

STATE OF SOUTH CAROLINA
STATE ETHICS COMMISSION

STATE ETHICS COMMISSION
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FOR COMMISSION USE ONLY:
CASE NUMBER
C 2022-025

COMPLAINT FORM

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

RESPONDENT: James E. Lee
ADDRESS: [REDACTED]
TELEPHONE NUMBER: [REDACTED]
TITLE: Council Member – Town of Coward

Section 8-13-1120, SC Code Ann., 1976, as amended, requires certain officials to file a Statement of Economic Interests prior to assuming the duties of the office, and 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 2019 Statement of Economic Interests prior to March 30, 2019, the 2021 Statement of Economic Interests prior to taking the oath of office in November 2021, and the 2022 Statement of Economic Interests prior to March 30, 2022.

Respondent was reminded of the filing requirements by a certified letter dated September 22, 2022 as described in the attached. In addition, an email reminder was sent thirty days prior to the annual deadlines. To date, a 2019, 2021, or 2022 Statement of Economic Interests have not been received. All in violation of Section 8-13-1120 and Section 8-13-1140, SC Code Ann., 1976, as amended.

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.

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
3rd day of March, 2023

[REDACTED]
Meghan L. Walker, Executive Director

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

SEC-7 (Revised 3/2022)

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

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STATE OF SOUTH CAROLINA)	
COUNTY OF RICHLAND)	BEFORE THE STATE ETHICS COMMISSION
)	
IN THE MATTER OF:)	
)	
Complaint C2023-025)	
)	
State Ethics Commission)	NOTICE OF HEARING
Complainant.)	
)	
James E. Lee)	
Respondent.)	
)	

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

That James E. Lee, Coward Town Councilmember, did in Richland County, fail to file a 2019 Statement of Economic Interests (SEI), in violation of Section 8-13-1140.

COUNT TWO
FAILURE TO FILE STATEMENT OF ECONOMIC INTERESTS
SECTION 8-13-1110, S.C. CODE ANN., 1976, AS AMENDED

That James E. Lee, Coward Town Councilmember, did in Richland County, fail to file a 2021 SEI upon taking the oath of office on November 22, 2021, in violation of Section 8-13-1110.

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

That James E. Lee, Coward Town Councilmember, did in Richland County, fail to file a 2022 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 Walker Dayson, Executive Director
State Ethics Commission

Dated this 22nd day,
of May 2023.

Certificate of Service by Certified Mail

I hereby certify that a copy of this **NOTICE OF HEARING** was duly served on the RESPONDENT James E. Lee, PO Box 132, Coward, SC 29530 by depositing said **NOTICE OF HEARING** in the United States mail, Columbia, South Carolina on this 5th day of June 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

Columbia, South Carolina

State Ethics Commission

(803) 253-4192

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
IN THE MATTER OF:)
COMPLAINT C2023-025)
State Ethics Commission,)
Complainant,)
James E. Lee,)
Respondent.)
_____)

BEFORE THE STATE ETHICS COMMISSION

CONSENT ORDER

This matter comes before the State Ethics Commission (Commission) by way of a Complaint filed on March 3, 2023. Pursuant to Section 8-13-320(10)(i) of the South Carolina Ethics, Government Accountability, and Campaign Reform Act (Ethics Act), the Complaint against James E. Lee (Respondent) was considered by the Commission and probable cause was found to warrant an evidentiary hearing on two (2) counts of violating Section 8-13-1140 for failure to timely file 2019 and 2022 Statements of Economic Interests (SEI) and one (1) count of violating Section 8-13-1110 for failing to file a 2021 SEI prior to taking oath of office. Prior to the call of the case, Respondent agreed to the following:

STATEMENTS OF FACT

1. Respondent served on Coward Town Council (Council) from 2012 until November 2019.
2. Respondent timely filed SEIs from 2012 until 2018, but failed to file a SEI on or before March 30, 2019.
3. Following his 2019 departure from Council, Respondent was subsequently re-elected and sworn into office on November 22, 2021.
4. Respondent did not file a SEI prior to being sworn into office on November 22, 2021.
5. Respondent did not file a SEI on or before March 30, 2022.
6. In a September 22, 2022 certified letter, the Commission notified Respondent of his failure to timely file a 2019, 2021, and 2022 SEI.

7. According to the United States Postal Service, the certified letter was delivered to Respondent's address of record on September 27, 2022 at 12:21 p.m. The certified letter was signed for by "Kymbol Lee."
8. On October 7, 2022, late-filing penalties began to accrue at \$30 per day (\$10 per SEI).
9. On October 17, 2022, late-filing penalties began to accrue at \$300 per day (\$100 per SEI).
10. The Complaint was filed on March 3, 2022 and Respondent came into compliance by filing his 2019, 2021, and 2022 SEIs on March 16, 2023.
11. At the time he came into compliance, Respondent had accrued \$15,000 in late-filing penalties (\$5,000 per SEI).

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).
Therefore, the Commission has personal and subject matter jurisdiction.
2. Section 8-13-1110(A) provides:

No public official, regardless of compensation, and no public member or public employee as designated in subsection (B) may take the oath of office or enter upon his official responsibilities unless he has filed a [SEI] in accordance with the provisions of this chapter with the appropriate supervisory office. If a public official, public member, or public employee referred to in this section has no economic interests to disclose, he shall nevertheless file a statement of inactivity to that effect with the appropriate supervisory office. All disclosure statements are matters of public record open to inspection upon request.

3. 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 . . .

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 8-13-130 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 three (3) counts of violating the Ethics Act for failing to timely file his 2019, 2021, and 2022 SEIs. Through this Consent Order, Respondent acknowledges he failed to timely file the required SEIs. As mitigation, Respondent states that he has a sixth-grade education and that he generally receives assistance with his filings from his daughter; however, his daughter was unable to assist him with his filings in 2019, 2021, and 2022. Respondent states he is not savvy with technology, but will ensure that his SEIs are timely filed in the future. Respondent states he came into compliance promptly following his receipt of the Complaint. Respondent acknowledges that the Commission’s certified letter was delivered to his home address, but asserts that his granddaughter Kymbol Lee signed for the letter and did not provide it to him.

DISPOSITION

1. The Commission hereby finds Respondent in violation of two (2) count of Section 8-13-1140 and one (1) count of Section 8-13-1110.
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 six (6) months from receipt of this Order, a reduced late-filing penalty of \$1,500 (\$500 for each SEI) and an administrative fee of \$300, for a total of \$1,800. The Commission

declines to assess the remaining \$13,500 in accrued late-filing penalties.

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 \$1,800 (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 \$1,800 (less any money paid to the Commission) in its Judgment Rolls, without cost to the Commission.

AND IT IS SO ORDERED THIS 24th DAY OF July 7~~3~~ 2023.

STATE ETHICS COMMISSION


SCOTT E. FRICK, CHAIR


JAMES E. LEE
RESPONDENT