

# *State of South Carolina*

## *State Ethics Commission*



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

STEVEN W. HAMM  
INTERIM EXECUTIVE DIRECTOR

### MINUTES

#### STATE ETHICS COMMISSION TRAINING SESSION

**June 14, 2017**

The meeting was called to order by Interim Director Steven W. Hamm at 9:42 a.m. Members present were Brian M. Barnwell, Donald Gist, Donald H. Jackson, Victor K. Li, James F. "Rick" Reames, III, Childs Cantey Thrasher, and Ashleigh R. Wilson. Absent was Brandolyn T. Pinkston.

The news media was duly and timely notified.

Staff present: Steven W. Hamm, Ami R. Franklin, James T. Bagnall, Sandra D. McClellan, Michael R. Burchstead, Ryanne Caldwell, Kristin S. Nabors, Terri W. Connor, Karen A. Wiggins, Lessie A. Cheeseboro, Frank Schumpert, and Susan C. Bickley. Absent was Kevin Hinson.

#### Welcome

Mr. Hamm welcomed everyone. Mr. Hamm asked everyone to open their yellow folders for the Agenda.

#### Introduction of New Commissioners

Mr. Hamm asked each Commissioner to provide a little history about their background, government experience, and what they do.

### **Introduction of Staff**

Mr. Hamm presented staff members to the Commission. Each staff person gave their name and described what their role is at the Ethics Commission.

### **Orientation and Training**

Mr. Hamm presented to the Commission a breakdown of responsibilities of the Commissioners, a history of the new Ethics Commission, the issue of confidentiality, and duties of Commissioners as a Hearing Panel member. Mr. Hamm also addressed the need in civil and criminal areas of investigations, Statute of Limitations, highest standard of conduct, the importance of the job and decisions that are made, and the need to have a good line of communication with each other. Mr. Hamm discussed the need in having a minimum of 6 Commissioners available at Commission meetings in order to vote on matters that might proceed with a Commission hearing.

Mrs. Franklin presented material and information on procedures for each Commissioner's travel, a breakdown of the Commission's budget report, a breakdown of the organizational chart, an overview of the compliance report, and an overview of the hearing docket. Clarification and questions were raised and staff responded. Mrs. Franklin noted that the Commission meeting books are mailed to the Commissioners a week before the scheduled meeting, and reminded the Commissioners that the contents of the book must remain confidential. Mrs. Franklin announced that staff was ready to assist those who have not yet filed their 2017 Statement of Economic Interests report. Mrs. Franklin requested a photo and a bio from each Commissioner. Discussion ensued concerning telephone calls from the press, and there was a general agreement that calls should be handled by Mr. Hamm.

Mr. Hamm requested a short break at this time. All agreed.

Mr. Burchstead presented an overview of the ethics law. Mr. Burchstead presented "the Red Book" (*The Ethics, Government Accountability, and Campaign Reform Act of 1991 as Amended and 1997 Regulations* – and hereinafter referred to as the Ethics Act of 1991), and noted that it was currently being updated and the Commissioners would get an updated version when available. Mr. Burchstead provided an overview of the jurisdiction of the Commission and detailed the policy of staff working to develop facts and information necessary to finding probable cause. Discussion ensued concerning finding probable cause, findings of fact, and the investigative process. Further discussion and clarification ensued concerning handling House and Senate complaints, responding to the media, the need for more staff and a larger budget. Staff responded as needed. It was noted that the integrity of the Commission and staff needed to be protected. Further discussion ensued concerning policy questions vs. staff decisions, the Commission's jurisdiction, Rules of Conduct, campaign practices, finance disclosure, and lobbying practices. Further discussion ensued concerning Statements of Recusal, using public position for economic gain for self, family, or business, and recognizing the issue of the appearance of impropriety.

Mr. Hamm requested a break at this time. All agreed.

Mrs. Nabors presented material and information concerning non-compliance complaints, noting that the Ethics Act of 1991 requires all public officials, state level public members and certain public employees to file Campaign Disclosures, Statements of Economic Interests, Lobbyists and Lobbyist's Principal reports. Mrs. Nabors' overview discussed filing deadlines, campaign expenditures, maximum penalties, complaints, cost of complaints to get a filer back in compliance, consideration of steps for an appeal in making a decision, appeals to the full Commission, current statistics of complaints before the Commission, the Debtor's List, and current collection policies and programs. Questions and discussions ensued concerning Mrs. Nabors' presentation.

Chief Investigator Bagnall presented material and information on his division, noting that their job is to find the facts. He gave an overview of their investigation check list, breakdown of the process for handling the work Flow Chart, how an investigation is conducted and "proving it." Mr. Bagnall discussed the need for seeing and reviewing documents, handling subpoenas, making a probable cause recommendation, getting Respondent into compliance, giving a recommendation to the Commission, confidentiality of the investigation, working with other agencies in an investigation, and finding out if there are other violations vs. being ready to dismiss the current complaint issue. Mr. Bagnall and staff responded to questions from the Commissioners.

### **Point of Order**

Mr. Hamm asked at this time to change the order of the Agenda because of time restraints. Mr. Hamm suggested that a Commissioner make a motion to go into Executive Session to take up certain legal matters.

### **Executive Session**

A motion was made by Mrs. Thrasher, seconded by Mr. Jackson, to go into Executive Session. There being no discussion or opposition, the motion carried with a 7 – 0 vote. Absent was Mrs. Pinkston.

### **Return From Executive Session**

Upon return from Executive Session, Mr. Hamm noted that there were no votes taken, no decisions made, and the Commission only received certain legal information.

### **Consideration of Election of Chairman and Vice Chairman**

Mr. Hamm asked at this time for the Commission to consider addressing a vote today for a Chairman and Vice Chairman. Discussion ensued concerning the newly-appointed vs. experienced Commissioners. Mr. Hamm asked if there was any discussion. There being none, Mrs. Thrasher made a motion, seconded by Mr. Jackson, to nominate Mr. Barnwell as Chairman. Mr. Hamm asked if there was any further discussion or opposition. There being none, the motion carried with a 7 – 0 vote. Absent was Mrs. Pinkston.

Chairman Barnwell thanked everyone and opened the floor at this time for nominations for a Vice Chair. Mrs. Wilson then nominated Mrs. Thrasher as Vice Chair. Discussion ensued concerning balance of political party representation. Staff responded that even though the initial appointments of the Commissioners were related to political affiliation, all State Ethics Commission cases are handled on a non-partisan basis. Mr. Hamm advised the Commissioners of the need to keep politics out of any decision-making matters, but to only apply the law. Further discussion ensued concerning the term limits of each Commissioner, defining the overlap of years between the Chair and a Vice Chair, and nominating someone so that the Commission is not without leadership when the Chairman's terms end. Chairman Barnwell asked for further discussion. Mrs. Thrasher thanked the Commission for the nomination, but agreed with the discussions, and asked not to be considered at this time. Mrs. Wilson then withdrew her nomination of Mrs. Thrasher. There was no opposition. Mr. Jackson then made a motion, seconded by Mr. Gist, to nominate Mr. Li as Vice Chair. Chairman Barnwell asked if there was any further discussion or opposition. There being none, the motion carried with a 7 – 0 vote. Absent was Mrs. Pinkston.

### **Consideration of Adoption of Attendance Policy of Commissioners.**

Mr. Hamm asked the Commission to consider addressing the Attendance Policy of the Commissioners which was handed out by Mrs. Franklin. Discussion ensued that because of time restraints today, this matter could be taken up at the next Commission meeting. Further discussion ensued concerning the number of cases to be taken up at the next meeting; that Respondents have to be given 30 days' notice for a hearing for a Hearing Panel; that the current standing policy is a full Commission meeting on the third Wednesday of every other month and a Hearing Panel of three commissioners to preside over probable cause matters on the alternate months the full Commission does not meet.

Mr. Gist made a motion, seconded by Mrs. Wilson, that the next full Commission meeting be held either the third Tuesday or Thursday in July for probable cause matters. Discussion ensued concerning which day would work best for each Commissioner. Chairman Barnwell then asked for further discussion or opposition for the full Commission to have their next meeting on Tuesday, July 18, 2017, at 9:30 a.m. to hear probable cause matters only, that there will be no Hearing Panel. There being no further discussion or opposition, the motion carried with a 7 – 0 vote. Absent was Mrs. Pinkston.

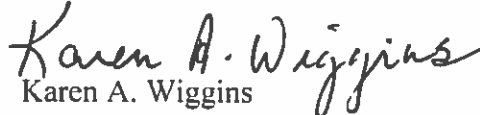
**Other Business**

Mr. Hamm asked the Commissioners to make sure that staff had their most current contact information. Mrs. Franklin reminded the Commissioners to bring a photo at the next meeting and be prepared to work through lunch.

**Adjournment**

Chairman Barnwell asked for further discussions. There being none, a motion was made by Mr. Jackson, seconded by Vice Chair Li, to adjourn at 1:21 p.m. The motion carried with a 7 - 0 vote. Absent was Mrs. Pinkston.

Respectfully submitted,

  
Karen A. Wiggins  
Court Reporter