

STATE OF SOUTH CAROLINA)
 COUNTY OF RICHLAND)
)
 IN THE MATTER OF:)
 COMPLAINT C2014-137)
)
 State Ethics Commission,)
 Complainant,)
)
 vs.)
)
 Kenneth Riley,)
 Respondent.)
 _____)

BEFORE THE STATE ETHICS COMMISSION

STATE ETHICS
 COMMISSION

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DECISION AND ORDER

This matter comes before the State Ethics Commission by virtue of a complaint filed by the Commission on March 26, 2014. On June 17, 2014, pursuant to S.C. Code Ann. § 8-13-320(10)(i)(Supp. 2014), the State Ethics Commission reviewed the above-captioned complaint charging Respondent, Kenneth Riley, with a violation of Section 8-13-1140 and probable cause was found.

Present at the Hearing on September 17, 2014 were Commission Members, James I. Warren, Chair, Francis E. Grimbball, and Julie S. Jeffords-Moose. Respondent was present and appeared *pro se*. Complainant was represented by Cathy L. Hazelwood, General Counsel. The following charge was considered:

**COUNT ONE
 FAILURE TO FILE A STATEMENT OF ECONOMIC INTEREST REPORT
 SECTION 8-13-1140, S.C. CODE ANN., 1976, AS AMENDED**

The Respondent, Kenneth Riley, a member of South Carolina Pilotage Commission, did in Richland County, fail to timely file a 2013 annual Statement of Economic Interests form on or before April 15, 2013 in violation of Section 8-13-1140.

FINDINGS OF FACT

Having carefully reviewed the evidence presented, the Commission finds as fact:

1. The Respondent, Kenneth Riley, is a member of the South Carolina Pilotage Commission and he is required to file a Statement of Economic Interests (SEI) form annually by April 15, 2013.
2. Kristin Smith, administrative coordinator of the Commission's non-compliance office, testified that Respondent was appointed to the Pilotage Commission in 1997. In 2013 the Pilotage Commission returned its entity list showing Respondent as a member. Respondent was advised of his noncompliance by first class letter on October 29, 2013 and by certified letter delivered on December 17, 2013. The certified letter was never returned, so it was re-mailed first class. Penalties began accruing at \$10.00 per day for the first 10 days on February 10, 2014 and \$100.00 per day on February 20, 2014. Respondent filed his 2013 SEI on March 28, 2014; however, the late filing penalty of \$3,700.00 was not paid.
3. Respondent testified that he was aware of the situation. He has been on the Commission since 1997. Not only is he president of the union at the Charleston Port, but also holds an officer position in the international union. He travels extensively throughout the world. Respondent testified that he divorced and he did not receive all his mail when it was piling up during his travels. He has spoken to the Pilotage Commission and given them a name for his replacement as he does not have the time to commit to the Commission now with his travels.

CONCLUSIONS OF LAW

Based upon the Findings of Fact, the Commission concludes, as a matter of law:



1. During all times relevant, the Respondent, Kenneth Riley, was a public member of a state board or commission as defined by Sections 8-13-100(26) and 8-13-100(31).
2. The State Ethics Commission has personal and subject matter jurisdiction.
3. Section 8-13-1140 provides that certain public officials shall file a Statement of Economic Interests prior to taking the oath of office and annually by April 15.
4. Section 8-13-1510(1) provides as follows:

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 not filed within five days after the established deadline provided by law in this chapter;

5. Section 8-13-130 states in part:

The State Ethics Commission may levy an enforcement or administrative fee on a person who is found in violation, or who admits to a violation, of the "Ethics, Government Accountability and Campaign Reform Act of 1991". The fee must be used to reimburse the commission for costs associated with the investigation and hearing of a violation.

DECISION

NOW, THEREFORE, based on the foregoing Findings of Fact and Conclusions of Law, the State Ethics Commission has determined based upon a preponderance of evidence that Respondent Kenneth Riley is in violation of Section 8-13-1140; and therefore, Respondent Kenneth Riley is issued a public reprimand; is hereby assessed a reduced late-filing penalty of \$500.00 to be paid within 90 days of receipt of the order; and finally is assessed a \$500.00 administrative fee. If the reduced late-filing penalty and administrative fee are not timely paid then the amount owed will revert to the original late filing penalty of \$3,700.00.



IT IS FURTHER ORDERED, pursuant to Section 8-13-320, a Judgment in the amount of \$3,700.00 is, and shall be entered against Respondent, if he fails to pay the reduced late-filing penalty within the time permitted.

FINALLY, Respondent Kenneth Riley has ten (10) days from receipt of this order to appeal this Decision and Order to the full Commission.

IT IS SO ORDERED THIS 15th DAY OF October, 2014.

STATE ETHICS COMMISSION



JAMES I. WARREN III
HEARING CHAIR

COLUMBIA, SOUTH CAROLINA

