

STATE OF SOUTH CAROLINA
STATE ETHICS COMMISSION

FOR COMMISSION USE ONLY:
CASE NUMBER

C 2020-101

COMPLAINT FORM

COMPLAINANT: State Ethics Commission
ADDRESS: 201 Executive Center Drive
Suite 150
Columbia, SC 29210
TELEPHONE NUMBER: (803) 253-4192

RESPONDENT: Carlos L. Williams
ADDRESS: [REDACTED]
TELEPHONE NUMBER: (803) 379-8987
TITLE: Council – City of Chester

Section 8-13-1308, S.C. Code Ann., 1976, as amended, requires candidates to file Campaign Disclosures within ten (10) days of receiving or expending \$500; fifteen (15) days prior to each election; within ten (10) days of the end of each quarter; and a final report when the campaign account is closed. In addition, certified campaign reports detailing campaign contributions and expenditures must contain the total of contributions accepted, the name and address of each person making a contribution, the total expenditures made by or on behalf of the candidate or committee, and the name and address of each person to whom an expenditure is made from campaign funds. Pursuant to Section 8-13-1362 and Regulation 52-504 (C), the Pre-Election and quarterly report are required even when there have been no contributions or expenditures.

Records of the State Ethics Commission indicate that a Campaign Disclosure was due no later than January 10, 2017, April 10, 2017, July 10, 2017, October 10, 2017, January 10, 2018, April 10, 2018, July 10, 2018, October 10, 2018, January 10, 2019, April 10, 2019, July 10, 2019, October 10, 2019, January 10, 2020, April 10, 2020, July 10, 2020, and October 10, 2020. Respondent was sent an email reminder thirty days before each Campaign Disclosure deadline.

Respondent was reminded of the filing requirement by a certified letter dated October 1, 2020 as described in the attached. To date, no properly completed January 10, 2017, April 10, 2017, July 10, 2017, October 10, 2017, January 10, 2018, April 10, 2018, July 10, 2018, October 10, 2018, January 10, 2019, April 10, 2019, July 10, 2019, October 10, 2019, January 10, 2020, April 10, 2020, July 10, 2020, or October 10, 2020 Campaign Disclosure has been received. All in violation of Section 8-13-1308(B) and Section 8-13-1308 (F), S.C. Code Ann., 1976, as amended.

All investigations, inquiries, hearings, and accompanying documents must remain confidential unless respondent waives the right to confidentiality. If there is a finding of probable cause, the following documents become public record: the complaint, the response (if any) by respondent, and the notice of hearing. If a hearing is to be held, the final order and all exhibits become public record. If no hearing is held following a finding of probable cause, the final disposition of the matter becomes public record. The willful release of confidential information is a misdemeanor, and any person releasing such confidential information, upon conviction, must be fined not more than one thousand dollars (\$1,000) or imprisoned not more than one year. Section 8-13-320(10)(g).

STATE OF SOUTH CAROLINA
COUNTY OF Richland

Personally appeared before me Meghan L. Walker who, first being duly sworn, says that she has read and knows the contents of the above complaint and that the allegations contained therein, are true and correct to the best of her own knowledge, except for those matters therein based upon information and belief, and as to those she believes them to be true.

Sworn to and subscribed before me this 18th day of December, 2020

[REDACTED]

[REDACTED]

Meghan L. Walker, Executive Director

Notary Public for South Carolina
My Commission expires 8-11-2025

SEC-7 (Revised 8/2019)

REPLY TO: 201 Executive Center Drive, Suite 150, Columbia, South Carolina 29210 (803)253-4192
FAXED COPIES WILL NOT BE ACCEPTED

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
IN THE MATTER OF:)
Complaint C2020-101)
Carlos L. Williams)
Respondent.)
State Ethics Commission)
Complainant.)
_____)

BEFORE THE STATE ETHICS COMMISSION

NOTICE OF HEARING

The State Ethics Commission has determined that there is probable cause pursuant to Section 8-13-320(10)(i), Code of Laws, South Carolina, 1976, as amended, to support the allegations made in the above-captioned complaint. The Commission will convene a formal hearing into the matter in accordance with Section 8-13-320(10)(i) & (j), Code of Laws, South Carolina, 1976, as amended, and State Ethics Commission Regulations, S.C. Code Ann. Regs. 52-707 (1997 Cum. Supp.) on Thursday, October 20, 2022 at 9:30 a.m. at the Commission Hearing Room located at: 201 Executive Center Drive, Suite 150, Columbia, South Carolina 29210.

The following allegations will be heard:

COUNT ONE
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly Campaign Disclosure Report (CDR) due January 10, 2017, in violation of Section 8-13-1308(B).

COUNT TWO
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file

a quarterly CDR due April 10, 2017, in violation of Section 8-13-1308(B).

COUNT THREE
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due July 10, 2017, in violation of Section 8-13-1308(B).

COUNT FOUR
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due October 10, 2017, in violation of Section 8-13-1308(B).

COUNT FIVE
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due January 10, 2018, in violation of Section 8-13-1308(B).

COUNT SIX
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due April 10, 2018, in violation of Section 8-13-1308(B).

COUNT SEVEN
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due July 10, 2018, in violation of Section 8-13-1308(B).

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COUNT EIGHT

**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due October 10, 2018, in violation of Section 8-13-1308(B).

COUNT NINE

**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due January 10, 2019, in violation of Section 8-13-1308(B).

COUNT TEN

**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due July 10, 2019, in violation of Section 8-13-1308(B).

COUNT ELEVEN

**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due October 10, 2019, in violation of Section 8-13-1308(B).

COUNT TWELVE

**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due January 10, 2020, in violation of Section 8-13-1308(B).

COUNT THIRTEEN

**FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED**

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file

a quarterly CDR due April 10, 2020, in violation of Section 8-13-1308(B).

COUNT FOURTEEN
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due July 10, 2020, in violation of Section 8-13-1308(B).

COUNT FIFTEEN
FAILURE TO FILE A QUARTERLY CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(B), S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to file a quarterly CDR due October 10, 2020, in violation of Section 8-13-1308(B).

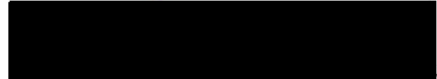
COUNT SIXTEEN
FAILURE TO OPEN A CAMPAIGN BANK ACCOUNT
SECTION 8-13-1312, S.C. CODE ANN., 1976, AS AMENDED

That Carlos L. Williams, City of Chester Councilman, did in Richland County, fail to open a campaign bank account at a bank in South Carolina, in violation of Section 8-13-1312.

You have the right to be represented by counsel, the right to call and examine witnesses, the right to introduce exhibits, and the right to cross-examine opposing witnesses. This hearing will be open to the public as required by Section 8-13-320(10)(j), Code of Laws, South Carolina, 1976, as amended. The procedures to be followed are set forth in the Administrative Procedures Act, Section 1-23-10, et seq., Code of Laws, South Carolina, 1976 as amended the State Ethics Act, Section 8-13-100, et seq., Code of Laws, South Carolina, 1976, as amended, and State Ethics Commission Regulations, S.C. Code Ann. Regs. 52-707 (1997 Cum. Supp.).

A pre-hearing conference may be scheduled prior to the hearing to allow exchange of witness lists and evidence, marking of exhibits, and disposition of motions or pleadings. In the event you fail to appear, judgment by default will be rendered against you. If there are any

questions concerning the above notice or hearing times, please contact the State Ethics Commission.



Meghan L. Walker, Executive Director
State Ethics Commission

Dated this 22nd day,
of June 2022.

Certificate of Service by Certified Mail

I hereby certify that a copy of this **NOTICE OF HEARING** was duly served on the RESPONDENT Carlos L. Williams, 101 Foote Street, Chester, SC 29706 by depositing said **NOTICE OF HEARING** in the United States mail, Columbia, South Carolina on this 27th day of June 2022, by CERTIFIED MAIL, E-RETURN RECEIPT REQUESTED, appropriate postage affixed, and a return address clearly indicated on said envelope.



Rachael O'Bryan, Administrative Assistant

Columbia, South Carolina

State Ethics Commission

(803) 253-4192

STATE OF SOUTH CAROLINA)
 COUNTY OF RICHLAND)
)
 IN THE MATTER OF:)
 COMPLAINT C2020-101)
)
 State Ethics Commission,)
 Complainant,)
)
 Carlos L. Williams,)
 Respondent.)
 _____)

BEFORE THE STATE ETHICS COMMISSION

CONSENT ORDER

This matter comes before the State Ethics Commission (Commission) by way of a Complaint filed on December 18, 2020. Pursuant to Section 8-13-320(10)(i) of the South Carolina Ethics, Government Accountability, and Campaign Reform Act (Ethics Act), the Complaint against Carlos L. Williams (Respondent) was considered by the Commission and probable cause was found to warrant an evidentiary hearing on fifteen (15) counts of violating Section 8-13-1308(B) for failing to file fifteen (15) quarterly CDRs between January 10, 2017 through October 10, 2020 and one (1) count of violating Section 8-13-1312 for failing to open a campaign bank account. Prior to the call of the case, Respondent agreed to entry of the following:

STATEMENTS OF FACT

1. Respondent was elected to Chester City Council in 2015. Respondent’s most recent election occurred on May 7, 2019.
2. Respondent filed a Pre-Election Campaign Disclosure Report (CDR) prior to the May 7, 2019 election disclosing an on-hand contribution balance of \$1,865.87.¹

¹ Respondent’s balance of \$1,865.87 was carried over from his 2015 election. Contemporaneous with the current complaint, Respondent proceeded through the Department of Revenue’s Governmental Enterprise Accounts Receivable (GEAR) program for debts related to his 2015 election. More specifically, in a November 27, 2019 certified letter, the Commission notified Respondent of his failure to timely file a 2016 Statement of Economic Interests (SEI) and four (4) quarterly CDRs from October 10, 2015 through July 10, 2016. According to the U.S. Postal Service, the certified letter was delivered on December 10, 2019. Respondent subsequently accrued the maximum late-filing penalty of \$5,000.00 on each of these reports. On October 1, 2020, the Commission notified Respondent of its intent to submit the \$25,000.00 debt to GEAR. On May 27, 2021, Respondent attended a Commission GEAR hearing on the \$25,000.00 debt.

3. Respondent subsequently filed an April 10, 2019 CDR disclosing no contributions or expenditures and carrying over the \$1,865.87 balance. Respondent did not file any additional quarterly CDRs.
4. On October 1, 2020, the Commission mailed a certified letter to Respondent's address of record advising him of his failure to timely file fifteen (15) quarterly CDRs from January 10, 2017 through July 10, 2020.
5. During the Commission investigation into the Complaint, Respondent indicated he made two (2) expenditures during his 2019 campaign: (1) \$25.00 for a filing fee the day he signed up to run for office and (2) \$245.00 for a campaign event at Diane's Kitchen on May 7, 2019.
6. During the Commission investigation, Respondent's bank account records were subpoenaed using the account number Respondent entered into the Commission's electronic filing system. A review of these records revealed that this was a personal bank account and that Respondent failed to open a campaign bank account during his campaign. Accordingly, the \$1,865.87 balance reflected in Respondent's filings was not accurate and should have been \$0.00.

CONCLUSIONS OF LAW

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

1. At all times relevant, Respondent was a "public official" pursuant to Section 8-13-1300(28).
Therefore, the Commission has personal and subject matter jurisdiction.
2. Section 8-13-1308 provides, in relevant part:
 - (A) Upon receipt or expenditure of campaign contributions or the making of independent expenditures totaling an accumulated aggregate of five hundred dollars or more, a candidate . . . must file an initial certified campaign report within ten days of these initial receipts or expenditures. However, a candidate who does not receive or expend campaign contributions totaling an accumulated aggregate of five hundred dollars or more must file an initial certified campaign report fifteen days before an election.

Following the hearing, the total debt owed was reduced to \$5,000.00, which Respondent subsequently paid. As discussed herein, the Commission investigation revealed that Respondent was ultimately not required to file the four (4) quarterly CDRs.

(B) Following the filing of an initial certified campaign report, additional certified campaign reports must be filed within ten days following the end of each calendar quarter in which contributions are received or expenditures are made, whether before or after an election until the campaign account undergoes final disbursement pursuant to the provisions of Section 8-13-1370.

...

(D)(1) At least fifteen days before an election, a certified campaign report must be filed showing contributions of more than one hundred dollars and expenditures to or by the candidate for the period ending twenty days before the election.

3. Section 8-13-1312 provides:

Except as is required for the separation of funds and expenditures under the provisions of Section 8-13-1300(7), a candidate shall not establish more than one campaign checking account and one campaign savings account for each office sought, and a committee shall not establish more than one checking account and one savings account unless federal or state law requires additional accounts. For purposes of this article, certificates of deposit or other interest bearing instruments are not considered separate accounts. A candidate's accounts must be established in a financial institution that conducts business within the State and in an office located within the State that conducts business with the general public . . .

4. Section 8-13-1510(A) provides:

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 the statement or report is not filed within five days after the established deadline provided by law in this chapter; and (2) after notice has been given by certified or registered mail that a required statement or report has not been filed, a fine of ten dollars per calendar day for the first ten days after notice has been given, and one hundred dollars for each additional calendar day in which the required statement or report is not filed, not exceeding five thousand dollars.

5. Section 8-13-320(10)(l) allows the Commission to require a public official to pay a civil penalty of up to \$2,000 for each violation of the Ethics Act.

6. Section 8-13-130 allows the Commission to "levy an enforcement or administrative fee on a person who is in violation" of the Ethics Act.

DISCUSSION

Respondent's \$25.00 filing fee, combined with the \$245.00 expenditure on May 7, 2019,

triggered Section 8-13-1308, which required Respondent to file a CDR by May 18, 2019. In this CDR, Respondent should have disclosed personal contributions totaling \$270.00 and both expenditures, which would have resulted in a \$0.00 balance and thereby negating the need for any additional CDRs. Accordingly, the Respondent should have only been charged with one (1) violation of Section 8-13-1308 and one (1) violation of Section 8-13-1312. Through this Consent Order, Respondent admits that he failed to open a separate campaign bank account in violation of Section 8-13-1312 and that he failed to file a CDR by May 18, 2019 in violation of Section 8-13-1308.

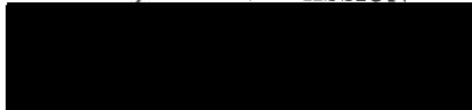
DISPOSITION

1. The Commission hereby finds Respondent in violation of one (1) count of violating Section 8-13-1312 for failing to open a campaign bank account and one (1) count of Section 8-13-1308 for failing to timely file a CDR by May 18, 2019. The remaining fourteen (14) counts are hereby dismissed.
2. The Commission hereby adopts the Statements of Fact, Conclusions of Law, Discussion, and Disposition as agreed upon by the Respondent.

THEREFORE, the Commission hereby issues this written warning to the Respondent. The Commission declines to assess any penalties or fees in light of Respondent's payment of \$5,000.00 through the Department of Revenue's GEAR program, discussed above. The Commission cautions Respondent that he must open a separate campaign bank account in future election cycles.

AND IT IS SO ORDERED THIS 5th DAY OF August 2022.

STATE ETHICS COMMISSION


SCOTT FRICK, ACTING CHAIR


CARLOS L. WILLIAMS, RESPONDENT