

# *State of South Carolina*

## *State Ethics Commission*

### COMMISSIONERS

JAMES I. WARREN, III, 4<sup>th</sup> DISTRICT  
CHAIR  
SHERRI A. LYDON, MEMBER AT LARGE,  
VICE CHAIR  
THOMAS M. GALARDI, 2<sup>nd</sup> DISTRICT  
FRANCIS E. GRIMBALL, 1<sup>st</sup> DISTRICT



### COMMISSIONERS

SANDY TEMPLETON, 3<sup>rd</sup> DISTRICT  
TWANA BURRIS-ALCIDE, 5<sup>th</sup> DISTRICT  
REGINA HOLLINS LEWIS, 6<sup>th</sup> DISTRICT  
JULIE J. MOOSE, 7<sup>th</sup> DISTRICT  
BRIAN M. BARNWELL, MEMBER AT LARGE

5000 THURMOND MALL, SUITE 250  
COLUMBIA, S.C. 29201

HERBERT R. HAYDEN, JR.  
EXECUTIVE DIRECTOR

### MINUTES COMMISSION MEETING OPEN SESSION

September 16, 2015

The meeting was called to order by Chairman Warren at 9:34 a.m. Other members present were Francis E. Grimbball, Sandy Templeton, James I. Warren, III, Twana Burris-Alcide, Julie J. Moose, and Thomas M. Galardi. Absent were Regina Hollins Lewis and Brian M. Barnwell.

The news media was duly notified and present at today's meeting.

#### Staff present:

Herbert R. Hayden, Jr., Executive Director  
James T. Bagnall, Senior Investigator  
Michael R. Burchstead, General Counsel  
Ami R. Franklin, Assistant Director, Administration  
Ryenne Gillum, Investigator  
Karen A. Wiggins, Court Reporter

#### Others present:

Cassie Cope  
Butch Bowers  
Destiny Chance  
Dawn Logg  
Seanna Adcox  
Ashley Thomas  
Rick Reames  
Terry Parham  
Holly Pisarik

Chairman Warren welcomed everyone, and reminded the members to use their microphones when speaking for the record. Chairman Warren then directed everyone to their yellow folder for the Amended Open Session Agenda.

## MINUTES

Motion was made by Mr. Grimbball, seconded by Mrs. Moose, to accept the Minutes as approved and corrected. Chairman Warren asked for any discussion or opposition. There being none, the motion carried with no opposition to approve the Open Session Minutes and the corrected Executive Session Minutes from the July 15, 2015 Commission meeting. Mr. Grimbball abstained since he was not present at the meeting.

Chairman Warren asked at this time to change the order of the Amended Agenda. There was no opposition.

## MOTION

### **Henry D. McMaster C2014-143**

Chairman Warren presented this matter. Butch Bowers, attorney for the Respondent, gave a history of events concerning Respondent's campaign for Governor in 2010, and asked the Commission to dismiss this complaint against the Respondent and issue a prospective advisory opinion setting forth and clarifying excessive contributions--that this is the law going forward—not just for the Respondent—but for every candidate now and in the future. Discussion ensued concerning an advisory opinion issued in 1992 concerning debt retirement and the 7-day window ruling; no requests for an informal opinion from the Respondent since 2010; only remedy is to refund the excessive contributions; and there are no campaign funds left in that account to remedy this matter. Mr. Grimbball wanted clarification on whether or not the Respondent could open a campaign account to take care of this matter. Mr. Burchstead then took the stand and stated that the Respondent is free to re-open the account, and this would be the appropriate way to retire the \$72,000 campaign debt. Mr. Burchstead further stated that there is no dispute about the facts presented, but Respondent's request goes against the Commission's long-standing practice on how to solve a case; the Commission holds to the law; there are no new facts for the Commission to consider since they found probable cause in this matter, and the Commission should continue with the scheduled hearing. Mr. Burchstead then clarified the 7-day window ruling for going to a primary race to a run-off race. Mr. Bowers then stated that since the Respondent already has an active campaign account for his current position as Lt. Governor, the law will not allow him to have a second active campaign account. The Commission and staff responded it can be done if one of the accounts is for debt retirement. Mr. Bowers then closed by referring to last year's advisory opinion concerning the 7-day window rule, and stated that this makes a difference. Further discussion ensued concerning the two situations: 7-day window rule and debt retirement. Chairman Warren then reminded the Commission that they were being asked to consider a Motion to Dismiss with a request that a prospective advisory opinion be considered and voted on. Chairman Warren asked for further discussion. There being none, Mr. Grimbball made a motion, seconded by Mr. Galardi, that the Motion to Dismiss be denied. There being no further discussion or opposition, the motion carried with a 7 – 0 vote.

Mr. Bowers asked to address the Commission. All agreed. Mr. Bowers thanked Mr. Burchstead and the entire staff for their professionalism in this matter, stated that he's not pleased with the vote, but noted again that it is always a pleasure to work with everyone. Chairman Warren also thanked everyone for the manner in which this matter was handled, and added that there may still be an opportunity for a Consent Order to be resolved prior to the hearing.

## **OFFICE OPERATIONS**

### **Budget 2015/2016**

Mr. Hayden directed everyone to their yellow folder and presented the Budget sheet for the fiscal year. Mr. Hayden then presented for information only the budget for the new fiscal year, noting it was in line where it should be. The Budget report was accepted as presented.

### **Compliance Reports**

Mr. Hayden directed everyone to their yellow folder and presented for information only the Compliance reports for July and August, 2015. The Compliance reports were accepted as presented.

## **APPEAL**

### **Lindsey Strong Amaker**

Mr. Hayden presented this matter, and gave a history of events. Chairman Warren asked for any discussion. There being none, Mr. Grimball made a motion, seconded by Mrs. Burris-Alcide, to deny the appeal. There being no opposition, the motion carried with a 7 – 0 vote.

Chairman Warren asked to take a 5-minute break at this time. All agreed.

## **DISCUSSION**

### **Presentation by Department of Revenue**

Chairman Warren presented this matter. Rick Reames, Director of the South Carolina Department of Revenue, gave a presentation and material on the SCDORs recent improvement to their GEAR and Setoff Debt programs. Discussion ensued concerning the Commission's current violators and collection policies, what and how often the SCDOR can do for the Commission, and knowledge of the unlimited resources SCDOR has for collection efforts. Chairman Warren thanked Mr. Reames and his staff for coming to present this to the Commission and staff.

## **ADVISORY OPINION**

### **Governor's Office and University of South Carolina (USC)**

#### **AO 2015-004**

Chairman Warren presented this matter. Mr. Burchstead gave an opening statement concerning a request from the Governor's Office (a government entity) receiving from the University of South Carolina (a Lobbyist's Principal) 2015 season stadium suite access and football tickets. Specifically,

the request is for clarification on the value of the football tickets which exceeds the limit of \$60 a day/\$480 a year. Mr. Butch Bowers, representing the Governor's Office and USC, then gave an opening statement, explaining that this matter was recently presented to the staff for a violation from the media. A meeting with staff had been held, and it was decided that since this specific request had not been requested before, clarification was needed, and that this should be brought before the Commission for a formal opinion. Discussion ensued concerning voting on it now since the next Commission meeting is not until November, and it would be too late then for this situation. Further discussion ensued concerning lack of facts; issuing this as an informal opinion now, and then review it in depth with all the information in November protecting the Governor's Office, USC, and the Commission; and if voted on today, going forward to amend it later if there is a need. Chairman Warren asked if there had been amendments on past advisory opinions. Staff responded as needed. Chairman Warren asked for further discussion. There being none, Mr. Grimball made a motion, seconded by Mrs. Burris-Alcide, that the Commission adopt the Advisory Opinion as drafted. There being no opposition, the motion carried with a 7 - 0 vote.

### **NEW BUSINESS**

Chairman Warren asked if there was any new business. Mr. Hayden advised the Commission of the promotion of Jimmy Bagnall to Senior Investigator and Supervisor, and then introduced the Commission's newest Investigator, Rynne Gillum. Ms. Gillum thanked everyone for the opportunity to meet everybody and was looking forward to working at the Commission.

### **EXECUTIVE SESSION**

Chairman Warren then asked for a motion to go into Executive Session for the purpose of hearing complaints for probable cause determinations. A motion was made by Mrs. Moose, seconded by Mrs. Burris-Alcide, to go into Executive Session. The motion carried with a 7- 0 vote.

### **RETURN FROM EXECUTIVE SESSION**

Upon return from Executive Session, a motion was made by Mrs. Moose, seconded by Vice Chair Lydon, to adopt and ratify actions taken in Executive Session. Chairman Warren reminded everyone that if you recused yourself on a matter in Executive Session, you are still recused on that matter with this vote. The motion carried with a 7 - 0 vote.

### **ADJOURNMENT**

There being no further business, Mr. Galardi made a motion, seconded by Mr. Grimball, to adjourn. The motion carried with a 7 - 0 vote.

Respectfully submitted,



Karen A. Wiggins  
Administrative Specialist