

Compliance 101

1. Getting Started
 - a. What Triggers Reporting Requirements?
 - i. An initial report for candidates is due within 10 days after spending or receiving the first \$500 of the campaign funds. The \$500 can be one lump sum or can be the accumulation of several contributions and expenditures which total \$500 to include candidate's personal funds. (This means if you raise \$300 and spend \$200, you have hit the reporting requirement threshold)
 - b. Create an ethics account login: <https://ethicsfiling.sc.gov/filing/home>
 - c. Campaign Bank Account: You **must** open a campaign checking account if you are spending money on your race – even if you are only spending your own money. Failure to open a campaign checking account is a violation of state law. All campaign contributions (even your own) should go into your campaign checking account and all campaign expenditures should come out of your campaign checking.
 - d. Helpful Training Videos Here: <https://ethicsfiling.sc.gov/filing/videos>
 - e. What If I Need Additional Help?
 - i. House Candidates/Officials: (803) 734-3114
 - ii. Senate Candidates/Officials: (803) 212-6410
 - iii. Local and Statewide Candidates/Officials: (803) 253-4192
2. Statement of Economic Interests: All candidates (except for those running for federal office) must file a Statement of Economic Interests
 - a. What Information Must Be Disclosed?
 - i. Name, address, phone number of the filer;
 - ii. Source, type, and amount or value of income received from a governmental entity by the filer or a member of the filer's immediate family;
 - iii. Source (salary, wages, etc.) and type of any private income in the previous year by the filer or a member of the filer's immediate family. Immediate family means a child residing in the household, a spouse, or an individual claimed as a dependent for income tax purposes.
 - iv. Description, value, & location of any real property owned & options to purchase real property by the filer or a member of the filer's immediate family if there have been any public improvements of more than \$200.00 on or adjacent to the real property within the reporting period and the public improvements are known to the filer or if the filer sells, leases, or

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- rents personal property to the state, county, or municipal government. A copy of the contract must be attached to the Statement of Economic Interests Form when being submitted;
- v. Name of each organization which paid for or reimbursed any expenses of the filer for speaking before a public/private group. The amount, purpose, date, & location of the speaking engagement must be disclosed;
 - vi. Identity of each business or entity in which the filer or a member of the filer's immediate family held/controlled, in the aggregate, securities or interests constituting 5% or more of the total issued AND which constitute a value of \$100,000.00 or more;
 - vii. List name/address of each creditor to whom the filer or member of the filer's immediate family owed a debt in excess of \$500.00 at any time during the reporting period if the creditor is subject to regulation by the filer's agency or department. This does not include credit card installments, mortgage payments, or automobile payments;
 - viii. The name of any lobbyist who is a member of the filer's immediate family or an individual with whom or business with which the filer or member of the filer's immediate family is associated;
 - ix. Any compensation received from an individual or business which contracts with the governmental entity with which the filer serves or is employed; and
 - x. Any gifts received during the previous calendar from any person if the gift was believed to be given because of the filer's position or if the gift is given in hopes of seeking a contractual, business, or financial relationship with the filer's agency.
- b. When You File: If you are running in a partisan race, you must immediately file a Statement of Economic Interests disclosing sources of income to your household. If you are running in a non-partisan race, you do not need to file a Statement of Economic Interests unless you win your race. If you are successful in your race, you must file a Statement of Economic Interests prior to taking the oath of office - so:
- i. For Partisan Candidates: File when registering as a candidate with a political party for public office
 - ii. For Non-Partisan Candidates Who Win Their Races: File upon entering the official responsibilities

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- iii. For Serving Elected Officials: Forms must be filed by noon on March 30th of each calendar year
 - iv. For Non-Partisan Candidates Who Lose Their Races: Your consolation prize is that you are off the hook
- c. How Do I File?
- i. This form must be filed electronically using your online ethics reporting account
3. Quarterly Reports:
- a. All candidates with contributions on hand must file a quarterly report covering from the last report through the end of the calendar quarter.
 - i. Filing Dates
 - 1. January 10 (covers October 1 - December 31)
 - 2. April 10 (covers January 1 - March 31)
 - 3. July 10 (covers April 1 - June 30)
 - 4. October 10 (covers July 1 - September 30)
 - ii. Note that you must still file a quarterly report - even if you do not raise or spend any money - as long as you still have money in your campaign account
 - b. Additional Reports
 - i. **A pre-election report** must be filed by all candidates no later than 15 days prior to each election. This report is required from all candidates whether there has been any financial campaign activity or not. This report may not be filed earlier than 20 days before the election.
 - ii. **A final report for candidates** is due only after the campaign account is closed. To file a final report, there must be a zero balance in the campaign account and no outstanding campaign debts. Once a final report is filed, a candidate may not accept or spend any funds for the campaign.
 - c. Contribution Limits: Contribution limits apply to each primary, general, and runoff election. One contribution limit applies to candidates who are unopposed during an election cycle.
 - i. From Individuals/Organizations
 - 1. \$3500 for statewide candidates or
 - 2. \$1000 for local candidates.
 - 3. These figures are based on a cumulative total for the election cycle.

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- ii. From Political Parties
 - 1. \$50,000 for statewide candidates or
 - 2. \$5,000 for local candidates.
 - 3. These figures are based on a cumulative total for the election cycle.
 - d. Expenditures: Expenditures must be related to the campaign or the office held. Use of campaign funds for personal expenses is prohibited. Candidates should maintain a mileage log for reimbursement of expenses related to travel. Candidates may not purchase gas with campaign funds.
 - e. In-Kinds
 - i. Anyone who spends money on goods or services for your race is making an in-kind contribution. You must report the amount spent or the market value of a good or service gifted to the campaign.
 - ii. These are reported twice - once as a contribution and once as an expenditure so that they zero out on your report.
4. Helpful Definitions
- a. **Contribution** - A gift, subscription, loan, guarantee upon which collection is made, forgiveness of a loan, an advance, in-kind contribution or expenditure, deposit of money or anything of value made to a candidate or committee, as defined in Section 8-13-1300(6), for the purpose of influencing 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.
'Contribution' does not include volunteer personal services on behalf of a candidate or committee for which the volunteer receives no compensation from any source or 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.
 - b. **Election Cycle** - The period of a term of office beginning on the day after the general election for the office, up to and including the following general election for the same office. Contribution limits are for each primary, runoff, and special election.

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- c. **Expenditure** - A purchase, payment, loan, forgiveness of a loan, an advance, an in-kind contribution or expenditure, a deposit, transfer of funds, gift of money or anything of value for any purpose.
5. Remember:
- a. Do not use any government resources (office, equipment, time, etc.) in your run for office. You shouldn't be working on your campaign from a government issued computer or while working for the government.
 - b. Do not use your campaign money to pay for any personal expenses. You cannot pay for your meals, clothes, or gasoline using your campaign account. You are allowed to keep a mileage chart for reimbursement.
 - c. Do not withdraw more than \$100.00 in cash from your campaign account. Campaign expenses should be paid using a check or credit/debit card
 - d. Failing to file these required documents can be costly. For every filing that you fail to file, you are looking at a penalty of up to \$5,000.00. These penalties can really add up – if you fail to file campaign disclosures and a Statement of Economic Interests over the course of one year, you can be penalized up to \$25,000.00. Please be aware that these penalties must be paid from your personal funds – not campaign funds