**Wednesday, January 22, 2014**

**(Statewide Session)**

~~Indicates Matter Stricken~~

## Indicates New Matter

 The Senate assembled at 2:00 P.M., the hour to which it stood adjourned, and was called to order by the PRESIDENT.

 A quorum being present, the proceedings were opened with a devotion by the Chaplain as follows:

In Psalm 56 we read:

 “In God I trust; I am not afraid.” (Psalm 56:11a)

 Bow with me, if you will:

 We praise You, Holy God, for Your presence in the lives of each of these, Your servants, as well as here within this Senate Chamber and, indeed, throughout this State House complex. We thank You for each Senator and staff member as each one in his or her way demonstrates trust in Your guidance and Your care. May the debates and actions that unfold here always lead to results which bring honor to You and benefit to our citizens. Moreover, Lord, embrace in Your care our state’s Governor as she brings her annual message to the people of South Carolina this evening. In Your loving name we pray these things, dear Lord. Amen.

 The PRESIDENT called for Petitions, Memorials, Presentments of Grand Juries and such like papers.

**REGULATION WITHDRAWN**

 The following was received:

Document No. 4329

Agency: Department of Agriculture

Chapter: 5

Statutory Authority: 1976 Code Section 39-25-180

SUBJECT: Cheese & Butter

Received by Lieutenant Governor March 14, 2013

Referred to Agriculture and Natural Resources Committee

Legislative Review Expiration: Permanently Withdrawn

January 21, 2014 Permanently Withdrawn

**REGULATIONS RECEIVED**

 The following were received and referred to the appropriate committees for consideration:

Document No. 4382

Agency: Department of Labor, Licensing and Regulation - Office of Elevators and Amusement Rides

Chapter: 71

Statutory Authority: 1976 Code Sections 41-16-40, 41-16-70, 41-18-70, 41-18-80, and 41-18-120

SUBJECT: Qualification of Special Inspectors

Received by Lieutenant Governor January 22, 2014

Referred to Labor, Commerce and Industry Committee

Legislative Review Expiration May 22, 2014

Document No. 4384

Agency: State Athletic Commission

Chapter: 20

Statutory Authority: 1976 Code Sections 40-1-70 and 40-81-70

SUBJECT: Requirements of Licensure for Professional Boxing, Wrestling, Kick Boxing, and Off the Street Boxing

Received by Lieutenant Governor January 22, 2014

Referred to Labor, Commerce and Industry Committee

Legislative Review Expiration May 22, 2014

Document No. 4385

Agency: State Athletic Commission

Chapter: 20

Statutory Authority: 1976 Code Sections 40-1-70 and 40-81-70

SUBJECT: Requirements of Licensure in Mixed Martial Arts

Received by Lieutenant Governor January 22, 2014

Referred to Labor, Commerce and Industry Committee

Legislative Review Expiration May 22, 2014

Document No. 4410

Agency: Environmental Certification Board

Chapter: 51

Statutory Authority: 1976 Code Sections 40-1-70 and 40-23-60

SUBJECT: Amend Regulations in Conformance with its Practice Act

Received by Lieutenant Governor January 22, 2014

Referred to Labor, Commerce and Industry Committee

Legislative Review Expiration May 22, 2014

Document No. 4418

Agency: Contractors Licensing Board

Chapter: 29

Statutory Authority: 1976 Code Sections 40-1-70 and 40-10-60

SUBJECT: Regulations Administering Fire Protection Sprinkler Systems Act

Received by Lieutenant Governor January 22, 2014

Referred to Labor, Commerce and Industry Committee

Legislative Review Expiration May 22, 2014

Document No. 4423

Agency: Board of Registration for Geologists

Chapter: 131

Statutory Authority: 1976 Code Sections 40-1-70 and 40-77-60

SUBJECT: Board of Registration for Geologists

Received by Lieutenant Governor January 22, 2014

Referred to Labor, Commerce and Industry Committee

Legislative Review Expiration May 22, 2014

**Doctor of the Day**

 Senator McELVEEN introduced Dr. Gary Culbertson of Sumter, S.C., Doctor of the Day.

**Leave of Absence**

 At 3:15 P.M., Senator CORBIN requested a leave of absence for the balance of the day.

**Leave of Absence**

 On motion of Senator COURSON, at 4:30 P.M., Senators PEELER and SETZLER were granted a leave of absence until 7:00 P.M.

**Expression of Personal Interest**

 Senator CAMPSEN rose for an Expression of Personal Interest.

**CO-SPONSORS ADDED**

The following co-sponsors were added to the respective Bills:

S. 901 Sen. Campbell

S. 872 Sens. Hutto, Jackson, Larry Martin

**RECALLED**

 H. 4355 -- Reps. Clemmons, Mack, Bannister, Whitmire, Henderson and McCoy: A CONCURRENT RESOLUTION TO FIX NOON ON WEDNESDAY, FEBRUARY 5, 2014, AS THE TIME TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE SUPREME COURT, CHIEF JUSTICE, WHOSE TERM WILL EXPIRE JULY 31, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE CIRCUIT COURT, AT‑LARGE SEAT 11, WHOSE TERM WILL EXPIRE JUNE 30, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE CIRCUIT COURT, AT‑LARGE SEAT 12, WHOSE TERM WILL EXPIRE JUNE 30, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE CIRCUIT COURT, AT‑LARGE SEAT 13, WHOSE TERM WILL EXPIRE JUNE 30, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE FAMILY COURT, FOURTH JUDICIAL CIRCUIT, SEAT 3, WHOSE TERM WILL EXPIRE JUNE 30, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE FAMILY COURT, SIXTH JUDICIAL CIRCUIT, SEAT 1, TO FILL THE UNEXPIRED TERM THAT EXPIRES JUNE 30, 2019; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE FAMILY COURT, SIXTH JUDICIAL CIRCUIT, SEAT 2, WHOSE TERM WILL EXPIRE JUNE 30, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE FAMILY COURT, NINTH JUDICIAL CIRCUIT, SEAT 5, WHOSE TERM WILL EXPIRE JUNE 30, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE FAMILY COURT, THIRTEENTH JUDICIAL CIRCUIT, SEAT 5, WHOSE TERM WILL EXPIRE JUNE 30, 2014, AND TO FILL THE SUBSEQUENT FULL TERM WHICH WILL EXPIRE JUNE 30, 2020; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE FAMILY COURT, FIFTEENTH JUDICIAL CIRCUIT, SEAT 2, WHOSE TERM WILL EXPIRE JUNE 30, 2016, AND THE SUCCESSOR WILL FILL THE UNEXPIRED TERM OF THAT OFFICE; TO ELECT A SUCCESSOR TO THE FAMILY COURT, FIFTEENTH JUDICIAL CIRCUIT, SEAT 3, WHOSE TERM WILL EXPIRE JUNE 30, 2014; TO ELECT A SUCCESSOR TO A CERTAIN JUDGE OF THE FAMILY COURT, SIXTEENTH JUDICIAL CIRCUIT, SEAT 1, WHOSE TERM WILL EXPIRE JUNE 30, 2016, AND THE SUCCESSOR WILL FILL THE UNEXPIRED TERM OF THAT OFFICE; TO ELECT A SUCCESSOR TO THE JUDGE OF THE ADMINISTRATIVE LAW COURT, CHIEF ADMINISTRATIVE LAW JUDGE, SEAT 1, WHOSE TERM WILL EXPIRE JUNE 30, 2014; AND AS THE DATE TO MEET IN JOINT SESSION FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES OF FRANCIS MARION UNIVERSITY, AT‑LARGE SEAT NINE, WHOSE TERM EXPIRES ON JUNE 30, 2016; FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES FOR THE SOUTH CAROLINA STATE UNIVERSITY, FIFTH CONGRESSIONAL DISTRICT, WHOSE TERM EXPIRES ON JUNE 30, 2017; AND FOR THE PURPOSE OF ELECTING TWO MEMBERS TO THE BOARD OF TRUSTEES FOR THE OLD EXCHANGE BUILDING COMMISSION, AT‑LARGE SEATS, WHOSE TERMS EXPIRE ON JUNE 30, 2018.

 Senator LARRY MARTIN asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Judiciary.

 The Resolution was recalled from the Committee on Judiciary and ordered placed on the Calendar for consideration tomorrow.

**Privilege of the Chamber**

 On motion of Senator BRYANT, on behalf of Senator LARRY MARTIN, in accordance with the provisions of Rule 35, the Privilege of the Chamber, to that area behind the rail, was extended to Robert Michael Hammond whereupon he was presented with a Resolution honoring his service as Chairman of the  Lowcountry Citizens Committee on Judicial Qualifications.

**INTRODUCTION OF BILLS AND RESOLUTIONS**

 The following were introduced:

 S. 967 -- Senator Shealy: A SENATE RESOLUTION TO EXPRESS THE PROFOUND SORROW OF THE MEMBERS OF THE SOUTH CAROLINA SENATE UPON THE PASSING OF CHARLES "KEN" SWEATT OF LEXINGTON, AND TO EXTEND THE DEEPEST SYMPATHY TO HIS FAMILY AND MANY FRIENDS.

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 The Senate Resolution was adopted.

 S. 968 -- Senator L. Martin: A BILL TO AMEND SECTION 8-1-130, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DUAL OFFICE HOLDING, TO CLARIFY THAT THE POSITION OF FIRE MARSHAL IN A FIRE DEPARTMENT IS NOT A POSITION OF HONOR OR PROFIT FOR PURPOSES OF DUAL OFFICE HOLDING CONSIDERATION UNDER THE CONSTITUTION.

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 Read the first time and referred to the Committee on Judiciary.

 S. 969 -- Senator Setzler: A SENATE RESOLUTION TO RECOGNIZE AND HONOR GUS MANOS OF LEXINGTON COUNTY FOR HIS MANY YEARS OF OUTSTANDING PUBLIC AND COMMUNITY SERVICE AND HIS CONTRIBUTIONS TO THE PROSPERITY OF WEST COLUMBIA BUSINESS.

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 The Senate Resolution was adopted.

 H. 4532 -- Reps. K. R. Crawford, Alexander, Allison, Anderson, Anthony, Atwater, Bales, Ballentine, Bannister, Barfield, Bedingfield, Bernstein, Bingham, Bowen, Bowers, Branham, Brannon, G. A. Brown, R. L. Brown, Burns, Chumley, Clemmons, Clyburn, Cobb-Hunter, Cole, H. A. Crawford, Crosby, Daning, Delleney, Dillard, Douglas, Edge, Erickson, Felder, Finlay, Forrester, Funderburk, Gagnon, Gambrell, George, Gilliard, Goldfinch, Govan, Hamilton, Hardee, Hardwick, Harrell, Hart, Hayes, Henderson, Herbkersman, Hiott, Hixon, Hodges, Horne, Hosey, Howard, Huggins, Jefferson, Kennedy, King, Knight, Limehouse, Loftis, Long, Lowe, Lucas, Mack, McCoy, McEachern, M. S. McLeod, W. J. McLeod, Merrill, Mitchell, D. C. Moss, V. S. Moss, Munnerlyn, Murphy, Nanney, Neal, Newton, Norman, R. L. Ott, Owens, Parks, Patrick, Pitts, Norrell, Pope, Putnam, Quinn, Ridgeway, Riley, Rivers, Robinson-Simpson, Rutherford, Ryhal, Sabb, Sandifer, Sellers, Simrill, Skelton, G. M. Smith, G. R. Smith, J. E. Smith, J. R. Smith, Sottile, Southard, Spires, Stavrinakis, Stringer, Tallon, Taylor, Thayer, Toole, Vick, Weeks, Wells, Whipper, White, Whitmire, Williams, Willis and Wood: A CONCURRENT RESOLUTION TO CONGRATULATE FORMER STATE TROOPER CORPORAL JULIUS Z. DUKE II OF FLORENCE COUNTY UPON THE OCCASION OF HIS RETIREMENT, TO COMMEND HIM FOR MORE THAN FIFTEEN YEARS OF DEDICATED SERVICE AS A STATE TROOPER, AND TO EXTEND BEST WISHES FOR MUCH SUCCESS AND FULFILLMENT IN THE DAYS AHEAD.

 The Concurrent Resolution was adopted, ordered returned to the House.

 H. 4533 -- Rep. Pope: A CONCURRENT RESOLUTION TO RECOGNIZE AND HONOR BETHEL PRESBYTERIAN CHURCH OF YORK COUNTY, UPON THE CELEBRATION OF ITS TWO HUNDRED FIFTY YEAR ANNIVERSARY AND TO COMMEND THE LONG AND BENEFICIAL IMPACT THAT THE CHURCH HAS HAD ON ITS COMMUNITY, STATE, AND NATION.

 The Concurrent Resolution was adopted, ordered returned to the House.

**THE SENATE PROCEEDED TO A CALL OF THE UNCONTESTED LOCAL AND STATEWIDE CALENDAR.**

**CARRIED OVER**

 H. 3459 -- Reps. Sandifer, Bales, J.E. Smith and Erickson: A BILL TO AMEND SECTION 40‑2‑10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE SOUTH CAROLINA BOARD OF ACCOUNTANCY, SO AS TO PROVIDE THE DEPARTMENT OF LABOR, LICENSING AND REGULATION SHALL DESIGNATE CERTAIN PERSONNEL FOR THE EXCLUSIVE USE OF THE BOARD, TO PROHIBIT THE DEPARTMENT FROM ASSIGNING OTHER WORK TO THESE PERSONNEL WITHOUT APPROVAL OF THE BOARD, AND TO PROVIDE THESE PERSONNEL MAY BE TERMINATED BY THE DIRECTOR OF A MAJORITY OF THE BOARD; TO AMEND SECTION 40‑2‑30, RELATING TO THE PRACTICE OF ACCOUNTANCY, SO AS TO PROVIDE A CERTIFIED PUBLIC ACCOUNTANT LICENSED BY THE BOARD IS EXEMPT FROM LICENSURE REQUIREMENTS OF PRIVATE SECURITY AND INVESTIGATION AGENCIES; AND TO AMEND SECTION 40‑2‑70, RELATING TO POWERS AND DUTIES OF THE BOARD, SO AS TO PROVIDE THE BOARD MAY CONDUCT PERIODIC INSPECTIONS OF LICENSEES OR FIRMS; AND TO AMEND SECTION 40‑2‑80, RELATING TO INVESTIGATIONS OF ALLEGED VIOLATIONS, SO AS TO PROVIDE THE DEPARTMENT SHALL DIRECT THE INVESTIGATOR ASSIGNED TO THE BOARD TO INVESTIGATE AN ALLEGED VIOLATION TO DETERMINE THE EXISTENCE OF PROBABLE CAUSE MERITING FURTHER PROCEEDINGS.

 On motion of Senator MALLOY, the Bill was carried over.

**OBJECTION**

 H. 3853 -- Reps. Owens, Patrick, Bedingfield, Loftis, Taylor, Allison, Anthony, Brannon, Southard, Bowen, Whitmire, Limehouse, Cole, Erickson, Forrester, Harrell, Herbkersman, Hixon, Lucas, D.C. Moss, Norman, Pitts, Pope, Putnam, Simrill, G.R. Smith, Sottile, Stringer, Wells and Willis: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑40‑111 SO AS TO AUTHORIZE AN ALTERNATIVE EDUCATION CAMPUS (AEC) TO BE ESTABLISHED BY A CHARTER SCHOOL SPONSOR WHICH SHALL CONSTITUTE A CHARTER SCHOOL SERVING A SPECIFIC STUDENT POPULATION, AND TO PROVIDE THE CRITERIA FOR A CHARTER SCHOOL TO BE DESIGNATED AS AN AEC; TO AMEND SECTION 59‑40‑55, RELATING TO A CHARTER SCHOOL SPONSOR’S POWERS AND DUTIES, SO AS TO FURTHER PROVIDE FOR THESE POWERS AND DUTIES INCLUDING THE ADOPTION OF NATIONAL INDUSTRY STANDARDS FOR THE SCHOOL, AND THE CLOSURE OF LOW PERFORMING SCHOOLS; TO AMEND SECTION 59‑40‑60, AS AMENDED, RELATING TO CHARTER SCHOOL APPLICATIONS AND THE FORMATION OF CHARTER SCHOOLS, SO AS TO PROVIDE THAT THE CHARTER SCHOOL APPLICATION MUST BE BASED ON AN APPLICATION TEMPLATE WITH COMPLIANCE GUIDELINES DEVELOPED BY THE DEPARTMENT OF EDUCATION, AND TO FURTHER PROVIDE FOR THE CONTENTS OF THE APPLICATION AND FOR LETTERS OF INTENT TO BE SUBMITTED BY AN APPLICANT AND A CHARTER COMMITTEE; TO AMEND SECTION 59‑40‑70, AS AMENDED, RELATING TO THE CHARTER SCHOOL ADVISORY COMMITTEE AND ITS DUTY TO REVIEW CHARTER SCHOOL APPLICATIONS, SO AS TO DELETE THE COMMITTEE, TO REVISE THE PROCEDURES REQUIRED OF A CHARTER SCHOOL APPLICANT IN REGARD TO A CHARTER SCHOOL APPLICATION, TO PROVIDE THAT THE DEPARTMENT OF EDUCATION SHALL PROVIDE GUIDANCE ON COMPLIANCE TO BOTH SPONSORS AND APPLICANTS, AND TO FURTHER PROVIDE FOR THE STANDARDS FOR A SCHOOL BOARD OF TRUSTEES OR AREA COMMISSION TO FOLLOW WHEN CONSIDERING THE DENIAL OF AN APPLICATION; TO AMEND SECTION 59‑40‑90, AS AMENDED, RELATING TO APPEAL OF FINAL DECISIONS OF A SCHOOL DISTRICT TO THE ADMINISTRATION LAW COURT, SO AS TO ALSO INCLUDE FINAL DECISIONS OF A PUBLIC OR INDEPENDENT INSTITUTION OF HIGHER LEARNING SPONSOR; TO AMEND SECTION 59‑40‑110, AS AMENDED, RELATING TO THE DURATION OF A CHARTER SCHOOL SPONSOR AND THE RENEWAL OR TERMINATION OF A CHARTER BY THE SPONSOR, SO AS TO FURTHER PROVIDE FOR THE CIRCUMSTANCES WHEN A CHARTER SCHOOL SHALL AUTOMATICALLY AND PERMANENTLY CLOSE, TO REVISE THE CRITERIA TO CONSIDER WHEN REVOKING OR NOT RENEWING A CHARTER, TO PROVIDE FOR WHEN A SPONSOR SUMMARILY MAY REVOKE A CHARTER, AND TO PROVIDE FOR THE MANNER IN WHICH STAYS OF THE REVOCATION OR NONRENEWAL OF THE CHARTER TAKE EFFECT OR MAY BE GRANTED; TO AMEND SECTION 59‑40‑115, AS AMENDED, RELATING TO THE TERMINATION OF A CHARTER SCHOOL’S CONTRACT WITH A SPONSOR, SO AS TO DELETE A REFERENCE TO THE CHARTER SCHOOL ADVISORY COMMITTEE; AND TO AMEND SECTION 59‑40‑180, AS AMENDED, RELATING TO REGULATIONS AND GUIDELINES PERTAINING TO CHARTER SCHOOLS, SO AS TO DELETE A REFERENCE TO THE CHARTER SCHOOL ADVISORY COMMITTEE.

 Senator MALLOY objected to the Bill.

**THE CALL OF THE UNCONTESTED CALENDAR HAVING BEEN COMPLETED, THE SENATE PROCEEDED TO THE MOTION PERIOD.**

**MOTION ADOPTED**

 On motion of Senator PEELER, the Senate agreed to dispense with the balance of the Motion Period.

**THE SENATE PROCEEDED TO THE INTERRUPTED DEBATE.**

**AMENDMENT PROPOSED, DEBATE INTERRUPTED**

 H. 3945 -- Reps. G.M. Smith, Harrell, Lucas, Bannister, Toole, Stringer, Hamilton, Sottile, Barfield, Bingham, Spires, Hardwick, Owens, Hiott, Long, Erickson, Murphy, Horne, Willis, Gagnon, Simrill, Funderburk and Henderson: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 4 TO CHAPTER 13, TITLE 8 SO AS TO ESTABLISH THE SOUTH CAROLINA COMMISSION ON ETHICS ENFORCEMENT AND DISCLOSURE, TO PROVIDE FOR ITS POWERS, DUTIES, PROCEDURES, AND JURISDICTION, AND TO PROVIDE PENALTIES FOR CERTAIN VIOLATIONS; TO REPEAL ARTICLE 3, CHAPTER 13, TITLE 8 RELATING TO THE STATE ETHICS COMMISSION; TO REPEAL ARTICLE 5, CHAPTER 13, TITLE 8 RELATING TO THE HOUSE OF REPRESENTATIVES AND SENATE ETHICS COMMITTEES; 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 8‑13‑1318, 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 SECTIONS 8‑13‑1510 AND 8‑13‑1520, BOTH AS AMENDED, RELATING TO PENALTIES FOR ETHICAL AND OTHER VIOLATIONS, AND BY ADDING SECTION 8‑13‑1530 SO AS TO FURTHER PROVIDE FOR THE PENALTIES FOR VIOLATIONS AND FOR WHERE CERTAIN WILFUL VIOLATIONS MUST BE TRIED; AND TO REPEAL SECTIONS 8‑13‑710 AND 8‑13‑715 RELATING TO REPORTING OF PARTICULAR GIFTS AND AUTHORIZED REIMBURSEMENTS FOR SPEAKING ENGAGEMENTS.

 The Senate proceeded to a consideration of the Bill, the question being the adoption of the previously proposed amendment.

**Amendment No. 1**

 Senators CAMPSEN, MALLOY, HUTTO and MASSEY proposed the following amendment (JUD3945.078):

 Amend the bill, as and if amended, by striking all after the enacting language and inserting:

/ PART I

LOBBYISTS AND LOBBYIST PRINCIPALS

 SECTION 1. Section 2‑17‑20(A) of the 1976 Code is amended to read:

 “(A) ~~Any~~ A person who acts as a lobbyist ~~must~~, within fifteen days of being employed, appointed, or retained as a lobbyist, shall register with the State Ethics Commission as provided in this section. Each person registering ~~must~~ shall pay a fee of ~~one~~ two hundred dollars and present to the State Ethics Commission a communication reflecting the authority of the registrant to represent the person by whom he is employed, appointed, or retained. If a partnership, committee, association, corporation, labor organization, or any other organization or group of persons registers as a lobbyist, it ~~must~~ shall identify each person who will act as a lobbyist on its behalf during the covered period. There is no registration fee for a lobbyist who is a full‑time employee of a state agency and limits his lobbying to efforts on behalf of that particular state agency.”

 SECTION 2. Section 2‑17‑25(A) of the 1976 Code is amended to read:

 “(A) ~~Any~~ A lobbyist’s principal ~~must~~, within fifteen days of employing, appointing, or retaining a lobbyist, shall register with the State Ethics Commission as provided in this section. Each person registering ~~must~~ shall pay a fee of ~~one~~ two hundred dollars. If a partnership, committee, an association, a corporation, labor organization, or any other organization or group of persons registers as a lobbyist’s principal, it ~~must~~ shall identify each person who will act as a lobbyist on its behalf during the covered period. If the State is a lobbyist’s principal, the State is exempt from paying a registration fee and filing a lobbyist’s principal registration statement.”

 SECTION 3. Section 2‑17‑30(A) of the 1976 Code is amended to read:

 “(A) Each lobbyist, no later than ~~June thirtieth~~ July tenth and ~~January thirty‑first~~ January tenth of each year, must file a report with the State Ethics Commission covering that lobbyist’s lobbying during that filing period. The filing periods are from January first to ~~May thirty‑first~~  June thirtieth for the ~~June thirtieth~~ July tenth report, and are from ~~June~~ July first to December thirty‑first for the January ~~thirty‑first~~ tenth report. Any lobbying activity not reflected on the ~~June thirtieth~~ July tenth report and not reported on a statement of termination pursuant to Section 2‑17‑20(C) must be reported no later than January ~~thirty‑first~~ tenth of the succeeding year. Each report must be in a form prescribed by the State Ethics Commission and be limited to and contain:

 (1) the full name, address, and telephone number of the reporting lobbyist;

 (2) an identification of each person on whose behalf the reporting lobbyist engaged in lobbying during the covered period;

 (3) the official name, number, or description, designated by the House or Senate or by an agency, of legislation, covered agency actions, or covered gubernatorial actions for which the reporting lobbyist engaged in lobbying during the covered period;

 (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;

 (5)(a) a complete and itemized account of the totals of all amounts expended by a lobbyist in the performance of his lobbying during the covered period. The totals must be segregated by the amounts expended for office expenses, rent, utilities, supplies, and compensation of support personnel attributable to lobbying covered under the provisions of this chapter;

 (b) any expenditure directly or indirectly related to lobbying if expended while engaged in the general course of lobbying and if reimbursed by the lobbyist’s principal;

 (6) the name of each member of the judiciary on whose behalf a lobbyist initiated or made expenditures and a complete and itemized account of the amount expended by the lobbyist for each member of the judiciary;

 (7) a statement detailing any direct business association of a lobbyist with any current member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees. For the purposes of this item, direct business association does not include:

 (a) ownership interests held by a lobbyist or a lobbyist’s principal and a member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees in the same corporation or partnership unless the interest of each exceeds five percent of the total shares outstanding or partnership interests in such entity;

 (b) an interest held by a member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees in a partnership or corporation represented by a lobbyist or a lobbyist’s principal if the interest is less than five percent of the total shares outstanding or partnership interests in such entity; or

 (c) any commercial transaction between a lobbyist or a lobbyist’s principal and a member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees in which the fair market value of the goods transferred or services rendered is paid.”

 SECTION 4. Section 2‑17‑35(A) of the 1976 Code is amended to read:

 “(A) Except as otherwise provided by Section 2‑17‑90(E), each lobbyist’s principal, no later than ~~June thirtieth~~ July tenth and ~~January thirty‑first~~ January tenth of each year, must file a report with the State Ethics Commission covering that lobbyist’s principal’s expenditures attributable to lobbying during that filing period. The filing periods are from January first to ~~May thirty‑first~~ June thirtieth for the ~~June thirtieth~~ July tenth report, and are from ~~June~~ July first to December thirty‑first for the January ~~thirty‑first~~ tenth report. Any lobbying activity not reflected on the ~~June thirtieth~~ July tenth report and not reported on a statement of termination pursuant to Section 2‑17‑25(C) must be reported no later than January ~~thirty‑first~~ tenth of the succeeding year. Each report must be in a form prescribed by the State Ethics Commission and be limited to and contain:

 (1) the full name, address, and telephone number of the reporting lobbyist’s principal;

 (2) an identification of each person who acted as a lobbyist on behalf of the reporting lobbyist’s principal during the covered period;

 (3) the official name, number, or description, designated by the House or Senate or by an agency, of legislation, covered agency actions, or covered gubernatorial actions for which its lobbyist engaged in lobbying during the covered period;

 (4) the identification of each person to 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;

 (5)(a) a complete and itemized account of all amounts expended by a lobbyist’s principal for lobbying during the covered period. The totals must be segregated by the amounts expended for office expenses, rent, utilities, supplies, and compensation of support personnel attributable to lobbying covered under the provisions of this chapter;

 (b) any expenditure directly or indirectly related to lobbying if expended while a lobbyist’s principal or his lobbyist is engaged in the general course of lobbying;

 (c) the name of each public official on whose behalf a lobbyist’s principal initiated or made expenditures pursuant to Section 2‑17‑90 and a complete and itemized account of the amount expended by the lobbyist’s principal for each public official;

 (d) any reimbursements of or expenditures for actual expenses as allowed in Section 2‑17‑100;

 (6) the name of each member of the judiciary on whose behalf a lobbyist’s principal initiated or made expenditures and a complete and itemized account of the amount expended by the lobbyist’s principal for each member of the judiciary;

 (7) a statement detailing any direct business association of a lobbyist’s principal with any current member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees. For the purposes of this item, direct business association does not include:

 (a) ownership interests held by a lobbyist or a lobbyist’s principal and a member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees in the same corporation or partnership unless the interest of each exceeds five percent of the total shares outstanding or partnership interests in the entity;

 (b) an interest held by a member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees in a partnership or corporation represented by a lobbyist or a lobbyist’s principal if the interest is less than five percent of the total shares outstanding or partnership interests in such entity; or

 (c) any commercial transaction between a lobbyist or lobbyist’s principal and a member of the General Assembly, the Governor, the Lieutenant Governor, any other statewide constitutional officer, any public official of any state agency who engaged in covered agency actions, or any of their employees in which the fair market value of the goods transferred or services rendered is paid;

 (8) any contribution, as defined by Section 8‑13‑1300(7), made by the lobbyist’s principal to any candidate or public official, including an itemization of:

 (a) the name and address of the public official or candidate to whom the contribution was made;

 (b) the amount of the contribution;

 (c) the date of the contribution;

 (9) in the case of a voluntary membership organization, dues, fees, or other amounts payable to the organization during any calendar year from a member need be recorded only if the contribution to the organization is more than five hundred dollars and more than twenty percent of the total contributions of the organization during that calendar year.”

 SECTION 5. Section 2-17‑40 of the 1976 Code of Laws is amended to read:

 “(A) Each state agency or department must, no later than ~~June thirtieth~~ July tenth and ~~January thirty‑first~~ January tenth of each year, file a report with the State Ethics Commission covering that agency's lobbying during that filing period. The filing periods are from January first to ~~May thirty‑first~~ June thirtieth for the ~~June thirtieth~~ July tenth report, and are from ~~June~~ July first to December thirty‑first for the January ~~thirty‑first~~ tenth report. Any lobbying activity not reflected on the ~~June thirtieth~~ July tenth report and not reported on a statement of termination pursuant to Section 2‑17‑25(C) must be reported no later than January ~~thirty‑first~~ tenth of the succeeding year. Each report must be in a form prescribed by the State Ethics Commission and be limited to and contain:

 (1) an identification of each public official, public employee, or other person who engaged in lobbying for that agency during the covered period;

 (2) legislation, covered agency actions, or covered gubernatorial actions the persons identified in item (1) engaged in lobbying during the covered period;

 (3) the identification of each person to 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;

 (4)(a) a complete and itemized account of all expenditures made or incurred by those persons identified in item (1) in the performance of their lobbying during the covered period. The totals must be segregated by the amounts expended for office expenses, rent, utilities, supplies, and compensation of support personnel attributable to lobbying covered under the provisions of this chapter;

 (b) the name of each public official on whose behalf the state agency or department initiated or made expenditures pursuant to Section 2‑17‑90 and a complete and itemized account of the amount expended by the state agency or department for each public official;

 (c) any reimbursements of or expenditures for actual expenses as allowed in Section 2‑17‑100.

 (B) Where total amounts are required to be reported, totals must be reported for the entire calendar year to date. The reports required by this section are not required from any agency whose only lobbying is appearing before any committee of the General Assembly at the request of that committee or at the request of any member or members of that committee.”

PART II

GENERAL PROVISIONS

 SECTION 6. Section 2‑19‑70(A) of the 1976 Code is amended to read:

 “(A) No member of the General Assembly may be elected to a judicial office while he is serving in the General Assembly nor shall that person be elected to a judicial office for a period of ~~one year~~ two years after he either:

 (1) ceases to be a member of the General Assembly; or

 (2) fails to file for election to the General Assembly in accordance with Section 7‑11‑15.”

 SECTION 7. Section 8‑13‑100 of the 1976 Code is amended by adding an appropriately numbered item to read:

 “( ) ‘Elected official’ means an elected official of the State, a county, a municipality, or a political subdivision thereof, including a candidate for the office. Elected official does not mean a member of the judiciary; except that for the purposes of campaign practices, campaign disclosure, and disclosure of economic interests, a probate judge or a candidate for the position of probate judge is considered an elected official and must meet the requirements of this chapter.”

 SECTION 8. Section 8‑13‑130 of the 1976 Code is amended to read:

 “Section 8‑13‑130. The State Ethics Commission, Senate Ethics Committee, and House of Representatives Ethics Committee may levy an enforcement or administrative fee on a person who is found in violation, or who admits to a violation, ~~of the “Ethics, Government Accountability and Campaign Reform Act of 1991”~~ pursuant to Title 2 or Title 8. The fee must be used to reimburse the commission or the appropriate legislative Ethics Committee for costs associated with the investigation and hearing of a violation. The costs associated include:

 (1) the investigator’s time;

 (2) mileage, meals, and lodging;

 (3) the prosecutor’s time;

 (4) the hearing panel’s travel, per diem, and meals;

 (5) administrative time;

 (6) subpoena costs to include witness fees and mileage; and

 (7) miscellaneous costs such as postage and supplies.

 This fee is in addition to any fines as otherwise provided by law.”

PART III

ETHICS COMMITTEES

 SECTION 9. A. Section 8-13-310 of the 1976 Code is amended to read:

 "Section 8-13-310. ~~(A) The State Ethics Commission as constituted under law in effect before July 1, 1992, is reconstituted to continue in existence with the appointment and qualification of the at‑large members as prescribed in this section and with the changes in duties and powers as prescribed in this chapter. On July 1, 1993, when the duties and powers given to the Secretary of State in Chapter 17 of Title 2 are transferred to the State Ethics Commission, the Code Commissioner is directed to change all references to "this chapter" in Article 3 of Chapter 13 of Title 8 to "this chapter and Chapter 17 of Title 2".~~

 ~~(B)~~(A) There is created the State Ethics Commission composed of ~~nine~~ eight members of which:

 (1) four members must be appointed by the Governor~~, upon the advice and consent of the General Assembly~~no more than two of whom are members of the appointing Governor's political party;

 (2) two members must be nominated by the President Pro Tempore of the Senate with one nomination in consultation withthe Senate Majority Leader and with one nomination in consultation with the Senate Minority Leader of the largest minority party, and upon confirmation by the Senate Ethics Committee, unless otherwise provided for by the rules of the Senate; and

 (3) two members must be nominated by the Speaker of the House of Representatives with one nomination in consultation with the House Majority Leader and with one nomination in consultation with the House Minority Leader of the largest minority party, and upon confirmation by the House of Representatives Ethics Committee, unless otherwise provided for by the rules of the House of Representatives. ~~One member shall represent each of the seven congressional districts, and two members must be appointed from the State at large.~~

 (B) Upon the nomination of candidates by the General Assembly for the State Ethic Commission, the appropriate ethics committee shall conduct an investigation and hold a public hearing to determine the qualifications of each candidate for office. Any person who desires to testify at the hearing, including candidates, shall furnish a written statement of his proposed testimony to the chairman of the committee. These statements shall be furnished no later than forty‑eight hours prior to the date and time set for the hearing. The committee shall determine the persons who shall testify at the hearing. All testimony, including documents furnished to the committee, shall be submitted under oath and persons knowingly furnishing false information either orally or in writing shall be subject to the penalties provided by law for perjury and false swearing. During the course of the investigation, the committee may schedule an executive session at which each candidate, and other persons whom the committee wishes to interview, may be interviewed by the committee on matters pertinent to the candidate’s qualification for the office to be filled. A reasonable time thereafter the committee shall render its findings as to whether the candidate is qualified for the office and whether the candidate has been confirmed for the office for which he was nominated.

 (C) As soon as possible after the completion of the hearing, a verbatim copy of the testimony, documents submitted at the hearing, and findings of fact shall be made available to the members of both houses and to the public.

 (D)(1)The qualifications the appointing authorities shall consider for the appointees include, but are not limited to:

 (a) constitutional qualifications;

 (b) ethical fitness;

 (c) character;

 (d) mental stability;

 (e) experience;

 (f) judicial temperament; and

 (g) if the appointee has contributed to the election campaign of the individual appointing or nominating him to the State Ethics Commission within the previous four years.

 (2) The appointing authorities shall make their appointments based on merit. However, in making appointments to the commission, the appointing authorities shall ensure that race, color, gender, national origin, and other demographic factors are considered to ensure the geographic and political balance of the appointments, and shall strive to assure that the membership of the commission will represent, to the greatest extent possible, all segments of the population of the State.

 (3) The following are not eligible to serve on the State Ethics Commission:

 (a) a member of the General Assembly;

 (b) a former member of the General Assembly within eight years following the termination of his service in the General Assembly;

 (c) a family member, as defined by Section 8-13-100(15), of a member of the General Assembly or the Governor;

 (d) a person who made a campaign contribution, as defined by Section 8-13-1300(7), within the previous four years to the individual who nominated or appointed the person to serve on the State Ethics Commission;

 (e) a person who registered as a lobbyist within four years of being nominated or appointed to serve on the State Ethics Commission;

 (f) a person who is under the jurisdiction of the State Ethics Commission, House of Representatives Ethics Committee or Senate Ethics Committee.

 ~~No member of the General Assembly or other public official must be eligible to serve on the State Ethics Commission.~~

 ~~The Governor shall make the appointments 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.~~

 ~~(C)~~(E) The terms of the members are for five years and until their successors are appointed and qualify. The terms of the members currently serving expire upon the effective date of this section; however, a member whose term expires may serve until his successor is appointed and qualifies and may be appointed for a new five-year term. For the initial appointments made by the Governor, two shall be for a term of two years, the third shall be for a term of four years, and the fourth shall be for a full five-year term. For the initial appointments made by the Speaker of the House of Representatives and the President Pro Tempore of the Senate, one shall be for a three-year term and the other shall be for a full five-year term. The initial members who serve terms that are less than five years are eligible to be reappointed for one full five-year term. ~~The members of the State Ethics Commission serving on this chapter's effective date may continue to serve until the expiration of their terms. These members may then be appointed to serve one full five‑year term under the provisions of this chapter. Members representing the first, third, and sixth congressional districts on this chapter's effective date are eligible to be appointed for a full five‑year term in or after 1991. Members currently representing the second, fourth, and fifth congressional districts on this chapter's effective date are eligible to be appointed for a full five‑year term in or after 1993. The initial appointments for the at large members of the commission created by this chapter must be for a one‑, two‑, or three-year term, but these at large members are eligible subsequently for a full five-year term. Under this section, the at large members of the commission are to be appointed to begin service on or after July 1, 1992.~~ Vacancies must be filled in the manner of the original appointment for the unexpired portion of the term only. Members of the commission who have completed a full five‑year term are not eligible for reappointment, except as provided in this subsection.

 ~~(D)~~(F) The commission shall elect a chairman, a vice‑chairman, and such other officers as it considers necessary. Five members of the commission shall constitute a quorum. The commission must 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. Members of the commission, while serving on business of the commission, receive per diem, mileage, and subsistence as is provided by law for members of state boards, committees, and commissions."

 D. Section 8‑13‑320(10)(g) of the 1976 Code, is amended to read:

 “(g) All investigations, inquiries, hearings, and accompanying documents ~~must remain~~ are confidential and may only be released pursuant to this subsection. ~~until a finding of probable cause or dismissal, unless the respondent waives the right to confidentiality.~~ After a finding of probable cause by the commission, the following documents become public record: the complaint, the response by the respondent, the notice of hearing, exhibits introduced at a hearing, the commission’s findings, and the final order. Exhibits introduced must be redacted prior to release to exclude personal information where the public disclosure would constitute an unreasonable invasion of personal privacy. The respondent may waive the right to confidentiality. The willful release of confidential information is a misdemeanor, and any person releasing ~~such~~ confidential information, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year.”

 E. Section 8-13-320 of the 1976 Code is amended by adding an appropriately numbered new subsection to read:

 "( ) to initiate upon the vote of a majority of the membership, and to receive complaints against a member or staff of the appropriate house or legislative caucus committee, or a candidate for the appropriate house, alleging a violation of this chapter or Chapter 17 of Title 2 and to conduct an investigation into the complaint pursuant to Section 8-13-540."

 F. Section 8-13-320(10)(j) of the 1976 Code is amended to read:

 “(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 must conduct a hearing in accordance with Chapter 23 of 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~~ open to the public.”

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

 “Section 8‑13‑322.(A) A formal advisory opinion issued by the committee is binding on the Ethics Commission, until amended or revoked, in any subsequent charges concerning the person who requested the formal opinion and any other person who acted in reliance on the opinion in good faith unless material facts were omitted or misstated by the person in the request for the opinion. A formal advisory opinion must be in writing and is 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 commission members present, requires an opinion to remain confidential. However, the identities of the parties involved must be withheld upon request.

 (B) The Commission may issue a written informal advisory opinion to a person or governmental entity within the Commission’s jurisdiction upon that person’s or governmental entity’s request. If raised in response to a complaint, the Commission shall consider whether the person who requested the opinion or who is a member of the governmental entity who requested the informal opinion and who is affected by the circumstances described within the request for the informal opinion, relied in good faith upon on a written informal opinion prior to making a probable cause determination. A written informal advisory opinion is binding on the Ethics Commission, until amended or revoked, in any subsequent charges concerning the person who either requested the informal opinion or a member of the governmental entity who requested the informal opinion and who is affected by the circumstances described within the request for the informal opinion unless material facts were omitted or misstated by the person in the request for the opinion.”

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

 “Section 8‑13‑515. The General Assembly recognizes that the authority of each house to punish its members for disorderly behavior pursuant to Section 12, Article III of the South Carolina Constitution is not limited to violations of this chapter and Chapter 17, Title 2 and specifically includes any conduct the house determines to constitute disorderly behavior.”

 I. Section 8-13-530 of the 1976 Code is amended to read

 "Section 8-13-530. 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) receive complaints filed by individuals and, upon a majority vote of the total membership of the committee, file complaints when alleged violations are identified;

 (3) upon the filing of a complaint, investigate possible violations of a rule or breach of a privilege governing a member or staff of the appropriate house, the alleged breach of a rule governing a member of, legislative caucus committees for, or a candidate, or staff for the appropriate house~~, misconduct of a member or staff of, legislative caucus committees for, or a candidate for the appropriate house, or a violation of this chapter or Chapter 17 of Title 2~~. Upon the filing of a complaint alleging a violation by a member or staff of the appropriate house or legislative caucus committee, or a candidate for the appropriate house, for a violation of this chapter or Chapter 17 of Title 2*,* except a technical violation pursuant to Section 8-13-1372, the ethics committee shall refer the complaint to the Ethics Commission for an investigation pursuant to Section 8-13-540;

 (4) receive and hear a complaint which alleges a breach of a privilege governing a member or staff of the appropriate house, the alleged breach of a rule governing a member or staff of or candidate for the appropriate house~~, misconduct of a member or staff of or candidate for the appropriate house, or a violation of this chapter or Chapter 17 of Title 2~~.

 (5) No complaint may be accepted by the ethics committee or the Ethics Commission concerning a member of or candidate for the appropriate house during the fifty‑day period before an election in which the member or candidate is a candidate. During this fifty‑day period, any person may petition the court of common pleas alleging the violations complained of and praying for appropriate relief by way of mandamus or injunction, or both. Within ten days, a rule to show cause hearing must be held, and the court must either dismiss the petition or direct that a mandamus order or an injunction, or both, be issued. A violation of this chapter by a candidate during this fifty‑day period must be considered to be an irreparable injury for which no adequate remedy at law exists. The institution of an action for injunctive relief does not relieve any party to the proceeding from any penalty prescribed for violations of this chapter. The court must award reasonable attorney's fees and costs to the nonpetitioning party if a petition for mandamus or injunctive relief is dismissed based upon a finding that the:

 (i) petition is being presented for an improper purpose such as harassment or to cause delay;

 (ii) claims, defenses, and other legal contentions are not warranted by existing law or are based upon a frivolous argument for the extension, modification, or reversal of existing law or the establishment of new law; and

 (iii) allegations and other factual contentions do not have evidentiary support or, if specifically so identified, are not likely to have evidentiary support after reasonable opportunity for further investigation or discovery.

 Action on a complaint filed against a member or candidate which was received more than fifty days before the election but which cannot be disposed of or dismissed by the ethics committee at least thirty days before the election must be postponed until after the election;

 ~~(5)~~(6) ~~obtain information and investigate~~ hear complaints as provided in Section 8‑13‑540 with respect to any complaint filed pursuant to this chapter or Chapter 17 of Title 2 and to that end may compel by subpoena the attendance and testimony of witnesses and the production of pertinent books and papers;

 ~~(6)~~(7) administer or recommend sanctions appropriate to a particular member, or staff of, or candidate for, the appropriate house pursuant to Section 8‑13‑540, including the recovery of the value of anything transferred or received in breach of the ethical standards, or dismiss the charges; and

 ~~(7)~~(8) 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~~.~~ and to issue, upon request from persons covered by this chapter and Chapter 17 of Title 2, and publish advisory opinions on the requirements of these chapters, based on real or hypothetical sets of circumstances; provided, that an opinion rendered by the committee, until amended or revoked, is binding on the Ethics Commission and the committee 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. A published opinion relied upon in good faith by a person other than the person who requested the opinion is also binding upon the Ethics Commission and the committee. If raised in response to a complaint, the Ethics Commission and the committee shall consider whether the member relied upon an advisory opinion in good faith prior to making a probable cause determination or concurring in a determination, as applicable. Advisory opinions must be in writing and are considered rendered when approved by a majority of the committee members subscribing to the advisory opinion. Advisory opinions must be made available to the public unless the committee, by majority vote of the total membership of the committee, requires an opinion to remain confidential. However, the identities of the parties involved must be withheld upon request."

 J. Section 8-13-540 of the 1976 Code is amended to read:

 "Section 8-13-540. ~~Unless otherwise provided for by House or Senate rule, as appropriate, each ethics committee must conduct its investigation of a complaint filed pursuant to this chapter or Chapter 17 of Title 2 in accordance with this section.~~

 (A)(1) When a complaint is filed with or by the ethics committee, a copy must promptly be sent to the person alleged to have committed the violation and to the Ethics Commission for an investigation as provided in this subsection. ~~If the ethics committee 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 ethics committee 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. If the ethics committee determines the complaint alleges facts sufficient to constitute a violation, it shall promptly investigate the alleged violation and may compel by subpoena the attendance and testimony of witnesses and the production of pertinent books and papers.~~ The commission may commence an investigation upon the filing of a complaint by the commission or an individual, or by the referral of a complaint by the appropriate ethics committee. A copy of the complaint must be sent to the appropriate ethics committee.

 (2) If an alleged violation is found to be groundless by the commission, a report must be provided to the appropriate ethics committee which may concur with the commission's finding or request the commission to continue the investigation and consider additional matters not considered by the commission. 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, the 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.

 (3) Action may not be taken on a complaint filed more than four years after the violation is alleged to have occurred unless a person, by fraud or other device, prevents discovery of the violation.

 (4) To conduct its investigation:

 (a) The commission, upon receipt of information, may initiate a complaint upon an affirmative vote of the majority of the total membership of the commission or shall accept notarized complaints referred from the ethics committees or from an individual, whether personally or on behalf of an organization or governmental body, that states the name of a person alleged to have committed a violation of this chapter or Chapter 17, Title 2 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, a report must be provided to the appropriate ethics committee which may concur with the commission's finding or request the commission to continue the investigation and consider additional matters not considered by the commission. If the appropriate ethics committee concurs with the recommendation to dismiss the complaint, the committee must notify the complainant and respondent. All documents related to a complaint that results in a dismissal must remain confidential, unless the respondent waives the right to confidentiality.

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

 (d) If the commission finds that there is probable cause to support the existence of criminal intent on the part of the respondent when the violation occurred, then the complaint and accompanying materials must also be provided to the Attorney General.

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

 (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

 (g) All investigations and accompanying documents are confidential and may only be released pursuant to this item. After a finding of probable cause by the commission the following documents become public record: the complaint, the response by the respondent, the notice of hearing before the appropriate ethics committee, exhibits introduced at any hearing, and the final order. Exhibits introduced must be redacted prior to release to exclude personal information where the public disclosure would constitute an unreasonable invasion of personal privacy. The respondent may waive the right to confidentiality. The willful release of confidential information is a misdemeanor, and a person releasing confidential information, upon conviction, must be fined not more than one thousand dollars or imprisoned for not more than one year.

 (5) Upon completion of the commission’s investigation, the commission shall make a finding as to whether there is probable cause to believe a violation of this chapter or of Chapter 17, Title 2 has occurred. The commission shall forward a copy of its findings, along with a copy of all relevant reports, evidence, and testimony, to the appropriate ethics committee.

 If after ~~such preliminary investigation,~~ reviewing the commission’s findings and relevant evidence, the ethics committee determines that probable cause does not exist, it shall send a written decision to the respondent and the complainant. If the ethics committee ~~finds~~ determines that probable cause exists to support an alleged violation, it shall, as appropriate:

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

 (b) convene a formal public hearing on the matter within thirty days of the respondent's failure to comply with the advisory opinion. ~~All ethics committee investigations and records relating to the preliminary investigation are confidential.~~ No complaint shall be accepted which is filed later than four years after the alleged violation occurred.

 ~~(2)~~(B) If a formal public hearing is to be held~~,~~:

 (1) the investigator or attorney handling the investigation from the ethics commission shall present the evidence related to the complaint to the appropriate ethics committee;

 (2) it shall be the duty of the investigator or attorney to further investigate the subject of the complaint and any related matters under the jurisdiction and at the direction of the ethics committee, to request assistance from appropriate state agencies as needed, to request authorization from the committee for funds for the hiring of auditors, investigators, or other assistance as necessary, to prepare subpoenas, and to present evidence to the committee at any public hearing. The appropriate committee shall maintain the authority to approve subpoenas, authorize expenditures, dismiss complaints, schedule hearings, grant continuances, and any other authority as provided for by their rules;

 (3) 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~~.

 ~~(3)~~(C) 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 or Chapter 17 of Title 2, it shall:

 ~~(a)~~(1) administer a public or private reprimand;

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

 ~~(c)~~(3) recommend expulsion of the member; and/or,

 ~~(d)~~(4) in the case of an alleged criminal violation, refer the matter to the Attorney General for investigation. 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 a code or statutory provision, it shall dismiss the charges.

 ~~(4)~~(D) An individual has ten days from the date of the notification of the ethics committee's action to appeal the action to the full legislative body.

 ~~(5)~~(E) No ethics committee member may participate in any matter in which he is involved.

 ~~(6)~~(F) 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. Chapter 13, Title 8 is amended by adding 8-13-535 to read:

 “Section 8-13-545. (A) The committee may issue a formal advisory opinion, based on real or hypothetical sets of circumstances. A formal advisory opinion issued by the committee is binding on the Ethics Commission and the committee, until amended or revoked, in any subsequent charges concerning the person who requested the formal opinion and any other person who acted in reliance upon it in good faith unless material facts were omitted or misstated by the person in the request for the opinion. A formal advisory opinions must be in writing and is considered rendered when approved by a majority of the committee members subscribing to the advisory opinion. Advisory opinions must be made available to the public unless the committee, by majority vote of the total membership of the committee, requires an opinion to remain confidential. However, the identities of the parties involved must be withheld upon request.

 (B) Staff of the appropriate ethics committee may issue a written informal advisory opinion to a member upon that member’s request. If raised in response to a complaint, the Ethics Commission and the committee shall consider whether the member relied, in good faith, upon a written informal opinion prior to making a probable cause determination or concurring in a determination, as applicable.  A written informal advisory opinion issued by the committee staff is binding on the Ethics Commission and the committee, until amended or revoked, in any subsequent charges concerning the person who requested the informal opinion unless material facts were omitted or misstated by the person in the request for the opinion.”

PART IV

RULES OF CONDUCT

 SECTION 10. Section 8-13-700 of the 1976 Code is amended to read:

 “Section 8-13-700. (A) ~~No~~ A public official, public member, or public employee may not knowingly use his official office, membership, or employment to:

 (1) obtain an economic interest for himself, a family member, an individual with whom he is associated, or a business with which he is associated~~.~~;

 (2) participate or engage in a private business for which the public official, public member, or public employee is compensated for services rendered during the hours of employment for the State or for a political subdivision of the State;

 (3) use offices, equipment, materials, or supplies of the State or a political subdivision of the State for a private business or for private business activities for which the public official, public member, or public employee is compensated.

 This prohibition does not extend to the incidental use of public materials, personnel, or equipment, subject to or available for a public official’s, public member’s, or public employee’s use that does not result in additional public expense, or to the incidental conversations, communications, or activities of a part-time public official or public member related to his primary occupation or business that does not interfere with the performance of his official duties or responsibilities.

 (B) ~~No~~ A 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 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.

 (C) Where a public official, public member, or public employee or a member of his immediate family holds an economic interest in a blind trust, he is not considered to have a conflict of interest with regard to matters pertaining to that economic interest, if the existence of the blind trust has been disclosed to the appropriate supervisory office.

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

 (E) 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) Any public official who must recuse himself pursuant to this section shall do so at all times when 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, participation in matters considered by committees, subcommittees, study committees, or other components of the body or agency of which the public official is a member. The requirement of recusal does not apply to participation in any procedural matters considered by the committee, subcommittee, or other component of the body or agency of which the public official is a member.

 (G) A person who violates this section is guilty of a:

 (1) misdemeanor, if the economic interest is ten thousand dollars or less, and upon conviction must be fined not more than five thousand dollars or imprisoned for not more than one year, or both;

 (2) felony, if the economic interest is more than ten thousand dollars, and upon conviction, the person must be fined not more than ten thousand dollars or imprisoned not more than ten years, or both.”

 SECTION 11. Section 8‑13‑710(B) of the 1976 Code is amended to read:

 “(B) A public official, public member, or public employee required to file a statement of economic interests under Section 8‑13‑1110 who receives, accepts, or takes, directly or indirectly, from a person, anything of value worth twenty‑five dollars or more in a day ~~and anything of value worth~~ or if the value totals, in the aggregate, two hundred dollars or more in ~~the aggregate in~~ a calendar year must report on his statement of economic interests pursuant to Section 8‑13‑1120 the thing of value from:

 (1) a person, if there is reason to believe the donor would not give the thing of value but for the public official’s, public member’s, or public employee’s office or position;

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

 (a) has or is seeking to obtain contractual or other business or financial relationships with the public official’s, public member’s, or public employee’s governmental entity;

 (b) conducts operations or activities which are regulated by the public official’s, public member’s, or public employee’s governmental entity.”

 SECTION 12. Section 8-13-720 of the 1976 Code is amended to read:

 “(A) ~~No~~ A person may not offer or pay to a public official, public member, or public employee and ~~no~~ a public official, public member, or public employee may not solicit or receive money in addition to that received by the public official, public member, or public employee in his official capacity for advice or assistance given in the course of his employment as a public official, public member, or public employee.

 (B) A person who violates this section is guilty of a:

 (1) misdemeanor, if the amount offered, paid, solicited, or received is ten thousand dollars or less, and upon conviction must be fined not more than five thousand dollars or imprisoned for not more than one year, or both;

 (2) felony, if the amount offered, paid, solicited, or received is more than ten thousand dollars, and upon conviction, the person must be fined not more than ten thousand dollars or imprisoned not more than ten years, or both.”

 SECTION 13. Section 8-13-725(A) of the 1976 Code is amended to read:

 “(A)(1) A public official, public member, or public employee may not use or disclose confidential information gained in the course of or by reason of his official responsibilities in a way that would affect an economic interest held by him, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated.

 (2) A person who violates this subsection is guilty of a:

 (a) misdemeanor, if the economic interest is ten thousand dollars or less, and upon conviction must be fined not more than five thousand dollars or imprisoned for not more than one year, or both;

 (b) felony, if the economic interest is more than ten thousand dollars, and upon conviction, the person must be fined not more than ten thousand dollars or imprisoned not more than ten years, or both.”

 SECTION 14. 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 15. Section 8-13-740(B) is amended to read:

 (B)(1) A member of the General Assembly, when he, an individual with whom he is associated, or a business with which he is associated represents a client for compensation as permitted by subsection (A)(2)(c), must file within his annual statement of economic interests a listing of fees earned, services rendered, names of persons represented, and the nature of contacts made with the governmental entities.

 (2) When a member of the General Assembly, a member of his immediate family, or a business with which he is associated represents a client for compensation in a claim brought against a state governmental entity, other than in a post-conviction relief or habeas proceeding, he must file within his annual statement of economic interests a listing of fees earned from funds paid by, or on behalf of, the state governmental entity and the nature of contacts made with the state governmental entity.”

 SECTION 16. Section 8-13-755 of the 1976 Code of Laws is amended to read:

 “Section 8-13-755. A former public official, former public member, or former public employee holding public office, membership, or employment on or after January 1, 1992, may not for a period of ~~one year~~ two years after terminating his public service or employment:

 (1) serve as a lobbyist or represent clients before the agency or department on which he formerly served in a matter which he directly and substantially participated during his public service or employment, unless otherwise prohibited pursuant to Section 2-17-15; or

 (2) accept employment if the employment:

 (a) is from a person who is regulated by the agency or department on which the former public official, former public member, or former public employee served or was employed; and

 (b) involves a matter in which the former public official, former public member, or former public employee directly and substantially participated during his public service or public employment.

 SECTION 17. Chapter 13, Title 8 of the 1976 Code is amended by adding:

 “Section 8-13-756. The provisions of Sections 8-13-700, 8-13-710, 8-13-715, and 8-13-755 do not apply to a public employee of an institution of higher education who participates in the development of intellectual property that benefits the institution and the State of South Carolina, provided that the institution of higher education retains some royalty rights to the intellectual property.”

 SECTION 18. Section 8‑13‑775 of the 1976 Code is amended to read:

 “Section 8‑13‑775. (A) A public official, public member, or public employee may not have an economic interest in a contract with the State or its political subdivisions if the public official, public member, or public employee is authorized to perform an official function relating to the contract. Official function means writing or preparing the contract specifications, acceptance of bids, award of the contract, or other action on the preparation or award of the contract.

 (B) A public official, public member, or public employee may not award a contract to, nor participate in any discussion concerning, the award of a contract with the State or its political subdivisions for either a business or an individual with which he is associated or to a business associated with a member of the public official’s, public member’s, or public employee’s immediate family.

 (C) This section is not intended to infringe on or prohibit public employment contracts with this State or a political subdivision of this State nor does it prohibit the award of contracts awarded through a process of public notice and competitive bids if the public official, public member, or public employee has not performed an official function nor participate in any discussion regarding the contract.”

 SECTION 19. Section 8‑13‑780(B) of the 1976 Code is amended to read:

 “(B) In addition to existing remedies for breach of the ethical standards of this chapter ~~or regulations promulgated hereunder~~, the State Ethics Commission may impose ~~an oral or~~ a written warning or reprimand.”

 SECTION 20. Section 8‑13‑790(A) of the 1976 Code is amended to read:

 “(A) The value of anything transferred or received in breach of the ethical standards of Articles 1 through 11 of this chapter or regulations promulgated under it by a public employee, public official, or a nonpublic employee or official ~~may~~ must be recovered from the public employee, public official, or nonpublic employee or official.”

PART V

DISCLOSURE OF ECONOMIC INTEREST

 SECTION 21. Section 8‑13‑360 of the 1976 Code is amended to read:

 “Section 8-13-360. 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 must also make statements and reports filed with the commission electronically accessible to the public. 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 22. Section 8‑13‑365 of the 1976 Code is amended to read:

 “Section 8-13-365. ~~(A)~~ 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~~ except for forms and reports required pursuant to Article 9, Chapter 13, Title 8. 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.

 ~~(B)~~ ~~The Ethics Commission must submit to the General Assembly a report no later than one year after implementation of subsection (A), concerning the effectiveness of mandatory electronic filing, and must make recommendations as to the implementation of mandatory filing for all other candidates and entities.~~”

 SECTION 23. Section 8‑13‑1110 of the 1976 is amended to read:

 “Section 8‑13‑1110. (A) No public official, regardless of compensation, and no public member or public employee as designated in subsection (B) may take the oath of office or enter upon his official responsibilities unless he has filed a statement of economic interests pursuant to Section 8‑13‑365 ~~in accordance with the appropriate supervisory office~~. ~~If a public official, public member, or public employee referred to in this section has no economic interests to disclose, he shall nevertheless file a statement of inactivity to that effect with the appropriate supervisory office. All disclosure statements are matters of public record open to inspection upon request.~~

 (B) Each of the following public officials, public members, and public employees must file a statement of economic interests ~~with the appropriate supervisory office~~, unless otherwise provided:

 (1) a person appointed to fill the unexpired term of an elective office;

 (2) a salaried member of a ~~state~~ board, commission, or agency;

 (3) the chief administrative official or employee and the deputy or assistant administrative official or employee ~~or director of a division, institution, or facility~~ of any agency or department of state government;

 (4) the city administrator, city manager, or chief municipal administrative official or employee, by whatever title;

 (5) the county manager, county administrator, county supervisor, or chief county administrative official or employee, by whatever title;

 (6) the chief administrative official or employee of each political subdivision including, but not limited to, school districts, libraries, regional planning councils, airport commissions, hospitals, community action agencies, water and sewer districts, and development commissions;

 (7) a school district and county superintendent of education;

 (8) a school district board member and a county board of education member;

 (9) the chief finance official or employee and the chief purchasing official or employee of each agency, institution, or facility of state government, and of each county, municipality, or other political subdivision including, but not limited to, those named in item (6);

 (10) a public official;

 (11) a public member who serves on a state board, commission, or council; and

 (12) Department of Transportation District Engineering Administrators.”

 SECTION 24. Section 8‑13‑1120 of the 1976 is amended to read:

 “Section 8‑13‑1120. (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 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 governmental entity with which the public official, public member~~,~~ or public employee serves or is employed, 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 of any other income received by the filer or a member of the filer’s immediate family, not to include income received pursuant to:

 (i) a court order;

 (ii) interest from a savings, checking or brokerage account with a bank, savings and loan, or other licensed financial institution which offers savings, checking or brokerage 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;

 (iii) a mutual fund or similar fund in which an investment company invests its shareholders’ money in a diversified selection of securities.

 (11) the specific source of income received by a public official, a member of the public official’s immediate family, or a business with which the public official or a member of his immediate family are associated if the public official or a member of the public official's immediate family directly derives income from a:

 (i) contractual or financial relationship, including a consultant or independent contractor’s relationship, with a lobbyist’s principal or an entity controlled by, affiliated with, or existing for the benefit of a lobbyist’s principal;

 (ii) contractual or financial relationship, including a consultant or independent contractor relationship, with a state or local governmental entity;

 (iii) source regulated by the governmental regulatory agency with which the public official serves.

 For purposes of item (11), ‘contractual or financial relationship’ does not include a relationship from which income received by a public official, a member of the public official’s immediate family, or a business with which the public official or his immediate family is associated is derived from commercial transactions in which the fair market value of goods transferred or services rendered is paid.

 (12) the specific source of income received by a public member, a member of the public member's immediate family, or a business with which the public member or a member of his immediate family are associated if the public member or his immediate family directly derives income from a source regulated by the governmental regulatory agency with which the public member 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).”

 SECTION 25. Section 8‑13‑1130 of the 1976 Code is amended to read:

 “Section 8‑13‑1130. In addition to the statement of economic interests required pursuant to Section 8‑13‑1110, a person required to file the statement shall further report ~~to the appropriate supervisory office~~ the name of any person he knows to be a lobbyist as defined in Section 2‑17‑10(13) or a lobbyist’s principal as defined in Section 2‑17‑10(14) and knows that the lobbyist or lobbyist’s principal has in the previous calendar year employed or purchased from the filer, a member of the filer’s immediate family, an individual with whom the filer is associated, or a business with which the filer is associated, goods or services in an amount in excess of two hundred dollars.”

 SECTION 26. Section 8‑13‑1140 of the 1976 Code is amended to read:

 “Section 8‑13‑1140. A person required to file a statement of economic interests under this chapter shall annually file, pursuant to Section 8‑13‑365, an updated statement for the previous calendar year ~~with the appropriate supervisory office~~ ~~annually~~, no later than ~~April fifteenth~~ noon on March thirtieth of each calendar year~~, listing any addition, deletion, or change in his economic status with respect to which information is required to be supplied under this article~~. If the person has filed the description by name, amount, and schedule of payments of a continuing arrangement relating to an item required to be reported under this article, an updating statement need not be filed for each payment under the continuing arrangement, but only if the arrangement is terminated or altered.”

 SECTION 27. Chapter 13, Title 8 of the 1976 Code is amended by adding:

 “Section 8‑13‑1145. The appropriate supervisory office must send an electronic notice of obligation to report no less than thirty days before the filing date to the e‑mail address provided by the filer to any filer who has not yet filed a current statement of economic interests. The filer is not relieved of reporting responsibilities if the notice is not sent or if the filer does not receive a notice.”

 SECTION 28. Section 8‑13‑1150 of the 1976 Code is amended to read:

 “Section 8‑13‑1150. A consultant must file a statement for the previous calendar year ~~with the appropriate supervisory office~~ , pursuant to Section 8‑13‑365, no later than twenty‑one days after entering into a contractual relationship with the State or a political subdivision of the State and must file an update within ten days from the date the consultant knows or should have known that new economic interests in an entity have arisen in which the consultant or a member of the consultant’s immediate family has economic interests:

 (1) where the entity’s bid was evaluated by the consultant and who was subsequently awarded the contract by the State, county, municipality, or a political subdivision of any of these entities that contracted with the consultant; or

 (2) where the entity was awarded a contract by the consultant.”

 SECTION 29. Section 8‑13‑1170 of the 1976 Code is amended to read:

 “Section 8‑13‑1170. (A) The appropriate supervisory office may, in its discretion, determine that errors or omissions on statements of economic interests are inadvertent and unintentional and not an effort to violate a requirement of this chapter and may be handled as technical violations not subject to the provisions of this chapter pertaining to ethical violations. ~~Technical violations must remain confidential unless requested to be made public by the public official, public member, or public employee filing the statement.~~ In lieu of all other penalties, the appropriate supervisory office may assess a technical violations penalty not exceeding fifty dollars.

 (B) The appropriate supervisory office may grant a reasonable extension of time for filing a statement of economic interests. The extension may not exceed thirty days except in cases of illness or incapacitation.”

 SECTION 30. Section 8‑13‑1160 of the 1976 Code is repealed.

 SECTION 31. Section 8‑13‑1180 of the 1976 Code is repealed.

PART VI

CAMPAIGN PRACTICES

 SECTION 32. Section 8‑13‑1300(3) of the 1976 Code is amended to read:

 “(3) ‘Business’ means a corporation, limited liability company, partnership, proprietorship, firm, an enterprise, a franchise, an association, organization, or a self‑employed individual.”

 SECTION 33. Section 8‑13‑1300(6) of the 1976 Code is amended to read:

 “(6) ‘Committee’ means a person, two or more individuals, such as any person, association, organization, or other entity that makes, or accepts anything of value to make, contributions or expenditures and has one or more of the following characteristics:

 (a) is a political party or executive committee of a political party or is controlled by a political party or executive committee of a political party; or

 (b) has the major purpose to support or oppose the nomination or election of one or more clearly identified candidates.

 ~~an association, a club, an organization, or a group of persons which, to influence the outcome of an elective office, 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, 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.~~

 Supporting or opposing the election of clearly identified candidates include supporting or opposing the candidates of a clearly identified political party.

 If the entity qualifies as a ‘committee’ pursuant to this section, it continues to be a committee if it receives contributions or makes expenditures or maintains assets or liabilities. A committee ceases to exist when it winds up its operations, disposes of its assets, and files its final report.

 ‘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~~ and has as the major purpose the support of or opposition to the nomination or election of a candidate to an elective office.

 (c) For purposes of this section, factors that shall be considered to indicate a committee has the major purpose of supporting or opposing the nomination or election of one or more clearly identified candidates include, but are not limited to:

 (i) any of the committee’s organizational documents, such as bylaws or articles of incorporation, identify advocacy in support of or in opposition to the nomination or election of one or more candidates as its major purpose;

 (ii) over fifty percent of the committee’s disbursements made within the State in a calendar year are made to support or to oppose the nomination or election of one or more candidates to an elective office;

 (iii) over fifty percent of the committee’s total disbursements made in a calendar year are made to support or to oppose the nomination or election of one or more candidates to an elective office; or

 (iii) the committee’s public statements, including statements made in oral or written fundraising solicitations, identify advocacy in support of or in opposition to the nomination or election of one or more candidates to elective office as its major purpose.”

 SECTION 34. Section 8-13-1300(7) of the 1976 Code is amended to read:

 “(7) ‘Contribution’ means 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. ‘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~~.”

 SECTION 35. Section 8-13-1300(17) of the 1976 Code is amended to read:

 “(17) ‘Independent expenditure’ means:

 (a) an expenditure made or incurred directly or indirectly by a person to advocate the election or defeat of a clearly identified candidate or ballot measure; and

 (b) when taken as a whole and in context, the expenditure made by a person to influence the outcome of an elective office or ballot measure but which is not:

 (i) made to;

 (ii) controlled by;

 (iii) coordinated with;

 (iv) requested by; or

 (v) made upon consultation with a candidate or an agent of a candidate; or a committee or agent of a committee; or a ballot measure committee or an agent of a ballot measure committee.

 SECTION 36. Section 8-13-1300(23) of the 1976 Code is amended to read:

 “(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,~~ for the major purpose to support or oppose the nomination or election of a candidate to elective office, 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. For purposes of this section, factors that shall be considered to indicate a noncandidate committee has the major purpose to support or to oppose the nomination or election of one or more clearly identified candidates include, but are not limited to:

 (a) any of the committee’s organizational documents, such as bylaws or articles of incorporation, identify advocacy to support or oppose the nomination or election of one or more candidates for elective office as its major purpose;

 (b) over fifty percent of the committee’s disbursements made within the State in a calendar year are made to support or to oppose the nomination or election of one or more candidates for elective office;

 (c) over fifty percent of the committee’s total disbursements made in a calendar year are made to support or to oppose the nomination or election of one or more candidates for elective office; or

 (d) the committee’s public statements, including statements made in oral or written fundraising solicitations, identify advocacy in support of or in opposition to the nomination or election of one or more candidates for elective office as its major purpose.”

 SECTION 37. Section 8‑13‑1300(31) of the 1976 Code is amended to read:

 “(31) ‘Influence the outcome of an elective office’ means:

 (a) expressly advocating the election or defeat of a clearly identified candidate using words including or substantially similar to ‘vote for’, ‘elect’, ‘cast your ballot for’, ‘Smith for Governor’, ‘vote against’, ‘defeat’, or ‘reject’; or

 (b) communicating campaign slogans or individual words that, taken in context, have no other reasonable meaning other than to urge the election or defeat of a clearly identified candidate including or substantially similar to slogans or words such as ‘~~Smith”s~~ Smith’s the One’, ‘Jones 2000’, ‘Smith/Jones’ , ‘Jones!’, or ‘Smith‑A man for the People!’~~;~~ ~~or~~

 ~~(c)~~ ~~any communication made, not more than forty‑five days before an election, which promotes or supports a candidate or attacks or opposes a candidate, regardless of whether the communication expressly advocates a vote for or against a candidate. For purposes of this paragraph, “communication” means (i) any paid advertisement or purchased program time broadcast over television or radio; (ii) any paid message conveyed through telephone banks, direct mail, or electronic mail; or (iii) any paid advertisement that costs more than five thousand dollars that is conveyed through a communication medium other than those set forth in subsections (i) or (ii) of this paragraph. “Communication” does not include news, commentary, or editorial programming or article, or communication to an organization’s own members~~.”

 SECTION 38. Section 8‑13‑1300(32) of the 1976 Code is amended to read:

 “(32) ‘Ballot measure committee’ means:

 (a) an association, club, an organization, or a group of persons ~~which, to influence the outcome~~  for which the major purpose is to support or oppose the passage of a ballot measure, 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.

 (d) For purposes of this section, factors that shall be considered to indicate a ballot measure committee has the major purpose of supporting or opposing the passage of one or more ballot measures include, but are not limited to:

 (1) any of the committee’s organizational documents, such as bylaws or articles of incorporation, identify advocacy to support or to oppose the passage of one or more ballot measures as its major purpose;

 (2) over fifty percent of the committee’s disbursements made within the State in a calendar year are made to support or to oppose the passage of one or more ballot measures; or

 (3) over fifty percent of the committee’s total disbursements made in a calendar year are made to support or to oppose the passage of one or more ballot measures; or

 (4) the committee’s public statements, including statements made in oral or written fundraising solicitations, identify advocacy in support of or in opposition to the passage of one or more ballot measures as its major purpose.”

 SECTION 39. Section 8‑13‑1300 of the 1976 Code is amended by adding an appropriately numbered subsection to read:

 “( ) ‘Public member’ means an individual appointed to a noncompensated part‑time position on a board, commission, or council. A public member does not lose this status by receiving reimbursement of expenses or a per diem payment for services.”

 SECTION 40. Section 8‑13‑1300 of the 1976 Code is amended by adding an appropriately numbered subsection to read:

 “() ‘electioneering communication’ means any broadcast, cable, or satellite communication or mass postal mailing or telephone bank that has the following characteristics:

 (a) refers to a candidate for elected office,

 (b) that is publically aired or distributed within sixty days prior to a general election or within thirty days prior to a primary for that office, and

 (c) may be received by either:

 (i) fifty thousand or more individuals in the State in an election for statewide office or seven thousand five hundred or more individuals in any other election if in the form of broadcast, cable, or satellite communication,

 (ii) twenty thousand or more households, cumulative per election, in a statewide election or two thousand five hundred households, cumulative per election, in any other election if in the form of mass mailing or telephone bank.

 (d) The definition does not include:

 (i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless those facilities are owned or controlled by any political party, political committee, or candidate,

 (ii) a communication that constitutes an expenditure or independent expenditure under this Article,

 (iii) a communication that constitutes a candidate debate or forum conducted pursuant to rules adopted by a political party or that solely promotes that debate or forum and is made by or on behalf of the person sponsoring the debate or forum,

 (iv) a communication made which, incidental to advocacy for or against a specific piece of legislation, ordinance, or local initiative, pending before the General Assembly or governing body of a political subdivision, urges the audience to communicate with a member or members of the General Assembly or the governing body of a political subdivision, concerning that piece of legislation, ordinance, or local initiative, or

 (v) a communication that meets all of the following criteria:

 (1) does not mention any election, candidacy, political party, opposing candidate, or voting by the general public;

 (2) does not take a position on the candidate’s character or qualifications and fitness for office; and

 (3) proposes a commercial transaction.”

 SECTION 41. Section 8-13-1300 of the 1976 Code is amended by adding an appropriately numbered subsection to read:

 “( ) ‘Independent expenditure-only committee’ means a committee that:

 (a) is not made by, controlled by, coordinated with, requested by, or made in consultation with a candidate, an agent of a candidate, a political party, or an agent of a political party;

 (b) does not make contributions to any candidate or other committee, with the exception of other independent expenditure-only committees;

 (c) makes only independent expenditures; and

 (d) is organized for the major purpose to support or oppose the nomination or election of a candidate to elective office.”

 SECTION 42. Section 8-13-1308 of the 1976 Code is amended to read:

 “Section 8-13-1308. (A) Upon the receipt or expenditure of campaign contributions or the making of independent expenditures totaling an accumulated aggregate of five hundred dollars or more, a candidate or committee required to file a statement of organization pursuant to Section 8‑13‑1304(A) must file an initial certified campaign report within ten days of these initial receipts or expenditures. However, a candidate who does not receive or expend campaign contributions totaling an accumulated aggregate of five hundred dollars or more must file an initial certified campaign report fifteen days before an election.

 (B) Following the filing of an initial certified campaign report, additional certified campaign reports must be filed within ten days following the end of each calendar quarter in which contributions are received or expenditures are made, whether before or after an election until the campaign account undergoes final disbursement pursuant to the provisions of Section 8‑13‑1370.

 (C) Campaign reports filed by a candidate must be certified by the candidate. Campaign reports filed by a committee must be certified by a duly authorized officer of the committee.

 (D)(1) At least fifteen days before an election, a certified campaign report must be filed showing contributions of more than one hundred dollars and expenditures to or by the candidate or committee for the period ending twenty days before the election. The candidate or committee must maintain a current list during the period before the election commencing at the beginning of the calendar quarter of the election of all contributions of more than one hundred dollars and expenditures. The list must be open to public inspection upon request.

 (2) A committee immediately shall file a campaign report listing expenditures if it makes an independent expenditure or an incurred expenditure within the calendar quarter in which the election is conducted or twenty days before the election, whichever period of time is greater, in excess of:

 (a) ten thousand dollars in the case of a candidate for statewide office; or

 (b) two thousand dollars in the case of a candidate for any other office.

 (3) In the event of a runoff election, candidates or committees are not required to file another campaign report in addition to the reports already required under this section. However, records must remain open to public inspection upon request between the election and the runoff.

 (E) Notwithstanding the provisions of subsections (B) and (D), if a pre‑election campaign report provided for in subsection (D) is required to be filed within thirty days of the end of the prior quarter, a candidate or committee must combine the quarterly report provided for in subsection (B) and the pre‑election report and file the combined report subject to the provisions of subsection (D) no later than fifteen days before the election.

 (F) Five days before an election, a candidate or committee must amend and file the previously filed pre-election certified campaign report required under subsection (D) showing contributions of more than one hundred dollars and expenditures to or by the candidate or committee to that date not previously reported and through the sixth day before the election. The report required by this section must be electronically filed and publicly accessible in the manner provided by Section 8‑13‑365.

 ~~(F)~~(G) Certified campaign reports detailing campaign contributions and expenditures must contain:

 (1) the total of contributions accepted by the candidate or committee;

 (2) the name and address of each person making a contribution of more than one hundred dollars and the amount and date of receipt of each contribution;

 (3) the total expenditures made by or on behalf of the candidate or committee;

 (4) the name and address of each person to whom an expenditure is made from campaign funds, including the date, amount, purpose, and beneficiary of the expenditure.

 ~~(G)~~(H) Notwithstanding any other reporting requirements in this chapter, a political party, legislative caucus committee, and a party committee must file a certified campaign report upon the receipt of anything of value which totals in the aggregate five hundred dollars or more. For purposes of this section, ‘anything of value’ includes contributions received which may be used for the payment of operation expenses of a political party, legislative caucus committee, or a party committee. A political party also must comply with the reporting requirements of subsections (B), (C), ~~and~~ (F), and (G) of Section 8‑13‑1308 in the same manner as a candidate or committee.

 ~~(H)~~(I) A committee that solicits contributions pursuant to Section 8‑13‑1331 must certify compliance with that section on a form prescribed by the State Ethics Commission*.*

 (J) All reports required by this section must be filed pursuant to Section 8‑13‑365.”

 SECTION 43. Section 8‑13‑1309 of the 1976 Code is amended to read:

 “Section 8-13-1309. (A) Upon the receipt or expenditure of campaign contributions or the making of independent expenditures totaling, in an accumulated aggregate, two thousand five hundred dollars or more, a ballot measure committee required to file a statement of organization pursuant to Section 8‑13‑1304(B) must file an initial certified campaign report within ten days of these initial receipts or expenditures.

 (B) Following the filing of an initial certified campaign report, additional certified campaign reports must be filed within ten days following the end of each calendar quarter in which contributions are received or expenditures are made, whether before or after a ballot measure election until the campaign account undergoes final disbursement pursuant to the provisions of Section 8‑13‑1370(C).

 (C) At least fifteen days before a ballot measure election, a certified campaign report must be filed showing contributions of more than one hundred dollars and expenditures to or by the ballot measure committee for the period ending twenty days before the ballot measure election. The ballot measure committee must maintain a current list during the period before the ballot measure election commencing at the beginning of the calendar quarter of the election of all contributions of more than one hundred dollars. The list must be open to public inspection upon request.

 (D) Notwithstanding the provisions of subsections (B) and (C), if a pre‑election campaign report provided for in subsection (C) is required to be filed within thirty days of the end of the prior quarter, a ballot measure committee must combine the quarterly report provided for in subsection (B) and the pre‑election report and file the combined report subject to the provisions of subsection (C) no later than fifteen days before the ballot measure election.

 (E) Five days before a ballot measure election, a ballot measure committee must amend and file the previously filed pre-election certified campaign report required under subsection (C) showing contributions of more than one hundred dollars and expenditures to the committee to that date not previously reported and through the sixth day before the election. The report required by this section must be filed electronically and publicly accessible in the manner provided by Section 8-13-365.

 ~~(E)~~(F) Certified campaign reports detailing campaign contributions and expenditures must contain:

 (1) the total amount of contributions accepted by the ballot measure committee;

 (2) the name and address of each person making a contribution of more than one hundred dollars and the amount and date of receipt of each contribution;

 (3) the total amount of expenditures made by or on behalf of the ballot measure committee; and

 (4) the name and address of each person to whom an expenditure is made from campaign funds, including the date, amount, purpose, and beneficiary of the expenditure.

 (G) All reports required by this Section must be filed pursuant to Section 8‑13‑365.”

 SECTION 44. Chapter 13, Title 8 of the 1976 Code is amended by adding:

 “Section 8-13-1311. Independent expenditure-only committees must:

 (A) file a statement of organization with the State Ethics Commission no later than five days after receiving or expending more than five hundred dollars in the aggregate during an election cycle to influence the outcome of an elective office;

 (B) under penalty of perjury, the chief executive officer or the controlling individual of the committee must file a certification that the independent expenditure-only committee is not made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate;

 (C) only make independent expenditures; and

 (D) comply with all requirements, disclosures, and restrictions of committees under this Article except contribution limits under section 8-13-1322 and the provision of section 8-13-1308.”

 SECTION 45. Section 8‑13‑1312 of the 1976 Code is amended to read:

 “Section 8‑13‑1312. ~~Except as is required for the separation of funds and expenditures under the provisions of Section 8‑13‑1300(7), a~~ A candidate shall not establish more than one campaign checking account and one campaign savings account for each office sought, and a committee shall not establish more than one checking account and one savings account unless federal or state law requires additional accounts. For purposes of this article, certificates of deposit or other interest bearing instruments are not considered separate accounts. A candidate’s accounts must be established in a financial institution that conducts business within the State and in an office located within the State that conducts business with the general public. The candidate or a duly authorized officer of a committee must maintain the accounts in the name of the candidate or committee. An acronym must not be used in the case of a candidate’s accounts. An acronym or abbreviation may be used in the case of a committee’s accounts if the acronym or abbreviation commonly is known or clearly recognized by the general public. Except as otherwise provided under Section 8‑13‑1348(C), expenses paid on behalf of a candidate or committee must be drawn from the campaign account and issued on a check signed by the candidate or a duly authorized officer of a committee. All contributions received by the candidate or committee, directly or indirectly, must be deposited in the campaign account by the candidate or committee within ten days after receipt. All contributions received by an agent of a candidate or committee must be forwarded to the candidate or committee not later than five days after receipt. A contribution must not be deposited until the candidate or committee receives information regarding the name and address of the contributor. If the name and address cannot be determined within seven days after receipt, the contribution must be remitted to the Children’s Trust Fund.”

 SECTION 46. Chapter 13, Title 8 of the 1976 Code is amended by adding:

 “Section 8‑13‑1313 A person who is not a committee required to file subject to Section 8‑13‑1304 and who makes an independent expenditure in an aggregate amount or value in excess of five hundred dollars during a calendar year or makes an electioneering communication must file a report of such expenditure or communication with the State Ethics Commission electronically in the manner prescribed by the Commission pursuant to Section 8‑13‑365 within thirty days or if the independent expenditure or electioneering communication is made within thirty days before an election, the report must be filed within forty‑eight hours. The report must include:

 (1) a detailed description of the use of the expenditure or communication and the amount of the expenditure or the cost of the communication;

 (2) the full name, primary occupation, street address, and phone number of the reporting person;

 (3) the identification of the chief executive officer or for all controlling individuals if the reporting person is a business or another organization that is not an individual, to include name, title, employer, and address;

 (4) the name of the candidate or ballot measure that is the target of the independent expenditure or electioneering communication and whether the expenditure or communication was made in support of, or opposition to, the candidate or ballot measure;

 (5) the chief executive officer or controlling individual must file, under penalty of perjury, a certification that the independent expenditure is not made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate; and

 (6)(a) the identification of the top five donors to the reporting person and for any donor who has donated more than ten thousand dollars to the committee within the previous twelve months, to include name, primary occupation, address, and amount of the donation; and

 (b) if the donor is a business or another organization that is not an individual, then the identification must indicate the name and title of the chief executive officer or the controlling individual of the donor organization.”

 SECTION 47. Chapter 13, Title 8 of the 1976 Code is amended by adding:

 “Section 8‑13‑1315. An elected official, or a candidate for public office, may not coordinate, consult with, solicit for, or act in concert or at the request of an independent expenditure‑only committee registered with the State Ethics Commission that supports or opposes a candidate for that office.”

 SECTION 48. Section 8‑13‑1318 of the 1976 Code is amended to read:

 “Section 8‑13‑1318. 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.

 If a candidate accepts a contribution to retire a debt from a campaign for an elective office, the contribution must be utilized to retire the debt.”

 SECTION 49. Section 8‑13‑1320(1) of the 1976 Code is amended to read:

 “(1) A contribution made on or before the seventh day after a primary ~~or primary runoff~~ is attributed to the primary ~~or primary runoff, respectively~~. However, in the event of a primary runoff, all contributions made after the day of the primary and continuing through the seventh day after the primary runoff are attributed to the primary runoff for the purposes of applying contribution limits.”

 SECTION 50. Section 8-13-1322 of the 1976 Code is amended to read:

 “Section 8-13-1322. (A) A person may not contribute to a committee and a committee may not accept from a person contributions aggregating more than three thousand five hundred dollars in a calendar year.

 (B) A person may not contribute to a committee and a committee may not accept from a person a cash contribution unless the cash contribution does not exceed twenty‑five dollars for each election and is accompanied by a record of the amount of the contribution and the name and address of the contributor.

 (C) The provisions of this section do not apply to independent expenditure-only committees registered with the State Ethics Commission.”

 SECTION 51. Section 8‑13‑1328 of the 1976 Code is amended to read:

 “Section 8‑13‑1328. (A) A candidate for statewide office ~~or the candidate’s family member~~ must not be repaid, for a loan made to the candidate, more than twenty‑five thousand dollars in the aggregate after the election.

 (B) A candidate for an elective office other than those specified in subsection (A) ~~or a family member of a candidate for an elective office other than those specified in subsection (A)~~ must not be repaid, for a loan made to the candidate, more than ten thousand dollars in the aggregate after the election.”

 SECTION 52. Chapter 13, Title 8 of the 1976 Code is amended by adding:

 “Section 8‑13‑1337. (A) An elective official or the elective official’s agent may not knowingly solicit a contribution from an employee in the elective official’s area of official responsibility.

 (B) A public official or public employee may not provide an advantage or disadvantage to a public employee or applicant for public employment concerning employment, conditions of employment, or application for employment based on the employee’s or applicant’s contribution, promise to contribute, or failure to contribute to a candidate, a political party, as defined in Section 8‑13‑1300(26) or a committee, as defined in Section 8‑13‑1300(6).”

 SECTION 53. Section 8‑13‑1340 of the 1976 Code is amended to read:

 “Section 8‑13‑1340. (A) Except as provided in subsection~~s~~ (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. For purposes of this section only, candidate includes candidates within the meaning of 431(B) of the Federal Election Campaign Act.

 (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 54. Section 8‑13‑1344(B) of the 1976 Code is amended to read:

 “(B)(1) A person may not solicit from a candidate, committee, political party, or other person, money or other property as a condition or consideration for an endorsement, article, or other communication in the news media promoting or opposing a candidate, committee, or political party.

 (2) A candidate, committee, or political party may not offer or give money or other property in consideration of an endorsement for the candidate, or for an article or other communication in the news media promoting or opposing a candidate, committee, or political party. This does not prohibit a candidate, committee, or political party from purchasing advertisements from 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 regularly published periodicals.”

 SECTION 55. Section 8‑13‑1348(A) of the 1976 Code, as added by Act 248 of 1991, is amended to read:

 “(A)(1) ~~No~~ A candidate, committee, public official, or political party may not use campaign funds to defray personal expenses which are unrelated to the campaign or the office if the candidate is an officeholder nor may these funds be converted to personal use. The prohibition of this subsection does not extend to the incidental personal use of campaign materials or equipment nor to an expenditure used to defray any ordinary expenses incurred in connection with an individual’s duties as a holder of elective office.

 (2) Campaign funds may not be used to pay penalties resulting from a criminal prosecution.

 (B) The payment of reasonable and necessary travel expenses or for food or beverages consumed by the candidate or members of his immediate family while at, and in connection with, a political event are permitted.

 (C)(1) An expenditure of more than twenty‑five dollars drawn upon a campaign account must be made by:

 (a) a written instrument;

 (b) debit card; or

 (c) online transfers.

 The campaign account must contain the name of the candidate or committee, and the expenditure must contain the name of the recipient. These expenditures must be reported pursuant to the provisions of Section 8‑13‑1308.

 (2) Expenditures of twenty‑five dollars or less that are not made by a written instrument, debit card, or online transfer containing the name of the candidate or committee and the name of the recipient must be accounted for by a written receipt or written record.

 (D) An expenditure may not be made that is clearly in excess of the fair market value of services, materials, facilities, or other things of value received in exchange.

 (E) A candidate or a duly authorized officer of a committee may not withdraw more than one hundred dollars from the campaign account to establish or replenish a petty cash fund for the candidate or committee at any time, and at no time may the fund exceed one hundred dollars. Expenditures from the petty cash fund may be made only for office supplies, food, transportation expenses, and other necessities and may not exceed twenty‑five dollars for each expenditure.

 (F) A person who violates the provisions of this section is guilty of a:

 (1) misdemeanor, if the amount used or converted to personal use in violation of this section is ten thousand dollars or less, and upon conviction must be fined not more than five thousand dollars or imprisoned for not more than one year, or both;

 (2) felony, if the amount converted to personal use is more than ten thousand dollars, and upon conviction, the person must be fined not more than ten thousand dollars or imprisoned not more than ten years, or both.”

 SECTION 56. Section 8‑13‑1352 of the 1976 Code is amended to read:

 “Section 8‑13‑1352. ~~Notwithstanding the provisions of Section 8‑13‑1350, a~~ A candidate may use or permit the use of contributions solicited for or received by the candidate to further the candidacy of the individual for an elective office other than the elective office for which the contributions were received if:

 ~~(1)~~(A) the person originally making the contribution gives written authorization for its use to further the candidacy of the individual for a specific office which is not the office for which the contribution was originally intended; and

 ~~(2)~~(B) the contribution is otherwise permitted by law.”

 SECTION 57. Section 8‑13‑1356 of the 1976 Code is amended to read:

 “Section 8‑13‑1356. (A) ~~This section does not apply to a public official who has a current disclosure statement on file with the appropriate supervisory office pursuant to Sections 8‑13‑1110 or 8‑13‑1140.~~

 (B) ~~A candidate must file a statement of economic interests for the preceding calendar year at the same time and with the same official with whom the candidate files a declaration of candidacy or petition for nomination.~~ A person who becomes a candidate by filing a petition for nomination must electronically file a statement of economic interests for the preceding calendar year pursuant to Section 8‑13‑365 within fifteen days of submitting the petition pursuant to Section 7‑11‑70 or Section 7‑11‑71.

 ~~(C)~~ ~~The official with whom the candidate files a declaration of candidacy or petition for nomination, no later than five business days after candidacy books close, must file a copy of the statement with the appropriate supervisory office.~~

 ~~(D)~~ ~~An individual who becomes a candidate other than by filing must, no later than fifteen business days after becoming a candidate, file a statement of economic interests for the preceding calendar year with the appropriate supervisory office~~.

 ~~(E)~~ ~~An officer authorized to receive declarations of candidacy and petitions for nominations under the provisions of Chapter 11 of Title 7 may not accept a declaration of candidacy or petition for nomination unless the declaration or petition is accompanied by a statement of economic interests. If the candidate’s name inadvertently appears on the ballot, the officer authorized to receive declarations of candidacy or petitions for nomination must not certify the candidate subsequent to the election.~~

 ~~(F)~~ ~~If the candidate files for office before January first of the year in which the election is held, he must file a supplementary statement covering the preceding calendar year no later than April first of the year in which the election is held.~~

 (C) A person who becomes a write-in candidate must electronically file a statement of economic interests for the preceding calendar year within twenty-four hours of filing an initial campaign finance report pursuant to Section 8-13-1308(A) or before taking the oath of office, whichever occurs earlier.

 ~~(G)~~(D) A candidate who is not a public official otherwise filing a statement has the same disclosure requirements as a public official with the exception of reporting gifts.

 ~~(H)~~ ~~The State Ethics Commission must furnish to each clerk of court in the State forms on which the statement of economic interests shall be filed.~~

 (E) The appropriate supervisory office shall assess a civil penalty pursuant to Section 8-13-1510 against a candidate who fails to timely file a statement of economic interests as required by this section. ”

 SECTION 58. Section 8‑13‑1360 of the 1976 Code is amended to read:

 “Section 8‑13‑1360. ~~(A)~~ The State Ethics Commission shall develop a contribution and expenditure reporting form pursuant to Section 8‑13‑365 which must include:

 ~~(1)~~(A) a designation as a pre‑election or quarterly report and, if a pre‑election report, the election date;

 ~~(2)~~(B) the candidate’s name and address or, in the case of a committee, the name and address of the committee;

 ~~(3)~~(C) the balance of campaign accounts on hand at the beginning and at the close of the reporting period and the location of those campaign accounts;

 ~~(4)~~(D) the total amount of all contributions received during the reporting period; the total amount of contributions of one hundred dollars or less in the aggregate from one source received during the reporting period; and the name and address of each person contributing more than one hundred dollars in the aggregate during the reporting period, the date and amount of the contribution, and the year‑to‑date total for each contributor~~. Written promises or pledges to make a contribution must be reported separately in the same manner as other monetary contributions~~;

 ~~(5)~~(E) the total amount of all loans received during the reporting period and the total amount of loans for the year to date. The report also must include the date and amount of each loan from one source during the reporting period, the name and address of each maker or guarantor of each loan, the year‑to‑date total of each maker or guarantor, and the terms of the loan, including the interest rate, repayment terms, loan payments, and existing balances on each loan;

 ~~(6)~~(F) the date and amount of any in‑kind contributions of more than one hundred dollars in the aggregate by one person during the reporting period, and the contributor’s name, address, and year‑to‑date total;

 ~~(7)~~(G) the total amount of all refunds, rebates, interest, and other receipts not previously identified during the reporting period, and their year‑to‑date total; the total amount of other receipts received of one hundred dollars or less in the aggregate from one source during the reporting period; the date and amount of each refund, rebate, interest, or other receipt not previously identified of more than one hundred dollars in the aggregate from one source, the name and address and the year‑to‑date total for each source;

 ~~(8)~~(H) the aggregate total of all contributions, loans, and other receipts during the reporting period and the year‑to‑date total; the amount, date, and a brief description of each expenditure made during the reporting period, the name and address of the entity to which the expenditure was made, and the year‑to‑date total of expenditures to that entity. Credit card expenses and candidate reimbursements must be itemized so that the purpose and recipient of the expenditure are identified;

 ~~(9)~~(I) the total amount of all loans made during the reporting period and the year‑to‑date total. The report also must include the date and amount of each loan to one entity during the reporting period, the name and address of each recipient of the loan, and the terms of the loan, including the interest rate, repayment terms, purpose of the loan, the year‑to‑date total, and existing balances.

 ~~(B) A candidate or committee must disclose all information required on the form developed under this section.~~”

 SECTION 59. Section 8‑13‑1364 of the 1976 Code is amended to read:

 “Section 8‑13‑1364. The appropriate supervisory office must send ~~a notice~~ an electronic notice of obligation to report ~~and reporting forms by first class mail~~ no less than thirty days before the filing date for each reporting period to the e‑mail address provided by the candidate or committee. A candidate or committee is not relieved of reporting responsibilities if the notice ~~or forms are~~ is not sent or if the candidate or committee does not receive a notice ~~or forms~~.”

 SECTION 60. Section 8‑13‑1372 of the 1976 Code is amended to read:

 “Section 8‑13‑1372 . (A) The appropriate supervisory office, in its discretion, may determine that errors or omissions on campaign reports are inadvertent and unintentional and not an effort to violate a requirement of this chapter and may be handled as technical violations which are not subject to the provisions of this chapter pertaining to ethical violations. ~~Technical violations must remain confidential unless requested to be made public by the candidate filing the report.~~ In lieu of all other penalties, the appropriate supervisory office may assess a technical violations penalty not to exceed fifty dollars.

 (B) A violation other than an inadvertent or unintentional violation must be considered by the appropriate supervisory office for appropriate action.”

 SECTION 61. Section 8‑13‑1310 of the 1976 Code is repealed.

 SECTION 62. Section 8‑13‑1350 of the 1976 Code is repealed.

 SECTION 63. Section 8‑13‑1358 of the 1976 Code is repealed.

 SECTION 64. Section 8‑13‑1362 of the 1976 Code is repealed.

 SECTION 65. Section 8‑13‑1366 of the 1976 Code is repealed.

PART VII

PUBLIC INTEGRITY UNIT

 SECTION 66. A. Title 23 of the 1976 Code is amended by adding:

 “CHAPTER 2

 Public Integrity Unit

 Section 23‑2‑10. (A) In order to insure ethical conduct in public service of this State and to promote integrity in government institutions, a partnership of agencies and other persons employed in investigating, auditing, and inspecting serious misconduct by government officials in this State is hereby established to be known as the ‘South Carolina Public Integrity Unit’ and this chapter must be interpreted to achieve the purposes of the Public Integrity Unit.

 (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 creating this partnership to maximize existing resources, expertise, and available information to coordinate investigations of alleged government corruption, unethical conduct, and violations of the public trust, all of which are imperative to preserving the faith of the public in its institutions. Each partner agency or entity may release information for investigative purposes to the other named partners as provided in this chapter, but the agency that originates that document remains responsible for release authority.

 (D) As contained in this chapter:

 (1) ‘Appropriate supervisory office’ means:

 (a) the State Ethics Commission for all persons required to file reports under Chapter 13, Title 8, except for those members of or candidates for the office of State Senator or State Representative;

 (b) the Senate Ethics Committee for members of the Senate, or staff, or candidates for the office of State Senator; and

 (c) the House of Representatives Ethics Committee for members of the House of Representatives, or staff, or candidates for the office of State Representative.

 (2) ‘Partner’ means each of the five named members of the Public Integrity Unit, 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 South Carolina Ethics Commission, and the Inspector General.

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

 Section 23‑2‑20. (A) There is hereby created a ‘South Carolina Public Integrity Unit’ consisting of the following five partner members:

 (1) the Attorney General;

 (2) the Chief of the State Law Enforcement Division;

 (3) the Director of the Department of Revenue;

 (4) the Executive Director of the South Carolina Ethics Commission; and

 (5) the Inspector General.

 (B) The members provided for in subsection (A) are ex officio members. The members may provide employees or staff from their respective agencies for the unit as necessary. Employees of other government agencies may be included in particular investigations.

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

 Section 23‑2‑30. The Attorney General shall provide administrative support for the unit. The unit shall not have employees, but the partnering entities shall assign members, investigators, auditors, or support staff from within their respective agencies or staff.

 Section 23‑2‑40. Nothing in this chapter establishes the unit as a separate entity to receive complaints from the general public. The unit shall receive allegations of criminal conduct from partner entities, an appropriate supervisory office, or any other state agency authorized to receive complaints against public employees, officers, or officials.

 Section 23‑2‑50. 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. The unit is an investigative partnership and not an adjudicating entity. Completed investigations that substantiate serious criminal conduct may be provided directly to the Attorney General or a solicitor. Substantiated investigations of a civil nature or deemed to be procedural error must be sent to the appropriate supervisory office. Unsubstantiated investigations must be returned to the entity that forwarded the investigation to the unit.

 Section 23‑2‑60. The unit may accept investigations of criminal conduct by referral only. The referring entity shall identify the scope of the investigation. Completed investigations that substantiate serious criminal conduct may be provided directly to the Attorney General or a solicitor. Substantiated investigations not undertaken by the Attorney General or a solicitor, substantiated investigations deemed procedural errors, or unsubstantiated investigations must be returned to the appropriate referring entity. Referral to the unit may be made by:

 (1) the Senate Ethics Committee as provided for within their rules or by law;

 (2) the House of Representatives Ethics Committee as provided for within their rules or by law;

 (3) the Supreme Court as allowed within its rules or by law; or

 (4) any of the other partners identified in Section 23‑2‑20.

 Section 23‑2‑70. The unit is a collaborative investigating entity that may include privileged communications, protected information, and protected identities under law. Freedom of Information Act requests 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. The unit shall not release any information related to its investigation or its results until such time as the matter is substantiated by the originating partner or undertaken as a criminal prosecution by the Attorney General or a solicitor.

 Section 23‑2‑80. The unit may make recommendations to the General Assembly or to the Governor regarding the carrying out of the purposes, objectives, and intentions of this chapter or other acts relating to enforcement of ethics or public integrity issues. 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 23‑2‑90. Partner members of the Public Integrity Unit, to the extent that they are authorized in their respective agencies, are authorized to:

 (A) 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;

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

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

 (D) promulgate regulations as necessary for the administration of this chapter, including the issuance of administrative procedures for coordination among the partner entities.

 Section 23‑2‑100. 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:

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

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

 Section 23‑2‑110. If the unit determines that assistance is needed in conducting an investigation, the unit shall request the assistance of appropriate agencies.”

 SECTION 67. The programs, functions, and requirements of the provisions in Chapter 2, Title 23 of the 1976 Code as contained in SECTION 66 must be terminated five years after the effective date of the act unless otherwise authorized by the General Assembly. Upon termination, the Public Integrity Unit shall be dissolved and must wind up any investigations accepted pursuant to the provisions of Chapter 2, Title 23 of the 1976 Code as contained in SECTION 66 within six months of termination.

PART VIII

MISCELLANEOUS

 SECTION 68. A committee prohibited pursuant to SECTION 53 of this act in existence on the effective date of this act must distribute all unexpended funds in the manner provided for in Section 8-13-1370(C).

 SECTION 69. The General Assembly finds that all the provisions contained in this act relate to one subject as required by Section 17, Article III of the South Carolina Constitution in that each provision relates directly to or in conjunction with other sections to the subject of election reform as stated in the title. The General Assembly further finds that a common purpose or relationship exists among the sections, representing a potential plurality but not disunity of topics, notwithstanding that reasonable minds might differ in identifying more than one topic contained in this act.

 SECTION 70. The provisions of this act are severable. If any section, subsection, paragraph, subparagraph, item, subitem, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of the act, the General Assembly hereby declaring that it would have passed each and every section, subsection, paragraph, subparagraph, item, subitem, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, items, subitems, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

 SECTION 71. This act takes effect upon approval by the Governor. /

 Renumber sections to conform.

 Amend title to conform.

Senator CAMPSEN explained the amendment.

 Senator RANKIN spoke on the amendment.

**Motion Adopted**

On motion of Senator COURSON, in accordance with Rule 14, with Senator RANKIN retaining the floor, the Senate receeded until 6:30 P.M.

 The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 36; Nays 5**

**AYES**

Alexander Allen Bennett

Campbell Campsen Cleary

Coleman Courson Cromer

Davis Fair Gregory

Hayes Hembree Hutto

Jackson Johnson Kimpson

Leatherman Lourie Malloy

*Martin, Larry* Massey Matthews

McElveen McGill Nicholson

Pinckney Rankin Reese

Scott Shealy Turner

Verdin Williams Young

**Total--36**

**NAYS**

Bright Bryant Grooms

*Martin, Shane* Thurmond

**Total--5**

 The Senate stood in recess until 6:30 P.M.

**RECESS**

 At 4:50 P.M., on motion of Senator COURSON, the Senate receded from business until 6:30 P.M.

 At 6:30 P.M., the Senate resumed.

**Committee to Escort**

 The PRESIDENT appointed Senators SETZLER, LEATHERMAN, PEELER, MATTHEWS and LARRY MARTIN to escort the Honorable Nikki Randhawa Haley, Governor of South Carolina, and members of her party to the House Chamber for the Joint Assembly.

 At 6:55 P.M., the Senate receded for the purpose of attending the Joint Assembly.

**JOINT ASSEMBLY**

**Address by the Governor**

 At 7:00 o’clock P.M., the Senate appeared in the Hall of the House.

 The PRESIDENT of the Senate called the Joint Assembly to order and announced that it had convened under the terms of a Concurrent Resolution adopted by both Houses.

 The Honorable Nikki Randhawa Haley, and members of her party, were escorted to the rostrum by Senators SETZLER, LEATHERMAN, PEELER, MATTHEWS and LARRY MARTIN and Representatives Hamilton, Ballentine, McEachern, George and H.A. Crawford.

 The PRESIDENT of the Senate introduced the Honorable Nikki Randhawa Haley, Governor of the State of South Carolina.

 The Governor addressed the Joint Assembly as follows:

**State of the State Address**

 Mr. Speaker, Mr. President, Ladies and Gentlemen of the General Assembly, Constitutional Officers, and my fellow South Carolinians:

 Let us start tonight, as we have rightfully done in the past, by honoring those heroes we lost over the last year. It is my sincere prayer that a year will come that there are no names for us to read.

 So now, please join me as we pay tribute to those who gave the last full measure of devotion in the service of their State and country:

 Specialist Ember M. Alt, Beech Island

 Deputy Sheriff Joseph C. Antwine, Lake City

 Private First Class Barrett L. Austin, Easley

 Volunteer Firefighter Michael L. Broz, Ridgeville

 Deputy First Class Timothy E. Causey, Nichols

 Deputy Sheriff Robert L. Evans, Lugoff

 Assistant Chief Rodney C. Hardee, Loris

 First Sergeant Inez “Renee” Odom-Baker, U.S. Army-Retired, Cayce

 Chief Warrant Officer Curtis “Skinny” Reagan, Summerville

 On behalf of all South Carolinians, to their families, know we will never forget.

 I am blessed to have the support of an amazing family. Both sets of parents, my brothers, and my sister. But more than anything, I am the proud mom of two amazing kids who keep me grounded. To them I am “Just Mom” and nothing makes me happier. Please help me welcome Nalin who is now 12 and my star basketball player, and Rena who is now 15 and my happy cheerleader!

 I am touched, honored, and so fortunate to be a military spouse. Michael’s deployment to Afghanistan played out a little more publicly than we would have wished. It was a trying time for the kids. Many told me the year would go by fast. It didn’t. But we are all thrilled and I am a happy girl to be able to say I have my soldier home. Please help me welcome back “The coolest First Man”, Michael Haley.

 One of the best things about giving this speech each January is it gives me the opportunity to celebrate some of the people and deeds that have made us all smile. Last year we had one in particular that showed the country her exceptional grace and talent.

 Candice Glover wowed the nation when she won American Idol. And when I met her, she wowed me. Candace is an inspiration, a shining example of what it means to never give up. She was forced to audition three times before she ever made the live show. But once she got her chance, she grabbed it with both hands and never let go.

 Candice, the daughter of John and Carole Glover, is the oldest of seven children and a graduate of Beaufort High School. John and Carole, you are amazing parents and raised an exceptional daughter, a wonderful young woman who portrays South Carolina in the best possible light. Please help me congratulate, thank, and celebrate our very own American Idol, Candice Glover. You have made your home State incredibly proud.

 I can’t go any further without talking about what happened in this State House yesterday. And I’ll start by saying this -- Carroll Campbell, the father of restructuring in our State, is smiling down on South Carolina this evening. They say that good things come to those who wait. And while patience has not always been my strong suit, the passage of the Department of Administration, the biggest and most important piece of government reform South Carolina has seen in two decades, was well worth the wait.

 That we are able to celebrate this win is the product of a lot of work by a lot of people. But there are a few who have been down in the trenches fighting to make this a reality, and I’m going to take a moment to single them out: Representative Garry Smith, Representative Jay Lucas, Representative Greg Delleney, former-Representative Jim Harrison, Senator VINCENT SHEHEEN, Senator THOMAS ALEXANDER, Senator LARRY MARTIN, and Senator SHANE MASSEY. Thank you. South Carolina is a better place for your efforts.

 There is not time tonight for me to go into all the good that will come from this change, but I will say this: the Budget and Control Board -- what I call the big, green, ugly monster -- is dead, and with it the legacy of a backwards administrative government that was as wasteful as it was clumsy, as inefficient as it was embarrassing. We are a better State today. We will be a better State tomorrow. And yesterday truly was a great day in South Carolina.

 And just think, if we can do this in the first two weeks of session, how much we can accomplish over the next six months if we choose to work together. Tonight marks the fourth time I have stood in this Chamber and described to you and our fellow South Carolinians where I believe our State stands, and more importantly, where I believe she can go.

 Time flies. But during that time, much has been accomplished, and South Carolina is in a far different place than we were in January of 2011. Ladies and gentlemen, I’m pleased to report that the state of our State is strong. And that we’re just getting started.

 It’s important that we take a look at why our State is on the move, because our successes have so much to teach us. The Bible tells us that, “If a house is divided against itself, that house cannot stand.” President Lincoln famously applied that truth to our Nation. I believe it applies to South Carolina.

 There is no state in this country, no place in the world, that has more potential than we do. But for too long we weren’t realizing it. For too long we were held back by our differences, whether they were political or regional or personal. For too long we failed to understand that we are a team, and that the success or failure of our State is determined by our ability to work together. And work together we have.

 Governor Campbell, whose portrait now hangs in the library at the residence, believed that if you give a person a job, you take care of a family. Three years ago, we had a lot of families to take care of. Team South Carolina was formed, and we have never looked back.

 The changes in South Carolina over the last few years are not the result of one person, or one city, or one region. We have realized that what is good for Charleston is good for Greenville, what is good for Orangeburg is good for Aiken, even what is good for Clemson is good for South Carolina.

 We have realized that if we are going to truly lift up South Carolina, we have to lift up all of South Carolina. And what a difference it has made.

 We have announced over 43,000 new jobs, in 45 out of 46 counties. We have seen almost $10 billion invested in South Carolina. We have seen 186 expansions of existing companies, the ultimate compliment a business can give a state.

 We have seen the revival of our manufacturing industry, with the announcement of more than 26,000 new manufacturing jobs. We’ve seen the unemployment rate of our National Guardsmen drop twelve full percentage points, from sixteen down to four.

 We have seen companies from twenty-five foreign countries decide that they want to do business on American soil, right here in South Carolina.

 We have seen the time it takes for an unemployed South Carolinian to find a job decrease by a full month. We have seen the lowest unemployment rate in five years -- and seen our rate fall 2/3 faster than the national rate.

 We are being referred to, which I love, as the “Beast of the Southeast.” We now have the fastest growing economy on the east coast. And 70,000 more South Carolinians are working today than were just three years ago.

 That is progress. That is real. That is the State I am so proud of, each and every day. And that is proof that when we come together there is nothing we can’t accomplish.

 I have invited here tonight some special guests, new friends and old, who have this year invested their capital and their future in South Carolina and her people. Please join me in giving them a warm welcome.

 Please stand when I call your name.

 Representing 200 jobs in Aiken County, from Recleim, Pete Davis

 Representing 200 jobs in Dillon County, from Harbor Freight Tools USA, Inc., Greg Elmore

 Representing 145 jobs in Horry County, from PTR Industries, Josh Fiorini

 Representing 500 jobs in Fairfield County, from Element Electronics, Mike O’Shaughnessy

 Representing 318 jobs in Chester County, from JN Fibers, Inc., Mark Bachner

 Representing 134 jobs in Richland County, from Dayton Rogers Manufacturing Co., Ron Lowry

 Representing 149 jobs in Greenville County, from Kimura, Inc., Shoji Kimura

 Representing 1200 jobs in Berkeley County, from Benefitfocus, Shawn Jenkins

 Representing 501 jobs in Lancaster County, from Keer America Corporation, Wally Wang

 Thank you for making our home, your home.

 Today, the entire country is looking at South Carolina and all she has to offer. But we can’t take our success for granted. As President Kennedy said, “Time and the world do not stand still. Change is the law of life. And those who look only to the past or present are certain to miss the future.”

 Our future is bright, but we have to stay one step ahead in order to compete. And competing globally means always strengthening our business climate, continuing to prepare our workforce, and fighting back the federal government when they push to treat every state the same.

 Every year, standing here, I have asked you to join me in decreasing the tax burden we place on the families and the businesses of South Carolina. This budget year is the third year in a row that we’ve cut taxes for our small businesses. That’s a huge thing -- and sends a message to companies both within and outside of our borders that we value them, their contributions to our State, and that in South Carolina they will always be taken care of.

 But we have to do so much more. Just look around us. Last year North Carolina passed one of the largest income tax cuts in its state’s history. Tennessee, our constant competitor for new companies, investments, and jobs, has no income tax. Likewise Florida and Texas.

 Our tax code needs to be simpler, flatter, and fairer. And a year should not pass where we fail to move further down that road. In this years’ budget, I have renewed my call for the citizens of our State to receive a tax cut of their own, this time eliminating the six percent individual income tax bracket.

 This simple change will put money back into the pockets of South Carolina’s working families -- and I ask that you join me in giving our taxpayers some additional relief.

 Infrastructure must also remain a priority. We are blessed to have, in the Port of Charleston, an asset that is the envy of our friends and competitors in states across the nation. Year after year we are breaking export record after export record. But our port is only as good as our manufacturers’ ability to get their product to it -- quickly, safely, and cheaply.

 Last year, using revenue we already had, we were able to pass into law the largest investment in South Carolina’s roads and bridges in more than two decades, a billion dollars. And we did it without raising taxes.

 South Carolinians are about to see orange cones popping up all across our State. It’s a beautiful thing.

 And I want to thank Chairman Brian White and Senator HARVEY PEELER for helping make that happen.

 But we know there’s more work to be done. You might ask the question, “How do we pay for it?” And my answer will be, “Not by hiking taxes.”

 We proved last year that we can invest in our roads and bridges with the dollars we already have. Raising the gas tax -- forcing our people and our businesses to pay more for the simple act of getting around -- is not an option for me.

 I will veto any Bill that reaches my desk that raises taxes on gasoline. Unlike during the recession, this is a good budget year, with enough revenue coming into Columbia that will allow us to make smart new investments in education, roads, and public safety. That didn’t just happen by magic. And it didn’t happen because we raised taxes or put more burdens on businesses and families.

 We have a steady and strong flow of revenue into Columbia because we have the fastest growing economy on the east coast and unemployment is down to its lowest level in five years. If we start raising taxes, rolling over for federal mandates, and crippling our businesses, we will damage our growing economy, and we will bring in less revenue, not more. Most importantly, we will stop the amazing progress we’re making in putting our people back to work.

 So instead, this year, as last, our budget writers should take the additional revenue that inevitably appears after our budget is balanced -- what I call “the money tree,” -- and invest it in our infrastructure.

 Since 2005, the “money tree” that falls every year has averaged more than 106 million dollars. According to the Department of Transportation, those dollars, invested the right way, will be worth more than 1.3 billion in additional road and bridge improvements. That is prioritizing. That is our job.

 It will come as no surprise to anyone who has heard me speak or has watched this Administration, that it is my firm belief that the federal government causes far more harm to South Carolina than good. Those running the federal government make our job more difficult, day in and day out. Unfortunately, that is simply the reality we are faced with. What is not a reality in South Carolina, however, is the idea that we simply have to take every problem the feds send our way. We don’t, and we haven’t.

 Those of us who fought the President’s disastrous healthcare plan have watched as predictions of lost coverage, rising costs, and unprecedented dysfunction have come true. Obamacare is damaging to the country, and it is damaging to South Carolina. Premiums will skyrocket. All our citizens who like their plans will not in fact be able to keep them. Quality of care will suffer, and so too will patients.

 But as a State, and as an elected government, we will not be victims in this process. We rejected the federal government’s less than generous offer to run a state exchange, an offer that would have Washington bureaucrats dictating the exchange and South Carolinians paying for it. And, with your help, we emphatically said no to the central component of Obamacare, the expansion of a broken Medicaid program that is already cannibalizing our budget, and would completely destroy it in the years to come.

 These were not decisions made lightly, without thought or analysis. But I am fully convinced that South Carolina will be better for them, and I pledge to you this: we will continue to fight Obamacare every step of the way. While we oppose Obamacare, we have an obligation when the federal government stands in our way to get creative and figure out how to better serve our citizens.

 We’ve certainly done that in healthcare, working within the system to increase transparency and drive costs out of Medicaid. And this year, we are proposing a new way to cut the waiting lists for the neediest among us, providing 1,400 disabled South Carolinians with the care they’ve be deprived of far too long.

 But there is no greater example of South Carolina getting resourceful and innovative with a federal program than the way we have tackled welfare. One of my focuses since the day I took the oath of office has been to change the perception of South Carolina. We have so much to be thankful for, so much to be proud of -- I want every citizen, in and out of our State, to feel the same way about South Carolina that I do.

 Travelling the State, I often heard the complaint that there were too many dependent on government assistance. There was a belief that some of our fellow South Carolinians were choosing to remain on welfare rather than get a job. I don’t believe that.

 We are a proud, resilient people, South Carolinians. Given the opportunity, we want to make a better life for ourselves and our families. But with the old welfare system, that opportunity didn’t always exist.

 Under the leadership of Lillian Koller, a dedicated and innovative public servant who was once named the nation’s Public Official of the Year, we’ve changed that. Previously, with Washington having its way, we would handle welfare recipients by asking a few simple questions, effectively checking a box, and handing over a check.

 Easy in, easy out. But no one improves their lot in life that way. Now we do things differently. Instead of just asking routine questions designed to do little more than meet numbers and process people, we dig deeper. We ask them about their skills, what they are good at. We ask them what they like, what they want to do. And then, together with our ever-willing business community, we find them a job.

 Yes, it seems like a simple concept, but here’s the deal: it works. Since starting this program in 2011, we have moved more than 20,000 South Carolinians from welfare-to-work. We should all be proud of this program. But more than that, we should be proud of those workers, those South Carolinians who traded the false stability of a welfare check for the true dignity of a well-earned paycheck.

 We should all remember what this success story proves -- that those out there struggling day-to-day, they don’t want to spend their lives on the couch. They want a chance for more, to make their children proud. It is our responsibility to give them that chance, and I couldn’t be more proud of the fact that, here and now, it’s a responsibility we continue to fulfill.

 There is more to changing the perception of South Carolina than putting people back to work. Much more. And it starts with all of us in the Chamber here tonight.

 The 20th Century Supreme Court Justice, Louis Brandeis, once remarked “The most important political office is that of the private citizen.” I believe that, with everything I have. But sometimes, those of us in public office forget those words.

 When that happens the consequences -- for us, for our shared constituents, for our system of representative democracy -- are devastating. When we lose the public trust, when we lose their confidence, we lose the ability to govern. Last year in this very speech I took great pains to outline why, sadly, we are dangerously close to losing the trust of the South Carolina public.

 I listed the shameful way the ethics laws and standards for South Carolina elected officials were ranked by independent watchdogs. I thought about doing so again tonight. But then I realized there was no need. There was no need because we all already know. We know that the ethics laws we have are not good enough. We know that the public deserves better than the government we are giving them.

 We know that South Carolina needs stronger and clearer ethics laws, and we know we need it this year. We know that we are one of just four states that don’t require income disclosures, and we know we can’t wait until we are the very last to fix the problem.

 We know that South Carolinians want an investigative process they can believe in, and we know that means a truly independent process. No more House members investigating House members. No more Senators investigating Senators. Most of all, we know we have to do better.

 Public officials should not fear more transparency. We should not fear fair and independent investigations. We should embrace them -- because we should have nothing to hide from the people we serve. The good news is that in one year we have made real progress.

 The House has passed the strongest Ethics Reform Bill in a generation. The Senate, in large part, thanks to the perseverance of Chairman LARRY MARTIN, moved that Bill quickly through the committee process.

 I would be remiss if I didn’t again thank Attorneys General Henry McMaster and Travis Medlock for the remarkable reform package they put together, and if I did not give special recognition to Senator CHIP CAMPSEN, Senator WES HAYES, and Representative Rick Quinn for their leadership in helping to push this legislation forward. But we’re not done yet.

 As the Senate is poised this month for debate, I ask you not to water down this historic reform. I ask that you not make excuses. And I ask each and every one of you -- Republican and Democrat, Senator and House Member -- to send me a strong Ethics Reform Bill this year and show the people of this State that we, as their elected representatives, deserve their trust.

 Just two days ago our Nation celebrated the life of Dr. Martin Luther King, Jr. It goes without saying that he wrote and said much of great consequence in a life cut altogether too short, but one particular sentiment struck me: Dr. King said, “There comes a time when one must take a position that is neither safe, nor politic, nor popular, but he must take it because conscience tells him it is right.”

 That call to conscience could apply to the ethics laws I just spoke about, and the need to restore the public’s faith in our government. But to me it had a different meaning, it struck a different cord. What weighs on me is the education of South Carolina's children. The time has come for us to do what is right.

 Many of you may know by now the story of my educational experience -- it’s something I’ve been talking about for years -- but I think it bears repeating here. I was born and raised in Bamberg and went to school in a brick box. We didn’t know what we didn’t have, but we always took care of each other. Now my daughter Rena attends the brand new River Bluff High School in Lexington, where every classroom has a 72-inch television and every child has an iPad.

 I wish I could say that was generational progress. But the thing is, it is progress based on geography, not on generational advancement. Because when I went back to Bamberg to give an anti-bullying speech, the school didn’t even have the equipment to show a video.

 That’s wrong. It’s immoral. And it has to change. I still remember what it was like as a young girl in Bamberg. I remember the feeling of seeing other schools that were bigger and nicer than ours and wondering what that must be like.

 Our kids should never feel that they are more or less worthy based on where they live. Our children should all feel like they have every opportunity to be as successful as they dream to be. And South Carolina can no longer accept that the quality of our children’s education will be determined by where they are born and raised. In truth, I came to you last year knowing much of this -- my childhood experiences certainly haven’t changed in the last twelve months, and Rena was getting a wonderful education long before she moved to River Bluff.

 What I didn’t know was exactly how to change it. So I asked for help -- and as I have found to be the case time and again, the people of South Carolina delivered just what was needed. The education conversation we started one year ago was one of the most interesting and enlightening experiences I’ve had as Governor.

 I want to acknowledge the legislators who participated in this process with me -- Senator JOHN COURSON, Senator WES HAYES, Senator JOHN MATTHEWS, Senator NIKKI SETZLER, Representative Kenny Bingham, Representative Jackie Hayes, and Representative Phil Owens. You came into this with an open mind and a willingness to work, and to listen, and for that I thank you.

 We met with teachers. We met with parents. We met with former state Superintendents, Republican and Democrat. We met with administrators and principals, business leaders and deans. We learned a lot, and we formed a plan. A plan centered on the idea that in South Carolina, we need to take targeted approaches to education in a way that that drives results for our kids.

 We looked at the way we fund education at the state level. We found our formula to be outdated and misguided, and that as a result we are not doing the best job of directing dollars to the areas that need them most. Today, our primary funding formula doesn’t account for children who are gifted or those who require individual instruction. We don’t account for children who have difficulty speaking English. We don’t account for those adult students, ages 17-21, who are still pursuing a diploma or a GED. But the most glaring failure on our part has been the failure to acknowledge that it simply costs more to educate a child in poverty. Research shows that the cost of teaching low-income students with proven methods is roughly $1,200 more per child.

 As a State, we can’t afford to ignore that any longer. Under our proposed changes, school districts will receive 20 percent more in state dollars for each child that falls into the poverty index. In real terms, this simple change means that next year almost $100 million more will flow to South Carolina’s neediest children. We cannot spend an unlimited amount on our schools. And money, for sure, is far from the only answer to our problems in education. What we can do is be smarter about how we spend, and what we spend. We can make sure it is going where it is most needed, where it will make the most difference. That starts this year.

 We have fallen into the bad habit in South Carolina of promoting students through grade levels before they are ready. Teachers don’t want to do this. They feel pressure, from administrators and districts and school boards, to keep children moving and to keep numbers up. And they feel pressure, from everywhere, not to damage a child socially by keeping them back. To that I would simply say that a child who cannot read at the level of his or her peers is already damaged socially. Because a child who cannot read is a child who cannot learn. Studies show that children who cannot read proficiently by the end of the third grade are four times more likely to not graduate high school on time.

 And South Carolina ranks 42nd in the country when it comes to our fourth graders’ ability to read at a basic level. Those two statistics together paint a dangerous picture for South Carolina’s future. But we can turn the tide.

 With Governor Jeb Bush, Florida undertook one of the most meaningful transformations in education this country has ever seen. And when I asked Jeb, he told me the most important thing they did was teach those kids to read. We’re going to follow that model. Every elementary school in South Carolina will be offered a reading coach to make sure that no child leaves the third grade unable to read.

 And we are going to increase our investment in summer reading camps to make sure that students don’t regress from year-to-year, and that in places like Allendale or Dillon that may have fewer opportunities outside the school year, our kids have a safe and productive way to spend their summers. It has been said, “To learn to read is to light a fire …”

 We can light that fire in the mind of every child in South Carolina, change the fortunes of generations of children yet to come, and forever alter the direction of our State. Earlier I spoke briefly about my trip to Bamberg, and the gap that exists in technology between our schools that have and those that have-not.

 Technology is the future -- not just in education, but in all aspects of our lives. We cannot pretend that we are preparing South Carolina’s children for the world that awaits if some of them remain unaware of what that world looks like. Especially when that lack of awareness is not their choice but is imposed upon them by circumstance, or worse, by our indifference.

 South Carolina is going to invest in education technology in a way we never have before. We are going to make sure that the Internet gets to our schools. We are going to make sure those schools are wired to receive it. We are going to provide the tools -- computers, tablets, and instructional materials -- so that our teachers can get the most out of our investment and out of our students. And South Carolina’s schools are going to be equipped to compete with any school, in any state.

 The most impactful meeting I had over the last year was with a group of about fifty teachers from across this State. They were in a difficult place. They know the problems with our schools. They see them firsthand every single day. What they so desperately want is for us to help them help our kids. In many ways, past debates over education had damaged their confidence. When we are not careful about how we talk about our very real educational needs, we can beat down the very teachers who are the special link between a child and his or her education.

 That has to stop. We have to support our teachers with the right training and with the right attitude about what our schools are achieving, and what they can achieve in the future. These are big changes we’re calling for, I know. I also know that big changes are not always easy. But the size of these changes pales when compared to the size of their importance. We can make them. We can transform education in South Carolina, and we can do it without raising a single tax and without taking a single existing dollar away from a single district.

 When those changes seem too big, or too hard, remember at the core there is just a simple question. Are we willing to stand two children side by side, and tell one, that through no fault of his own, he is going to a school with less, while at the same time telling the other she will have every ounce of support she needs to thrive?

 I can tell you I am not. And I hope you’ll join me. I started tonight proclaiming the state of our State to be strong. I believe the path I’ve outlined here tonight will make South Carolina even stronger. It’s a path that creates jobs at a much faster rate than the rest of the country. A path that moves more people from welfare-to-work. A path that cleans up our ethics laws. And a path that gives every child -- no matter the circumstances of their birth -- a chance at success.

 Last year, the world lost an iconic woman, and I, a personal hero. Margaret Thatcher was a towering figure of history, a force for what was right and what was good. She will be missed. But her words will remain with us. “Look at a day when you are supremely satisfied at the end. It’s not a day when you lounge around doing nothing; it’s when you’ve had everything to do, and you’ve done it.” South Carolina is in a far better place than just a few short years ago.

 But we still, in Lady Thatcher’s words, “have everything to do.” We can keep South Carolina surging forward. We can create new opportunities and tackle our challenges. We can continue to make South Carolina the best place in America to live, work, and raise a family. But I can’t do it alone. I ask each one of you in this chamber to lend your support and your energies to securing the future of the state we all love so dearly.

 It’s a future that is just so bright. Thank you, God bless you, and may He continue to bless the great State of South Carolina.

 The purpose of the Joint Assembly having been accomplished, the PRESIDENT declared it adjourned, whereupon the Senate returned to its Chamber and was called to order by the PRESIDENT.

**MOTION ADOPTED**

 On motion of Senator LARRY MARTIN, with unanimous consent, the Senate stood adjourned out of respect to the memory of Captain J.C. Hayes of Easley, S.C. Captain Hayes graduated from Easley High School in 1944 and graduated from the Naval Officer Candidate School breaking all scholastic records. Later, he earned a Masters Degree in Nuclear Physics from the Naval Postgraduate School in Monterey, CA. At 17, he was in the Navy Demolition Unit serving in the Pacific Theater. Captain Hayes served in three wars and had seven major commands. He sailed all the seven seas and visited every port of call in the world. Captain Hayes served under Admiral Richard E. Byrd and accompanied him on his last expedition of Antarctica. He retired from the U.S. Navy in 1983 after forty years of service. Following retirement, Captain Hayes served nine years on the Pickens County Council, was a Mason in the Bates Lodge, was former President of the American Red Cross, was a board member of the Senior Unlimited of Pickens County and a member of the Easley Rotary Club.

and

**MOTION ADOPTED**

 On motion of Senator McELVEEN, with unanimous consent, the Senate stood adjourned out of respect to the memory of Mr. David Evans, Jr. of Sumter, S.C. Mr. Evans worked in Sumter and Clarendon School districts where he served as Director of Special Services. He was active in his community as a Rotarian and founding treasurer of his K.A. Chapter at Western Carolina University. He was instrumental in advancing the licensure of school psychologists in the State of South Carolina. In 2010, Mr. Evans received the Lifetime Achievement Award from the South Carolina Association of School Psychologists. Mr. Evans was a loving husband, devoted father and doting grandfather.

**ADJOURNMENT**

 At 7:46 P.M., on motion of Senator COURSON, the Senate adjourned to meet tomorrow at 11:00 A.M.

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