State of South Carolina
Office of the Governor

MARK SANFORD
GOVERNOR

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May 19, 2010

The Honorable Robert W. Harrell, Jr.
Speaker of the House of Representatives
Post Office Box 11867
Columbia, South Carolina 29211

Dear Mr. Speaker and Members of the House:

I am hereby vetoing and returning without my approval H. 4923, R. 218, which allows the Orangeburg County Consolidated School District No. 4 to issue general obligation bonds to cover operating expenses as a result of expected operating deficits in FY 2011 and FY 2012.

We are sympathetic to the difficulty in which this school district, and others like it, find themselves, but we are compelled to do as we have done in the past and veto this legislation. It breaks a cardinal rule of prudent finance. Bonded indebtedness should not be used by school districts to fund operating expenditures because an absolute rule of sustainable financial management is that you do not fund short-term operations with long-term debt. States like California have attempted to do so and it has come with disastrous consequences.

Doing so in this instance will invite the same consequences over time to our state.

For this reason, I am vetoing and returning without my approval H. 4923, R. 218.

Sincerely,

Mark Sanford