State of South Carolina
Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

June 29, 2015

The Honorable James H. Lucas
Speaker of the House of Representatives
South Carolina Statehouse, Second Floor
Columbia, South Carolina 29201

Dear Mr. Speaker and Members of the House of Representatives,

Today, I am vetoing and returning without my approval a certain line item in R130, H.4230, the FY 2015-16 Supplemental Appropriations Act.

This year, the State of South Carolina was fortunate enough to see revenues greater than any since the Great Recession, but those revenues were not certified until close to the end of this year's budget process. When I proposed my Executive Budget in January, it funded government and made investments in education, infrastructure, and public safety, doing so with less than $300 million in recurring General Fund dollars. When the Board of Economic Advisors certified over $300 million new General Fund dollars to be spent next year, it was effectively the same as certifying an entirely new year's amount of revenues.

Fortunately, due to the efforts of many House and Senate fighters, we made sure that supplemental appropriations went to debt relief and core functions of government, with a significant investment in infrastructure. Between direct appropriations and other items, over $350 million will go to roads next year – all without raising taxes.

Our work to fix roads is not finished yet. While supplemental funds may be going to local governments – the governments closest to the people – most of the money is non-recurring and will not be repeated next year. Further, local governments are not required to follow the same priorities as the Department of Transportation; this leaves room for County Transportation Committees to pick road projects that may not be the highest priority of citizens. Next year, we need to work hard to secure a more permanent source of funds for our roads and do so in an accountable way.

In addition to appropriating new General Funds to infrastructure and debt relief, I do not object to the remaining parts of this Act, including sections that allocate monies for education from

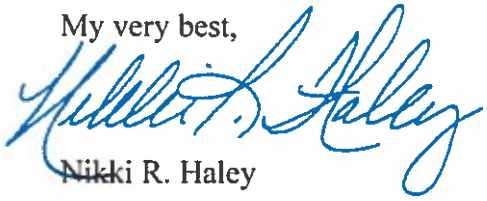
state funds restricted for education-only use, with one exception: I am vetoing one allocation for the Lieutenant Governor's Office on Aging, which is an earmark requested by a single state lawmaker, not the agency.

Veto 1 Section 3; Page 3; Item B(1) Lieutenant Governor's Office – Predatory Lending Education, $250,000.

As stated above, this item is an earmark for a single state lawmaker intended to be used for a private business for predatory lending education. These types of hidden earmarks on behalf of private businesses violate the principles of transparent budgeting and competitive procurement.

I ask that you sustain this good-government veto with my thanks and those of the people of South Carolina for taking another important step in improving our state's infrastructure.

My very best,



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