

STATE OF SOUTH CAROLINA)
) BEFORE THE STATE ETHICS COMMISSION
 COUNTY OF RICHLAND)
)
 IN THE MATTER OF:)
)
 COMPLAINT C2010-020)
)
 State Ethics Commission)
 Complainant;)
)
 vs.)
)
 Marshall C. Sanford, Jr.,)
 Respondent.)
 _____)

CONSENT ORDER

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 STATE ETHICS
 COMMISSION

This matter comes before the State Ethics Commission by virtue of a request for an investigation by the South Carolina Attorney General and a subsequent complaint filed by the State Ethics Commission. The investigative results were reviewed by the Commission on November 18, 2009 and probable cause was found to warrant an evidentiary hearing on thirty-seven potential violations.

Prior to the call of the case the Respondent agreed to entry of the following Statement of Facts, Conclusions of Law, Discussion and Disposition in this matter as follows.

STATEMENT OF FACTS

Having carefully reviewed the evidence presented, the Commission finds as fact:

1. The Respondent, Marshall C. Sanford, Jr., is the Governor of the State of South Carolina and has served in this capacity since first being elected in November 2002.

SPM
 pg. 1

2. On August 13, 2009 the State Ethics Commission received a letter from Attorney General Henry D. McMaster requesting an investigation into allegations involving the use of state planes and other potential violations of the State Ethics Act.

3. On August 14, 2009 the Commission ordered an investigation and on August 18, 2009 issued Complaint C2010-020.

4. On August 19, 2009, and subsequent dates through November 12, 2009 an investigation was conducted into the alleged violations.

5. The investigation examined five areas of the Respondent's activities to include: (1) Overseas Trade Missions; (2) Use of state-owned aircraft; (3) Use of Privately-owned aircraft; (4) Use of campaign funds for personal expenses; and, (5) While not included in the initial complaint, the investigation examined flights on state-owned aircraft by members of the Governor's family.

6. A summary of this investigation was presented to the State Ethics Commission on November 18, 2009 to determine if probable cause existed to formally charge the Respondent with violations of the Ethics, Government Accountability and Campaign Reform Act of 1991 (State Ethics Act).

7. At that time, the State Ethics Commission found probable cause on the following thirty-seven counts:

COUNT ONE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about September 2005, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight

SPMC
pg. 2

from Graz, Austria to Frankfort, Germany on September 10, 2005 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWO
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about September 2005, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Frankfort, Germany to Charlotte, North Carolina on September 10, 2005 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT THREE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about October 2005, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Chicago, Illinois to Tokyo, Japan on October 15, 2005 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT FOUR
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about October 2005, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Tokyo, Japan to Shanghai, China on October 15, 2005 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT FIVE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about October 2005, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Beijing, China to Chicago, Illinois on October 22, 2005 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT SIX
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about July 2006, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from

Charlotte, North Carolina to London, England on July 15, 2006 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT SEVEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about July 2006, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from London, England to Charlotte, North Carolina on July 20, 2006 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

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COUNT EIGHT
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about June 2007, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Charlotte, North Carolina to Munich, Germany on June 16, 2007 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT NINE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about June 2007, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Munich, Germany to Paris, France on June 16, 2007 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about June 2007, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Munich, Germany to Charlotte, North Carolina on June 21, 2007 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT ELEVEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about September 2007, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight

SMC
pg. 6

from Washington, DC to Beijing, China on September 4, 2007 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWELVE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about September 2007, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Beijing, China to Washington, DC on September 10, 2007 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTEEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about June 2008, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a first class ticket for himself on a flight from Columbia, South Carolina to Atlanta, Georgia on June 21, 2008 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

SAMC
pg. 7

COUNT FOURTEEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about June 2008, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Atlanta, Georgia to Sao Paulo, Brazil on June 21, 2008 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT FIFTEEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

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That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about June 2008, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from Cordoba, Brazil to Buenos Aires, Argentina on June 25, 2008 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT SIXTEEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about June 2008, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from

Buenos Aires, Argentina to Atlanta, Georgia on June 28, 2008 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT SEVENTEEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about April 2009, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a first class ticket for himself on a flight from Charlotte, North Carolina to New York, New York on April 19, 2009 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT EIGHTEEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about April 2009, use his official position for his own personal benefit by authorizing, approving and/or allowing the purchase of a business class ticket for himself on a flight from New York, New York to Warsaw, Poland on April 19, 2009 when no exigencies existed to justify an upgrade from coach class as required by Reg. 19-101.03, South Carolina Code of Regulations, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

SPMC
pg. 9

COUNT NINETEEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about September 12, 2005, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to transport himself and/or others on a flight from Spartanburg, South Carolina to Clemson/Oconee County to participate in an Anderson County Republican Party dinner, an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

*SPmc
pg. 10*
That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about March 10, 2006, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to transport a Governor's Office staff member from Columbia, South Carolina to North Myrtle Beach, South Carolina to then transport himself and the staff member on a flight from North Myrtle Beach, South Carolina to Columbia, South Carolina to participate in a personal event, receiving a haircut, which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-ONE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about November 14, 2006, use his official position for his own personal benefit by using

aircraft owned by the State of South Carolina to transport himself and/or others on a flight from Columbia, South Carolina to Mount Pleasant, South Carolina to participate in a book signing, an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-TWO
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about November 14, 2006, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to transport himself and/or others on a flight from Mount Pleasant, South Carolina to Aiken, South Carolina to participate in a birthday party for a campaign contributor, an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-THREE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about November 17, 2006, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to transport himself and family members on a flight from Lewisburg, West Virginia to Brunswick, Georgia to participate in a personal week-end, an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-FOUR
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about March 29, 2007, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to transport himself and/or others on a flight from North Myrtle Beach, South Carolina to Columbia, South Carolina to attend a son's sporting event, an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-FIVE
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

SPM
p5. 12

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about August 24, 2007, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to transport himself and/or others on a flight from Columbia, South Carolina to Greenville, South Carolina to participate in the South Carolina House Republican Caucus Legislative Reception, an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-SIX
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about April 5, 2008, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to travel from Columbia, South Carolina to Greenwood,

South Carolina to then transport himself on a flight to Charleston, South Carolina, to participate in the "Reason Weekend Dinner", an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-SEVEN
USE OF PUBLIC OFFICE FOR PERSONAL FINANCIAL GAIN
SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about May 9, 2008, use his official position for his own personal benefit by using aircraft owned by the State of South Carolina to transport his wife, son, and/or others on a flight from Columbia, South Carolina to Myrtle Beach, South Carolina, and return, to participate in the "soft" opening of the Hard Rock Park, an event which involved no official business of the State of South Carolina, all in violation of Section 8-13-700(A), South Carolina Code of Laws, 1976, as amended.

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pg. 13*

COUNT TWENTY-EIGHT
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about November 10, 2006, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$40.00, for which no receipts were available, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT TWENTY-NINE
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about April 19, 2007, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$329.40 for expenses incurred in attending the Annual Alfalfa Club dinner in Washington, DC on January 28, 2007, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about November 21, 2007, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$610.30 for expenses incurred by Marisa Crawford, a campaign staffer, to attend the 2007 Republican Governors Association meeting in Dana Point, California on November 29, 2007, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY-ONE
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about

SPMC
pg. 14

January 15, 2008, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$181.23 for direct marketing services, and telephone, internet and/or cable services at the Governors mansion, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY-TWO
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

SPM^c
pg. 15

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about February 7, 2008, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$280.16 for direct marketing services, and telephone, internet and/or cable services at the Governors mansion, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY-THREE
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about October 7, 2008, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$297.89 for direct marketing services, and telephone, internet and/or cable services at the Governors mansion, from the Sanford for Governor

Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY-FOUR
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about November 3, 2008, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$864.90 for expenses to attend a Republican Governors Association meeting in Miami, Florida on November 14, 2008 and a hunting trip in Dublin, Ireland on November 16-17, 2008, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY-FIVE
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about January 7, 2009, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$79.95 for direct marketing services, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY-SIX
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about January 30, 2009, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$96.95 for direct marketing services and a ticket to attend the 2009 presidential inauguration, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

COUNT THIRTY-SEVEN
USE OF CAMPAIGN FUNDS FOR PERSONAL EXPENSES
SECTION 8-13-1348(A), S.C. CODE ANN., 1976, AS AMENDED

That Marshall C. Sanford, Jr., Governor of South Carolina, did, on or about April 6, 2009, convert campaign funds for his own personal use by causing and/or receiving reimbursement of \$159.90 for direct marketing services, from the Sanford for Governor Campaign fund for personal expenses not related to his campaign, and/or for expenses which are not ordinary expenses incurred in connection with his official duties as Governor, all in violation of Section 8-13-1348(A), South Carolina Code of Laws, 1976, as amended.

CONCLUSIONS OF LAW

Based upon the foregoing Statement of Facts, the Commission concludes, as a matter of law:

1. During all times relevant, the Respondent, Marshall C. Sanford, Jr., was a public official as defined by S.C. Code Ann. § 8-13-1300(28)(Supp. 2007) , and therefore

SPM^c
ps. 17

subject to the jurisdiction of the State Ethics Commission.

2. The State Ethics Commission has personal and subject matter jurisdiction.

3. Section 8-13-700 (A) provides in part that “No public official ...may knowingly use his official office ... to obtain an economic interest for himself...”

4. Section 8-13-1348 (A) provides that “No candidate ... may use campaign funds to defray personal expenses which are unrelated to the campaign or the office if the candidate is an officeholder nor may these funds be converted to personal use. The prohibition of this subsection does not extend to the incidental personal use of campaign materials or equipment nor to an expenditure used to defray any ordinary expenses incurred in connection with an individual’s duties as a holder of elective office.”

4. Section 8-13-320(10)(l) provides that the Commission may levy a civil penalty of “...not more than two thousand dollars for each violation...”.

5. Section 8-13-780(C) provides that “The value of anything received by a public official ... in breach of the ethical standards of this chapter ... is recoverable by the State.

DISCUSSION

The State Ethics Commission, in Section 8-13-100, et. seq., South Carolina Code of Laws, 1976, as amended, is charged with the responsibility of enforcing the State Ethics Act. Section 8-13-320(10)(a) through (o) dictates the manner in which the Commission conducts its investigations, inquiries, and hearings. While the statute does provide for criminal penalties for violations of the State Ethics Act, the responsibility for criminal prosecution rests solely with the Attorney General. Anyone charged with an administrative violation of Chapter 13 of Title 8 is entitled to an administrative hearing before a panel of three Commissioners. The Respondent acknowledges that the

SPMC
pg. 18

Commission is the sole authority responsible for determining if an administrative violation of the State Ethics Act has occurred, and the Respondent recognizes and does not dispute the Commission's jurisdiction over this matter.

In an effort to avoid a lengthy and costly hearing into the allegations contained in the Commission's Notice of Hearing, both the Commission, through its staff, and the Respondent, through his Legal Counsel, have attempted to resolve this matter through an agreed upon order. Throughout the investigation of this matter and into the negotiations of this resolution, the Respondent has not denied the factual allegations made herein; however, he has at all times maintained that his participation did not violate the State Ethics Act. These assertions are evidenced in each of the Respondent's written responses to investigator's questions and were taken into account during the determination of probable cause.

SPM
pg. 19
Subsequent to the issuance of the Notice of Hearing, the Respondent has indicated to the Commission his desire to resolve this matter without the burden of a hearing. The Respondent has stated that he will not admit any guilt or admit to any violation of the State Ethics Act; however, he is willing to agree that the evidence presented is factual. In this regard, the Commission is agreeable.

Unlike a criminal prosecution which requires proof beyond a reasonable doubt, the burden of proof required for an administrative finding of guilt by the Commission is a preponderance of evidence. Based on the evidence presented at probable cause, it is the Commission's position that sufficient evidence exists to support an administrative finding of a violation in each of the thirty-seven counts.

The Commission has historically resolved matters similarly by consent orders, and in this regard, the Commission is also agreeable. Therefore, the Commission has determined that this agreement is allowable even while the Respondent himself still maintains that he did not commit any violations of the State Ethics Act.

In doing so, the Commission does not in any way agree with the Respondent's position, nor does the Commission condone the Respondent's actions or attempt to minimize the impact of his conduct.

DISPOSITION

Based on the evidence presented to the Commission on November 18, 2009, the above Statement of Facts, and the above Conclusions of Law, the State Ethics Commission hereby adopts the Statement of Facts, Conclusions of Law, Discussion, and Disposition as agreed upon by the Respondent.

SPMc
pg. 20
THEREFORE, the State Ethics Commission hereby issues a public reprimand to the Respondent, Marshall C. Sanford, Jr., for his conduct as alleged in the Commission's Notice of Hearing,

AND, orders the Respondent, Marshall C. Sanford, Jr., to pay a fine of \$74,000.00 to the State Ethics Commission within thirty days of receipt of this order,

AND, FURTHER orders the Respondent, Marshall C. Sanford, Jr., to reimburse the State Ethics Commission \$36,498.00 within thirty days of receipt of this order for investigative and court costs,

AND, FURTHER orders the Respondent, Marshall C. Sanford, Jr., to reimburse the South Carolina Department of Commerce \$18,000.00 for costs associated with the purchase of first class and/or business class tickets as described in Counts One through

Eighteen above, and provide the State Ethics Commission with documentation within thirty days of receipt of this order,

AND, FURTHER orders the Respondent, Marshall C. Sanford, Jr., to reimburse the South Carolina Division of Aeronautics \$7791.67 and the South Carolina Department of Natural Resources \$1003.32 for personal use of state-owned aircraft as described in Counts Nineteen through Twenty-seven, and provide the State Ethics Commission with documentation within thirty days of receipt of this order,

AND, FURTHER orders the Respondent, Marshall C. Sanford, Jr., to reimburse his campaign account \$2940.68 for personal use of campaign funds as described in Counts Twenty-eight through Thirty-seven, and provide the State Ethics Commission with documentation, and file an amended Campaign Disclosure form within thirty days of receipt of this order.

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pg. 21*

The Commission and the Respondent hereby agree and acknowledge that this Consent Order is a compromise of the charges contained in the Commission's Notice of Hearing. The Commission's agreement to this Consent Order and the disposition of this case in this manner shall not be construed as an acknowledgment that a violation of one or more of the counts did not occur, nor shall it be construed as condonation of the Respondent's conduct. Similarly, the Respondent's agreement to this Consent Order shall not be construed as an admission of liability on his part, nor shall it be construed as an admission of a violation of any provision of the State Ethics Act or any other unlawful conduct. Rather, this Consent Order shall serve as the Commission's final disposition of this matter pursuant to and in accordance with the terms set forth herein.

AND IT IS SO ORDERED THIS 18th DAY OF March 2010.

STATE ETHICS COMMISSION

Susan P. McWilliams
Susan P. McWilliams
Chair

Marshall C. Sanford, Jr.

Marshall C. Sanford, Jr.,
Respondent