

**ETHICS REPORTER**

**August 2021**

Kentucky Legislative Ethics Commission

22 Mill Creek Park, Frankfort, Kentucky 40601-9230

Phone: (502) 573-2863

<http://klec.ky.gov>

***Lobbying report deadlines and important reminder about reporting bill numbers***

**Wednesday, September 15, 2021** is the next reporting deadline for lobbying entities, and all lobbyists and employers are required to file Updated Registration Statements then, for the period of **May 1** through **August 31, 2021.**

The easiest and quickest way for lobbyists and employers to file is to visit the Commission’s website: <https://apps.klec.ky.gov/lec/onlinefiling.aspx> .

Additionally, reporting entities are reminded that they are required to report the specific bill numbers that they are lobbying on, as required by the Legislative Ethics Code, if those numbers are available. If your reports have not adequately reflected bill numbers in the past, please make every effort to reflect bill numbers in updated registration statements going forward.

***Newly-registered lobbying employers***

The following businesses and organizations recently registered to lobby in Kentucky**: City of Corbin, KY**; **Jeffersontown Fire Dept.**;and **Save the Children Action Network**.

#### ***Commission Office Procedures and COVID-19***

#### Following guidance from federal, state, and local officials regarding the COVID-19 pandemic, the Commission halted in-person services at its Frankfort office as of Tuesday, March 17, 2020.

#### As of **July 1, 2021**, the Commission office re-opened its office to the public. We request that you wear a mask when visiting our office, due to the increased prevalence and transmissibility of the COVID Delta strain at this time. Also, we would be happy to speak to you over the phone or via Zoom.

 We encourage you to continue to contact us via the means listed below, and by filing electronically or by scanning paperwork and emailing it to us. If you need to send the Commission copies of paperwork, it is most efficient to scan and email it to the email addresses as listed on the staff page, or fax to the number above.

Legislators, staff, lobbyists, employers, and the public may continue to contact the office by phone at (502) 573-2863, by fax at (502) 573-2929, and via the email addresses listed on the staff page: https://klec.ky.gov/About-KLEC/Pages/Commission-Staff.aspx . You may still reach Laura Hendrix, Executive Director, at (502) 573-2910, Emily Dennis, Counsel, at (502) 573-2911, and Lori Smither, Staff Assistant, at (502) 564-9084. You may still reach Donnita Crittenden, Executive Assistant, at the main Commission number (502) 573-2863.

####  Continued thanks to the many lobbying entities who have honored our request to begin filing online, and those who have utilized this service for many years. If a lobbyist or employer is currently filing disclosures by paper and would like to file online, please email us and we can contact you with an ID and password.

####  If an entity needs to register as a lobbyist or employer, please email the required scanned paperwork to Donnita Crittenden or Lori Smither at the staff emails in the link above or fax them to (502) 573-2929. Blank forms may be found here <https://klec.ky.gov/Forms/Pages/Get-Blank-Forms.aspx>

####  All provisions of the Code of Legislative Ethics are in force during this time. If there is a need for an opinion about the application of the Code to any particular ethical issue that may arise, please continue to contact us and we will answer your questions.

#### ***Training for Lobbyists and Employers on video***

#### The Legislative Ethics Commission has a training video from one of our in-person lobbyist and employer trainings on the LRC Capitol Connection YouTube page, for viewing at any time. The link is on our website and on the LRC Capitol Connection page at <https://www.youtube.com/watch?v=ojKIWUNV8po&feature=youtu.be>. The video walks through the online filing process in step-by-step detail. Please call us with any questions!

#### ***Overview of Legislative Ethics Code online***

#### The Legislative Ethics Commission has a PowerPoint overview of the Legislative Ethics Code available for reference. The link is on our website, and also on the LRC Capitol Connection page at <https://www.youtube.com/watch?v=I4FJvhrSoao>. Feel free to watch!

***Ethics & Lobbying News from around the U.S.***

***FBI raids Detroit’s city hall, council members’ homes as it focuses on towing operations***

**MICHIGAN** —***Detroit News***— by Robert Snell, Sarah Rahal, and George Hunter  *–* August 28, 2021

A widening public corruption investigation focused on Detroit towing operations and bribery allegations emerged Wednesday as FBI agents raided Detroit City Hall and the homes of City Council members Janeé Ayers and Scott Benson, the latest development in a scandal that has led to charges against Councilman André Spivey.

The full scope of the investigation was unclear, but FBI agents were focused on municipal towing operations and accusations city officials received bribes, according to two sources. Federal agents on Wednesday also searched the homes of several City Council employees, including Ricardo Silva and Carol Banks, chiefs of staff for Ayers and Benson, respectively, though search warrant documents listing probable cause to search the locations remained sealed in court and no criminal charges were filed Wednesday.

The raids represent the broadest federal investigation into City Hall corruption in the eight years since former Detroit Mayor Kwame Kilpatrick was convicted of racketeering conspiracy and sentenced to 28 years in federal prison. President Donald Trump commuted the sentence in January.

“The citizens of Detroit have a right to a city government that’s free of corruption,” Timothy Waters, special agent in charge of the FBI's Detroit office, told reporters outside the municipal center after more than a dozen special agents were spotted leaving the building with boxes of evidence.

It was unclear which City Hall offices were raided but a source familiar with the investigation said investigators did not search Mayor Mike Duggan's office or executive suite.

In recent years, FBI corruption investigators have focused on Macomb County politics, and secured more than a dozen convictions before returning their focus to Detroit politics.

"Clearly, there is a culture of corruption that doesn’t stop at the city line or the county line," said Erik Gordon, a professor at the University of Michigan's Ross Business School.

The Wednesday searches come three weeks after Spivey was arraigned in federal court on one count of conspiracy to commit bribery over claims he accepted more than $35,000 to be "influenced and rewarded" for votes.

Ayers, 39, is seeking a second four-year term as an at-large council member in the Nov. 2 general election and faces three other candidates for two at-large seats. Benson, 51, was unopposed in this month's primary and advanced to the general election. He is seeking a third term representing northeast Detroit in District 3.

The raid at Ayers’ home comes three years after her name emerged in a bribery investigation involving Gasper Fiore, the towing magnate, that relied on a sealed FBI wiretap affidavit, which was obtained by The Detroit News. At the time, intercepted telephone conversations offered insight into the influence Fiore wielded over local officials and his attempts to rig the system in his favor.

Among the wiretapped calls from 2016 was an exchange between Fiore and a man identified as Nicholas Primus about secretly funneling money to Ayers to pay for advertising billboards. Federal agents did not list Ayers as a target of the wiretap investigation, and she has not been charged with wrongdoing.

In a May 10, 2016, phone call, Primus alerted Fiore of an alleged upcoming meeting he had planned with Ayers. The two men “discussed ways to get money to her but disguise it,” FBI Special Agent Robert Beeckman wrote in the wiretap affidavit.

Primus told Fiore he was providing billboards for Ayers, who at the time was gearing up for a special election to finish out a term on council in a vacated seat, the agent wrote. Primus allegedly offered Fiore the opportunity to pay for the billboards and said he would let Ayers know that he was doing so.

Primus also spoke with Fiore about a planned lunch meeting with Ayers and invited Fiore to attend, according to the court filing. Fiore acknowledged that he’d attended a party for Ayers a week earlier, and told Primus to let him know where the meeting would take place, and that they should keep it “close and quick.”

“I gave her a good deal,” Primus told Fiore, according to a transcript of the call. “I was gonna give her some money too. Not in my name, but, you know, but ... anyways, I gave her a good deal on some billboards, and she asked me for some extra time. And I said, ‘I don’t know, let me work with you.’ I don’t know if you want to tell her and you pay for it cause uh, I only charged her a thousand dollars a billboard.”

Fiore replied: “Alright. ... I – I’ll do something.”

Ayers has told The News she doesn’t know Primus.

“I have never had a private meeting with him. I’m not sure I’ve ever seen him publicly,” said Ayers previously, who added, “he has never donated to my campaign.”

Campaign finance records show no payments from Primus or Fiore to Ayers.

Fiore, known as the “Baron of Bribery,” was sentenced to 21 months in federal prison in August 2018.

Benson and Ayers did not return calls Wednesday from The News seeking comment.

**'I'm shocked'**

Ayers was seen outside her westside home Wednesday, but a Detroit News reporter was stopped by police as she tried to approach the councilwoman.

Federal agents searched through vehicles and boxes alongside the colonial home, and Ayers was seen speaking with a small group of family on the sidewalk before heading inside.

A handful of unmarked police vehicles were outside Ayers' home and half of the street was blocked off from traffic. Most surrounding neighbors told The News that they were unaware before Wednesday that Ayers lived on the block.

Neighbor Latisha Hardwick has lived on the street for 13 years and said she’s never met Ayers but recognized her photo.

“This is surprising,” said Hardwick, 42. “The newest thing that happened in this neighborhood was that they recently put up a gate in front of an already existing gate.”

Outside Benson's house in Detroit on Wednesday, a large black SUV was parked in the driveway and a Michigan State Police car was in the street as a group of agents gathered near the front porch. Some of the agents were wearing gloves. When a Detroit News reporter arrived, they all went into the house.

At one point, a group of four neighbors came outside to watch the raid as a helicopter flew over Benson's home.

Authorities left Benson's home late Wednesday morning with rolling black carts, and it appeared they also removed paper bags containing documents.

The councilman's neighbors were surprised to learn about the raid on Benson’s home on Detroit’s east side and a stone’s throw from the suburb of Harper Woods.

“I’m shocked,” said Merlynn Sargent, 61, whose lived in the neighborhood since 2015. “In my opinion, when you see the FBI, they’ve already been investigating you and they raid your house looking for the evidence now. That’s how I look at it.”

She said she's been a supporter of Benson and his work for the city.

“He’s done so much for the community," she said. "As a matter of fact, I voted for him.”

Sargent said she wasn’t familiar with Ayers and didn’t know much about her. She also said as a Detroiter, she’s tired of hearing stories about corrupt politicians in the city.

“When we got rid of Kwame, I thought that was the end of it. But every time you look around there’s someone else. There was Gabe Leland. There was Spivey, which surprised me, too."

FBI agents also searched the home of Ayers' chief of staff, Silva, in Detroit, according to the FBI. He did not respond to a message seeking comment.

The search coincided with a raid at Banks' home in the East English Village neighborhood on Detroit's east side.

She declined comment through her former representative, lawyer Todd Russell Perkins.

Banks has a controversial past.

She was terminated from Detroit Public Schools in 2015 while serving as an ombudswoman and doubling duties at Benson's office. The Detroit Board of Education fired Banks that December following an internal investigation into misconduct. She went on to work for Benson full-time.

At that time, Benson told The News, he found no evidence of any wrongdoing on her part and that he supported her.

“Carol Banks is a huge asset to this community and to my office,” he said then. “I’m happy to have her.”

Detroit Mayor Mike Duggan declined to comment Wednesday on the searches at the council members' homes and City Hall through spokesman John Roach.

Councilwoman Raquel Castañeda-López issued a statement Wednesday, saying she's "horrified and heartbroken" over the raids and Spivey's recent charge.

"Our country affords everyone the fundamental right to be presumed innocent until proven guilty and access to justice," she said. "Many on this Council, including myself, were elected just as we emerged from bankruptcy and emergency management was lifted. We have come a long way since then.

"In the spirit of accountability, I am hopeful these federal probes are resolved swiftly."

Castañeda-López also said she intends to introduce a new section to the council's training rules to "foster accountability." The proposal, she said, would call for mandatory annual training on the city's ethics ordinance.

"As council members, we took an oath to lead with integrity and defend the rights of every Detroiter, to protect the public’s trust," she said. "And while these recent events are devastating, I still believe in our democracy. ... So to my fellow Detroiters, do not lose hope. This November, we have the opportunity to elect new voices that can restore the public’s trust and integrity to city hall."

**Ayers' road to council**

Ayers, a former hospitality worker, has been an at-large council member for the past six years and serves as chair of the council's Budget, Finance and Audit committee and vice chair of its Public Health and Safety committee.

Before joining the council, Ayers worked as a mortgage banker at Quicken Loans and at MGM Grand Casino. There, she became the youngest member of the UNITEHERE! Local 24 contract bargaining team and worked as a teacher at an alternative education center for the Detroit school district.

In 2015, Ayers was appointed to finish the at-large term of Saunteel Jenkins who stepped down for a position with a Detroit-based nonprofit. Ayers was elected to a full term in 2017.

Rickie Holt lives diagonally from Ayers' home on Heyden Street and watched the raid unfold.

“They were coming in and out the house and had various bags and little cases that looked like they had stuff in them and were taking things from the councilwoman’s car,” said Holt, 65. “I couldn’t see what they were taking, but they definitely ransacked the car.”

The city water department retiree said his faith in the city administration and its authority is not held to a high standard. But he's been supportive of Ayers.

"Nobody’s perfect, but I believe she has a good heart for the people of the city,” said Holt, Ayers' neighbor of 15 years.

**Benson's past**

Benson, a U.S. Coast Guard veteran and former small business manager for Midtown Detroit Inc., first took office in January 2014.

While on council, the longtime resident of the city's Osborn community, has been an advocate for sustainability and the city's municipal airport. He has close to two decades of experience in community development and served the Coast Guard for 24 years.

In June 2014, Benson was arrested for drunken driving. Southfield police had discovered the councilman passed out behind the wheel of his car at a traffic light on the southbound Southfield service drive near Eight Mile. Benson previously told The News he was driving from the 50th wedding anniversary party of a former boss.

The councilman spent more than three days in jail, had his driver's license suspended for one year and paid close to $10,000 in fines.

He served his jail sentence in March 2015. He said he opted not to drive his city car afterward, in part, to earn back the trust of the residents of Detroit. The incident, he said in a 2018 interview, was "an embarrassment" and "something I don't take lightly."

Since 2008, more than 100 politicians, union bosses, bureaucrats and police officers have been charged with corruption in Michigan's eastern district, including more than a dozen politicians and contractors in Macomb County.

Karen Dumas, a communications strategist who served as chief of communications under former Detroit Mayor Dave Bing, noted Wednesday that “politics is a dirty game” and “very few people come out of it with their hands clean.”

“That’s the reality in any place and at any level,” Dumas said. “These things have been happening for decades. This isn’t anything new. We shouldn’t pinpoint it just to Detroit."

Dumas stressed that it would be disingenuous to speculate on guilt.

“If you look at a barrel of apples and one is bad, you are going to dig into that barrel. That doesn’t mean the rest are bad or rotten. They all could be great. It does prompt you to look closer at the bushel.”

**Spivey charged**

In the Spivey case, federal authorities contend he and another unnamed official, identified in filings as "Public Official A," accepted bribes in exchange for votes on the Detroit City Council and in subcommittees from 2016 to 2020.

Specifically, the longtime city councilman and the member of his staff are accused of accepting more than $35,000 in bribe payments to be "influenced and rewarded" for votes on the council and in subcommittees "concerning an industry under review by the council," according to federal authorities.

The City Council has been in discussions for months about proposed rules to regulate the city’s towing industry, which has a long history of controversy and corruption. In 2018, citing what it called longstanding problems in the police towing process, the city took over some of the tow rotations.

Spivey's Detroit-based attorney, Elliott Hall, has said Spivey "did nothing in his official capacity as a city councilperson that they're claiming." Hall later noted Spivey was "only being charged with the $1,000, but that he and Public Official A collected together over $35,000."

Spivey, his lawyer added, has been "fully cooperating with the federal authorities for over a year."

Spivey was charged in late July in a criminal information, which means he waived his right to a grand jury indictment. The case was assigned to Judge Linda V. Parker, though no hearing date has been set.

If found guilty, he could serve up to five years in prison and pay a fine of up to $250,000.

The U.S. attorney alleges that Spivey, 47, accepted a $1,000 cash bribe from an undercover law enforcement agent on Oct. 26, 2018.

Spivey is the second Detroit councilman this term accused of accepting bribes in favor of votes at the council table. This spring, Gabe Leland resigned from the council after pleading guilty to a state charge of misconduct in office and was sentenced to two-and-a-half years' probation.

The 38-year-old Leland was accused of agreeing to accept $15,000 in cash and free car repairs from a Detroit businessman in exchange for his vote on a controversial land deal.

The state case came after Leland was indicted by a federal grand jury in 2018 on bribery conspiracy and two counts of bribery stemming from the allegations. The federal case against Leland was dismissed as part of his plea agreement.

The Detroit council has long been mired in other public corruption cases and scandals.

At the time of her death in 2004, former Councilwoman Kay Everett faced an indictment for taking a cash bribe from a city contractor.

In 2006, former Detroit councilman Alonzo "Lonnie" Bates was convicted of theft and bank fraud for placing "ghost employees" on his payroll. Bates in 2007 was sentenced by a federal judge to 33 months in prison and was ordered to pay a $10,000 fine and make $91,000 in restitution to the city of Detroit.

Former Detroit City Council President Monica Conyers also was convicted of taking bribes while in office. Conyers pleaded guilty to corruption charges in 2010 and was sentenced to 37 months in federal prison for accepting money in exchange for her vote on a $1 billion sludge-hauling deal.

Former council President Charles Pugh resigned in 2013, months after leaving city hall amid allegations of an inappropriate relationship with a teenage boy. In 2016, he pleaded guilty to sexual assault charges and was sentenced to 5 1/2 to 15 years in prison.

This month, Pugh was granted parole by the state’s parole board. He will be released from prison in December.

Former Assistant U.S. Attorney Michael Bullotta was instrumental in prosecuting Kilpatrick and Macomb politicians in recent years, after securing the convictions of Bates and Conyers. Bullotta, who now works as a criminal defense lawyer in Detroit, wants to believe the dozens of corruption convictions in recent years would deter public officials from engaging in illegal behavior.

“But the current Detroit City Council investigation is a stark reminder that not every public official takes to heart the possibility of facing years, even decades, in federal prison,” Bullotta wrote in an email to The News. “Those officials seem forgetful of the recent past and doomed to repeat history.”

***No prison time for North Carolina politician who took almost $400,000 from donors for personal use***

**NORTH CAROLINA** —***Raleigh News & Observer***— by Will Doran  *–* August 17, 2021

After admitting to financial crimes like not paying taxes — as part of a scheme to take hundreds of thousands of dollars from his political supporters for his own personal use — a powerful North Carolina politician will avoid prison.

Instead of prison time, prosecutors say, former Rep. David Lewis will have to pay a $1,000 fine and avoid getting in trouble again for the next two years.

The News & Observer previously reported that he could have faced up to 30 years in prison if he had gone to trial and lost.

Lewis, from Harnett County, served in the N.C. General Assembly from 2003 to 2020. He was one of the state's top-ranking lawmakers until his guilty plea and resignation, which both happened on the same day a year ago.

Prosecutors wrote in one court filing that Lewis "violated the trust of his donors, voters and constituents when he used his campaign funds for personal and business expenses" — but that they gave him credit for eventually admitting it and taking responsibility.

The News & Observer reported in May that the federal prosecutors who took him down had agreed not to seek any prison time against him, in exchange for his guilty plea and repayment of the $365,000 he took. And on Tuesday, as first reported by WRAL-TV, a federal judge agreed to that deal and sentenced Lewis to no prison time.

Lewis' charges and plea deal were handled by the U.S. attorney's office in North Carolina's Western District. On Tuesday a spokeswoman for the office, Lia Bantavani, confirmed that Lewis was ordered to pay a $1,000 fine and will have two years of supervised release.

**Who is David Lewis?**

Before his financial scheme came to light, Lewis chaired the powerful House Rules Committee and was also a top leader on everything related to election law, from voter ID to redistricting.

With such a prominent role, Lewis was also a major political fundraiser. As chair of the Rules Committee he had vast influence over what bills lived or died at the legislature. And his campaign finance reports reflect that: Sprinkled among donations from local retirees and farmers in his rural district are bigger checks from CEOs, real estate developers and PACs representing hospitals, airlines, insurance companies and more.

But instead of using that money for his own campaign or to support other politicians, in 2018 Lewis began taking the money for his own use.

He went so far as to set up a bank account for a fake company prosecutors said, in order to make it look like he was sending money to the state party — which would have been legal — when in reality he was taking the money for himself.

Lewis said as part of his plea deal that he took the money in order to prop up his struggling farm. His attorney Josh Howard, who also briefly represented former President Donald Trump during his second impeachment trial earlier this year, argued in one court filing that Lewis didn't deserve to go to prison since he had already been punished enough.

"As a result of this crime, he lost his political career, whatever pride a congenitally modest man carries, and — in all likelihood — what little remains of the farm and his longstanding livelihood," Howard wrote.

***South Carolina politicians blow off their ethics fines with few consequences***

**SOUTH CAROLINA** —***Charleston Post & Courier***— by Avery Wilks and Joseph Cranney  *–* August 14, 2021

In South Carolina, everyday residents who don’t pay their traffic tickets can be sent to jail.

Motorists who fall behind on their vehicle taxes can be taken off the road.

Homeowners can be saddled with property liens for failing to cover their debts.

But public officials who refuse to pay their fines for skirting the state’s ethics laws? They can keep their powerful posts indefinitely.

Year after year, dozens of them from across the Palmetto State blow off fines they owe to the state Ethics Commission, allowing their debts to accrue with little or no consequences. The total owed to taxpayers? Nearly $2.9 million racked up by 370 politicians, local officials and various deadbeats who refuse to pay up, an Uncovered investigation has found.

The investigation identified no fewer than 50 officials with more than $250,000 in outstanding debts who currently hold office. They are mayors, county council members, auditors — even state lawmakers — serving in influential posts from South Carolina’s Upstate to the Lowcountry.

Unlike in other states, nothing in South Carolina law prevents these debtors from continuing to hold or seek office. And they do. Scores of them have won re-election while stiff-arming the state’s ethics watchdog, a strapped agency with little authority to collect on its fines.

The $2.9 million in outstanding fines is about double what the Legislature provides the agency in annual funding. The commission relies on fines and fees for nearly a quarter of its funding, money it uses to hire investigators and keep an eye on public officials.

The Ethics Commission almost certainly will never recoup all the money owed. No fewer than 25 of its debtors are dead, the newspaper investigation found. Roughly 130 more former officials left some $1 million in fines in their rearview when they left office and have refused to pay up in the years since.

Many of the fines stem from paperwork violations, like when officials fail to file their personal financial disclosures or miss campaign reporting deadlines. Such reports are bedrock to any system of government accountability.

The Ethics Commission has also cited officials for mishandling conflicts of interest and dipping into the public till. Some of those offenders remain delinquent, too.

Among the ranks of the Ethics Commission’s “debtors list”:

A Columbia-area school board member who owes more than $57,000 in fines and late fees after repeatedly neglecting to file campaign and lobbying disclosures and misreporting spending from her campaign bank account.

A former Yemassee mayor cited for improperly signing checks to his used-car business from town accounts. He said he was tricked into the arrangement and refuses to pay his $35,700 debt.

A state lawmaker who promised he would address his $10,000 in fines when he ran for the S.C. House of Representatives in 2018. He never did.

The Post and Courier dug through the list in collaboration with 10 local newsrooms across the state as part of Uncovered, a yearlong project dedicated to exposing government misconduct and the Palmetto State’s broken system of ethical oversight.

The papers’ investigation shines more light on South Carolina’s toothless efforts to police public officials.

It also reveals the strikingly low regard with which public officials hold the Ethics Commission, the state agency charged with watchdogging those we elect.

Some lawmakers, including Sen. Greg Hembree, have proposed fixes, such as barring debtors from running for re-election until they pay their ethics fines.

But those efforts have gained no traction in the General Assembly.

“I don’t care how good your ethics law is … if you’ve got no effective enforcement, you don’t really have a law,” Hembree said.

The Post and Courier and its Uncovered partners fanned the state to study this problem, track down debtors who hold public office and get to the bottom of why the Ethics Commission has such a hard time enforcing the fines it levies.

**Snowballing fines**

On a Thursday morning in June, an investigator with the Ethics Commission peered out into the common area of a glassy office building in Columbia and called out a name.

“Samuetta Marshall?” he said three times.

He received no answer from the empty hallway. The Ethics Commission had scheduled a hearing over a handful of violations against Marshall, the longtime coroner of Orangeburg County. But she wasn’t there.

It was hardly a surprise. For years, the Ethics Commission has struggled to reach Marshall and scores of other officials and persuade them to file campaign reports and ethics disclosures that state law requires of public officials.

Those disclosures are important. They show who is funding a public official’s campaign and whether that official is spending that money legally. Annual ethics filings — called statements of economic interest — show an official’s sources of income and reveal possible conflicts of interest.

But, like Marshall, hundreds of public officials chronically fail to file them on time. Many don’t file them at all. Such infractions carry a $100 penalty in South Carolina. Most officials who miss a deadline quickly come into compliance. But some don’t, even after the ethics officials send additional notices and begin imposing additional daily $100 penalties.

At Marshall’s June hearing, ethics agents laid out a list of campaign reports and financial disclosures the veteran coroner had failed to file. Records show Marshall missed the deadline to file her annual financial disclosure eight times between 2009-19, along with other necessary campaign reports.

Investigators testified they called, emailed and wrote letters to Marshall. One said he reached Marshall just once, over the phone, and she pledged to file the required reports. She finally did in January.

“I tried 11 times to get her to come into compliance,” the investigator told ethics commissioners.

In a text message to The Post and Courier, Marshall complained that the Ethics Commission was dinging her baselessly. She said she didn’t rush to file a 2016 campaign report because she didn’t raise money for that race. Marshall declined to address her failure to file several years’ worth of ethics disclosures until this year.

Last month, the Ethics Commission slapped her with a new, $22,600 judgment for neglecting her disclosures. If Marshall fails to pay, she will be the next public official added to the debtors list.

**Clawing the money back**

The 28-page list is already long because of the Ethics Commission’s troubles to recoup what is owed.

The Ethics Commission is able to claw back a fraction of its debts through wage and tax refund garnishment programs, about $89,000 a year over the past five years. But as new names are added to the commission’s list every year, those garnishment efforts barely make a dent.

U.S. Rep. Nancy Mace owes more than $5,100 to the S.C. House Ethics Committee. She missed a report on a Statehouse campaign account she hasn’t closed since making the jump to Congress. A spokeswoman said Mace would address the matter.

And the Ethics Commission is not alone. The state [House](https://www.scstatehouse.gov/CommitteeInfo/HouseEthicsCommittee/Fines%20And%20Reprimands/BL401Copier_20210601_140335.pdf) and [Senate](https://www.scstatehouse.gov/Archives/CommitteeInfo/SenateEthicsCommittee/Fines_Spreadsheet.pdf) ethics committees, which initially handle ethics complaints against legislators, have scores of debtors and the same limited means of recouping money from them.

The trio of debtors lists include three sitting S.C. House members and U.S. Rep. Nancy Mace. Mace faces a $5,100 fine, handed down in January, for missing a report on an S.C. House campaign account she hasn’t yet closed but was tied to when she served in the Legislature.

Asked about the matter by The Post and Courier, a spokeswoman said Mace would address the fine and close the account.

Debtors must pay the fines out of their pockets, not with campaign money.

The Ethics Commission often tries to resolve these cases by offering to reduce their fines. But even that doesn’t always work.

Consider the case of Lynchburg Mayor Andre Laws. In 2016, the Ethics Commission slashed his $5,500 fine for failing to file a disclosure form to $1,000, as long as he paid within 90 days. But Laws, who was re-elected in 2019, never came through.

He told a reporter recently that the commission was garnishing his $150 monthly government wage. He said he was “not going to take money out of my household to pay this fine.” He now owes nearly $8,400.

In fact, much of the millions owed to the commission is considered “bad debt” that the agency will likely never recover.

For one, a few of the fines are more than two decades old. Many of the debtors are retirees who have no wages to garnish.

Another two dozen debtors will surely never be able to square up with the Ethics Commission. At least not in this life. Before paying off their fines, they died.

**Thumbing their noses**

Yet it’s nearly just as difficult for the Ethics Commission to collect from officials who remain in the public eye. More than 50 debtors continue to hold office, while largely ignoring the ethics agency’s demands.

Richland Two School Board member Amelia McKie owes more than $57,000 — the highest fines among sitting officials. She failed to file her campaign disclosures on time in at least 15 instances.

McKie told a reporter this month she “will continue to comply with the Commission by continuing to chip away at the late fees.”

Others refused to own up to their behavior and pay their fines even when found to have committed serious ethical breaches.

Glenn Miller, the former mayor of Branchville, hasn’t paid a nearly $1,600 fine. The Ethics Commission ruled he used a town vehicle and credit card inappropriately and then improperly voted on a matter involving himself. Miller said recently he can’t afford to pay.

At least 20 of the debtors were also charged with criminal offenses, in addition to their ethics infractions. They include:

Former Lt. Gov. Ken Ard, who resigned in 2012 after his indictment for funneling $87,500 in “phantom contributions” to his campaign account. The charges came after the Ethics Commission fined Ard for improperly spending campaign cash on a PlayStation, flat-screen TV, football tickets and trips. He still owes the agency $900 for more recent paperwork offenses.

Ex-Richland County Councilwoman Dalhi Myers, who was indicted and booted from office in December 2020 on 24 corruption charges. Prosecutors allege she used her government credit card to cover tens of thousands of dollars in flights and other personal expenses. She has not entered a plea in that case.

Ex-Union County Clerk of Court Brad Morris, who racked up more than $30,000 in ethics fines for paperwork issues. Then he was sentenced to prison in 2011 for embezzling more than $200,000 in public funds.

Former Lee County Sheriff E.J. Melvin, who tallied $8,000 in paperwork fines during his 2008 election campaign. Melvin was sentenced to 17 years in prison in 2011 for taking kickbacks to protect drug dealers.

State Rep. Bruce Bryant said those cases show why it’s critical the state have an aggressive watchdog with authority to rein in misbehavior.

**Passing the buck**

Most of the Ethics Commission’s cases have never been publicized. Thinning staff at local news outlets is one likely explanation. But South Carolina’s Ethics Commission, unlike in other states, also doesn’t post details of these cases online for the public to peruse.

Bamberg voters probably weren’t aware of City Councilwoman Bobbi Bunch’s nearly $19,000 debt before re-electing her this year. In an interview, Bunch said she is working to pay down her fines for failing to file campaign reports in 2014 and 2017 and four years’ of financial disclosures. She blamed her fines on the commission, saying it hadn’t done enough to warn her about her missed filings.

Summerton Town Councilman Terrance Tindal was re-elected in 2020. That was despite owing more than $19,000 to taxpayers for missing deadlines to file three annual financial disclosures. Tindal told a reporter he wanted to “get it behind me” but wasn’t aware how much he still owed.

When officials are confronted by reporters, some have promised to address their fines.

Bamberg City Councilman Leslie Hayes, re-elected in April, said he didn’t understand how his $100 fine for failing to file a 2017 form had somehow become a $5,000 debt. “I’m trying to get it right,” he said.

Others offered excuses and, in a few cases, outright defiance. They described their punishments as overly harsh or unfair. They failed to understand what they had done wrong, or why it matters.

Honea Path Councilwoman Rebecca Robinson complained the disclosure requirements that led to her $1,300 fine are “crazy” and “stupid.”

Then there is Anthony Brown, the former Charleston County constituent school board member. He still owes nearly $47,500 from failing to file his ethics disclosures on time in 2010 and 2011. A Columbia TV journalist confronted Brown about the debt at a 2014 board meeting. The trustee responded by shoving the journalist into a wall.

Jerry Cook, the ex-Yemassee mayor, refuses to pay his nearly $36,000 fine on principle. The ethics agency found he had improperly signed checks from the town to his used-car shop. In a recent interview, Cook said he did nothing wrong.

He insisted he was tricked into the situation by a disgruntled town employee, who assured him there was no conflict of interest.

Then, Cook said, ethics investigators put him and his sickly wife through hell as they probed the allegations.

He can’t bear to pay them a dime.

**Making it right**

In interviews, debtor after debtor shifted blame to the Ethics Commission. They said the agency doesn’t adequately warn them about their fines and is overzealous about prosecuting paperwork offenses. Some said the agency’s online filing system is too difficult to navigate.

“This is not an ethics issue. It’s a clerical issue,” said Pelzer Mayor Will Ragland, who owes the agency $17,300 after missing nearly 20 filing deadlines.

Former Ethics Commission leaders pushed back, saying the commission goes above and beyond to train public officials on how to file their disclosures, remind them about deadlines and contact them when there is a problem.

The agency fields thousands of phone calls a year from public officials. Staffers help them navigate the filing system and decide what to disclose.

The excuses are “complete and total B.S.,” former longtime Ethics Commission general counsel Cathy Hazelwood said.

“You do not wake up one morning without notice with a four-figure or five-figure debt owed to the commission,” said Hazelwood, who was the agency’s top lawyer from 1999 to 2015.

Some officials acknowledged they forgot about deadlines and ignored warning letters.

Ninety Six Mayor Mike Rowe admitted he didn’t pay attention to the repeated notices about his $5,300 debt until earlier this year. That’s when the commission’s wage garnishment caused him to miss a utility payment and have his water cut off.

More than a dozen current and former officials did not respond to requests for comment. Most who did pledged to address their fines.

But records show officials have failed to follow through on those promises time and time again.

State Rep. Shedron Williams owes more than $10,000 in fines from paperwork issues during his time as a Hampton County councilman. He blamed his issues on a person he said he hired to handle his paperwork. He said he was asking the Ethics Commission to waive his fines.

It isn’t the first time Williams has pledged to address the debt. During his successful 2018 campaign for a Statehouse seat, he told the Island Packet newspaper of Hilton he would take care of it. He never did.

**A fix on the horizon**

During his two years as the Ethics Commission’s director, Steve Hamm saw plenty of problems with the agency’s ability to enforce its rules.

“There has to be some consequence,” said Hamm, who left the agency in 2018. “Or people are not going to pay.”

For Hamm, one solution was simple: Bar debtors from running for office until they have paid their fines. Other states, including Tennessee and Missouri, have similar safeguards in place. But S.C. lawmakers were less enthused when he approached them with the idea, he said.

Indeed, efforts to pass that proposal into law have failed again and again in recent years.

More accurately, the bills haven’t even been debated.

Still, two lawmakers who filed the proposals again this year are hopeful the idea can gain momentum when the Legislature reconvenes in January.

Hembree noted there is precedent in South Carolina law for barring certain types of people from running for office.

Convicted felons, for instance, can’t get on the ballot until at least 15 years after their sentence ends.

And in 2012, the S.C. Supreme Court booted as many as 100 candidates from their primary ballots for failing to timely file their statements of economic interest, a move that hasn’t been repeated since.

After he was briefed on the findings of this story, Bryant said he would bolster the ethics reform bill he proposed last year. The former York County sheriff pledged to add language that would require the governor to suspend elected officials from office until they pay their ethics fines.

“Maybe we should add a little more meat to that law,” Bryant said.

Hembree likes the idea.

“That ought to get their attention,” he said.

Three lawmakers who might vote on such a bill, including Williams, are on ethics lists themselves.

State Rep. Cezar McKnight racked up more than $60,000 in fines to the Senate Ethics Committee for neglecting campaign reports and misreporting fundraising and spending during a failed run for state Senate. He did not return a reporter’s request for comment.

State Reps. Cezar McKnight of Kingstree and Carl Anderson of Georgetown together owe more than $66,000 to the Senate Ethics Committee after failed runs for Senate. A voicemail inbox for a number listed for Anderson was full.

McKnight had not returned a message from The Post and Courier, but contacted the newspaper after this article published. He said he had tried to resolve the matter with the Senate Ethics Committee before investigators opened a case against him.

He said the issues stemmed from money he contributed to his campaign directly from the general funds of his law office account, and denied doing anything improper.

“This was my personal money,” he said. “I wasn’t using the public’s money. There’s nothing unethical about that.”

South Carolina’s next-door neighbors have other methods of adding teeth to their ethics enforcement.

North Carolina’s ethics commission refers cases with unpaid debts exceeding $500 to the state attorney general, giving collection efforts the full force of the state’s highest law enforcement officer. That office sent demand letters to debtors in two dozen cases over the last three years.

Georgia also enlists its attorney general to help collect. Like South Carolina, the state garnishes wages from debtors.

But unlike South Carolina, neither Georgia nor North Carolina publishes a list of debtors.

South Carolina officials have seen that as a key strategy in collecting the debts. In many cases, money would trickle in only after a newspaper published an article about an official who owed.

Describing the agency’s strategy, Hazelwood said, “Shame them.”

So far, in hundreds of cases, that hasn’t worked.