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To: Pitts, Ted <TedPitts@gov.sc.gov>
Veldran, Katherine <KatherineVeldran@gov.sc.gov>
Date: 4/3/2014 4:34:59 PM
Subject: RE: Notes from House Sub on H.3945, Ethics Reform

Let's discuss tomorrow how we want to handle the disclosure of attorneys' fees issue below. We told the group that we wanted that proposal in the House Version.

From: Schimsa, Rebecca
Sent: Thursday, April 03, 2014 2:57 PM
To: Haley, Nikki; Pitts, Ted; Veldran, Katherine
Cc: Patel, Swati
Subject: Notes from House Sub on H.3945, Ethics Reform

Governor, Ted, and Katherine,

Swati and I attended the House Con Laws Subcommittee today, which met on H. 3945, the Ethics Reform Bill. Below are highlights from the meeting.

OVERVIEW: Chairman Delleney charged the Subcommittee to cover four "big ticket items": (1) Structure; (2) Enforcement; (3) Income Disclosures; and (4) Penalties. House Staff prepared a side-by-side using the McMaster-Medlock Report and the GOP Caucus Recommendations as a guide.

ACTION TAKEN: Rep. Bannister suggested to go through the bill to quickly adopt/delete items that had great consensus, which are listed below. All other items were passed over for later discussion.

- Items Adopted:
 - Intellectual Property Rights (MM #11); and
 - Debt Retirement (GOP Caucus).
- Items Deleted: (Rationale: These items were NOT included in either the House or Senate versions.)
 - Ballot Fix (MM #1; S.2);
 - Fiduciary Positions (MM #3);
 - Two-Year prohibition for legislators to elect those they represent (MM #5);
 - ***Requirement for legislators to report fees when the State is an opposing party (MM #7);
 - Use of State Plane for press conferences (MM #10);
 - Mail and Wire Fraud (MM#17);
 - Requirement to pay ethics fines before running for office (GOP Caucus);
 - Disclosure by lobbyists of any income received from a lobbyist principal (GOP Caucus);
 - Increase in campaign contribution limits to \$5,000 statewide (GOP Caucus).

GENERAL DISCUSSION: Reps. McLeod and Pope commented that there is a need for independent investigations. Reps. Quinn and Pope asked staff to seek feedback from the State Ethics Commission and Senate Ethics Committee for any "small" technical changes that would be helpful fixes. Rep. Quinn offered to remove the local lobbying provision, which he thought might be a sticking point that would hold up the entire bill – this provision was passed over (MM #12).

ADDITIONAL MEETINGS: Chairman Delleney scheduled three additional meetings: Next Tuesday after Full Judiciary; Next Thursday upon Adjournment; and Wednesday, April 23rd at 10:00 a.m. They decided to debate two of the big ticket items, Structure and Enforcement, on Tuesday.

Thank you.

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