

STATE ETHICS COMMISSION

FY 2024-25
House Budget Hearing

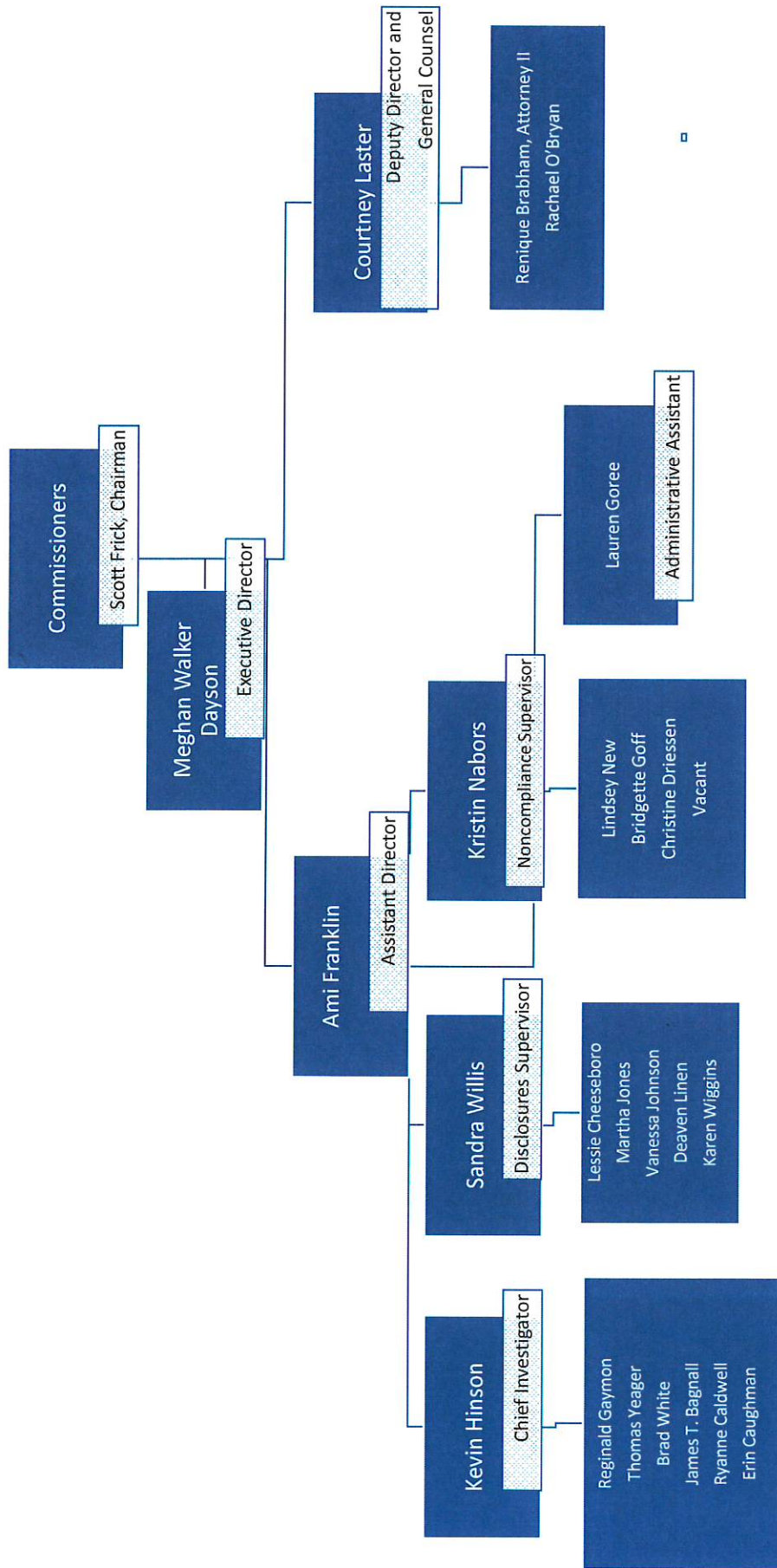
State Ethics Commission

Agency Attendees

Meghan Walker Dayson, Executive Director
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Ami R. Franklin, Assistant Director
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Courtney M. Laster, General Counsel
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STATE ETHICS COMMISSION MISSION STATEMENT

The State Ethics Commission will enforce South Carolina's ethics laws in a fair and impartial manner that provides accountability to public officials, public members and public employees as well as transparency to the people of South Carolina – whom we all serve.

Revised: 8/2021

Agency Overview

The State Ethics Commission is an agency of state government responsible for the enforcement of the Ethics Reform Act of 1991 to restore public trust in government. The Commission carries out this mandate by conducting criminal and administrative investigations of violations of the state's ethics laws; prosecuting violators through the Attorney General's office and circuit solicitor's; ensuring compliance with the state's laws on financial disclosure, lobbyists/lobbyist's principal disclosure and campaign disclosure, and prosecuting those not in compliance; regulating lobbyists and lobbying organizations; issuing advisory opinions interpreting the statute; and educating public officeholders, and the public on the requirements of the state's ethics laws.

Program Area – Administration: The State Ethics Commission only has one program area that encompasses the entire agency.

Budget Requests Personnel and Other Operating Requests

- None requested

Proviso Requests

- None Requested

FY23 Accountability Report Summary

- 8,394 filers assisted with required filings by the Disclosure Department.
 - 7.6% decrease from FY22
- 85 ethics complaints were presented for probable cause by the Investigative Department.
 - 8.23% increase from FY22
- 65 ethics complaints were resolved by the Legal Department.
 - 16% increase from FY22
- 2,095 cases were opened by the NonCompliance Department.
 - 5.54% increase from FY22
 - \$460,724 collected in late filing penalties
- Candidate Training Program launched for the 2022 primary and general elections.
 - Continuous throughout FY23
- House Oversight completed and implementation of recommendations initiated.
 - Continuous throughout FY23

FTE Information

- 23 FTE's
 - 20 Appropriated
 - 3 Other Funded
- Current Position Status:
 - 21 filled
 - 2 vacant
 - Administrative Assistant
 - Interviews begin January 23, 2024
 - Program Assistant
 - Interviews begin January 17, 2024

Carry Forward

- Appropriated
 - \$169,789
- Other Funds
 - \$2,305,845

Agency Name: State Ethics Commission
Agency Code: R520 Section: 110



Fiscal Year FY 2024-2025

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

**OPERATING
REQUESTS**

(FORM B1)

For FY 2024-2025, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting General Fund Appropriations.
<input type="checkbox"/>	Requesting Federal/Other Authorization.
<input checked="" type="checkbox"/>	Not requesting any changes.

**NON-RECURRING
REQUESTS**

(FORM B2)

For FY 2024-2025, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
<input checked="" type="checkbox"/>	Not requesting any changes.

**CAPITAL
REQUESTS**

(FORM C)

For FY 2024-2025, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting funding for Capital Projects.
<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS

(FORM D)

For FY 2024-2025, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
<input checked="" type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

**PRIMARY
CONTACT:
SECONDARY
CONTACT:**

<u>Name</u>	<u>Phone</u>	<u>Email</u>
Meghan Walker Dayson	(803) 253-4192	mwalker@ethics.sc.gov
Ami R. Franklin	(803) 253-4192	ami@ethics.sc.gov

I have reviewed and approved the enclosed FY 2024-2025 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

**SIGN/DATE:
TYPE/PRINT
NAME:**

<u>Agency Director</u>	<u>Board or Commission Chair</u>
9-21-2023 Meghan Walker Dayson	9-21-2023 Scott E. Frick

This form must be signed by the agency head – not a delegate.

Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS

The reduction of one FTE, Investigator III position would be a cost savings of approximately \$91,000 (salary and benefits).

Reduction of a law enforcement position would also approximately reduce:

- Vehicle - \$9,500
- Weapons & Ammunition - \$1,500
- Training - \$1,500
- Uniforms & Supplies - \$2,000
- Desk, Chair, Computer, Office Phone, Cell Phone - \$4,000

The agency plan would be to repurpose the savings by paying Other Operating Costs.

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

Agency Name:	State Ethics Commission		
Agency Code:	R520	Section:	110

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Repeal of Regulations
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	The following requests pursuant to regulations governing the South Carolina State Ethics Commission will assist the agency in more efficiently and effectively serving the people of South Carolina with a special emphasis on those under the jurisdiction of the State Ethics Commission.
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply: <input checked="" type="checkbox"/> Repeal or revision of regulations. <input type="checkbox"/> Reduction of agency fees or fines to businesses or citizens. <input type="checkbox"/> Greater efficiency in agency services or reduction in compliance burden. <input type="checkbox"/> Other
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METHOD OF CALCULATION	N/A
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	N/A
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	Regulations: 52-204(C) 52-205 (A)(B) and (C) 52-601(B), (C) and (D) 52-607 52-702(A)
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

	<p>Repeal of the above regulations will bring consistency to both the regulations and the Ethics Reform Act. Regulations were not repealed to reflect the requirement that filings be completed electronically. The continued existence of these regulations has caused some confusion.</p> <p>Perhaps more importantly, the regulations refer to April 15 as the deadline for required filers to file his/her Statement of Economic Interests. This deadline is inconsistent with the updated deadline of March 30 and has caused some confusion.</p>
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SUMMARY

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?