**South Carolina General Assembly**

120th Session, 2013-2014

**H. 3772**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Bingham, Allison, Cole, Daning, Henderson, Horne, Patrick, Pope, Quinn, J.R. Smith, Simrill, Merrill, Atwater, Spires, Ballentine, Huggins, Kennedy, Norman, G.R. Smith, Toole, Taylor, Wells, Clemmons, Willis, Hardwick, D.C. Moss, Forrester, Long, Erickson, Newton, Wood, Nanney, Felder, Rivers, Hixon and Stringer

Document Path: l:\council\bills\dka\3071sd13.docx

Companion/Similar bill(s): 3945

Introduced in the House on March 6, 2013

Currently residing in the House Committee on **Judiciary**

Summary: State Ethics Commission

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

3/6/2013 House Introduced and read first time ([House Journal‑page 89](file:///h:\HJ%20Archive\2013\03-06-13.docx))

3/6/2013 House Referred to Committee on **Judiciary** ([House Journal‑page 89](file:///h:\HJ%20Archive\2013\03-06-13.docx))

3/13/2013 House Member(s) request name added as sponsor: Taylor, Wells, Clemmons, Willis, Hardwick, D.C.Moss, Forrester, Long, Long, Erickson, Newton, Wood, Nanney, Felder

3/19/2013 House Member(s) request name added as sponsor: Rivers, Hixon

3/20/2013 House Member(s) request name added as sponsor: Stringer

**VERSIONS OF THIS BILL**

[3/6/2013](file:///p:\pprever\2013-14\3772_20130306.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 4 TO CHAPTER 13, TITLE 8 SO AS TO RECONSTITUTE THE STATE ETHICS COMMISSION AND REVISE ITS POWERS, DUTIES, AND PROCEDURES, INCLUDING A PROVISION THAT ALL COMPLAINTS RELATING TO ETHICAL VIOLATIONS AGAINST THE MEMBERS AND STAFF OF AND CANDIDATES FOR THE GENERAL ASSEMBLY MUST BE FILED WITH THE STATE ETHICS COMMISSION, PROCESSED BY IT, AND THEN REFERRED TO THE PUBLIC INTEGRITY UNIT CREATED BELOW FOR INVESTIGATION BEFORE BEING RETURNED TO THE APPROPRIATE ETHICS COMMITTEES OF THE HOUSE OR SENATE FOR FURTHER ACTION; BY ADDING ARTICLE 6 TO CHAPTER 13, TITLE 8 SO AS TO RECONSTITUTE THE MEMBERSHIP OF THE HOUSE AND SENATE ETHICS COMMITTEES TO BE CONSISTENT WITH THAT PROVIDED IN THE RULES OF THE RESPECTIVE HOUSES AND TO REVISE THE PROCEDURES OF THE ETHICS COMMITTEES OF THE HOUSE AND SENATE IN REGARD TO THE MANNER IN WHICH ETHICAL COMPLAINTS AGAINST ITS MEMBERS, CANDIDATES, OR STAFF MUST BE PROCESSED AND DECIDED; BY ADDING SECTION 8‑13‑1525 SO AS TO PROVIDE THAT NO PUBLIC OFFICIAL OR CANDIDATE MAY APPEAR ON THE BALLOT FOR ELECTION TO ANY OFFICE IF THAT PUBLIC OFFICIAL OR CANDIDATE HAS RECEIVED NOTICE OF AN OUTSTANDING OR UNPAID FINE LEVIED BY THE ETHICS COMMISSION; BY ADDING CHAPTER 2 TO TITLE 23 SO AS TO ESTABLISH THE SOUTH CAROLINA PUBLIC INTEGRITY UNIT AND PROVIDE FOR ITS MEMBERSHIP, POWERS, DUTIES, AND FUNCTIONS; TO AMEND SECTION 2‑17‑10, AS AMENDED, RELATING TO DEFINITIONS IN REGARD TO LOBBYING, SO AS TO REVISE THE DEFINITION OF “LOBBYING” AND “LOBBYIST”; TO AMEND SECTION 2‑17‑30, RELATING TO A LOBBYIST’S REPORTING OF LOBBYING ACTIVITIES, SO AS TO REQUIRE A LOBBYIST TO DISCLOSE ALL INCOME RECEIVED FROM A LOBBYIST’S PRINCIPAL; TO AMEND SECTION 8‑13‑100, AS AMENDED, RELATING TO DEFINITIONS IN REGARD TO ETHICS, GOVERNMENT ACCOUNTABILITY, AND CAMPAIGN REFORM, SO AS TO REVISE CERTAIN DEFINITIONS; TO AMEND SECTION 8‑13‑700, AS AMENDED, RELATING TO USE OF AN OFFICIAL POSITION OR OFFICE FOR FINANCIAL GAIN, SO AS TO PROVIDE THAT IF A MEMBER OF THE GENERAL ASSEMBLY DETERMINES THAT HE HAS A CONFLICT OF INTEREST, HE MUST COMPLY WITH CERTAIN REQUIREMENTS BEFORE ABSTAINING FROM ALL VOTES ON THE MATTER, AND TO PROVIDE FOR WHEN A PUBLIC OFFICIAL WHO IS REQUIRED TO RECUSE HIMSELF FROM A MATTER MUST DO SO; TO AMEND SECTION 8‑13‑740, AS AMENDED, RELATING TO REPRESENTATION OF ANOTHER PERSON BY A PUBLIC OFFICIAL BEFORE A GOVERNMENTAL ENTITY, SO AS TO FURTHER DELINEATE WHAT IS CONSIDERED A CONTESTED CASE WHEN REPRESENTATION BY A MEMBER OF THE GENERAL ASSEMBLY IS PERMITTED; TO AMEND SECTION 8‑13‑745, RELATING TO PAID REPRESENTATION OF CLIENTS AND CONTRACTING BY A MEMBER OF THE GENERAL ASSEMBLY OR AN ASSOCIATE IN PARTICULAR SITUATIONS, SO AS TO DELETE A PROHIBITION AGAINST CERTAIN CONTRACTS WITH AN ENTITY FUNDED WITH GENERAL FUNDS; TO AMEND SECTION 8‑13‑1120, AS AMENDED, RELATING TO CONTENTS OF STATEMENTS OF ECONOMIC INTEREST, SO AS TO FURTHER PROVIDE FOR THESE CONTENTS; TO AMEND SECTION 8‑13‑1300, AS AMENDED, RELATING TO DEFINITIONS IN REGARD TO CAMPAIGN PRACTICES, SO AS TO REVISE CERTAIN DEFINITIONS; TO AMEND SECTION 8‑13‑1314, AS AMENDED, RELATING TO CAMPAIGN CONTRIBUTION LIMITS AND RESTRICTIONS, SO AS TO INCREASE CONTRIBUTION LIMITS AND PROVIDE A MECHANISM EVERY FIVE YEARS FOR FURTHER ADJUSTMENTS BASED ON THE CONSUMER PRICE INDEX, AND TO PROHIBIT CONTRIBUTIONS FROM A NONCANDIDATE COMMITTEE ESTABLISHED, FINANCED, MAINTAINED, OR CONTROLLED BY A CANDIDATE OR PUBLIC OFFICIAL OR ANY OTHER ENTITY MAINTAINED BY OR AFFILIATED WITH A CANDIDATE OR PUBLIC OFFICIAL; TO AMEND SECTION 8‑13‑1318, RELATING TO ACCEPTANCE OF CONTRIBUTIONS TO RETIRE CAMPAIGN DEBTS, SO AS TO REQUIRE ANY SUCH CONTRIBUTIONS TO BE USED FOR THIS PURPOSE ONLY; TO AMEND SECTION 8‑13‑1338, RELATING TO PERSONS WHO MAY NOT SOLICIT CONTRIBUTIONS, SO AS TO INCLUDE THE HEAD OF ANY STATE AGENCY WHO IS SELECTED BY THE GOVERNOR, THE GENERAL ASSEMBLY, OR AN APPOINTED OR ELECTED BOARD; TO AMEND SECTION 8‑13‑1340, AS AMENDED, RELATING TO RESTRICTIONS ON CONTRIBUTIONS BY ONE CANDIDATE TO ANOTHER OR THROUGH COMMITTEES CONTROLLED BY A CANDIDATE, SO AS TO DELETE AN EXCEPTION FOR A COMMITTEE CONTROLLED BY A CANDIDATE IF IT IS THE ONLY SUCH COMMITTEE, AND TO MAKE CONFORMING CHANGES; TO AMEND SECTION 12‑54‑240, AS AMENDED, RELATING TO THE DISCLOSURE OF RECORDS AND REPORTS BY THE DEPARTMENT OF REVENUE, SO AS TO PERMIT THE DEPARTMENT TO DISCLOSE INFORMATION FOR PURPOSES OF PUBLIC INTEGRITY UNIT INVESTIGATIONS; AND TO REPEAL ARTICLES 3 AND 5, CHAPTER 13, TITLE 8 RELATING TO THE STATE ETHICS COMMISSION AND THE SENATE AND HOUSE OF REPRESENTATIVES ETHICS COMMITTEES, RESPECTIVELY.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 13, Title 8 of the 1976 Code is amended by adding:

“Article 4

State Ethics Commission

Section 8‑13‑410. (A) There is created the State Ethics Commission composed of eight members selected as follows:

(1) two members elected by the House of Representatives;

(2) two members elected by the Senate; and

(3) four members appointed by the Governor.

Members elected by the General Assembly shall serve for terms of six years each and until their successors are elected and qualify; provided, that one of the two members initially elected by each house shall serve for terms of three years each, the terms of all the members initially elected by each house to be specified by that house at the time of election. Members appointed by the Governor also shall serve for terms of six years each and until their successors are appointed and qualify; provided, that of the four members initially appointed by the Governor, two must be appointed for terms of three years, the terms of all initial appointees of the Governor to be specified by the Governor when making the initial appointments. The members elected or appointed for terms of three years are eligible for reappointment or reelection for a full six year term; the members elected or appointed for a term of six years are not eligible for reappointment or reelection.

No member of the General Assembly or other public official is eligible to serve on the State Ethics Commission and selections must be based on merit regardless of race, color, creed, or gender and shall strive to assure that the membership of the commission is representative of all citizens of the State of South Carolina. In addition, members must have at least a bachelor’s degree from an accredited college or university and also at least twelve years experience in business, industry, or government with a diverse background of positions or responsibilities that best qualify them for selection to the commission.

(B) Except as provided above, the terms of the members are for six years and until their successors are selected and qualify. Vacancies must be filled in the manner of the original selection for the unexpired portion of the term only. Members of the commission who have completed a full six‑year term are not eligible for reappointment or reelection for another term whether the term is consecutive or nonconsecutive.

(C) The chairman of the commission is designated by the Governor. The commission may elect a vice chairman and such other officers as it considers necessary. Five members of the commission shall constitute a quorum. The commission shall adopt a policy concerning the attendance of its members at commission meetings. The commission meets at the call of the chairman or a majority of its members and is required to meet at least once a month. Members may set their own policy related to the rotation of the selection of officers other than the chairman.

(D)(1) Each member of the commission shall receive an annual salary of twelve thousand dollars. This compensation must be paid from the approved accounts of the commission. Members, in addition to their annual salary, shall receive mileage and subsistence authorized by law for members of state boards, commissions, and committees paid from approved accounts of the commission.

(2) Notwithstanding any other provision of law, membership on the commission does not make a member eligible to participate in a retirement system administered pursuant to Title 9 and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1. Any compensation paid on account of the member’s service on the commission is not considered earnable compensation for purposes of any state retirement system.

(E) The terms of the members of the commission begins on July first of the applicable year and ends on June thirtieth. The terms of the present members of the State Ethics Commission selected in the manner provided by the provisions of Article 3, Chapter 13, Title 8 now being repealed shall expire on June 30, 2013, and their eight successors selected in the manner provided by this article shall take office on July 1, 2013. Nothing herein prevents a current member of the commission whose term expires on June 30, 2013, from being considered for or from being selected to the reconstituted commission for a term to begin July 1, 2013.

(F) The commission shall receive such appropriations for its operations and responsibilities as may be provided by the General Assembly in the annual general appropriations act, in addition to the funding provided to the commission pursuant to Section 8‑13‑440.

(G) A member, while serving on the commission, may not make political contributions in the manner prohibited by Section 8‑13‑450.

(H) The State Ethics Commission is deemed to be an agency or entity of the executive branch of state government.

Section 8‑13‑415. (A) On and after the effective date of this article, all complaints involving possible violations of breach of a privilege governing a member or staff of each house of the General Assembly, the alleged breach of a rule governing a member of, legislative caucus committees for, or a candidate, or staff for each house of the General Assembly, misconduct of a member or staff of, legislative caucus committees for, or a candidate for each house of the General Assembly, or a violation of this chapter or Chapter 17, Title 2 must be filed with the State Ethics Commission and not the House or Senate Ethics Committee with jurisdiction. The commission shall then process the complaint under its normal procedures without a formal investigation until it preliminarily determines by majority vote of the total membership of the commission that there are sufficient facts to infer that probable cause may exist that a violation occurred at which time it shall refer the complaint to the Public Integrity Unit as established by Chapter 2, Title 23 for investigation. At the conclusion of its investigation, the Public Integrity Unit shall transmit its report to the respective House or Senate Ethics Committee with jurisdiction for a disposition of the complaint, including what actions, sanctions, or punishments the respective ethics committee or its particular house may decide. The Public Integrity Unit also shall furnish a copy of its report to the commission.

(B) The provisions of subsection (A), notwithstanding any other provision of this article, do not permit the commission or the Public Integrity Unit to file complaints against members and staff of or candidates for the General Assembly, but only to receive and process or investigate such complaints filed by others.

(C) The authority of the commission to receive and the Public Integrity Unit to investigate complaints against members of, candidates for, and staff of the General Assembly as provided in subsection (A) is governed by the general law as supplemented by the applicable rules of each particular house.

(D) The Ethics Commission and the Public Integrity Unit investigations and records are confidential until the Public Integrity Unit’s investigative report is transmitted to an ethics committee of the General Assembly or to the State Ethics Commission in matters not involving the General Assembly or its staff. However, a respondent may waive the right to confidentiality.

(E) The provisions of this section, rather than other provisions of this article relating to complaints not involving members of the General Assembly or its staff, control in regard to complaints filed against members of the General Assembly or its staff. However, these other provisions also may apply as they may be pertinent and not in conflict with the provisions of this section.

Section 8‑13‑420. The State Ethics Commission has these duties and powers:

(1) to prescribe forms for statements required to be filed by this chapter and to furnish these forms to persons required to file them;

(2) to prepare and publish a manual setting forth recommended uniform methods of reporting for use by persons required to file statements required by this chapter;

(3) to accept and file information voluntarily supplied that exceeds the requirements of this chapter;

(4) to develop a filing, coding, and cross‑indexing system consonant with the purposes of this chapter;

(5) to make the notices of registration and reports filed available for public inspection and copying as soon as may be practicable after receipt of them and to permit copying of a report or statement by hand or by duplicating machine, as requested by a person, at the expense of the person;

(6) to preserve the originals or copies of notices and reports for four years from date of receipt;

(7) to ascertain whether a person has failed to comply fully and accurately with the disclosure requirements of this chapter and to notify promptly the person to file the necessary notices and reports to satisfy the requirements of this chapter or regulations promulgated by the commission under this chapter;

(8) to request the Attorney General, in the name of the commission, to initiate, prosecute, defend, or appear in a civil or criminal action for the purpose of enforcing the provisions of this chapter, including a civil proceeding for injunctive relief and presentation to a grand jury;

(9) to initiate or receive complaints, including the receipt of complaints against members and staff of, or candidates for, the General Assembly as provided in Section 8‑13‑415, and make investigations, as provided in this article, of statements filed or allegedly failed to be filed under the provisions of this chapter and Chapter 17, Title 2 and, upon complaint by an individual, of an alleged violation of this chapter or Chapter 17, Title 2 by a public official, public member, or public employee not involving members or staff of, or candidates for, the General Assembly. Any person charged with a violation of this chapter or Chapter 17, Title 2 is entitled to the administrative hearing process contained in this section. The commission also may receive complaints and make investigations concerning the complaints in matters forwarded to the commission by the partner agencies of the Public Integrity Unit as established in Chapter 2, Title 23. In these cases, the complaint must be processed to final conclusion by the commission under its rules and procedures, except that the commission, if it finds that criminal violations of law may have occurred which are not under its purview to punish, may refer the matter back to the partner agency of the Public Integrity Unit that submitted the complaint for further action.

(a) The commission may commence an investigation on the filing of a complaint by an individual or by the commission, as provided in item (10)(d), or may refer the complaint to the Public Integrity Unit established in Chapter 2, Title 23 for investigation, upon a majority vote of the total membership of the commission. Referrals of complaints involving members and staff of, or candidates for, the General Assembly to the Public Integrity Unit are required under the conditions specified in Section 8‑13‑415.

(b)(i) No complaint may be accepted by the State Ethics Commission concerning a member of or candidate for the General Assembly or candidate for any other public office during the fifty‑day period before an election in which the member or candidate is a candidate.

(ii) Action on a complaint filed against a member or candidate which was received more than fifty days before the election but which cannot be processed by the State Ethics Commission, the Public Integrity Unit upon referral of the complaint to it, or the respective ethics committees of each house with jurisdiction at least thirty days before the election, must be postponed until after the election.

(c) If an alleged violation is found to be groundless by the commission, the entire matter must be stricken from public record. If the commission finds that the complaining party wilfully filed a groundless complaint, the finding must be reported to the Attorney General. The wilful filing of a groundless complaint is a misdemeanor and, upon conviction, a person must be fined not more than one thousand dollars or imprisoned not more than one year. In lieu of the criminal penalty provided by this item, a civil penalty of not more than one thousand dollars may be assessed against the complainant upon proof, by a preponderance of the evidence, that the filing of the complaint was wilful and without just cause or with malice.

(d) Action may not be taken on a complaint filed more than one year after the person complained of has left the particular office or position they held during which the alleged violation occurred unless a person, by fraud or other device, prevents discovery of the violation. The Attorney General may initiate an action to recover a fee, compensation, gift, or profit received by a person as a result of a violation of the chapter no later than one year after a determination by the commission that a violation of this chapter has occurred;

(10) to conduct its investigations, inquiries, and hearings in this manner for matters not referred to the Public Integrity Unit for investigation, provided, that in regard to all complaints filed or referred to the commission, only one factual investigation of the matter must be conducted by the commission, the Public Integrity Unit, or by its partner agencies. Nothing herein authorizes or permits multiple factual investigations of the same matter.

(a) The commission shall accept from an individual, whether personally or on behalf of an organization or governmental body, a verified complaint, in writing, that states the name of a person alleged to have committed a violation of this chapter and the particulars of the violation. The commission shall forward a copy of the complaint, a general statement of the applicable law with respect to the complaint, and a statement explaining the due process rights of the respondent including, but not limited to, the right to counsel to the respondent within ten days of the filing of the complaint.

(b) If the commission or its executive director determines that the complaint does not allege facts sufficient to constitute a violation, the commission shall dismiss the complaint and notify the complainant and respondent. The entire matter must be stricken from public record unless the respondent, by written authorization to the State Ethics Commission, waives the confidentiality of the existence of the complaint and authorizes the release of information about the disposition of the complaint.

(c) If the commission or its executive director determines that the complaint alleges facts sufficient to constitute a violation, an investigation may be conducted of the alleged violation.

(d) If the commission, upon the receipt of any information, finds probable cause to believe that a violation has occurred, upon its own motion and an affirmative vote of the majority of the total membership of the commission, it may file a verified complaint, in writing, that states the name of the person alleged to have committed a violation of this chapter and the particulars of the violation. The commission shall forward a copy of the complaint, a general statement of the applicable law with respect to the complaint, and a statement explaining the due process rights of the respondent including, but not limited to, the right to counsel, to the respondent within ten days of the filing of the complaint.

(e) If the commission determines that assistance is needed in conducting an investigation, the commission shall request the assistance of appropriate agencies, including the Public Integrity Unit.

(f) The commission may order testimony to be taken in any investigation or hearing by deposition before a person who is designated by the commission and has the power to administer oaths and, in these instances, to compel testimony. The commission may administer oaths and affirmation for the testimony of witnesses and issue subpoenas by approval of the chairman, subject to judicial enforcement, and issue subpoenas for the procurement of witnesses and materials including books, papers, records, documents, or other tangible objects relevant to the agency’s investigation by approval of the chairman, subject to judicial enforcement. A person to whom a subpoena has been issued may move before a commission panel or the commission for an order quashing a subpoena issued under this section.

(g) Except in matters involving members or staff of the General Assembly and except in matters not involving the members or staff of the General Assembly which have been referred to the Public Integrity Unit for investigation, investigations, inquiries, hearings, and accompanying documents must remain confidential until a finding of probable cause, unless the respondent waives the right to confidentiality. The wilful release of confidential information is a misdemeanor, and any person releasing confidential information, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year.

(h) The commission shall afford a public official, public member, public employee, lobbyist, or lobbyist’s principal who is the subject of a complaint the opportunity to be heard on the alleged violation under oath, the opportunity to offer information, and the appropriate due process rights including, but not limited to, the right to counsel.

(i) At the conclusion of its investigation, the commission staff, in a preliminary written decision with recitations of fact and implications of law, shall make a recommendation whether probable cause exists to believe that a violation of this chapter has occurred. If the commission determines that probable cause does not exist, it shall send a written decision with recitations of fact and implications of law to the respondent and the complainant. If the commission determines that there is probable cause to believe that a violation has been committed, its preliminary decision may contain an order setting forth a date for a hearing before a panel of three commissioners, selected at random, to determine whether a violation of the chapter has occurred. If the commission finds probable cause to believe that a violation of this chapter has occurred, the commission may waive further proceedings if the respondent takes action to remedy or correct the alleged violation.

(j) If a hearing is to be held, the respondent must be allowed to examine and make copies of all evidence in the commission’s possession relating to the charges. The same discovery techniques which are available to the commission must be equally available to the respondent, including the right to request the commission to subpoena witnesses or materials and the right to conduct depositions as prescribed by subitem (f). A panel of three commissioners shall conduct a hearing in accordance with Chapter 23, Title 1 (Administrative Procedures Act), except as otherwise expressly provided. Panel action requires the participation of the three panel members. During a commission panel hearing conducted to determine whether a violation of the chapter has occurred, the respondent must be afforded appropriate due process protections, including 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. All evidence, including records the commission considers, must be offered fully and made a part of the record in the proceedings. The hearings must be held in executive session unless the respondent requests an open hearing.

(k) No later than sixty days after the conclusion of a hearing to determine whether a violation of the chapter has occurred, the commission panel shall set forth its determination in a written decision with recitations of fact and implications of law. The commission panel, where appropriate, shall recommend disciplinary or administrative action. The Attorney General may seek injunctive relief or may take other appropriate action as necessary. In the case of a public employee, the commission panel shall file a report to the administrative department executive responsible for the activities of the employee. If the complaint is filed against an administrative department executive, the commission panel shall refer the case to the Governor.

(l) The written decision as provided for in subitem (k) may set forth an order:

(i) requiring the public official, public member, or public employee to pay a civil penalty of not more than five thousand dollars for each violation;

(ii) requiring the forfeiture of gifts, receipts, or profits, or the value thereof, obtained in violation of the chapter, voiding nonlegislative state action obtained in violation of the chapter;

(iii) requiring appropriate remedial actions, including repayment of funds or other actions deemed necessary by the commission; or

(iv) requiring a combination of subitems (i), (ii), and (iii) above, as necessary and appropriate.

(m) Within ten days after service of an order, report, or recommendation, a respondent may apply to the commission for a full commission review of the decision made by the commission panel. The review must be made on the record established in the panel hearings. This review is the final disposition of the complaint before the commission. An appeal to the court of appeals, pursuant to Section 1‑23‑380 and as provided in the South Carolina Appellate Court Rules, stays all actions and recommendations of the commission unless otherwise determined by the court.

(n) A fine imposed by the commission, disciplinary action taken by an appropriate authority, or a determination not to take disciplinary action made by an appropriate authority is public record. This section does not limit the power of either chamber of the General Assembly to impeach a public official or limit the power of a department to discipline its own officials or employees. This section does not preclude prosecution of public officials, public members, or public employees for violation of any law of this State.

(o) All actions taken by the commission on complaints, except on alleged violations which are found to be groundless by the commission, are a matter of public record upon final disposition.

(p) Notwithstanding the above provisions of this item or article, where the commission has referred a complaint involving members of, candidates for, or staff of the General Assembly to the Public Integrity Unit for investigation, the Public Integrity Unit, upon conclusion of its investigation, shall forward its report to the respective House or Senate Ethics Committee with jurisdiction for a disposition of the complaint, including what actions, sanctions, or punishments the respective ethics committee of its particular house may decide. The Public Integrity Unit also shall send a copy of its report to the commission. The State Ethics Commission is not authorized to take any action in regard to these complaints other than to conduct preliminary investigation as permitted by Section 8‑13‑415 and refer the matter to the Public Integrity Unit for investigation;

(11) refer complaints regarding violations of this chapter, Chapter 17, Title 2, the rules of the respective houses of the General Assembly, or criminal offenses under the general law of this State outside this chapter or Chapter 17, Title 2, to the Public Integrity Unit for investigation;

(12) to issue, upon request from persons covered by this chapter, and publish advisory opinions on the requirements of this chapter, based on real or hypothetical sets of circumstances; provided, that an opinion rendered by the commission, until amended or revoked, is binding on the commission in any subsequent charges concerning the person who requested the opinion and who acted in reliance on it in good faith unless material facts were omitted or misstated by the person in the request for the opinion. Advisory opinions must be in writing and are considered rendered when approved by five or more commission members subscribing to the advisory opinion. Advisory opinions must be made available to the public unless the commission, by majority vote of the total membership of the commission, requires an opinion to remain confidential. However, the identities of the parties involved must be withheld upon request;

(13) to promulgate regulations to carry out the provisions of this chapter. Provided, that with respect to complaints, investigations, and hearings the rights of due process as expressed in the Rules Governing the Practice of Law must be followed;

(14) to administer Chapter 17, Title 2 by use of the duties and powers listed in this section;

(15) to file, in the court of common pleas of the county in which the respondent of a complaint resides, a certified copy of an order or decision of the commission, whereupon the court shall render judgment in accordance with the order or decision without charge to the commission and shall notify the respondent of the judgment imposed. The judgment has the same effect as though it had been rendered in a case duly heard and determined by the court.

Section 8‑13‑430. The commission in the performance of its duties is further authorized to request, and allow, further investigation of a complaint the commission has received by the Public Integrity Unit as provided for in Section 23‑2‑160, and disclosure of commission information as necessary for such investigation is authorized. In the event the commission refers a complaint to the Public Integrity Unit for investigation which involves a member or staff of, or candidate for, the General Assembly, the Public Integrity Unit shall transmit its investigative report to the appropriate House or Senate Ethics Committee for further action as provided in Article 6 of this chapter. Otherwise, it shall transmit its investigative report to the commission for further action.

Section 8‑13‑440. In order to offset costs associated with the: (1) administration and regulation of lobbyists and lobbyists’ principals, and (2) enforcement of Chapter 17, Title 2, the State Ethics Commission shall retain fees generated by the registration of lobbyists and lobbyists’ principals and the initial fine of one hundred dollars, as provided in Section 2‑17‑50(A)(2)(a), and the initial fine of one hundred dollars, as provided in Section 8‑13‑1510(1), for reports received by the State Ethics Commission.

Section 8‑13‑450. (A) The commission may employ and remove, at its pleasure, an executive director. The executive director has the responsibility for employing and terminating other personnel as may be necessary. The executive director administers the daily business of the commission and performs duties assigned by the commission.

(B) No member or employee of the commission may be a candidate, an official in a political party, or a lobbyist. Other than by virtue of membership on or employment with the State Ethics Commission, no member or employee of the commission may be a public official, public member, or public employee.

(C) No member of the commission or its staff may participate in political management or in a political campaign during the member’s or employee’s term of office or employment. No member of the commission or its staff may make a contribution to a candidate or member of the General Assembly or knowingly attend a fundraiser held for the benefit of a candidate or member of the General Assembly. Violation of this provision subjects the employee to immediate dismissal and the commissioner to removal.

Section 8‑13‑460. The State Ethics Commission at the close of each fiscal year shall report to the General Assembly and the Governor concerning the action it has taken, the names, salaries, and duties of all persons in its employ, and the money it has disbursed and shall make other reports on matters within its jurisdiction and recommendations for further legislation as may appear desirable.

Section 8‑13‑470. When hired, filing for office, or appointed and upon assuming the duties of employment, office, or position in state government, a public official, public member, and public employee shall receive a brochure prepared by the State Ethics Commission describing the general application of this chapter.

Section 8‑13‑480. Upon request, the commission shall make statements and reports filed with the commission available for public inspection and copying during regular office hours. The commission shall provide copying facilities at a cost not to exceed the actual cost. A statement may be requested by mail, and the commission shall mail a copy of the requested information to the individual making the request upon payment of appropriate postage, copying costs, and employee labor costs. The commission shall publish and make available to the public and to persons subject to this chapter explanatory information concerning this chapter, the duties imposed by this chapter, and the means for enforcing this chapter.

Section 8‑13‑490. The commission shall establish a system of electronic filing for all disclosures and reports required pursuant to Chapter 13, Title 8 and Chapter 17, Title 2 from all persons and entities subject to its jurisdiction. These disclosures and reports must be filed using an Internet‑based filing system as prescribed by the commission. Reports and disclosures filed with the ethics committees of the Senate and House of Representatives for legislative offices must be in a format such that these filings can be forwarded to the State Ethics Commission using an Internet‑based system. The information contained in the reports and disclosure forms, with the exception of social security numbers, campaign bank account numbers, and tax ID numbers, must be publicly accessible, searchable, and transferable.”

SECTION 2. Chapter 13, Title 8 of the 1976 Code is amended by adding:

“Article 6

Senate and House of Representatives

Ethics Committees

Section 8‑13‑610. (A) There is created a House of Representatives Legislative Ethics Committee and a Senate Legislative Ethics Committee. Unless otherwise provided by the rules of the respective bodies, each ethics committee is composed of ten members. Terms are coterminous with the term for which members are elected to the House or Senate. Vacancies must be filled for the unexpired term in the manner of the original selection. The members of each ethics committee must be selected by the House or the Senate, as appropriate, in conformity with the rules of each house. The officers of the ethics committee of each house and their selection also must be as provided for in the rules of that house.

(B) Members serving on the House and Senate Ethics Committees on the effective date of this section shall continue to serve on these respective committees in conformity with all applicable rules of the body.

Section 8‑13‑620. Each ethics committee shall meet and recommend any changes in the law or rules relating to ethics considered proper to their respective houses. Changes recommended must be consistent with the Constitution of the State of South Carolina, the provisions of this chapter, and any other applicable law.

Section 8‑13‑630. Each ethics committee shall:

(1) ascertain whether a person has failed to comply fully and accurately with the disclosure requirements of this chapter and promptly notify the person to file the necessary notices and reports to satisfy the requirements of this chapter;

(2) upon a majority vote of the total membership of the committee, file complaints when alleged violations are identified, which then must be transmitted to the State Ethics Commission for investigation;

(3) administer or recommend sanctions appropriate to a particular member or staff of, or candidate for, the appropriate house pursuant to Section 8‑13‑640 or dismiss the charges; and

(4) act as an advisory body to the General Assembly and to individual members of, or candidates for, the appropriate house on questions pertaining to the disclosure and filing requirements of members of, or candidates for, the appropriate house.

Section 8‑13‑640. (A) If after receiving an investigative report from the Public Integrity Unit the ethics committee finds that probable cause exists to support an alleged violation, it shall, as appropriate:

(1) render an advisory opinion to the respondent and require the respondent’s compliance within a reasonable time; or

(2) convene a formal hearing on the matter.

(B) The investigations and records of the State Ethics Commission, the Public Integrity Unit, and an ethics committee of the General Assembly are confidential until the Public Integrity Unit’s investigative report is transmitted to an ethics committee of the General Assembly. A respondent, however, may waive the right to confidentiality.

(C) No action may be taken by the ethics committee when a complaint is filed with or by the ethics committee, but a copy must be promptly sent to the person alleged to have committed the violation. Instead, the complaint must be transmitted to the State Ethics Commission for investigation. If the commission determines the complaint does not allege facts sufficient to constitute a violation, the complaint must be dismissed and the complainant and respondent notified. If the commission finds that the complaining party wilfully filed a groundless complaint, the finding must be reported to appropriate law enforcement authorities. The wilful filing of a groundless complaint is a misdemeanor and, upon conviction, a person must be fined not more than one thousand dollars or imprisoned not more than one year. In lieu of the criminal penalty provided by this subsection, a civil penalty of not more than one thousand dollars may be assessed against the complainant upon proof, by a preponderance of the evidence, that the filing of the complaint was wilful and without just cause or with malice. After receiving a complaint which the commission determines is not groundless, it promptly shall comply with the provisions of Section 8-13-415.

(D) No action may be taken by the ethics committee on a complaint filed more than one year after the person complained of has left the particular office or position they held during which the alleged violation occurred, unless a person, by fraud or other device, prevents discovery of the violation. The Attorney General may initiate an action to recover a fee, compensation, gift, or profit received by a person as a result of a violation of the chapter no later than one year after a determination by the committee that a violation of this chapter has occurred.

(E) If a hearing is to be held, the respondent must be allowed to examine and make copies of all evidence in the ethics committee’s possession relating to the charges. At the hearing the charged party must be afforded appropriate due process protections, including 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. All hearings must be conducted in executive session unless confidentiality is waived by the respondent.

(F) After the hearing, the ethics committee shall determine its findings of fact. If the ethics committee, based on competent and substantial evidence, finds the respondent has violated this chapter, Chapter 17, Title 2, or engaged in misconduct or violations of the rules or privileges of the applicable body, it shall:

(1) administer a public or private reprimand;

(2) determine that a technical violation as provided for in Section 8‑13‑1170 has occurred;

(3) order and require appropriate remedial actions;

(4) levy and impose an appropriate fine up to five thousand dollars;

(5) recommend expulsion of the member; or

(6) impose a combination of the options in items (1) through (5).

(G) The ethics committee shall report its findings in writing to the Speaker of the House or President Pro Tempore of the Senate, as appropriate. The report must be accompanied by an order of punishment and supported and signed by a majority of the ethics committee members. If the ethics committee finds the respondent has not violated any provision of law, it shall dismiss the charges.

(H) A respondent has ten days from the date of the notification of the ethics committee’s action to appeal the action to the full legislative body.

(I) No ethics committee member may participate in any matter in which he is involved.

(J) The ethics committee shall establish procedures which afford respondents appropriate due process protections, including 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.

(K) For the purpose of performing its duties, the ethics committee of each house may compel by subpoena the attendance and testimony of witnesses and the production of pertinent books and papers.

Section 8‑13‑650. (A) Upon receipt of a recommendation of expulsion or an appeal from an order of the ethics committee made pursuant to the provisions of Section 8‑13‑640, the presiding officer of the House or Senate shall call the House or Senate into open session at a time to be determined at his discretion or in executive session if the House or Senate chooses, as a committee of the whole, to consider the action of the ethics committee. The House or Senate shall sustain or overrule the ethics committee’s action or order other action consistent with this chapter or Chapter 17, Title 2.

(B) Upon consideration of an ethics committee report by the House or the Senate, whether in executive or open session, the results of the consideration, except in the case of the issuance of a private reprimand, are a matter of public record.

Section 8‑13‑660. Unless otherwise currently or hereafter provided for by House or Senate rule, as is appropriate:

(1) A member of the General Assembly who is indicted in a state court or a federal court for a crime that is a felony, a crime that involves moral turpitude, a crime that has a sentence of two or more years, or a crime that violates election laws must be suspended immediately without pay by the presiding officer of the House or Senate, as appropriate. The suspension remains in effect until the public official is acquitted, convicted, pleads guilty, or pleads nolo contendere. In the case of a conviction, the office must be declared vacant. In the event of an acquittal or dismissal of charges against the public official, he is entitled to reinstatement and back pay.

(2) If the public official is involved in an election between the time of the suspension and final conclusion of the indictment, the presiding officer of the House or Senate, or the Governor, as appropriate, shall again suspend him at the beginning of his next term. The suspended public official may not participate in the business of his public office.”

SECTION 3. Chapter 13, Title 8 of the 1976 Code is amended by adding:

“Section 8‑13‑1525. No public official or candidate may appear on the ballot for election to any office if that public official or candidate has received notice of an outstanding or unpaid fine levied by the Ethics Commission for a violation of any provision of Chapter 13 of Title 8.”

SECTION 4. Title 23 of the 1976 Code is amended by adding:

“CHAPTER 2

Public Integrity Unit

Section 23‑2‑110. (A) There is established an entity to be entitled the ‘Public Integrity Unit’ which is an entity of this State consisting of a specified consortium of public officials comprised of the Executive Director of the State Ethics Commission, the Attorney General, the Director of the South Carolina Department of Revenue, the Chief of the South Carolina Law Enforcement Division, and the Inspector General.

(B) Nothing in this chapter may be construed to preclude agencies or other entities within this State from performing existing functions, investigation authority, or adjudication as otherwise prescribed by law.

(C) It is the intent of the General Assembly in establishing the Public Integrity Unit to maximize existing resources, expertise, and available information to coordinate investigations of alleged corruption, unethical conduct, and violations of the public trust, all of which are imperative to preserving the faith of the public in its institutions.

(D) Each partner agency or entity is authorized to release information for investigative purposes to the other named partners herein, but the agency that originates that document remains responsible for release authority pursuant to the Freedom of Information Act or other applicable law.

(E) As contained in this chapter:

(1) ‘Appropriate supervisory office’ means:

(a) the State Ethics Commission for all persons required to file reports as provided by law except for those members of, and candidates for, the office of State Senator or State Representative;

(b) the Senate Ethics Committee for members or staff, including staff elected to serve as officers of, or candidates for, the office of State Senator; and

(c) the House of Representatives Ethics Committee for members or staff, including staff elected to serve as officers of, or candidates for, the office of State Representative.

(2) ‘Partner’ means each of the five named members, and their respective agencies, namely the Attorney General, Chief of the State Law Enforcement Division, Director of the Department of Revenue, the Executive Director of the State Ethics Commission and the Inspector General.

(3) ‘Unit’ means the Public Integrity Unit as described in this chapter.

Section 23‑2‑120. (A)(1) The members of the unit provided for in Section 23‑2‑110 shall serve ex officio with full voting rights.

(2) The members may provide employees or staff from their respective agencies for the unit as necessary. Employees of other governmental agencies may be included in particular investigations by a majority vote; however any such appointment is as needed and does not include voting rights.

(3) The members may designate a member of that agency or staff to serve in unit functions except for voting; however a majority of the unit can provide for voting by electronic or other means.

(B) Members of the unit shall serve without compensation. A unit member who terminates his office or employment which qualified him for appointment immediately shall cease to be a member of the unit.

Section 23‑2‑130. The Attorney General shall provide administrative support for the unit. The unit shall not have employees, but the partnering entities shall assign legal, accounting, auditing, investigative, or support staff from within their respective agencies or staff as necessary to carry out the functions of the unit.

Section 23‑2‑140. Nothing in this chapter establishes the unit as a separate entity to receive complaints from the general public. The unit shall receive matters from partner entities or an appropriate supervisory office exclusively.

Section 23‑2‑150. (A) Upon receipt of an allegation from a partner, the members shall determine whether it is appropriate for investigation by the unit or if the matter should be returned to the forwarding authority for action; except that cases forwarded by an appropriate supervisory office that is forwarded due to conflicts of interest must be investigated by the unit.

(B) If during the course of the investigation the unit determines that the matter is not substantiated by the information received during its investigation, it shall report such a determination to the originating partner.

(C) The unit is an investigative partnership and not an adjudicating entity. The unit shall produce a recitation of facts supported by whatever evidence, documents, testimony, or other information it receives during the course of its investigation. The unit shall not issue recommendations, draw legal conclusions, or establish findings of fact that are binding on the originating partner.

Section 23‑2‑160. The unit may accept investigations by referral only. The referring entity shall identify the scope of the investigation. Completed investigations that substantiate conduct within the jurisdiction of any of the partners may be referred by the unit to that agency for further review.

Section 23‑2‑170. The unit is a collaborative investigating entity that may include privileged communications, protected information, and protected identities under law. A Freedom of Information Act request must be made directly to the partner agency that generates such documents. Partnering entities that use information from another partner within the unit shall follow the release protocol of the originating partner. All information released to the unit is deemed to be in the possession of the originating entity for purposes of the Freedom of Information Act.

Section 23‑2‑180. The partners shall report to the General Assembly each year of trends of cases, recommendations of reforms, and fiscal issues of the unit each year through the administrative support of the Attorney General.

Section 23‑2‑190. Partner members of the unit, to the extent that they are authorized in their respective agencies, are authorized to:

(1) accept contributions, funds, or grants from foundations, state agencies, or the federal government, for the purpose of carrying out the programs and objectives of this chapter, provided such funds are not related to any particular case and are part of an established program for the improvement of investigation capability, and not from a public official or an entity within the control or influence of that public official;

(2) consult and cooperate with counties, municipalities, agencies, or official bodies of this State or of other states, other governmental agencies, and with universities, colleges, junior colleges, and other institutions, concerning investigations of violations of the laws of this State;

(3) publish or cause to be published manuals, information bulletins, newsletters, and other materials to achieve the objectives of this chapter; and

(4) make such regulations as may be necessary for the administration of this chapter, including the issuance of administrative procedures for coordination among the partner entities.

Section 23‑2‑200. An oral or written report, document, statement, or other communication that is written, made, or delivered concerning the requirements or administration of this chapter or regulations promulgated under it must not be the subject of or basis for an action at law or in equity for slander or libel in any court of the State if the communication is between:

(1) a law enforcement agency, its agents, employees, or representatives; and

(2) the unit, its agents, employees, or representatives.

Section 23‑2‑210. To conduct its investigations, inquiries, and hearings in a matter:

(1) the unit may order testimony to be taken in any investigation or hearing by deposition before a person who is designated by the unit and has the power to administer oaths and, in these instances, to compel testimony. The unit may administer oaths and affirmation for the testimony of witnesses and issue subpoenas by approval of at least three unit partners, subject to judicial enforcement, and issue subpoenas for the procurement of witnesses and materials including books, papers, records, documents, or other tangible objects relevant to the agency’s investigation by approval of the chairman, subject to judicial enforcement. A person to whom a subpoena has been issued may move before the circuit court for an order quashing a subpoena issued under this section; and

(2) if the unit determines that assistance is needed in conducting an investigation, the unit shall request the assistance of appropriate agencies.

Section 23‑2‑220. The information requested and received by the unit, as well as the conduct of its investigation, remains confidential until such time as the unit completes its investigation and reports to the originating entity pursuant to this chapter.”

SECTION 5. Section 2‑17‑10(12) and (13) of the 1976 Code is amended to read:

“(12) ‘Lobbying’ means promoting or opposing through direct communication with public officials or public employees:

(a) the introduction or enactment of legislation before the General Assembly or the committees or members of the General Assembly;

(b) covered gubernatorial actions;

(c) covered agency actions; ~~or~~

(d) consideration of the election or appointment of an individual to a public office elected or appointed by the General Assembly; or

(e) the introduction or enactment of ordinances before any county or municipal council or the committees or members of any municipal or county council.

‘Lobbying’ does not include the activities of a member of the General Assembly, a member of the staff of a member of the Senate or House of Representatives, the Governor, the Lieutenant Governor, or a member of the executive staff of the Governor or Lieutenant Governor acting in his capacity as a public official or public employee with regard to his public duties.

(13) ‘Lobbyist’ means any person who is employed, appointed, or retained, with or without compensation, by another person to influence by direct communication with public officials or public employees: (i) the action or vote of any member of the General Assembly, the Governor, the Lieutenant Governor, or any other statewide constitutional officer, mayor, or member of a county or municipal council concerning any legislation or enactment; (ii) the vote of any public official on any state agency, board, or commission concerning any covered agency actions; or (iii) the action of the Governor or any member of his executive staff concerning any covered gubernatorial actions. ‘Lobbyist’ also means any person who is employed, appointed, or retained, with or without compensation, by a state agency, college, university, or other institution of higher learning to influence by direct communication with public officials or public employees: (i) the action or vote of any member of the General Assembly, the Governor, the Lieutenant Governor, or any other statewide constitutional officer concerning any legislation; (ii) the vote of any public official of any state agency, board, or commission concerning any covered agency actions; or (iii) the action of the Governor or any member of his executive staff concerning any covered gubernatorial actions. ‘Lobbyist’ does not include:

(a) an individual who receives no compensation to engage in lobbying and who expresses a personal opinion on legislation, covered gubernatorial actions, or covered agency actions to any public official or public employee;

(b) a person who appears only before public sessions of committees or subcommittees of the General Assembly, public hearings of state agencies, public hearings before any public body of a quasi‑judicial nature, or proceedings of any court of this State;

(c) any duly elected or appointed official or employee of the State, the United States, a county, municipality, school district, or a political subdivision thereof, or a member of the judiciary when appearing solely on matters pertaining to his office and public duties unless lobbying constitutes a regular and substantial portion of such official’s or employee’s duties;

(d) a person performing professional services in drafting legislation or in advising and rendering opinions to clients as to the construction and effect of proposed or pending legislation;

(e) a person who owns, publishes, or is employed by a radio station, television station, wire service, or other bona fide news medium which in the ordinary course of business disseminates news, editorials, columns, other comments, or other regularly published periodicals if such person represents no other person in lobbying for legislation, covered agency actions, or covered gubernatorial actions. This exception applies to the publication of any periodical which is published and distributed by a membership organization to its subscribers at least twelve times annually and for which an annual subscription charge of at least one dollar fifty cents a subscriber is made;

(f) a person who represents any established church solely for the purpose of protecting the rights of the membership of the church or for the purpose of protecting the doctrines of the church or on matters considered to have an adverse effect upon the moral welfare of the membership of the church;

(g) a person who is running for office elected by the General Assembly or a person soliciting votes on the behalf of a person who is running for office elected by the General Assembly unless such person is otherwise defined as a lobbyist by this section; or

(h) an individual who receives no compensation to engage in lobbying and who does not make expenditures or incur obligations for lobbying in an aggregate amount in excess of five hundred dollars in a calendar year.”

SECTION 6. Section 2‑17‑30(A)(4) of the 1976 Code is amended to read:

“(4) the identification of each person from whom income attributable to the lobbyist’s lobbying is paid or promised and the amount of the income ~~attributable to the lobbyist’s lobbying paid or promised~~. A lobbyist shall disclose all income received from a lobbyist principal pursuant to this subsection;”

SECTION 7. Section 8‑13‑100(4), (11), (17), and (21) of the 1976 Code is amended to read:

“(4) ‘Business with which he is associated’ means a business:

(a) of which the person or a member of his immediate family is a director, an officer, owner, employee, a compensated agent, independent contractor, or consultant;

(b) ~~or~~ of which the person is a holder of stock worth one hundred thousand dollars or more at fair market value and which constitutes five percent or more of the total outstanding stock of any class;

(c) that provides compensation of any type to the person in any manner.

(11)(a) ‘Economic interest’ means an interest distinct from that of the general public in a purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services in which a public official, public member, or public employee, member of their immediate family or a business with which they are associated may gain or lose an economic benefit of fifty dollars or more.

(b) This definition does not prohibit a public official, public member, or public employee from participating in, voting on, or influencing or attempting to influence an official decision if the only economic interest or reasonably foreseeable benefit that may accrue to the public official, public member, or public employee is incidental to the public official’s, public member’s, or public employee’s position or which accrues to the public official, public member, or public employee as a member of a profession, occupation, or large class to no greater extent than the economic interest or potential benefit could reasonably be foreseen to accrue to all other members of the profession, occupation, or large class.

(17) ‘Governmental entity’ means the United States, this State, or a county, municipality, or political subdivision thereof ~~with which a public official, public member, or public employee is associated or employed~~. ‘Governmental entity’ also means any charitable organization or foundation, but not an athletic organization or athletic foundation which is associated with a state educational institution and which is organized to raise funds for the academic, educational, research, or building programs of a college or university.

(21) ‘Individual with whom he is associated’ means an individual with whom the person or a member of his immediate family mutually has an interest in any business:

(a) of which the person or a member of his immediate family is a director, officer, owner, employee, compensated agent, independent contractor, or consultant;

(b) ~~or~~ of which the person is a holder of stock worth one hundred thousand dollars or more at fair market value and which constitutes five percent or more of the total outstanding stock of any class;

(c) that provides compensation to the person in any manner.”

SECTION 8. Section 8‑13‑700(B) of the 1976 Code, as last amended by Act 40 of 2011, is further amended to read:

“(B) ~~No~~ public official, public member, or public employee may not make, participate in making, or in any way attempt to use his office, membership, or employment to influence a governmental decision in which he, a family member, an individual with whom he is associated, or a business with which he is associated has an economic interest. If a member of the General Assembly determines that he has a conflict pursuant to this section, he shall comply with items (1) and (2) before abstaining from all votes on the matter. A public official, public member, or public employee who, in the discharge of his official responsibilities, is required to take an action or make a decision which affects an economic interest of himself, a family member, an individual with whom he is associated, or a business with which he is associated shall:

(1) prepare a written statement describing the matter requiring action or decisions and the specific nature of his potential conflict of interest with respect to the action or decision;

(2) if the public official is a member of the General Assembly, he shall deliver a copy of the statement to the presiding officer of the appropriate house. The presiding officer shall have the statement printed in the appropriate journal and require that the member of the General Assembly be excused from votes, deliberations, and other action on the matter on which a potential conflict exists;

(3) if he is a public employee, he shall furnish a copy of the statement to his superior, if any, who shall assign the matter to another employee who does not have a potential conflict of interest. If he has no immediate superior, he shall take the action prescribed by the State Ethics Commission;

(4) if he is a public official, other than a member of the General Assembly, he shall furnish a copy of the statement to the presiding officer of the governing body of an agency, commission, board, or of a county, municipality, or a political subdivision thereof, on which he serves, who shall cause the statement to be printed in the minutes and require that the member be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause the disqualification and the reasons for it to be noted in the minutes;

(5) if he is a public member, he shall furnish a copy to the presiding officer of an agency, commission, board, or of a county, municipality, or a political subdivision thereof, on which he serves, who shall cause the statement to be printed in the minutes and shall require that the member be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause such disqualification and the reasons for it to be noted in the minutes.”

SECTION 9. Section 8‑13‑700 of the 1976 Code, as last amended by Act 40 of 2011, is further amended by adding a new subsection at the end to read:

“(F) Any public official who must recuse himself pursuant to this section shall do so at all times the matter is before the body or agency of which the public official is a member. The requirement of recusal under this section applies to, but is not limited to, matters considered by committees, subcommittees, study committees, or other components of the body or agency of which the public official is a member.”

SECTION 10. Section 8‑13‑740(A)(2)(c) of the 1976 Code, as last amended by Act 181 of 1993, is further amended to read:

“(c) in a contested case or a matter that may become a contested case, as defined in Section 1‑23‑310, excluding a contested case for a rate or price fixing matter before the South Carolina Public Service Commission or South Carolina Department of Insurance, or in an agency’s consideration of the drafting and promulgation of regulations under Chapter 23, ~~of~~ Title 1 in a public hearing.”

SECTION 11. Section 8‑13‑745 of the 1976 Code, as added by Act 248 of 1991, is amended to read:

“Section 8‑13‑745. (A) No member of the General Assembly or an individual with whom he is associated or business with which he is associated may represent a client for a fee in a contested case, as defined in Section 1‑23‑310, before an agency, a commission, board, department, or other entity if the member of the General Assembly has voted in the election, appointment, recommendation, or confirmation of a member of the governing body of the agency, board, department, or other entity within the twelve preceding months.

(B) Notwithstanding any other provision of law, after the effective date of this section, no member of the General Assembly or any individual with whom he is associated or business with which he is associated may represent a client for a fee in a contested case, as defined in Section 1‑23‑310, before an agency, a commission, board, department, or other entity elected, appointed, recommended, or confirmed by the House, the Senate, or the General Assembly if that member has voted on the section of that year’s general appropriation bill or supplemental appropriation bill relating to that agency, commission, board, department, or other entity within one year from the date of the vote. This subsection does not prohibit a member from voting on other sections of the general appropriation bill or from voting on the general appropriation bill as a whole.

(C) ~~Notwithstanding any other provision of law, after the effective date of this section, no member of the General Assembly or an individual with whom he is associated in partnership or a business, company, corporation, or partnership where his interest is greater than five percent may enter into any contract for goods or services with an agency, a commission, board, department, or other entity funded with general funds or other funds if the member has voted on the section of that year’s appropriation bill relating to that agency, commission, board, department, or other entity within one year from the date of the vote. This subsection does not prohibit a member from voting on other sections of the appropriation bill or from voting on the general appropriation bill as a whole.~~

~~(D)~~ The provisions of this section do not apply to any court in the unified judicial system.

~~(E)~~(D) When a member of the General Assembly is required by law to appear because of his business interest as an owner or officer of the business or in his official capacity as a member of the General Assembly, this section does not apply.

~~(F)~~(E) The provisions of subsections (A)~~,~~ and (B)~~, and (C)~~ do not apply in the case of any vote or action taken by a member of the General Assembly ~~prior to~~ before January 1, 1992.”

SECTION 12. Section 8‑13‑1120(A) of the 1976 Code, as last amended by Act 6 of 1995, is further amended to read:

“(A) A statement of economic interests filed pursuant to Section 8‑13‑1110 must be on forms prescribed by the State Ethics Commission and must contain full and complete information concerning:

(1) the name, business or government address, and workplace telephone number of the filer;

(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 or a business with which the filer is associated during the reporting period;

(3)(a) the description, value, and location of all real property owned and options to purchase real property during the reporting period by a filer or a member of the filer’s immediate family if:

(i) there have been any public improvements of more than two hundred dollars on or adjacent to the real property within the reporting period and the public improvements are known to the filer; or

(ii) the interest can reasonably be expected to be the subject of a conflict of interest; or

(b) if a sale, lease, or rental of personal or real property is to a state, county, or municipal instrumentality of government, a copy of the contract, lease, or rental agreement must be attached to the statement of economic interests;

(4) the name of each organization which paid for or reimbursed actual expenses of the filer for speaking before a public or private group, the amount of such payment or reimbursement, and the purpose, date, and location of the speaking engagement;

(5) the identity of every business or entity in which the filer or a member of the filer’s immediate family held or controlled, in the aggregate, securities or interests constituting five percent or more of the total issued and outstanding securities and interests which constitute a value of one hundred thousand dollars or more;

(6)(a) a listing by name and address of each creditor to whom the filer or member of the filer’s immediate family owed a debt in excess of five hundred dollars at any time during the reporting period, if the creditor is subject to regulation by the filer or is seeking or has sought a business or financial arrangement with the filer’s agency or department other than for a credit card or retail installment contract, and the original amount of the debt and amount outstanding unless:

(i) the debt is promised or loaned by a bank, savings and loan, or other licensed financial institution which loans money in the ordinary course of its business and on terms and interest rates generally available to a member of the general public without regard to status as a public official, public member, or public employee; or

(ii) the debt is promised or loaned by an individual’s family member if the person who promises or makes the loan is not acting as the agent or intermediary for someone other than a person named in this subitem; and

(b) the rate of interest charged the filer or a member of the filer’s immediate family for a debt required to be reported in (a);

If a discharge of a debt required to be reported in (a) has been made, the date of the transaction must be shown.

(7) the name of any lobbyist, as defined in Section 2‑17‑10(13) who is:

(a) an immediate family member of the filer;

(b) an individual with whom or business with which the filer or a member of the filer’s immediate family is associated;

(8) if a public official, public member, or public employee receives compensation from an individual or business which contracts with ~~the~~ a governmental entity ~~with which the public official, public member, or public employee serves or is employed~~ of this State or a political subdivision of this State, the public official, public member, or public employee must report the name and address of that individual or business and the amount of compensation paid to the public official, public member, or public employee by that individual or business;

(9) the source and a brief description of any gifts, including transportation, lodging, food, or entertainment received during the preceding calendar year from:

(a) a person, if there is reason to believe the donor would not give the gift, gratuity, or favor but for the official’s or employee’s office or position; or

(b) a person, or from an officer or director of a person, if the public official or public employee has reason to believe the person:

(i) has or is seeking to obtain contractual or other business or financial relationship with the official’s or employee’s agency; or

(ii) conducts operations or activities which are regulated by the official’s or employee’s agency if the value of the gift is twenty‑five dollars or more in a day or if the value totals, in the aggregate, two hundred dollars or more in a calendar year.

(10) the source and type of all income received by any public official from a nonpublic source for the preceding calendar year.”

SECTION 13. Section 8‑13‑1300(6), (7), (23), and (32) of the 1976 Code, as last amended by Act 76 of 2003, is further amended to read:

“(6) ‘Committee’ means an association, a club, an organization, or a group of persons, including a party committee, a legislative caucus committee, or a noncandidate committee, which~~, to influence the outcome of an elective office,~~ has as its major purpose the nomination, election, or defeat of one or more candidates and receives contributions or makes expenditures in excess of five hundred dollars in the aggregate during an election cycle. It also means a person who~~, to influence the outcome of an elective office,~~ has the major purpose to support or oppose the nomination, election, or defeat of one or more candidates and makes:

(a) contributions aggregating at least twenty‑five thousand dollars during an election cycle to or at the request of a candidate or a committee, or a combination of them; or

(b) independent expenditures aggregating five hundred dollars or more during an election cycle for the election or defeat of a candidate.

~~‘Committee’ includes a party committee, a legislative caucus committee, a noncandidate committee, or a committee that is not a campaign committee for a candidate but that is organized for the purpose of influencing an election.~~

(7) ‘Contribution’ means:

(a) a gift, subscription, loan, guarantee upon which collection is made, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a candidate or committee to influence an election; or payment or compensation for the personal service of another person which is rendered for any purpose to a candidate or committee without charge, whether any of the above are made or offered directly or indirectly; or

(b) a gift, subscription, loan, guarantee upon which collection is made, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a committee, other than a candidate committee, and is used to pay for communications made within the forty‑five calendar days immediately before the election. Funds, used pursuant to this subsection, must be deposited in an account separate from a campaign account as required in Section 8‑13‑1312.

‘Contribution’ does not include ~~(a)~~ volunteer personal services on behalf of a candidate or committee for which the volunteer or any person acting on behalf of or instead of the volunteer receives no compensation either in cash or in‑kind, directly or indirectly, from any source~~; or (b) a gift, subscription, loan, guarantee upon which collection is made, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a committee, other than a candidate committee, and is used to pay for communications made not more than forty‑five days before the election to influence the outcome of an elective office as defined in Section 8‑13‑1300(31)(c). These funds must be deposited in an account separate from a campaign account as required in Section 8‑13‑1312~~.

(23) ‘Noncandidate committee’ means a committee that is not a campaign committee for a candidate but ~~is organized to influence an election or to support or oppose a candidate or public official~~ has as its major purpose the nomination, election, or defeat of one or more candidates, which receives contributions or makes expenditures in excess of five hundred dollars in the aggregate during an election cycle. ‘Noncandidate committee’ does not include political action committees that contribute solely to federal campaigns.

(32) ‘Ballot measure committee’ means:

(a) an association, club, an organization, or a group of persons ~~which, to influence the outcome of a ballot measure,~~ whose major purpose is to promote or defeat a ballot measure and receives contributions or makes expenditures in excess of two thousand five hundred dollars in the aggregate during an election cycle;

(b) a person, other than an individual, who, to influence the outcome of a ballot measure, makes contributions aggregating at least fifty thousand dollars during an election cycle to or at the request of a ballot measure committee; or

(c) a person, other than an individual, who, to influence the outcome of a ballot measure, makes independent expenditures aggregating two thousand five hundred dollars or more during an election cycle.”

SECTION 14. Section 8‑13‑1314 of the 1976 Code, as last amended by Act 76 of 2003, is further amended to read:

“Section 8‑13‑1314. (A) Within an election cycle, no candidate or anyone acting on his behalf shall solicit or accept, and no person shall give or offer to give to a candidate or person acting on the candidate’s behalf:

(1) a contribution which exceeds:

(a) ~~three thousand~~ five ~~hundred~~ thousand dollars in the case of a candidate for statewide office; or

(b) ~~one~~ two thousand five hundred dollars in the case of a candidate for any other office;

(2) a cash contribution from an individual unless the cash contribution does not exceed twenty‑five dollars and is accompanied by a record of the amount of the contribution and the name and address of the contributor;

(3) a contribution from, whether directly or indirectly, a registered lobbyist if that lobbyist engages in lobbying the public office or public body for which the candidate is seeking election;

(4) contributions for two elective offices simultaneously, except as provided in Section 8‑13‑1318;

(5) contributions from a noncandidate committee directly or indirectly established, financed, maintained, or controlled by a candidate or public official or any other entity maintained by or affiliated with a candidate or public official. This item does not apply to legislative caucus committees or political parties. This item also does not prohibit a candidate or public official from making a contribution of their personal funds to a candidate for another office.

(B) The restrictions on contributions in subsections (A)(1) and (A)(2) do not apply to a candidate making a contribution to his own campaign.

(C) The State Ethics Commission may authorize an increase in the campaign limitation amounts listed in subsections (A) and (B) every five years by adjusting the amount according to the average percentage increase in the consumer price index for the preceding five years. The State Ethics Commission shall cause any adjustments in the amounts to be published on its website.”

SECTION 15. Section 8‑13‑1318 of the 1976 Code, as added by Act 248 of 1991, is amended to read:

“Section 8‑13‑1318. (A) If a candidate has a debt from a campaign for an elective office, the candidate may accept contributions to retire the debt, even if the candidate accepts contributions for another elective office or the same elective office during a subsequent election cycle, as long as those contributions accepted to retire the debt are:

(1) within the contribution limits applicable to the last election in which the candidate sought the elective office for which the debt was incurred; and

(2) reported as provided in this article.

(B) Any contributions received pursuant to this section must be used for the purpose of retiring campaign debt only.”

SECTION 16. Section 8‑13‑1338(A) of the 1976 Code, as added by Section 248 of 1991, is amended to read by adding a new item at the end to read:

“(5) the head of any state agency or department who is selected by the Governor, General Assembly, or an appointed or elected board.”

SECTION 17. Section 8‑13‑1340 of the 1976 Code, as last amended by Act 73 of 2003, is further amended to read:

“Section 8‑13‑1340. (A) Except as provided in ~~subsections~~ subsection (B) ~~and (E)~~, a candidate or public official shall not make a contribution to another candidate or make an independent expenditure on behalf of another candidate or public official from the candidate’s or public official’s campaign account or through a committee, except legislative caucus committees, directly or indirectly established, financed, maintained, or controlled by the candidate or public official.

(B) This section does not prohibit a candidate from:

(1) making a contribution from the candidate’s own personal funds on behalf of the candidate’s candidacy or to another candidate for a different office; or

(2) providing the candidate’s surplus funds or material assets upon final disbursement to a legislative caucus committee or party committee in accordance with the procedures for the final disbursement of a candidate under Section 8‑13‑1370 of this article.

(C) Assets or funds which are the proceeds of a campaign contribution and which are held by or under the control of a public official or a candidate for public office on January 1, 1992, are considered to be funds held by a candidate and subject to subsection (A).

(D) A committee is considered to be directly or indirectly established, financed, maintained, or controlled by a candidate or public official if any of the following are applicable:

(1) the candidate or public official, or an agent of either, has signature authority on the committee’s checks;

(2) funds contributed or disbursed by the committee are authorized or approved by the candidate or public official;

(3) the candidate or public official is clearly identified on either the stationery or letterhead of the committee;

(4) the candidate or public official signs solicitation letters or other correspondence on behalf of the entity;

(5) the candidate, public official, or his campaign staff, office staff, or immediate family members, or any other agent of either, has the authority to approve, alter, or veto the committee’s solicitations, contributions, donations, disbursements, or contracts to make disbursements; or

(6) the committee pays for travel by the candidate or public official, his campaign staff or office staff, or any other agent of the candidate or public official, in excess of one hundred dollars per calendar year.

~~(E)~~ ~~The provisions of subsection (A) do not apply to a committee directly or indirectly established, financed, maintained, or controlled by a candidate or public official if the candidate or public official directly or indirectly establishes, finances, maintains, or controls only one committee in addition to any committee formed by the candidate or public official to solely promote his own candidacy and one legislative caucus committee.~~

~~(F)~~ ~~No committee operating under the provisions of Section 8‑13‑1340(E) may :~~

~~(1)~~ ~~solicit or accept a contribution from a registered lobbyist if that lobbyist engages in lobbying the public office or public body for which the candidate is seeking election; or~~

~~(2)~~ ~~transfer anything of value to any other committee except as a contribution under the limitations of Section 8‑13‑1314(A) or the dissolution provisions of Section 8‑13‑1370.~~”

SECTION 18. Section 12‑54‑240 of the 1976 Code, as last amended by Act 116 of 2007, is further amended by adding a new subsection at the end to be appropriately lettered to read:

“( ) The Department of Revenue also is authorized to disclose information for purposes of a Public Integrity Unit investigation pursuant to Chapter 2, Title 23.”

SECTION 19. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 20. Articles 3 and 5, Chapter 13, Title 8 of the 1976 Code are repealed on the effective date of this act.

SECTION 21. This act takes effect July 1, 2013.

‑‑‑‑XX‑‑‑‑