

MINUTES
HOUSE ETHICS AND FREEDOM OF INFORMATION ACT COMMITTEE
November 17, 2014

The **HOUSE ETHICS AND FREEDOM OF INFORMATION ACT COMMITTEE** met on **Monday, November 17, 2014 at 9:45am, in Room 516 of the Blatt Building**, Columbia, South Carolina. All members were present except Representatives Felder, Murphy and Willis.

Representative Derham Cole, Chairman of the House Ethics and Freedom of Information Act Committee, called the meeting to order and thanked the members for all of their hard work.

I. FREEDOM OF INFORMATION ACT SUBCOMMITTEE

Representative Weston Newton, Chairman of the FOIA Subcommittee, explained the Agendas for Public Bodies. Rep. Putnam made a motion to adopt.

Rep. Newton then moved to adopt a substitute version of the subcommittee report. A roll call was requested and granted. By a vote of 20 to 0, the report was adopted.

YES

NO

Bales

Brown, Grady

Brown, Robert

Cole

Finley

Funderburk

Hart

Knight

Newton

Norman

Powers Norrell

Pope

Putnam

Rivers

Southard

Spires

Tallon

Taylor

Wells

Williams

NOT VOTING

Anderson

Felder

Murphy

Willis

Rep. Newton then discussed legislation exemption to the FOIA. Rep. Finley moved to approve the report. Roll call was requested and granted. By a vote of 16 to 2, the subcommittee report was adopted.

YES

Anderson

Bales

Brown, Robert

Cole

Finley

Funderburk

Hart

Newton

Powers Norrell

Pope

Putnam

Rivers

Spires

Tallon

Wells

Williams

NO

Brown, Grady

Norman

NOT VOTING

Felder

Knight

Murphy

Southard

Taylor

Willis

*Per Rep. Taylor: "Let the records show: I was out of the committee room when the Legislative exemption legislation was voted on. Had I been present, I would have voted with the majority in favor of the legislation. I would also ask my name be added as a co-sponsor to the legislation when it is pre-filed."

Rep. Newton then explained the FOIA Enforcement relating to the Administrative Law Court. Rep. Finley moved for adoption. A roll call was requested and granted. By a vote of 21 to 0, the report was adopted.

YES

NO

Anderson

Bales

Brown, Grady

Brown, Robert

Cole

Finley

Funderburk

Hart

Knight

Newton

Norman

Powers Norrell

Pope

Putnam

Rivers

Southard

Spires

Tallon

Taylor

Wells

Williams

NOT VOTING

Felder

Murphy

Willis

II.

CAMPAIGN FINANCE SUBCOMMITTEE

Rep. Kirkman Finley, Chairman of the Campaign Finance Subcommittee, explained the Income disclosure definitions and current SEI reporting requirements. Rep. Funderburk offered an amendment and Rep. Anderson moved to adopt the amendment. Roll call vote was requested and granted. By a vote of 21 to 0, Rep. Funderburk's amendment was adopted.

YES

NO

Anderson

Bales

Brown, Grady

Brown, Robert

Cole

Finley

Funderburk

Hart

Knight

Newton

Norman

Powers Norrell

Pope

Putnam

Rivers

Southard

Spires

Tallon

Taylor

Wells

Williams

NOT VOTING

Felder

Murphy

Willis

Rep. Finley moved to vote on the original bill with amendments. The motion passed and a roll call vote was requested and granted. By a vote of 19 to 1, reported out favorable.

YES

NO

Anderson

Rep. Norman

Bales

Brown, Robert

Cole

Finley

Funderburk

Hart

Knight

Newton

Powers Norrell

Pope

Putnam

Rivers

Southard

Spires

Tallon

Taylor

Wells

Williams

NOT VOTING

Brown, Grady

Felder

Murphy

Willis

Rep. Newton then moved to reconsider the bill. The motion passed. A motion was then made to adopt Rep. Newton's amendment. Roll call vote was requested and granted. By a vote of 19 to 0, Rep. Newton's amendment was adopted.

YES

Anderson

Bales

Brown, Robert

Cole

Finley

Funderburk

Hart

Knight

Newton

Norrell

Pope

Putnam

Rivers

Southard

Spires

Tallon

Taylor

Wells

Williams

NOT VOTING

Brown, Grady

Felder

Murphy

Willis

NO

Norman

Rep. Finley discussed the definition of "committee" and moved to adopt the report. A roll call vote was requested and granted. By a vote of 20 to 0, the report was adopted.

YES

NO

Anderson
Bales
Brown, Robert
Cole
Finley
Funderburk
Hart
Knight
Newton
Norman
Pope
Putnam
Rivers
Southard
Spires
Tallon
Taylor
Wells
Williams

NOT VOTING

Brown, Grady
Felder
Murphy
Willis

Per Rep. Finley's request, Patrick Dennis, Chief Counsel for the House Judiciary Committee, explained "PAC's". Roll call was requested and granted. By a vote of 20 to 0, the report was adopted.

YES

NO

Anderson
Bales
Brown, Robert
Cole
Finley

Funderburk

Hart

Knight

Newton

Norman

Norrell

Pope

Putnam

Rivers

Southard

Spires

Tallon

Taylor

Wells

Williams

NOT VOTING

Brown, Grady

Felder

Murphy

Willis

Rep. Pope announced what would be discussed in the Enforcement and Investigation Subcommittee.

There being no further business, the meeting was adjourned.

Amendment #1 to "Income Disclosure Draft

(H) the source, type, and amount of any income received in the previous year by the filer, a member of his immediate family, or a business with which the filer is associated that is contained on a W-2, K-1, 1099, or any other reporting form used by the Internal Revenue Service for the reporting or disclosure of income received by an individual or business that is derived from:

(1) a contractual or **financial employment** relationship to include consulting, acting as an independent contractor, salary, or any other arrangement from which **income payment in return for services or goods** is derived, with a lobbyist principal, as defined in Section 2-17-10;

(2) direct payment from any governmental source to include federal sources, state sources, or sources which are political subdivisions of this state;

(3) any source funded in whole or in part by a contribution as defined in Section 8-13-100(9);
or

(4) any source funded in whole or in part by an appropriation approved by the entity with which the filer serves.

~~(B)~~ This article does not require the disclosure of economic interests information concerning:

(1) a spouse separated pursuant to a court order from the public official, public member, or public employee;

(2) a former spouse;

(3) a campaign contribution that is permitted and reported under Article 13 of this chapter; or

(4) matters determined to require confidentiality pursuant to Section 2-17-90(E)."

Explanation: The change in these words is meant to reflect the idea that the amount of passive, or investment, income received from an entity (that is income over which the filer has no control beyond their initial investment) should not be subject to reporting. The language seeks to assure that any direct income received from a lobbyist principal in return for any good, service or other direct arrangement is subject to reporting of amount. As a note, passive income derived would still be subject to source reporting so that any potential conflict of interest might be disclosed.

Income Disclosure Amendment # 2- Newton

(G) the source and type of any income received in the previous year by the filer or a member of their immediate family that is contained on a W-2, K-1, 1099, or any other reporting form used by the Internal Revenue Service for the reporting or disclosure of income received by an individual. This subsection does not include income received pursuant to:

- (1) a court order;
- (2) interest from a savings or checking account with a bank, savings and loan, or other licensed financial institution which offers savings or checking accounts 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
- (3) a mutual fund or similar fund in which an investment company invests its shareholders' money in a diversified selection of securities;