State of South Carolina
Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

May 8, 2013

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

Dear Senator Campbell,

For years, the reimbursement rates established by permanent law for South Carolina's motion picture incentive program have been superseded by annual budget proviso. Today, I signed R.29, S.163 into law, which makes those changes permanent.

Although I have reservations as to the manner in which this program is funded, I signed this bill because it improves the effectiveness of the existing program without increasing its annual cost to the state's taxpayers. This bill also supports another of my priorities, which is to reduce the number of provisos in each year's budget. These circumventions of permanent law should be used far more sparingly than they are today.

As currently constructed, our film incentive program sets aside more than $15 million each year without any action – often without any debate – during the General Assembly's annual adoption of the state's budget. In my Executive Budget, I proposed to eliminate this automatic carve-out and instead require that funds be specifically appropriated for this program each year. Budgets are statements of our priorities. This program should compete against other incentives each year – indeed, against all other programs – for the resources that are available.

Ultimately, a veto of this bill would have been wholly unproductive. The film incentive program would have continued in its existing form and at the same annual cost. I wish to make clear, however, that my signing of this bill does not diminish my desire to bring about much-needed funding reform.

My very best,

Nikki R. Haley