State of South Carolina
Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

June 3, 2015

The Honorable Paul Campbell
604 Gressette Building
Columbia, South Carolina 29201

Dear Senator Campbell,

Today, I signed into law R.48, S.350, a bill that extends the sunset provision of the South Carolina Community Economic Development Act for an additional five years until June 30, 2020. I signed this bill because I believe that the Community Economic Development initiative and its current investors should be allowed to exhaust the limits of the tax-credit financing arrangement originally passed in 2000, and then sunset as originally intended.

Fifteen years since passage, the Community Economic Development initiative has borne little fruit recruiting private investment, with moderate success only in recent years as individual investors have realized the generosity of the program's tax credits. Given the state's portfolio of incentives targeted at developing rural, underserved, or blighted areas, I see no reason to continue a lower-impact program once it has reached the financing limits imposed upon it by the General Assembly.

This reauthorization should provide the state's Community Development Corporations and its current investor pool sufficient time to wind down the state-subsidized portion of this program prior to the new sunset. Accordingly, I will not support efforts to further reauthorize this Act, nor will I support efforts to extend state subsidies through appropriations or enhancements to the tax incentives.

If I may be of further assistance on this issue, please contact Joshua Baker in my office at joshbaker@gov.sc.gov or 803.734.5153. God bless.

My very best,

Nikki R. Haley

NRH/jdb