

STATE OF SOUTH CAROLINA
STATE ETHICS COMMISSION

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STATE ETHICS
COMMISSION

COMPLAINT FORM

FOR COMMISSION USE ONLY:
CASE NUMBER
C 2022-007

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

RESPONDENT: Kenneth Riley
ADDRESS: [REDACTED]
TELEPHONE NUMBER:
TITLE: Commissioner – LLR Pilotage Commission

Section 8-13-1140, SC Code Ann., 1976, as amended, requires the filing of an updated Statement of Economic Interests for the previous calendar year annually thereafter prior to March 30. Records in the State Ethics Commission indicate that the Respondent was required to file the 2018, 2019, and 2020 Statement of Economic Interests.

Respondent was reminded of the filing requirement by a certified letter dated June 1, 2021 as described in the attached. To date, no properly completed Candidate Statement of Economic Interests has been received. All in violation of Section 8-13-1140, SC 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
11th day of January 2022

[REDACTED]
Meghan L. Walker, Executive Director

[REDACTED]
Notary Public for South Carolina
My Commission expires 01/22/26

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)	BEFORE THE STATE ETHICS COMMISSION
)	
IN THE MATTER OF:)	
)	
Complaint C2022-007)	
)	
Kenneth Riley)	NOTICE OF HEARING
Respondent.)	
)	
State Ethics Commission)	
Complainant.)	
)	

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, August 18, 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 STATEMENT OF ECONOMIC INTERESTS
SECTION 8-13-1140, S.C. CODE ANN., 1976, AS AMENDED

That Kenneth Riley, Commissioner of the Lower Costal Commission of Pilotage, did in Richland County, fail to file a 2018 Statement of Economic Interests (SEI), in violation of Section 8-13-1140.

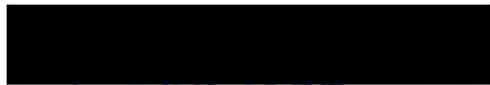
COUNT TWO
FAILURE TO FILE STATEMENT OF ECONOMIC INTERESTS
SECTION 8-13-1140, S.C. CODE ANN., 1976, AS AMENDED

That Kenneth Riley, Commissioner of the Lower Costal Commission of Pilotage, did in

Richland County, fail to file a 2019 SEI, in violation of Section 8-13-1140.

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.

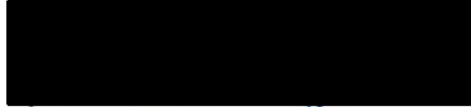


Meghan L. Walker, Executive Director
State Ethics Commission

Dated this 20th 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'S ATTORNEY Malcolm M. Crossland, PO Box 9, Charleston, SC 29401 by depositing said **NOTICE OF HEARING** in the United States mail, Columbia, South Carolina on this 21st 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)	BEFORE THE STATE ETHICS COMMISSION
)	
IN THE MATTER OF:)	
COMPLAINT C2022-007)	
)	
State Ethics Commission,)	CONSENT ORDER
Complainant,)	
)	
Kenneth Riley,)	
Respondent.)	
_____)	

This matter comes before the State Ethics Commission (Commission) by way of a Complaint filed on January 11, 2022. Pursuant to Section 8-13-320(10)(i) of the South Carolina Ethics, Government Accountability, and Campaign Reform Act (Ethics Act), the Complaint against Kenneth Riley (Respondent) was considered by the Commission and probable cause was found to warrant an evidentiary hearing. Prior to the call of the case, Respondent agreed to the following:

STATEMENTS OF FACT

1. At all times relevant, Respondent has served *ex-officio* on the Lower Coastal Commission of Pilotage. Respondent’s service on the LCCP was by virtue of his position as President of the International Longshoreman’s Association (ILA) Local 1422 at the Port of Charleston.
2. Respondent failed to timely file a SEI on or before March 30 in 2018 and 2019.
3. On August 14, 2019, the Local 1422 was placed into trusteeship and Respondent was relieved of his responsibilities as President. Once relieved of his position as President, Respondent no longer had access to his office located at 1142 Morrison Drive.
4. In a June 1, 2021 certified letter, the Commission notified Respondent of his failure to timely file a 2018 and 2019 SEI.
5. On June 4, 2021, the certified letter was delivered to 1142 Morrison Drive. Respondent was not made aware of the letter’s existence.
6. Following the filing of the Complaint, Respondent filed his 2018 and 2019 SEIs on April 10, 2022.

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 member” pursuant to Section 8-13-100(26).

Therefore, the Commission has personal and subject matter jurisdiction.

2. Section 8-13-1140 provides, in relevant part:

A person required to file a [SEI] under this chapter annually shall file an updated statement for the previous calendar year, no later than noon on March 30 . . .

3. 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.

4. 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

The Commission found probable cause to charge Respondent with two (2) counts of violating Section 8-13-1140 for failing to timely file his 2018 and 2019 SEIs. Through this Consent Order, Respondent acknowledges he violated the Ethics Act when he failed to timely file the required SEIs. Respondent states that he did not respond to the Commission’s June 1, 2021 correspondence because he no longer had access to his office located at 1142 Morrison Drive and no one at the ILA notified him when the letter arrived.

DISPOSITION

1. The Commission hereby finds Respondent in violation of two (2) counts of Section 8-13-1140.

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 a written warning and orders the Respondent to pay the Commission, within sixty (60) days from receipt of this Order, a late-filing penalty of \$200 (\$100 for each SEI) and an administrative fee of \$350, for a total of \$550. The Commission declines to assess accrued late-filing penalties given that Respondent did not receive the Commission's June 1, 2021 certified letter.

By executing this Consent Order, Respondent understands that he is not only admitting to violations of the Ethics Act, but also confessing to a judgment of \$550 (less any money paid to the Commission) in the event he does not make full and timely payment as provided for in this Order. In that event, the Commission shall file a Judgment against Respondent in the Clerk of Court's Office in the County of Respondent's last known residence. Upon said filing, the Clerk of Court shall enter this Order in the amount of \$550 (less any money paid to the Commission) in its Judgment Rolls, without cost to the Commission.

AND IT IS SO ORDERED THIS 15th DAY OF July 2022.

STATE ETHICS COMMISSION


SCOTT E. FRICK, CHAIR


KENNETH RILEY
RESPONDENT


MALCOLM CROSLAND
RESPONDENT'S ATTORNEY