



State of South Carolina

Office of the Governor

MARK SANFORD
GOVERNOR

Post Office Box 12267
COLUMBIA 29211

June 14, 2007

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

Mr. Speaker and Members of the House:

I am hereby vetoing and returning without my approval H. 3034, R-123.

This proposed legislation would require that new state construction above \$12 million in size, and all state renovation projects of 50 percent of the building or more, adhere to either the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Rating System or the Green Globes Rating System for construction.

I applaud the intent of this legislation because this administration has been committed to our state's environment and maintaining the quality of life here in South Carolina. We have been equally committed to the issue of fuel efficiency and exploring ways to decrease the demand on fossil fuels as witnessed most recently in the formation of a climate change stakeholders panel.

In all this, though, we believe that allowing individuals to exercise judgment and discretion is key to finding solutions that work. We believe this marketplace of different ideas and approaches by institutions, businesses and individuals is superior to simply mandating ideas from government. We have practiced this approach most recently when I announced the Climate, Energy, and Commerce Advisory Committee. Its main charge is to look at the issue of climate change and make market-based policy recommendations to address this increasingly serious issue.

Our view is that we need to avoid mandates wherever possible. We believe that we should certainly encourage the types of construction contemplated in this legislation but ultimately leave the decision to the institution or governmental entity in question. To do otherwise is to mandate raising the cost of government or education in circumstances that may not warrant the mandate.

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Let me add two other conflicting elements of this bill. In some ways, it seems this bill simply allows what is already happening in regard to these types of construction. Many institutions in South Carolina are building in accordance with these standards, and given the waiver provision, I am not sure how many more would do so. Specifically, the bill would leave to the discretion of the State Engineers Office (SEO) whether or not any project would be economically feasible, and would give SEO officials the power to waive this mandate at its discretion. The up-front investment can often be so great that virtually any project could be deemed not economically feasible.

In the event the State Engineer took a more rigid perspective, it could involve considerable cost. According to a number of commercial construction folks I have spoken to, this mandate, if adhered to strictly, could increase the cost of constructing new buildings by 10 to 40 percent. The payback on these types of investments is very much driven by time of use. Many governmental buildings are not used in the night and evening hours, and we believe the governmental entity most immediately tied to the building to be in the best position to know the trade off in up-front cost and return.

Again, this legislation is well-intended. However, I think the bill is flawed to the point that we should stop and look at a wider variety of options for energy conservation.

For these reasons, I have vetoed H. 3034, R-123.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mark Sanford', written over a horizontal line.

Mark Sanford