

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND) BEFORE THE STATE ETHICS COMMISSION
IN THE MATTER OF:)
COMPLAINT C2012-003)
Bridget Tripp,)
Complainant;) **CONSENT ORDER**
vs.)
Nikki R. Haley,)
Respondent.)

This matter comes before the State Ethics Commission by virtue of a complaint filed by Bridget Tripp on July 7, 2011. In accordance with Section 8-13-100 et seq, South Carolina Code of Laws (Supp. 2011), the investigative results were reviewed by the State Ethics Commission on March 21, 2012 and probable cause was found to warrant an evidentiary hearing on seven potential issues.

Prior to the call of the case the Respondent agreed to entry of the following Statement of Facts, Conclusions of Law, Discussion, Admissions, and Disposition in this matter as follows.

STATEMENT OF FACTS

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

1. The Respondent, Nikki R. Haley, is the Governor of the State of South Carolina and has served in this capacity since January 2011, first being elected on November 2, 2010.

2. On July 7, 2011 the State Ethics Commission received a complaint from Bridgett Tripp alleging multiple violations of the campaign finance portion of the State

Ethics Act to include the Respondent's failure to disclose the addresses for 45 contributors to her campaign for Governor between April 2010 and January 2011, and failure to obtain and maintain a list of the occupations of approximately 2,354 contributors during the same time period.

3. It is evident from the Commission's investigation, and confirmed by the Respondent that the Respondent's campaign obtained most, but not all, of the information required during the relevant time period as alleged in the complaint.

4. The Commission's investigation, as of December 10, 2012, reveals that after significant due diligence and amendments made by the Respondent's campaign, all but one of the contributions shown in the original complaint now include names and addresses. The single contribution without an address is one contribution of \$200 on September 7, 2010. There were seven additional contributions for which addresses have been provided, but the Campaign could not demonstrate that such addresses had been obtained within seven days of receipt of the contributions. Along with the single contribution without an address, these eight contributions total \$4,176.78, which represents less than 1% of the \$3,198,614.57 in total contributions received during the same time period.

5. Despite the diligent efforts of Respondent's campaign to obtain and compile the requested information for contributors, as of the issuance of this order, the Respondent's campaign is not in full compliance with the requirements of Section 8-13-1302(A)(6) regarding the list of occupations, with several hundred occupations continuing to be shown as "Requested" on amended disclosure reports. The Respondent has indicated to the Commission that they have exhausted their best efforts and cannot provide these occupations.

CONCLUSIONS OF LAW

Based upon the foregoing Statement of Facts, the Commission concludes, as a matter of law:

1. During all times relevant, the Respondent, Nikki R. Haley, was a public official as defined by S.C. Code Ann. Section 8-13-1300(28)(Supp. 2011), and therefore subject to the jurisdiction of the State Ethics Commission.

2. The State Ethics Commission has personal and subject matter jurisdiction.

3. Section 8-13-1302(A) provides that "A candidate...must **maintain and preserve an account** of: ...(2) the name and address of each person making a contribution and the amount and date of receipt of each contribution;...(6) the occupation of each person making a contribution." (Emphasis Added)

4. Section 8-13-1308(F) provides that "Certified campaign reports detailing campaign contributions and expenditures **must contain**:...(2) the name and address of each person making a contribution of more than one hundred dollars and the amount and date of receipt of each contribution:..." (Emphasis Added)

5. Section 8-13-1312 provides in part that "...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." (Emphasis Added)

6. Section 8-13-320(10)(1) provides that the Commission may levy a civil penalty of "...not more than two thousand dollars for each violation...".

7. Section 8-13-130 provides that the Commission may levy an enforcement or administrative fee to reimburse the Commission for costs associated with the investigation of a violation.

DISCUSSION

The State Ethics Commission, in Section 8-13-100, et. seq., South Carolina Code of Laws, 1976, as amended, is charged with the responsibility of enforcing the State Ethics Act. Section 8-13-320(10)(a) through (o) dictates the manner in which the Commission conducts

its investigations, inquiries, and hearings. The Respondent acknowledges that the Commission is the sole authority responsible for enforcing the State Ethics Act, and the Respondent recognizes and does not dispute the Commission's jurisdiction over this matter.

Subsequent to the issuance of the Notice of Hearing, the Respondent, by and through her attorneys, has indicated to the Commission her desire to resolve this matter without the burden of a hearing. The Commission has historically resolved matters similarly by consent orders, and in this regard, the Commission is agreeable.

Based on the evidence presented at probable cause, and subsequent investigation, it is the Commission's position that sufficient evidence exists to support an administrative finding of a violation in each of seven counts contained in the Notice of Hearing. However, in an effort to avoid a lengthy and costly hearing into the allegations, both the Commission, through its staff, and the Respondent, through her legal counsel, have attempted to resolve this matter through an agreed upon order.

In response to the complaint, the Respondent has produced to the Commission various materials to demonstrate that her campaign undertook its best efforts to obtain and record the occupations and addresses of her campaign's contributors. Respondent has provided the Commission with evidence demonstrating the substantial efforts that her campaign undertook to compile the requisite information for contributors, both prior to and following Election Day. Her campaign has provided the Commission with receipts and postcards dating to at least October 2010 indicating that her campaign mailed postcards to contributors requesting information required to be maintained under the Ethics Code. It also produced an affidavit from a member of the campaign staff describing the campaign's efforts to obtain and maintain all information required by the State Ethics Code for each contributor.

Through this Consent Order, the Respondent is indicating that her campaign will ensure

that future campaign contributions that are unaccompanied by the required contributor names and addresses will not be deposited unless such information is provided. Respondent further assures the Commission that if the full name and address of a contributor cannot be determined within seven days of receipt of the contribution, the contribution will immediately be forwarded to the Children's Trust Fund.

ADMISSIONS

The Respondent, Nikki R. Haley, acknowledges that despite her campaign's best efforts, they were unable to document the full addresses and occupations for all of the campaign's contributors. The Respondent also acknowledges that contributor addresses and occupations should have been obtained at the time of the receipt of the contributions and those that did not contain full names and addresses should have been forwarded to the Children's Trust Fund after seven days. As a result, the Respondent admits that her campaign unintentionally and inadvertently did not comply with the strict requirements of South Carolina Code Sections 8-13-1302(A)(6) and 8-13-1308(F)(2) (Supp. 2011) and agrees to the following disposition.

DISPOSITION

Based on the evidence presented, the State Ethics Commission hereby adopts the Statement of Facts, Conclusions of Law, Discussion, Admissions and Disposition as agreed upon by the Respondent.

THEREFORE, the State Ethics Commission hereby issues a public warning to the Respondent, Nikki R. Haley, for her campaign's noncompliance with the requirements of Sections 8-13-1302(A)(6) and 8-13-1308(F)(2) (Supp. 2011).

AND, the Respondent, Nikki R. Haley, agrees to pay a fine of \$3,500.00 to the State Ethics Commission within thirty days of receipt of this order,

AND, FURTHER orders the Respondent, Nikki R. Haley, to reimburse the State Ethics

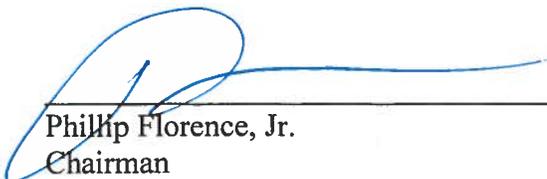
Commission \$2,000.00 within thirty days of receipt of this order for investigative and administrative costs,

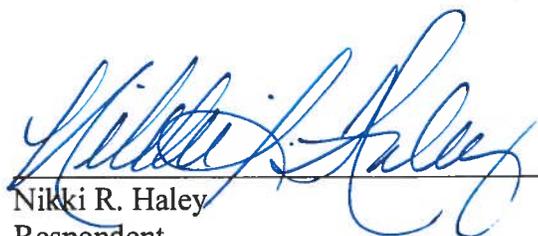
AND, FURTHER orders the Respondent, Nikki R. Haley, to forward \$4,176.78 to the Children's Trust Fund within thirty days of receipt of this order for contributions received without full names and addresses of the contributors.

The Commission and Respondent hereby agree and acknowledge that this Consent Order is a compromise of all of the allegations that were made or could have been made in the complaint. If the Respondent fulfills each of the terms and conditions of this Consent Order, the Commission hereby agrees that it will not file any additional allegations or charges for any matters that occurred during the period investigated or prior to the date of this Consent Order. Nothing herein bars the Commission from filing any charges or allegations for any matters that may occur after the date of this Consent Order. This Consent Order shall serve as the Commission's final disposition of this matter pursuant to and in accordance with the terms set forth herein.

AND IT IS SO ORDERED THIS 15th DAY OF July, 2013.

STATE ETHICS COMMISSION


Phillip Florence, Jr.
Chairman


Nikki R. Haley
Respondent

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