

**STATE OF SOUTH CAROLINA
STATE ETHICS COMMISSION**

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FOR COMMISSION USE ONLY:

CASE NUMBER

C 2021-062

COMPLAINT FORM

STATE ETHICS
COMMISSION

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

RESPONDENT: Danny J. Hardee
ADDRESS: [REDACTED]
TELEPHONE NUMBER: (843) 340-4426
TITLE: Council – Horry County

Section 8-13-1120, SC Code Ann., 1976, as amended, requires disclosure of the source, type, and amount of income from a governmental entity and a listing of the private source and type of any income received by the filer or a member of the filer's immediate family during the reporting period. Respondent failed to report income on his 2020 Statement of Economic Interests.

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 2021 Statement of Economic Interests.

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 Pre-Election Campaign Disclosure was due between May 21, 2020 and May 26, 2020, a Pre-Election Campaign Disclosure was due between October 14, 2020 and October 19, 2020, and a Campaign Disclosure was due no later than April 10, 2020, July 10, 2020, January 10, 2021, April 10, 2021, and July 10, 2021. Respondent was sent an email reminder thirty days before each Campaign Disclosure deadline.

Respondent was reminded of the filing requirements by letters dated December 17, 2020 as described in the attached. To date, no properly completed 2021 Statement of Economic Interests, Pre-Election, April 10, 2020, July 10, 2020, January 10, 2021, April 10, 2021, or July 10, 2021 Campaign Disclosure have been received. In addition, Respondent has not reported income on the 2020 Statement of Economic Interests. All in violation of Section 8-13-1120, Section 8-13-1140, Section 8-13-1308(B), Section 8-13-1308(D)(1), 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)	BEFORE THE STATE ETHICS COMMISSION
)	
IN THE MATTER OF:)	
)	
Complaint C2021-062)	
)	
Danny J. Hardee)	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 17, 2023 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 Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to file an April 10, 2020 Campaign Disclosure Report (CDR), 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 Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to file a July 10, 2020 CDR, 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 Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to file a January 10, 2021 CDR, 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 Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to file an April 10, 2021 CDR, 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 Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to file a July 10, 2021 CDR, in violation of Section 8-13-1308(B).

COUNT SIX
FAILURE TO FILE A PRE-ELECTION CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(D)(1), S.C. CODE ANN., 1976, AS AMENDED

That Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to file a 2020 Pre-Election CDR prior to the June 9, 2020 primary election, in violation of Section 8-13-1308(D)(1).

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

That Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to file an October 10, 2021/Final CDR, in violation of Section 8-13-1308(B).

COUNT EIGHT
FAILURE TO REPORT CAMPAIGN EXPENDITURE
SECTION 8-13-1308(F)(4), S.C. CODE ANN., 1976, AS AMENDED

That Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to report a \$638.64 expenditure for the 2020 primary filing fee, in violation of Section 8-13-1308(F)(4).

COUNT NINE
FAILURE TO REPORT INCOME ON STATEMENT OF ECONOMIC INTERESTS
SECTION 8-13-1120(A)(2), S.C. CODE ANN., 1976, AS AMENDED

That Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to report government income from Horry County and DHEC on his 2020 Statement of Economic Interests, in violation of Section 8-13-1120(A)(2).

COUNT TEN
FAILURE TO PROPERLY DISBURSE UNEXPENDED CAMPAIGN FUNDS
SECTION 8-13-1370, S.C. CODE ANN., 1976, AS AMENDED

That Danny J. Hardee, Horry County Councilmember, did in Richland County, fail to properly expend \$875.36 of campaign funds from his campaign bank account at final disbursement, in violation of Section 8-13-1370.

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 23rd day,
of February 2023.

Certificate of Service by Certified Mail

I hereby certify that a copy of this **NOTICE OF HEARING** was duly served on the RESPONDENT Danny J. Hardee, 5055 Red Bluff Road, Loris, SC 29569 by depositing said **NOTICE OF HEARING** in the United States mail, Columbia, South Carolina on this 27th day of February 2023, by **CERTIFIED MAIL, E-RETURN RECEIPT REQUESTED**, appropriate postage affixed, and a return address clearly indicated on said envelope.



Rachael O'Bryan, Administrative Assistant
State Ethics Commission

(803) 253-4192

Columbia, South Carolina

STATE ETHICS COMMISSION
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STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
)
IN THE MATTER OF:)
COMPLAINT C2021-062)
)
State Ethics Commission,)
Complainant,)
)
Danny J. Hardee,)
Respondent.)
_____)

BEFORE THE STATE ETHICS COMMISSION

CONSENT ORDER

This matter comes before the State Ethics Commission (Commission) by way of a Complaint filed on August 12, 2021. Pursuant to Section 8-13-320(10)(i) of the South Carolina Ethics, Government Accountability, and Campaign Reform Act (Ethics Act), the Complaint against Danny J. Hardee (Respondent) was considered by the Commission and probable cause was found to warrant an evidentiary hearing on the following: failing to file a June 9, 2020 Primary Pre-Election Campaign Disclosure Report (CDR) in violation of Section 8-13-1308(D);¹ failing to file six (6) quarterly CDRs from April 10, 2020 to October 10, 2021 in violation of Section 8-13-1308(B); and failing to disclose income on a 2020 Statement of Economic Interests (SEI) in violation of Section 8-13-1120(A).² Prior to the call of the case, Respondent agreed to the following:

STATEMENTS OF FACT

1. Respondent was elected to the Horry County (County) Council (Council) in 2016.
2. Respondent filed his 2020 SEI on April 6, 2020, but failed to disclose government income or

¹ Respondent was also charged with failing to disclose an expenditure on his June 9, 2020 Primary Pre-Election CDR in violation of Section 8-13-1308(F). Because Respondent has since disclosed the expenditure and because Respondent is being charged with failing to file the corresponding CDR, the Commission declines to proceed with this charge.

² The Commission also found probable cause to believe Respondent violated Section 8-13-1370 by personally withdrawing \$875.36 in campaign funds from his campaign bank account upon final disbursement. However, Respondent's CDRs reflect he loaned his campaign more than the withdrawal amount and, therefore, was permitted to repay himself the \$875.36 pursuant to Section 8-13-1328. Accordingly, the Commission declines to proceed with this charge.

private sources of income therein.

3. Prior to the filing of the Complaint, Respondent failed to timely file the following CDRs: (1) April 10, 2020; (2) June 9, 2020 Primary Pre-Election; (3) July 10, 2020; (4) January 10, 2021; (5) April 10, 2021; (6) July 10, 2021; and (7) October 10, 2021.
4. At all times relevant, Respondent maintained a balance of \$875.36 in his campaign bank account. Respondent's campaign bank account was closed on September 30, 2021.
5. In a December 17, 2020 certified letter, the Commission notified Respondent of his failure to timely file an April 10, 2020 CDR, a June 9, Primary 2020 Pre-Election CDR, and a July 10, 2020 CDR.³ Respondent was further advised of his failure to report government income and private sources of income on his 2020 SEI.
6. According to the United States Postal Service, the certified letter was delivered to Respondent's address of record on December 21, 2020 at 2:22 p.m.
7. On December 31, 2020, late-filing penalties began to accrue at \$30 per day (\$10 per CDR).
8. On January 10, 2021, late-filing penalties began accruing at \$300 per day (\$100 per CDR).
9. With regard to his CDRs, Respondent came into compliance as follows:

CDR	Filing Date
April 10, 2020	September 20, 2021
July 10, 2020	September 20, 2021
June 9, 2020 Primary Pre-Election	February 21, 2023
January 10, 2021	September 20, 2021
April 10, 2021	September 20, 2021
July 10, 2021	September 20, 2021
October 10, 2021	March 23, 2023

³ The Commission's letter also notified Respondent of his failure to timely file a CDR prior to the November 3, 2020 general election. However, Respondent timely filed an October 10, 2020 CDR pursuant to Section 8-13-1308(D). Accordingly, no late-filing penalty was assessed.

10. Respondent amended his 2020 SEI to disclose government income and sources of private income on February 27, 2023.
11. At the time he came into compliance, Respondent had accrued \$15,400 in late-filing penalties (\$5,000 each for the April 10, 2020, June 9, 2020 Primary Pre-Election, and July 10, 2020 CDRs and \$100⁴ each for the January 10, 2021, April 10, 2021, July 10, 2021, and October 10, 2021 CDRs).

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 8-13-100(27) and a “candidate” pursuant to Section 8-13-1300(4). 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.
 - (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.

⁴ Respondent did not accrue additional late-filing penalties on the January 10, 2021, April 10, 2021, July 10, 2021, or October 20, 2021 CDRs because he did not receive certified notice of his failure to file these CDRs pursuant to Section 8-13-1510 of the Ethics Act.

(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 or committee for the period ending twenty days before the election.

3. Section 8-13-1120(A) requires SEI filers to disclose, in relevant part:

(2) the source, type, and amount or value of income, not to include tax refunds, of substantial monetary value received from a governmental entity by the filer or a member of the filer's immediate family during the reporting period.

...
(10) a listing of the private source and type of any income received in the previous year by the filer or a member of his immediate family ...

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)(1) allows the Commission to require the payment 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

The Commission found probable cause to charge Respondent with six (6) counts of violating Section 8-13-1308(B) for failing to file the following CDRs: April 10, 2020, July 10, 2020, January 10, 2021, April 10, 2021, July 10, 2021, and October 10, 2021. The Commission further found probable cause to charge Respondent with one (1) count of violating Section 8-13-1308(D) for failing to file a June 9, 2020 Primary Pre-Election CDR and one (1) count of violating Section 8-13-1120(A)

for failing to disclose government income and private sources of income on his 2020 SEI. Through this Consent Order, Respondent admits he violated the Ethics Act by failing to timely file these CDRs and by failing to disclose private and government sources of income on his 2020 SEI.

In mitigation, Respondent states that he is the caregiver for both of his elderly parents and that all three of them contracted Covid-19 in 2020. Respondent states that the stress of the illness on his family extended into 2021 and caused him to fall behind in many of his responsibilities, including his duties to the Commission. Respondent states, and the Commission acknowledges, that there was no campaign activity during the quarters in question. The Commission notes that this is Respondent's first Complaint with the Commission.

DISPOSITION

1. The Commission hereby finds Respondent in violation six (6) counts of Section 8-13-1308(B), one (1) count of Section 8-13-1308(D), and one (1) count of Section 8-13-1120(A).
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 Public Reprimand and orders the Respondent to pay the Commission, within six (6) months from receipt of this Order, a reduced late-filing penalty of \$1,300, a reduced civil penalty of \$200, and an administrative fee of \$500, for a total of \$2,000.

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 \$2,000 (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 \$2,000 (less any money paid to the Commission) in its Judgment Rolls, without

cost to the Commission.

AND IT IS SO ORDERED THIS 1st DAY OF September 2023.

STATE ETHICS COMMISSION


SCOTT E. FRICK, CHAIR


DANNY J. HARDEE
RESPONDENT