

SUBJECT: SC REINSURANCE FACILITY- REIMBURSEMENT OF EXPENSES

SUMMARY:

Members of a Governing Board are not prohibited by the Ethics Reform Act from accepting travel reimbursement from that agency to attend agency functions.

QUESTION:

The Manager of the SC Reinsurance Facility questions whether members of the Governing Board may receive reimbursement of expenses without violating the Ethics Reform Act. The Facility is established by statute under the direction of a Governing Board consisting of 21 persons, including the Chief Insurance Commissioner and the Consumer Advocate. At a recent meeting, the Governing Board passed a resolution to authorize reimbursement of travel and lodging expenses for the Commissioner or staff and the Consumer Advocate when attending out-of-town meetings.

The Facility does not utilize state funds but derives its operating budget from the overall operating expense of the Facility subject to recoupment. The Governing Board wants to reimburse the Chief Insurance Commissioner, Consumer Advocate and appropriate staff to attend out-of-town meetings.

DISCUSSION:

This opinion is rendered in response to a letter dated May 29, 1992 requesting an opinion from the State Ethics Commission. The Commission's jurisdiction is limited to the applicability of the Ethics, Government Accountability, and Campaign Reform Act of 1991 (Act No. 248 of 1991; Section 8-13-100 et. seq., as amended, 1976 Code of Laws). This opinion does not supersede any other statutory or regulatory restrictions or procedures which may apply to this situation.

In Advisory Opinion SEC AO92-050, the State Ethics Commission advised that there are no prohibitions against members of a political subdivision being reimbursed for travel expenses for service on that political subdivision board if such travel reimbursement is allowed by that agency's authorizing legislation. The State Ethics Commission advises that the Ethics Reform Act would not prohibit members of the Governing Board of a public agency receiving travel reimbursement for service on that Board.