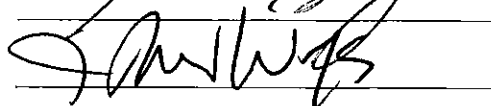
Finally, the Committee **NOTES** that there are no findings to suggest that the Respondent engaged in intentional misconduct nor did Respondent attempt to procure any personal gains.

AND IT SO ORDERED, this 22nd day of May, 2019, by the following members of the House Ethics Committee:

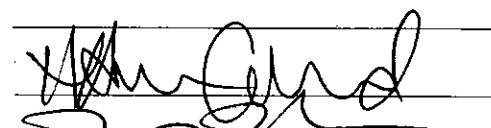
Rep. G. Murrell Smith, Jr, Chairman



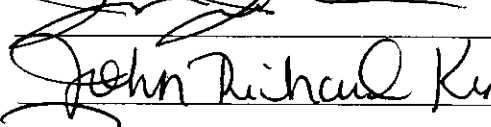
Rep. J. David Weeks, Vice-Chairman



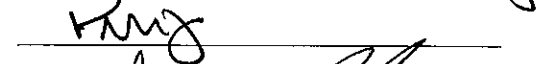
Rep. Beth E. Bernstein, Secretary



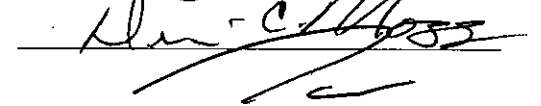
Rep. Heather Ammons Crawford



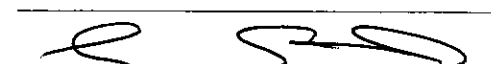
Rep. Wallace "Jay" Jordan, Jr.



Rep. John Richard C. King



Rep. Peter M. McCoy, Jr.



Rep. Dennis C. Moss



Rep. J. Todd Rutherford



Rep. Leonidas E. "Leon" Stavrinakis



STATE OF SOUTH CAROLINA  
STATE ETHICS COMMISSION

FOR COMMISSION USE ONLY:

CASE NUMBER

c2019-014

COMPLAINT FORM

COMPLAINANT: James E Branham  
ADDRESS: 4536 Newberry Road Wainwright  
TELEPHONE NUMBER: 803-252-2121 SC 29180  
TITLE: Business Owner / Concerned Citizen

RESPONDENT: Anne E McDaniel  
ADDRESS: 2247 Kennedy Rd Wainwright SC 29180  
TELEPHONE NUMBER:  
TITLE: Candidate SC House 4

Set forth in detail specific facts upon which you based your complaint against above-named respondent (only detailed, clear factual allegations will be considered.) (if additional space is needed, attach supplemental sheets).

*Non disclosure*

*Attached is copy of ad in local newspaper -  
# Not listed in Expenditures on form*

*Filing fee statement?*

STATE ETHICS  
COMMISSION

2018 SEP 17 AM 10: 57

RECEIVED

All investigations, inquiries, hearings, and accompanying documents must remain confidential until a finding of probable cause or dismissal unless the respondent waives the right to confidentiality. The willful release of confidential information is a misdemeanor, and any person releasing such confidential information, upon conviction, must be fined not more than one thousand dollars (\$1,000) or imprisoned not more than one year. Section 8-13-320(18)(g).

STATE OF SOUTH CAROLINA

COUNTY OF Nehalem Fairfield

Personally appeared before me James E. Branham who, first being duly sworn, says that he/she has read and knows the contents of the above complaint and that the allegations contained therein, are true and correct to the best of his/her own knowledge, except for those matters therein based upon information and belief, and as to those he/she believes them to be true.

Sworn to and subscribed before me this 13 day of Sept 2018

Ronald W. Reunert

Notary Public for South Carolina

My Commission expires 8/6/24

James E. Branham

SEC-7 (Revised 2/2018)

REPLY TO: 201 Executive Center Drive, Suite 150, Columbia, South Carolina 29210 (803)253-4192

FAXED COPIES WILL NOT BE ACCEPTED

C102form

SC.GOV The Official Web Site of the State of South Carolina

SOUTH CAROLINA  
**State Ethics Commission**  
 Public Disclosure and Accountability Reporting System

**Individual Reports**  
**Candidate Campaign Disclosure**

2018, July 10th Report

**Candidate:** McDaniel, Annie E  
**Position Sought:** State House Representative  
**District/Locale:** 41  
**Election Type:** General  
**Election Date:** 11/06/2018  
**Filing Type:** Original  
**Filing Date:** 07/10/2018

**Demographic Information**

McDaniel, Annie E  
 2247 Kennedy Road  
 Wrensboro, SC 29180  
 803.960.5782  
 Fairfield County

**Report Type**  
 2018, July 10th

**Filing Fee**

Please Note: The filing fee was paid from personal funds and is the only expense for this campaign.

Amount of Filing Fee\$ 208

**Contributions**

Contributions	This Period	Election Cycle
A. Candidates: Personal Funds	\$0.00	\$0.00
B1. Individual Contributions or other (+)	\$3,200.00	\$3,200.00
B2. Loans (+)	\$7,000.00	\$7,208.00
C. In-Kind Contributions (+)	\$0.00	\$0.00
D. Total Contributions (=)	\$10,200.00	\$10,408.00

**Expenditures**

Expenditures	This Period	Election Cycle
A. In-Kind Expenditures	\$0.00	\$0.00
B. Expenditures (+)	\$9,836.31	\$10,044.31
C. Total Expenditures (=)	\$9,836.31	\$10,044.31

Balance of Contributions	This Period
A. Contributions on Hand (Beginning this Period)	\$0.00
B. Total Contributions (This Period) (+)	\$10,200.00
C. Total Expenditures (This Period) (-)	\$9,836.31
D. Contributions On Hand (Period End) (=)	\$363.69

Loans	
Loan Balance:	\$7,208.00

## Contributions



Date	Contributor	Address	Occupation	Amount
06/21/2018	Democracy Engine LLC	416 Florida Ave NW 26418 Washington, DC 20001		\$50.00
06/20/2018	Democracy Engine LLC	416 Florida Ave NW 26418 Washington, DC 20001		\$50.00
06/12/2018	Democracy Engine LLC	416 Florida Ave NW 26418 Washington, DC 20001		\$275.00
06/11/2018	Evelyn Henry	14 Ribbon Road Winnsboro, SC 29180	Retored Educator	\$50.00
06/11/2018	Yvette Thompson	204 Quinton Lane Columbia, SC 29229	Retired Auditor	\$100.00
06/11/2018	Metzina Cannon	1703 Elm Abode Terrace Columbia, SC 29210	Self Employed Tax and Accounting	\$100.00
06/11/2018	Eva Prioleau	216 Fox Meadow Lane Hopkins, SC 29061	Manager	\$200.00
06/11/2018	Charles Boykin	417 Spinnakers Columbia, SC 29229	Attorney	\$100.00
06/11/2018	Kenneth Davis	225 Wood Moor Place Columbia, SC 29212	Attorney	\$100.00
06/11/2018	Lisa McLeod	Thorn Tree Lane Columbia, SC 29212	Manager	\$50.00
06/10/2018	Brenda Boykin	417 Spinnakers Columbia, SC 29229	Retired Educator	\$100.00
06/10/2018	Cynthia Vertell Brown	2905 Kennedy Dr Marion, SC 29574	Pastor	\$50.00
06/10/2018	MBKahn	101 Flintlake Road Columbia, SC 29223		\$250.00
06/10/2018	Planned Parenthood	100 S. Boylan Ave. Winnsboro, SC 29180		\$1,000.00

06/10/2018	Brownstone Construction Group LLC	1310 Lady Street Suite 204 Columbia, SC 29201		\$250.00
06/09/2018	Democracy Engine LLC	416 Florida Ave NW 26418 Washington, DC 20001		\$250.00
06/05/2018	Democracy Engine LLC	416 Florida Ave NW 26418 Washington, DC 20001		\$25.00
06/02/2018	Eva P Prisleau	216 Fox Meadow Lane Hopkins, SC 29061	Manager	\$200.00
Total				\$3,200.00

### Expenditures

Date	Vendor	Address	Description	Amount
06/12/2018	Earl Stringfellow	540 Armory Road Chester, SC 29706-6830	Campaign Contract Services	\$500.00
06/12/2018	Gladden Williams	4705 Cardinal Grove Blvd Raleigh, NC 27616	Contract Services	\$550.00
06/12/2018	Gladden Williams	4705 Cardinal Grove Blvd Raleigh, NC 27616	Office Max and Other Printing	\$200.00
06/12/2018	Sam Broome	Russell Street Winnsboro, SC 29180	Poles and supplies to post signs	\$112.00
06/12/2018	Mary McDaniel	2247 Kennedy Road Winnsboro, SC 29180	Followup Phone Calls	\$100.00
06/12/2018	Annie E. McDaniel	2247 Kennedy Road Winnsboro, SC 29180	Mileage - Chester, Fairfield and Richland	\$318.25
06/11/2018	Capitol Consulting Strategies	1111 Belleview Street, Suite 107 Columbia, SC 2920 Columbia, SC 29201	Campaign Contract Services	\$150.00
06/06/2018	Columbia Printing and Graphics	1204 Sumter Street Columbia, SC 29201	Printing PostCard for Mailing	\$444.96
06/05/2018	Campaign Research Strategies	1528 Blanding Street Columbia, SC 29201	Mailing and Contract Services	\$1,100.00
06/05/2018	Circle K	2220 Broad River Road Columbia, SC 29210	mileage	\$25.00
06/04/2018	Velvetex	1144 Shop Road Columbia, SC 29202	Signs and Step Stakes	\$469.80
06/02/2018	Earl Stringfellow	540 Armory Road Chester, SC 29706-6830	Campaign Contract Services	\$1,000.00
06/02/2018	USPS	Two Notch Road Columbia, SC 29223	stamps for church mailings	\$50.00
06/02/2018	Hobby Lobby	Walmart Columbia, SC 29210	supplies for mailing and magnets	\$19.00
06/01/2018	Columbia Printing and Graphics	1204 Sumter Street Columbia, SC 29201	Campaign Postcard Printing	\$586.44
05/29/2018	Velvetex	1144 Shop Road Columbia, SC 29202	Signs and Lapels	\$567.00
05/25/2018	Office Depot	Dutch Square Columbia, SC 29210	Campaign Copies and Flyers	\$112.86

05/25/2018	Earl Stringfellow	540 Armory Road Chester, SC 29706-6830	Campaign Contract Services	\$1,600.00
05/11/2018	The Call Center	740 South Edisto Ave Columbia, SC 29205	Campaign Election Phone Banking	\$1,300.00
05/11/2018	Capitol Consulting Strategies	1111 Belleview Street, Suite 107 Columbia, SC 2920 Columbia, SC 29201	Campaign Contract Services	\$250.00
05/09/2018	UZ Marketing Materials	5900 Bingle Rd Houston, TX 77092	Signs and Stakes	\$356.00
04/11/2018	SC Revenue and Fiscal Affairs Office	1000 Assembly Street Room 421 Columbia, SC 29201	SC House District 41 Map - Loan	\$25.00
<b>Total</b>				<b>\$9,836.31</b>

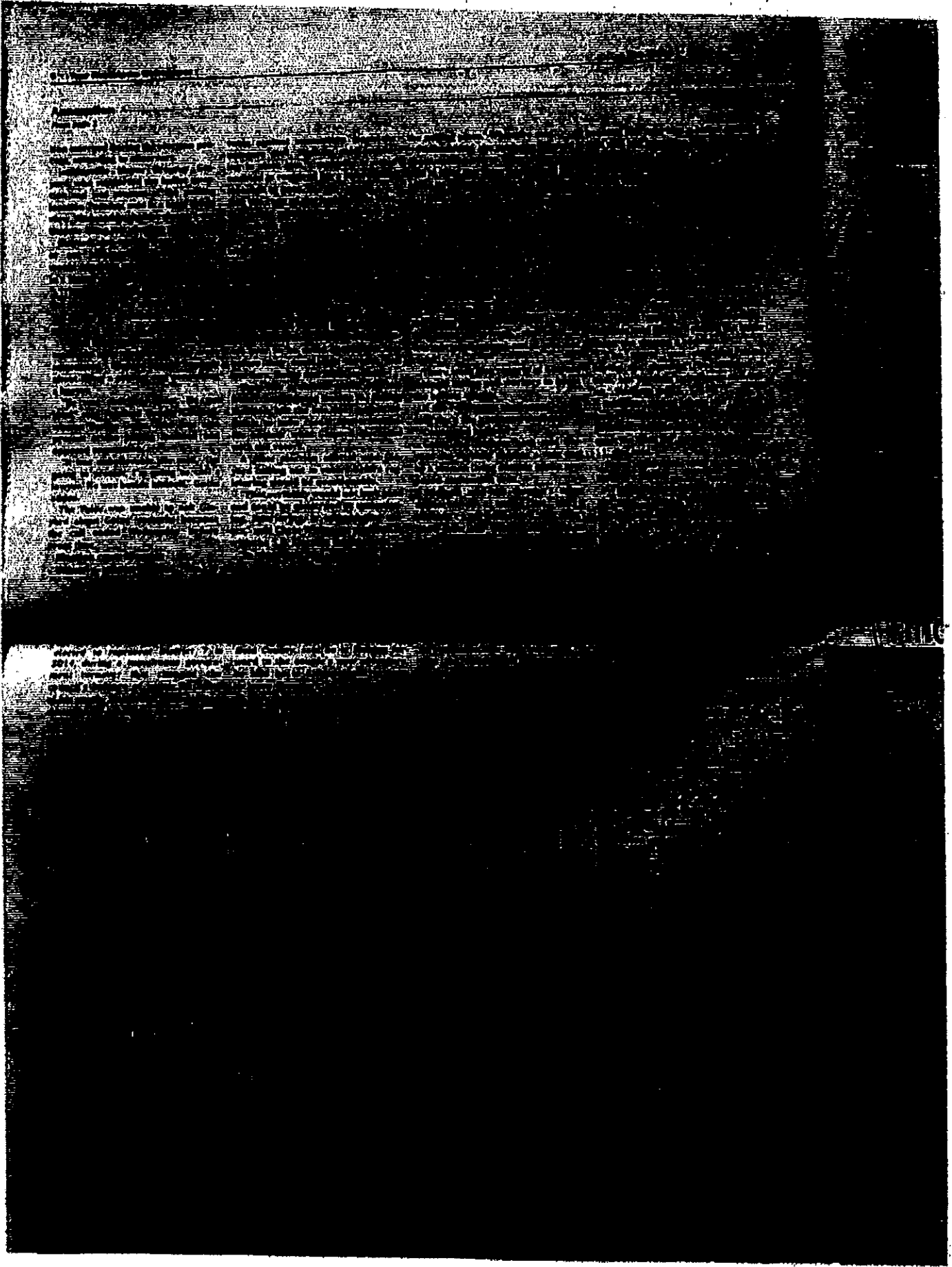
**Loans**

Date	Lender	Address	Purpose	Terms	Amount
06/01/2018	Annie E. McDaniel	2247 Kennedy Road Wynnsboro, SC 29180	Personal Loan		\$7,000.00
<b>Total</b>					<b>\$7,000.00</b>

**\*\*\* No Loan Repayments Reported. \*\*\***

**\*\*\* No Assets Purchased or Received Reported. \*\*\***

**\*\*\* No Disposition of Assets Reported. \*\*\***



**State Ethics Commission—Recommendation to House Legislative Ethics Committee**  
**In the Matter of Annie E. McDaniel**

**COMPLAINANT INFORMATION**

<b>Name</b>	James E. Branham
<b>Address</b>	4536 Newberry Rd. Winnsboro, SC 29180
<b>Telephone Number</b>	803-635-3121
<b>Email</b>	None

**RESPONDENT INFORMATION**

<b>Name</b>	Annie E. McDaniel
<b>Address</b>	2247 Kennedy Rd. Winnsboro, SC 29180
<b>Telephone Number</b>	803-960-5782
<b>Email</b>	None
<b>Attorney Information</b>	None
<b>Confidentiality Waived</b>	No

**COMPLAINT INFORMATION**

<b>Complaint No.</b>	C2019-014
<b>Complaint Received</b>	September 17, 2018
<b>Facts Sufficient Determination</b>	September 17, 2018
<b>Facts Sufficient Determination Made By</b>	State Ethics Commission

**COMMISSION RECOMMENDATION**

The State Ethics Commission recommends the House Legislative Ethics Committee find probable cause is present and charge Respondent with one (1) count of violation of § 8-13-1308(F)(4) for failure to disclose a campaign expenditure; one (1) count of violation of § 8-13-1308(A) for failure to file an initial campaign disclosure upon the receipt or expenditure of \$500; and one (1) count of violation of § 8-13-1312 for failure to pay a campaign expenditure from a campaign account.