



State of South Carolina
Office of the Governor

MARK SANFORD
GOVERNOR

POST OFFICE BOX 12267
COLUMBIA 29211

April 26, 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 H. 4755, R. 178, which allows the Georgetown County School District to use the proceeds from general obligation bonds to cover operating expenses as a result of an expected operating deficit in FY 2011.

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 which 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 finance 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 H. 4755, R. 178.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Sanford".

Mark Sanford