

The State of South Carolina

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February 19, 1988

The Honorable Patrick B. Harris
Member, House of Representatives
519-B Blatt Building
Columbia, South Carolina 29211

Dear Representative Harris:

In a letter to this Office you referenced that a legislator's business does electrical subcontractor work throughout this State for schools, colleges, state agencies and some political subdivisions. This work is contracted directly with a prime contractor and he has no contractual relationship with anyone else. Directions as to the performance of the contract, the obtaining of the contract and payment for the contract are all under the authority of the prime contractor. Referencing this situation, you have asked whether the legislator must reveal this work as subcontractor in Section 15 of the Statement of Economic Interests that he submits.

The directions to Section 15 of the referenced form states that a public official shall

...(i)nclude all business transactions between you, a member of your household, or a business with which you are associated with any public agency of the State or any political subdivision. Identify the name of the person or business conducting the transaction, your relationship to that business or person, the name of the public agency(ies) involved, and the amount of all such transactions....

Pursuant to Section 8-13-820(3) of the Code, a statement of economic interests shall include

...(t)he nature, source and amount of all fees, compensation and benefits of any nature received directly from the State or

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any administrative agency or department thereof; or directly from the county, district or political subdivision he represents or any subdivision thereof. (emphasis added.)

"Economic interest" is defined by Section 8-13-20(g) of the Code as

... any business transaction by a person directly with the State or any administrative agency or department thereof, or with a county, district, or other political subdivision thereof (emphasis added.)

Referencing the above, it appears that the work as a subcontractor for any school, college, state agency or political subdivision would not have to be reported by a legislator. As noted by you, the work is contracted directly with a prime contractor and the legislator-subcontractor has no direct contractual relationship with the State or a political subdivision. The provisions of Sections 8-13-820 and 8-13-20 define "economic interests" in terms of a direct transaction between an individual and the State and, therefor, are inapplicable to indirect associations of a subcontractor.

If there is anything further, please advise.

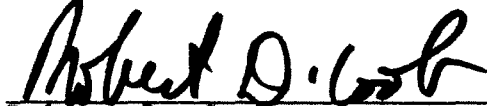
Sincerely,



Charles H. Richardson
Assistant Attorney General

CHR/rhm

REVIEWED AND APPROVED BY:



Robert D. Cook
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