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To: Danny Varat (DannyVarat@scsenate.gov) DannyVarat@scsenate.gov

CC: Veldran, Katherine KatherineVeldran@gov.sc.gov

Date: 1/19/2012 8:09:33 AM

Subject: Repeal of Stimulus Money

Attachments: UIPL14-09c1.pdf

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Danny,

Concerning the question about the state having to return any stimulus money, our General Counsel located a DOL publication that specifically addresses whether a state can repeal any portion of the laws that were passed in order to get stimulus money. Although the conditions to receiving the stimulus funds included a requirement that the law had to be "permanent" (i.e., it could not have a "sunset" provision stating that the law would expire in any particular period of time) and certification by the State that the funds were being sought in good faith, the attached 2009 DOL program letter provides that "if a state eventually decides to repeal or modify any of these provisions, it may do so, and it will not be required to return any incentive payments." This letter, though not written in response to our specific bill, goes directly to the point. The first item (Question CH1-1) on page 3 of the attachment contains DOL's complete position in this regard.

Joe