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To: Veldran, Katherine <KatherineVeldran@gov.sc.gov>

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CC: Godfrey, Rob <RobGodfrey@gov.sc.gov>

Date: 6/22/2016 3:56:04 PM

Subject: RE: Updated 2:59pm

Attachments: Ethics Bills Signing Talking Points - FINAL V2.docx

Veldran and/or Priester – Please replace the Talking Points, Press Q&A, and Special Recognitions sections with the attached updated version. Note that two of the Q&A sections are highlighted pending approval from Rob.

From: Veldran, Katherine

Sent: Wednesday, June 22, 2016 3:00 PM

To: Priester, Nicole; Schimsa, Rebecca; Mottel, Haley; Patel, Swati

Subject: Updated 2:59pm

EVENT: Bill Signings for Ethics Reform: H.3184, Independent Investigations, H.3186, Private Income Disclosures

DATE: Thursday, June 23, 2016

TIME: 2:00 PM

LOCATION:

Easley Law Enforcement Center

220 NW Main St, Easley, SC 29640

LOCATION SET-UP:

Sending over pictures today.

ROOM: Courtroom #1 (fits about 100 people)

ONSITE CONTACT: Tim Tollison, Chief of Police 864-238-7503 (cell)

PRIMARY STAFF: Katherine Veldran and Abby Scott

ADVANCE STAFF: Brian Symmes, Camlin Moore, Haley Mottel

PURPOSE: Celebrating the bill signings for ethics reform: H.3184, Independent Investigations, H.3186, Private Income Disclosures. Highlighting Chairman Larry Martin's leadership.

PRESS: Yes

PUBLIC: Yes

CONFIRMED ATTENDEES:

Sen. Larry Martin

Sen. Thomas Alexander

Rep. Davey Hiott
Rep. Gary Clary
Rep. Josh Putnam

SPEAKING ORDER/LINE-BY-LINE:

- ☐ Governor Nikki Haley
- ☐ Chairman Larry Martin

Joanne Day, League of Women Voters

Teresa Arnold, AARP

BACKGROUND:

SPONSORS:

Pope: H.3184, Independent Investigations
Finlay: H.3186, Private Income Disclosures

SENATE FIGHTERS: Larry Martin, Chip Campsen, Shane Massey

CONFERENCE COMMITTEES:

H.3184: Larry Martin, Chip Campsen, Gerald Malloy
Tommy Pope, Murrell Smith, Mandy Norrell
H.3186: Larry Martin, Chip Campsen, Brad Hutto
Kirkman Finlay, Murrell Smith, Beth Bernstein

SUGGESTED TALKING POINTS:

I. How we got here?

- When I ran for governor six years ago, I asked our state to join a movement that made government open and accountable to the people.
- We wanted to reform our state so that it worked for the taxpayers and to remind our elected officials who they worked for.
- We fought for on-the-record voting, we fought for restructuring, and – boy – have we fought for ethics reform.
- Ultimately, we had two top priorities: Requiring public officials to disclose who pays them and having independent investigations of legislators.

II. Why do we need Independent Investigations?

- As governor, I have lived under one set of rules overseen by the State Ethics Commission just like every mayor, sheriff, city council, and county council member throughout the state.
- But as a legislator, I had to live under another set of special rules, which were made and enforced by other legislators who were my friends, my colleagues, and my leadership—that is simply not ethical oversight.
- We've all seen the headlines over the past few years, and we all know that there are a few bad apples who will break the law, but when it comes to ethics, it's too important to have two sets of rules.
- We need one office investigating the matter, and we need the results of that investigation to become public.

- This bill does that—it makes the State Ethics Commission responsible for investigating all Ethics Act violations and requires that all recommendations of probable cause be disclosed.
- This bill ends the era of the fox-guarding-the-henhouse and helps restore the public's trust in our government.

III. Why do we need Income Disclosures?

- Back in 2009, as a House member campaigning for governor, I used to always say that I represent Lexington County for \$10,000 a year, I have to have another job, and I want the taxpayers to know who else pays me.
- I used to say that we have to have income disclosures for South Carolina, because once we see who's paying our legislators, we can see why policy is moving the way it is.
- I used to say that if we put income disclosures in place, two things will happen: One, legislators will know when to recuse themselves from votes; and Two, policy will start to move forward that benefits the people of this state instead of the wallets of the legislators.
- As a legislator, I even filed a bill to try and get income disclosures in 2009 (H.4271).
- But I no longer have to wish for it, because today is that day: We are finally one of 47 states to have income disclosures for all sources of income.
- Next year, when all of our officials go to file their annual disclosure statement, they will have to list every source and type of income received by them or their immediate family that is reported on an IRS form.

IV. What are we celebrating and why?

- We are celebrating the fact that there is one independent body to investigate all of our elected officials, including our legislators—the fox is no longer guarding the henhouse.
- We are celebrating the fact that South Carolina is now one of 47 states to have income disclosures for our public officials—if we can see who pays our policymakers, then we can understand why policy is moving the way it is.
- These are monumental changes for Columbia, but what does this mean for the taxpayers and families across the state?
- It means that your government is being reformed from the inside out so that you can be empowered to watch how taxpayer dollars are spent compared to who is paying our appropriators.
- You can see conflicts, you can call out your elected officials, and you can trust that if there is an ethics violation, then it will be investigated by an independent body that is open to the public.

Special Recognitions

First and foremost, **Senator Larry Martin**:

- No one in the General Assembly has fought harder for ethics reform than you.
- The people of Pickens County should be so proud that you – as one of the most powerful senators in the body – led the charge to restore the public's trust in government.
- **You challenged the status quo for what was right and not what was best for those in office—you stood up against the establishment, special interests, and the good ol' boys.**
- You made a commitment, and you got it done—getting these bills through committee, on the

- floor, and to my desk.
- **I want everyone to know that – if you were not Chairman of Judiciary – there would be no way these ethics bills would have gotten a hearing, much less passed.**
- You are a once-in-a-generation statesman who serves the people of Pickens with passion, humility, and guts.
- Not many people outside of Columbia know that 2/3 of all the bills in the Senate go through the Judiciary Committee, and as Chairman, you are that gatekeeper—you are that leader.
- **Thank you for your partnership on so many good government reforms that would still be in a desk drawer if it wasn't for you: on-the-record voting, restructuring, domestic violence reform, and ethics reform.**

Next, I have to thank **the League of Women Voters, AARP, and the Coastal Conservation League** for rallying the public and keeping them informed, but it would be wrong to not give a special thanks to **Lynn Teague** from the League of Women Voters:

- She can't be here today, but we must recognize that no one outside of government fought harder for ethics reform than she did.
- She spoke truth to power, and she was the outside third party voice of reason to us all.

Next, I have to thank the leaders in our General Assembly who negotiated the compromises, whipped the votes, and ultimately shepherded these bills to the finish line:

- **Senator Shane Massey**—our Majority Leader who made some game-changing plays for us in committee and on the floor to make these bills better and keep them alive;
- **Senator Chip Campsen**—our resident constitutional expert who was the original architect for the system of independent investigations that we adopted;
- **The House and, specifically, Representatives Tommy Pope, Kirkman Finlay, and Murrell Smith:**
 - You made ethics reform a priority in the House by having a special study committee early on to flesh out these bills.
 - You passed a lot of bills and passed them quickly, which gave us more options when the clock was running out.
 - Your body always ran in lockstep and never delayed, and for that, I thank you.

Finally, I have to go way back to thank the authors of the Gold Standard of Ethics Reform— **The South Carolina Commission on Ethics Reform**.

- ☐ We asked you to come up with what is best for South Carolina, and you did.
- ☐ While we still have much more to do, we thank you for taking that first step and telling us what real reform is.

INVITES:

General Assembly

League of Women Voters

James Burns, Nelson Mullins

Coastal Conservation

AARP

State Ethics Commission staff

LOCATION SETUP:

- ☐ Podium
- ☐ Seal (*Gov office*)
- ☐ Microphone
- ☐ Signing table
- ☐ Executive Chair

OTHER PIECES:

The actual bills for signature

9 signing pens

SUGGESTED SIGNING PENS: (9 pens)

1. Sen. Larry Martin
2. *Sen. Chip Campsen
3. *Rep. Tommy Pope
4. *Rep. Murrell Smith
5. Rep. Kirkman Finlay

6. *Lynne Teague

**not able to attend*

Press Q&A

Are the bills real reform?

- ☐ Some will rain on this parade and say these bills don't go far enough, but these reforms are historic game-changers and the first of their kind since Operation Lost Trust almost 25 years ago.
- ☐ These bills are a signal from your government that we hear you—you wanted more transparency, you've got it; you wanted more honesty, you've got it; you wanted faith in the system, you've got it.
- ☐ We work for you, not the other way around, and these bills prove that.

How could Income Disclosures be improved? What else did you want?

- ☐ Although this bill shines a bright spotlight directly on the public official, it leaves other significant interests in the dark, because a lot of income can still be shielded from disclosure by passing through a firm, partnership, or LLC.
- ☐ Slicing through that business shield is important, because we want to know which officials are living off the system.
- ☐ It would be important to know who is doing consultant or independent contractor work on the side for lobbyist's principals, counties or municipalities, or companies regulated by the state, and none of that has to be exposed as long as it's filtered through a business.
- ☐ We do not want to outlaw part-time legislators or other part-time officials from making a living—we simply want it exposed and open to the public for the people to decide.

How could Independent Investigations be improved? What else did you want?

- ☐ Ideally, investigations and discipline should be under one independent body to handle a matter from start to finish.
- ☐ However, we have a Constitution and separation of powers, and many bright legal minds doubted if that would be lawful—having one branch discipline another branch.
- ☐ So we worked within the bounds of the law to create a process where the most important step – investigations – are independent and what’s not independent – the discipline – becomes public.
- ☐ It’s a win-win.

What is the next step for Ethics Reform in South Carolina?

- ☐ I’d love to see us take income disclosures a step further to capture sources of income that are shielded behind an official’s business so we can see who’s living off of the system.
- ☐ I’d love to see us require lawyer-legislators to report when they or their firms sue a state agency—it’s just wrong to me that a person can be elected to represent the state and then turn around and make money suing the state.

What about Dark Money? Would you support abolishing Dark Money?

- ☐ ?

What about Leadership PACs? Would you support abolishing Leadership PACs? Like A Great Day SC?

- ☐ ?

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