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Subject: Ethics - Myrtle beach - also attached

Attachments: (2013.12.04) Ethics Reform Press Conference_Myrrtle Beach.docx

SUGGESTED TALKING POINTS and Q&A POINTS:

Most of the ethics reform changes that have been proposed by McMaster-Medlock and in H. 3945 apply to ALL public officials, not just members of the General Assembly. Therefore, private income disclosure and certain conflicts of interest proposals apply to city, county, school and state elected officials and some state board officials as well. The primary exceptions to this are the independent oversight proposal and the additional fee disclosures for lawyer-legislators.

I. Open and refer to Visuals:

Opening

- As the start of another legislative session approaches, it is time that we remember where we left off this summer.
- The House passed an ethics reform bill, and the Senate - after working hard to get a good proposal to the floor - stalled, placed over 100 amendments on the desk, and left the bill in debate on the last days of session.
- The people of South Carolina do not deserve to wait any longer. Today, I begin my push for Ethics Reform once again. I will be going around the State from now until Session starts to talk about the importance of Ethics Reform. And I look forward to standing with legislators from both sides of the aisle as I come to their districts.

Facts

- South Carolina still has an F on a Corruption Risk Report Card (by Center for Public Integrity) and our state is still only one of four states to not require public officials to disclose private sources of income.
- Next January, the legislature needs to pass an ethics reform bill.

****Visuals: (1) "F" Corruption Risk Report Card; and (2) Map of USA with only Four States not shaded ("46 States have Private Income Disclosure – South Carolina is not one of them").*

II. Remind the Public about where we came from – The McMaster-Medlock Commission

Commission, in general

- Over the past year, several proposals have been put forth from groups both inside and outside of the Statehouse.
- However, no proposal has been stronger or gone farther in improving our state's ethics laws than the 23 Recommendations proposed by the South Carolina Commission on Ethics Reform, known as the

McMaster-Medlock Commission.

Specific Proposals

- The Commission's proposals, which I have fully endorsed, include requiring an independent, impartial ethics commission to investigate all executive and legislative officials, which would keep the entire oversight process open and transparent.
- The Commission also proposes strengthening conflicts of interest laws to require the disclosure of private income and clarifying election and campaign finance laws.
- The McMaster-Medlock Commission is the blueprint for an ethics reform bill, and it is the gold standard for true ethics reform in South Carolina.

III. Remind the Public about where we are now – H.3945 and the Working Group Amendment

H.3945, in general

- Although it is not as strong as the McMaster-Medlock recommendations, we have a good bill up for debate on the Senate floor.
- Under the leadership of Senators Campsen, Hayes, and Larry Martin and Representatives Quinn, James Smith, Bannister, Bingham, and Murrell Smith and others, H.3945 has passed the House and has made progress in the Senate.
- We have vetted this bill time and time again.
- The House appointed a Study Committee, the Senate appointed a Select Committee, the Senate Judiciary Committee, alone, debated the details of this bill for over eight hours.
- This is a good bill. Sure, there are things I would like to see strengthened, but with most things, we have to work together – both branches, both chambers, both sides of the aisle – to get something done.

Working Group Amendment

- A bipartisan group of Senators which included Senator Campsen – known as the Working Group – has created an amendment that can take this bill across the finish line.
- The Working Group Amendment creates an independent commission for investigating ethics complaints – an integral part of a McMaster-Medlock recommendation; expands income disclosures to include all sources of private income for our legislators – another McMaster-Medlock recommendation; strengthens criminal penalties for violations of the Ethics Act – another McMaster-Medlock recommendation; among other things.

IV. Remind the Public about where we have to go – H.3945 must pass the Senate and go through Conference

- I am proud of the work we have done to strengthen H.3945.
- I look forward to working with the Senate and the House to pass this bill during the first weeks of session get it to my desk for signature.

V. Close and Call to Action:

- I never forget that the people created our government and that the government works for the people.

- Anything we can do to restore the public's trust in its government, we must do.
- Signing an ethics reform package into law would be a historic measure that the citizens of our state have not seen in decades.
- I urge you to call your Senator, call your House member, and show your support for ethics reform.

Q&A's Talking Points:

Q. Whistleblower Provision

- As I've always said, the McMaster-Medlock Commission is the gold standard for ethics reform, and in their report, a provision amending our whistleblower law to its original 1988 version was included.
- This recommendation would protect state employees who report abuse, misuse, destruction, or loss of public funds and provide employees with a reward of 25% for any net savings.
- While this is important, it's more important to remember that the reporting is only as good as those governmental officials who receive, investigate, and judge those reports.
- Also, we now have a State Inspector General whose sole job is to detect waste, fraud and abuse.

Q. Discipline vs. Investigation

- The McMaster-Medlock Commission took a careful look at the provision in our constitution that gives power to the legislature to discipline its own members, and my understanding is that legal experts still have differing opinions on this issue.
- I am not a lawyer, but I know that the true conflict that matters is when legislators investigate legislators.
- What I love about the Working Group Amendment to H.3945 is that the discipline – or adjudication – portion of the ethics process is transparent, requiring the Senate and House Ethics Committees to have open public hearings.

Q. The "right person" to talk about ethics

- If not me, then who? If not now, then when?
- As a legislator and now as governor, I have always sought the advice of my ethics staff and my legal counsel to follow the law and do what's right, but the problem with our current ethics law is that there are so many gray areas.
- What I've done as governor is tried to clear up those gray areas so that no other governor has to deal with what I've dealt with – but I shouldn't have to do that.
- The law should be clear, and this bill clears up many of those gray areas for me and my fellow elected officials.

Q. Vacant Appointments to the Ethics Commission

- All of these appointments require advice and consent of the General Assembly.
- We will have nominations for all vacant seats to the Senate and House before they return in January.

LEGISLATIVE INFORMATION:

SENATE - Horry		DOA	Ethics	Sup. of Edu	ABF	Ad. General	FOIA
R	Raymond E. Cleary, III	Y	N	Y			
R	Greg Hembree	Y	Y	Y			
D	J. Yancey McGill	Y	N	N			
R	Luke A. Rankin	Y	N	AB			
D	Kent M. Williams	Y	N	N			

HOUSE - Horry		DOA	Ethics	Sup. of Edu	ABF	Ad. General	FOIA
D	Carl L. Anderson	N	Y		Y	Y	Y
R	Liston D. Barfield	Y	Y		Y	N	Y
R	Alan D. Clemmons	Y	Y		Y	Y	Y
R	Heather Ammons Crawford	Y	Y		Y	Y	Y
R	Tracy R. Edge	Y	NV		NV	Y	N
D	J. Wayne George	Y	Y		Y	Y	Y
R	Kevin Hardee	Y	Y		Y	Y	Y
R	Nelson L. Hardwick	Y	Y		Y	Y	Y
D	Jackie E. Hayes	Y	Y		Y	Y	N
R	Mike Ryhal	Y	Y		Y	Y	Y

ECONOMIC DEVELOPMENT INFORMATION:

Since January 12, 2011: 723 jobs and \$30 million in capital investment in Horry County. (urban)

Announced Date	Company Name	Objective	Product or Service
2013-11-21	B3C Fuel Solutions LLC	Expansion	New technology to prolong the life of f
2013-10-17	Ithaca Gun Company	New	Manufactures guns and pistols
2013-09-20	Elm Street Associates	New	aerospace products
2013-06-24	PTR Industries Inc.	New	Firearms manufacturer
2013-01-09	New South Companies, Inc. (Canfor)	Expansion	Lumber Mill
2012-08-10	BauschLinnemann North America, Inc.	Expansion	Paper Products
2012-05-11	Frontier Communications	Expansion	Call Center
2011-12-29	AvCraft	Expansion	Maintenance Repair Overhaul