

STATE OF SOUTH CAROLINA
STATE ETHICS COMMISSION

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STATE ETHICS
COMMISSION

COMPLAINT FORM

FOR COMMISSION USE ONLY:
CASE NUMBER
C 2020-070

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

RESPONDENT: Lance Gaddy
ADDRESS: [REDACTED]
TELEPHONE NUMBER: (843) 621-6957
TITLE: Candidate – Town of Lake View Council

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. Records of the State Ethics Commission indicate that a Pre-Election Campaign Disclosure was due between March 15, 2017 and March 20, 2017.

Respondent was reminded of the filing requirement by a letter dated July 16, 2020 as described in the attached. To date, no properly completed Pre-Election Campaign Disclosure has been received. All in violation of 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

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
24th day of September, 2020

[REDACTED]

Meghan L. Walker, Executive Director

[REDACTED]

Notary Public for South Carolina
My Commission expires August 4, 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

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STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
)
)
IN THE MATTER OF:)
)
Complaint C2020-070)
)
Lance Gaddy)
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 State Ethics Commission will, therefore, 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, April 15, 2021 at 9:30 a.m. at the State Ethics 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 PRE-ELECTION CAMPAIGN DISCLOSURE REPORT
SECTION 8-13-1308(D)(1), S.C. CODE ANN., 1976, AS AMENDED

That Lance Gaddy, Lake View Town Council candidate, did in Richland County, fail to file a Pre-Election Campaign Disclosure Report prior to the April 4, 2017 election, in violation of Section 8-13-1308(D)(1).

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.).

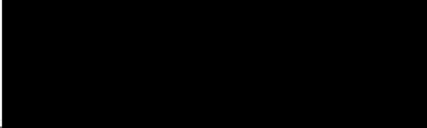
A pre-hearing conference may be scheduled prior to the hearing to allow exchange of witness lists and evidence, marking of exhibits, and disposition of motions or pleadings. In the event you fail to appear, judgment by default will be rendered against you. If there are any questions concerning the above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


Meghan L. Walker, Executive Director
State Ethics Commission

Dated this 31 day,
of January 2021.

Certificate of Service by Certified Mail

I hereby certify that a copy of this **NOTICE OF HEARING** was duly served on the RESPONDENT Lance Gaddy, PO Box 864, Lake View, SC 29563 by depositing said **NOTICE OF HEARING** in the United States mail, Columbia, South Carolina on this 5th day of February 2021, by **CERTIFIED MAIL, E-RETURN RECEIPT REQUESTED**, appropriate postage affixed, and a return address clearly indicated on said envelope.


Richard A. Provencher, Administrative Assistant
State Ethics Commission (803) 253-4192

Columbia, South Carolina

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STATE ETHICS
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STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
IN THE MATTER OF:)
COMPLAINT C2020-070)
State Ethics Commission,)
Complainant,)
K. Lance Gaddy,)
Respondent.)

BEFORE THE STATE ETHICS COMMISSION

CONSENT ORDER

This matter comes before the South Carolina State Ethics Commission (Commission) by way of a Complaint filed on September 24, 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 K. Lance Gaddy (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 entry of the following:

STATEMENTS OF FACT

1. At all times relevant, Respondent was a candidate for Lake View Town Council in an April 4, 2017 election.
2. Respondent failed to file a Pre-Election Campaign Disclosure Report (CDR) fifteen (15) days before the election.
3. On July 16, 2020, a certified letter was mailed to Respondent regarding his failure to timely file a Pre-Election CDR. According to the U.S. Postal Service, the letter is delivered on July 27, 2020 at 9:57 a.m.
4. Penalties began to accrue at \$10 per day on August 7, 2020.
5. Penalties began to accrue at \$100 per day on August 17, 2020.
6. Respondent came into compliance on October 1, 2020, having accrued the \$4,800 in late-filing

penalties.

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 candidate pursuant to Section 8-13-1300(4). Therefore, the Commission has personal and subject matter jurisdiction.

2. Section 8-13-1308(A) provides, in relevant part:

... 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.

3. Sections 8-13-130 and 8-13-320(10)(l)(i) allow the Commission to “levy an enforcement or administrative fee on a person who is in violation” of the Act and to require payment of a civil penalty of up to \$2,000 for each violation of the Act.

4. Section 8-13-1510(A) provides, in relevant part:

... a person required to file a report or statement under this chapter who files a late 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.

DISCUSSION

The Commission found probable cause to charge Respondent with one (1) count of violating Section 8-13-1308(A) for failing to file a Pre-Election CDR fifteen (15) days before his April 4, 2017 election. Through this Consent Order, Respondent acknowledges violating the Ethics Act by failing to timely file this Pre-Election CDR. In mitigation, Respondent asserts he was unable to respond to the Commission’s communication in July 2020 due to his young daughter being diagnosed with cancer.

Respondent states he came into compliance as soon as he was able to. Respondent states his daughter died at the end of 2020 and he has recently lost his job. Respondent asks for financial leniency from the Commission.

DISPOSITION

1. The Commission hereby finds Respondent K. Lance Gaddy in violation of one (1) count of Section 8-13-1308(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 this written warning to Respondent, and orders Respondent to pay the Commission, within one hundred and twenty (120) days from receipt of this Order, an administrative fee of \$200.

By executing this Consent Order, Respondent understands that he is not only admitting to a violation of the Act, but also confessing to a judgment of \$200 in the event he does not make payment as provided for in this Order, in which case the Commission shall file a Judgment against Respondent with the County Clerk of Court in Respondent's last known County of residence, who shall enter this Order in the amount of \$200 (less any money paid) in its Judgment Rolls, without cost to the Commission

AND IT IS SO ORDERED THIS 28 DAY OF March 2021.

STATE ETHICS COMMISSION


CHILD S CANTEY THRASHER, CHAIR


LANCE GADDY
RESPONDENT