

MINUTES OF

Budget and

Control Board

Meeting

October 18, 1978

MINUTES OF BUDGET AND CONTROL BOARD MEETING

OCTOBER 18, 1978      10:00 A. M.

The Budget and Control Board met at 10:00 a.m. on October 18, 1978 in the Alcoholic Beverage Control Commission Hearing Room in the Edgar A. Brown State Office Building with the following members in attendance:

Mr. Grady L. Patterson, Jr.  
Mr. Earle E. Morris, Jr.  
Senator Rembert C. Dennis  
Representative Tom G. Mangum

Also attending were Executive Director William T. Putnam and State Auditor Edgar A. Vaughn, Jr. Members of the Finance Division Budget Development staff attended the budget hearings and Donna K. Clark and William A. McInnis attended the regular business portion of the meeting.

1979-80 BUDGET HEARINGS - The Budget and Control Board continued its 1979-80 budget hearing schedule by hearing requests from the following agencies:

Commission on Higher Education and Colleges and  
Universities  
State Board for Technical and Comprehensive Education

At the conclusion of the budget hearings, the Board of Economic Advisors presented its report on general fund revenues as described in the following item.

BOARD OF ECONOMIC ADVISORS - GENERAL FUND REVENUE ESTIMATES - Board of Economic Advisors Chairman James A. Morris, accompanied by Mr. Robert Wasson and Dr. E. A. Laurent, members of that Board, and by Chief Economist Barbara Feinn, appeared before the Budget and Control Board to present general fund revenue estimates for fiscal year 1979-80 and to revise these estimates for 1978-79.

Dr. Morris opened the presentation by reading a statement expressing the view that a "classical recession is not likely over this [1978-1980] period but a slow down in the rate of real economic growth, accompanied by high rates

of inflation, is probable..." and "...that growth prospects are moderately good [for the South Carolina economy], but not as favorable as earlier in the 1975-1977 expansion period..." Dr. Morris also noted that general fund revenues are rising at lower rates than in the past and with a significant proportion reflecting price increases. He noted further that sales taxes increase with income and that income tax revenues rise faster because of "progression factors".

Dr. Morris also expressed the view that, because of the many uncertainties in the economic situation, it is well that a reserve fund is on hand to permit stability in expenditure patterns. He emphasized that there is only modest real growth in general fund revenues and that the inflation segment merely makes it possible to maintain the same level of services currently being provided.

Dr. Morris also took issue with allegations made in discussions of the proposed constitutional amendment to provide for a reserve fund that the revenue estimates of the Board of Economic Advisors move in accordance with the requirements of the Senate Finance Committee. He stated that no one has put any pressure on him to arbitrarily raise estimates of general fund revenue.

The Board of Economic Advisors distributed materials which presented a revised general fund revenue estimate for 1978-79 in the amount of \$1,398,673,000 (an increase of some \$19.4 million) and which also presented general fund revenue estimates for 1979-80 in the amount of \$1,533,338,000.

In response to Representative Mangum, Dr. Morris indicated that the Board of Economic Advisors strongly supports the reserve fund.

Dr. Feinn expressed agreement with the estimates presented and noted that unemployment rates may provide an early warning signal for adjustments which may be needed in the revenue estimates.

Mr. Wasson expressed agreement with the estimates presented and called attention to the many uncertainties involved in the estimating process. He noted that some trends in the minor taxes don't look good presently and expressed the

view that it is most essential to have a reserve fund in view of the rapidly changing economic situation. He also took exception to the criticisms of the revenue projection process being made in the current discussions relating to the proposed reserve fund constitutional amendment.

Executive Director Putnam cautioned those present that, while preliminary budget allocations had been based on a revenue estimate in 1979-80 of \$1,513,000,000, not all of the \$20,000,000 increase reflected in the revenue estimates presented by the Board of Economic Advisors is available for allocation to other purposes. Mr. Putnam noted that a higher inflation factor had been suggested which relates to Education Finance Act allocation requirements and that the income tax revenue projections impact on the Aid to Subdivisions category and he emphasized that, in both cases, the revised revenue estimates necessitate a recalculation of the allocations for these purposes. He also pointed out that the revenue estimates for 1979-80 include the same level of federal revenue sharing funds as is expected in 1978-79 but that the Carter administration apparently is not strongly supportive of state government participation in the revenue sharing program as in the past.

Information relating to this matter has been retained in these files and is identified as Exhibit I.

At 1:30 p.m. the meeting was recessed until 3:00 p.m. at which time budget hearings were resumed.

1979-80 BUDGET HEARINGS - The Budget and Control Board concluded the 1979-80 budget hearings by hearing the request of the following agency:

Department of Corrections

EXECUTIVE SESSION - Executive Director Putnam announced that the Board had agreed to consider three personnel matters in Executive Session and the Board retired to a Parks, Recreation and Tourism Department conference room for this purpose.

RATIFICATION OF EXECUTIVE SESSION ACTIONS - Following the Board's consideration of Executive Session items, the Budget and Control Board returned to the Alcoholic Beverage Control Commission Hearing Room and, in open session, the following actions taken by the Board in Executive Session were ratified without objection:

(1) After a review of the record, received as information the findings and recommendations of the State Employee Grievance Committee in three cases involving the Department of Corrections.

The Budget and Control Board continued in open session for the purpose of considering the following item:

MOTOR VEHICLE MANAGEMENT - VEHICLE IDENTIFICATION REQUIREMENTS

EXEMPTION PROCEDURE - Motor Vehicle Management Division Director Allan J. Spence appeared before the Budget and Control Board in connection with procedures proposed by Chief J. P. Strom of the Law Enforcement Division for granting exemptions to the licensing and identification requirements of Part II, Section 24 of the 1978-79 Appropriation Act.

Senator Dennis referred to the form and the resolution proposed by Chief Strom and emphasized the need to grant exemptions in those situations where an individual's well-being would be jeopardized.

Mr. Putnam pointed out that the proposed resolution relates only to SLED vehicles while the form proposed sets forth a procedure for granting exemptions for the vehicles of other agencies. Mr. Putnam also recommended that the form be modified to provide for approval of these exemptions by the Motor Vehicle Management Director on behalf of the Board.

Mr. Spence noted that references to paragraph (F) in the proposed

resolution and form introduce the question of individual assignment of vehicles and of the requirement to maintain trip logs.

In the ensuing discussion, the Budget and Control Board acknowledged that literal compliance with the requirement to maintain trip logs could in some circumstances be impractical for vehicles involved in certain undercover and surveillance activities. The Board concluded that references to paragraph (F) should be excluded from the resolution and the form but left this matter open for further discussion.

Following this discussion, upon a motion by Senator Dennis, seconded by Mr. Morris, the Budget and Control Board adopted a resolution authorizing the Executive Director of the Board to consult with the Chief of SLED and to determine for the Board which motor vehicles of SLED, if any, may be exempted from the provisions of Part II, Section 24, paragraph (K) of Act 644 of 1978 and to grant such exemptions as he may deem proper and lawful. The resolution further provided that the license tags issued pursuant to such exemptions are not to be recorded in any computer record and that no information relating to such tags is to be released to any person except under certain specified circumstances.

Following a brief discussion, upon a motion by Senator Dennis, seconded by Mr. Morris, the Budget and Control Board adopted the procedure outlined in the proposed form and authorized the staff to make minor modifications to that form.

Information relating to this matter has been retained in these files and is identified as Exhibit II.

[Secretary's Note: These actions had the effect of modifying the action described on page 5 of the minutes of the meeting held on October 10, 1978.]

The meeting was adjourned at 4:10 p.m.

CORRECTION

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The meeting was adjourned at 4:10 p.m.

[Secretary's Note: In compliance with Section 9 of Act 593 of 1978 (the Freedom of Information Act), public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Assistant for Public Affairs in the State House at mid-morning on October 17, 1978 and near the Board Secretary's office in the Wade Hampton Building at mid-afternoon on October 16, 1978.]

EXHIBIT I  
10/18/78

Economic and Revenue Outlook  
Fiscal Year 1980

The economy continues to expand moderately in the face of considerable uncertainty and critical problems of inflation and weakening of the dollar in international markets. Despite modest efforts to narrow the federal deficit and to contain inflation and improve the position of the dollar by raising interest rates inflation continues at unacceptably high levels. The relationship between increases in wages and profits and rises in productivity point to further inflationary pressures with some prospect of worsening in 1979 when major agreements with the Teamsters, Electrical Workers and Automobile Workers come up for renegotiation. Voluntary wage-price restraint is unlikely to contain these pressures effectively.

Consumer spending, which has provided the major thrust during the recovery period since 1975, is unlikely to move as vigorously in the period ahead because of the heavy burden of installment debt and the impact of inflation on incomes. The proposed cut of some \$13 billion in individual income taxes will not compensate for the combined effect of rises in social security taxes and tax increases caused by inflation. At the same time capital investment is increasing at real rates of 8-9 percent, which is a positive factor. Housing starts are beginning to ease and automobile sales will not be rising as rapidly during this model year.

10/18/78

In essence the outlook is for rates of growth of about 4 percent in real GNP during the balance of 1978, with reduction in the rate of growth to perhaps 2-3 percent in 1979 and into 1980. Rates of increase in prices may moderate slightly as compared with the last few months but will continue to remain at levels of 6-8 percent. Employment is unlikely to grow as vigorously over the balance of 1978 and beyond and unemployment will move up somewhat. A classical recession is not likely over this period but a slowdown in the rate of real economic growth, accompanied by high rates of inflation, is probable. A less likely possibility is for a "credit crunch" to develop into a period of "stagflation."

The South Carolina economy will reflect national conditions of an easing of growth rates. Further vigorous expansion in the key textile sector cannot be anticipated although the industries should hold their own if textile tariffs are not reduced. The industrial development effort and tourism are providing support for expanded incomes but the pace is not at the levels of the 1960's. The essence of the matter is that growth prospects are moderately good, but not as favorable as earlier in the 1975-1977 expansion period.

General fund revenues are rising, but at lower rates than in the past, and with a significant proportion reflecting simply price increases. Sales taxes increase with income and income tax revenues rise faster because of progression factors. Other taxes rise in a mixed fashion. The accompanying table indicates probable rates of increase for FY 1979 and FY 1980.

Because of the many uncertainties in the economic situation it is well that a reserve fund is on hand to permit stability in expenditure patterns. It must be emphasized again that there is only modest real growth in revenues and that the inflation segment merely makes it possible to maintain the same level of services being provided.

Board of Economic Advisors  
18 October, 1978

JAM/mwh

GENERAL FUND REVENUES

Forecast 1978-1979 and 1979-1980

(In Millions of Dollars)

	<u>1978-1979</u>	<u>1979-1980</u>
Total General Fund	\$1,398.7	\$1,533.3
Total Taxable Sources	1,336.0	1,471.5
Sales Tax	524.0	575.0
Individual Income	404.0	467.0
Corporation Income	132.0	140.0
All Other	276.0	289.5
Total Miscellaneous Sources	31.2	30.3
Total Revenue Sharing	31.5	31.5

GENERAL FUND REVENUES

Rates of Change

	<u>1978-1979</u>	<u>1979-1980</u>
Total General Fund	9.5%	9.6%
Total Taxable Sources	10.9	10.1
Sales Tax	11.1	9.7
Individual Income	15.0	15.6
Corporation Income	10.5	6.1
All Other	5.1	4.9
Total Miscellaneous Sources	-16.4	-2.9
Total Revenue Sharing	-10.8	-

GENERAL FUND REVENUE ESTIMATES  
FISCAL 1979 and 1980  
(In Thousands)

REVENUE ITEM	FY 1979	FY 1980
<u>REGULAR SOURCES</u>		
RETAIL SALES TAX	\$ 524,000	\$ 575,000
INCOME TAX	536,000	607,000
INDIVIDUAL	404,000	467,000
CORPORATION	132,000	140,000
<u>"ALL OTHER" SOURCES</u>		
ADMISSIONS TAX	\$ 3,700	\$ 3,800
AIRCRAFT TAX	300	300
ALCOHOLIC LIQUORS TAX	38,500	40,100
BANK TAX	2,500	2,600
BEER AND WINE TAX	47,500	49,320
BUILDING & LOAN ASSOC.	1,300	1,300
BUSINESS LICENSE TAX	28,810	29,600
COIN-OPERATED DEVICE TAX	2,050	2,100
CONTRACTORS' LICENSE TAX	500	560
CORPORATION LICENSE TAX	12,100	12,800
DEPARTMENT OF AGRICULTURE	6,450	6,500
DEPARTMENT-SUPPORTED APPROP.	5,995	6,300
DOCUMENTARY TAX	8,800	8,600
EARNED ON INVESTMENTS	19,000	21,500
ELECTRIC POWER TAX	12,500	13,500
ESTATE TAX	7,300	7,400
FERTILIZER INSPECTION TAX	320	320
GASOLINE TAX --COUNTIES	17,600	18,200
GIFT TAX	600	650
INSURANCE TAX	33,000	35,300
MISCELLANEOUS DEPT. REVENUE	5,200	5,300
MOTOR TRANSPORT FEES	1,900	2,000
PRIVATE CAR LIC TAX	625	650
PUBLIC SERVICE ASSESSMENT	1,950	2,000
PUBLIC SERVICE AUTHORITY	1,300	1,500
RETAILERS' LICENSE TAX	700	750
SOFT DRINKS TAX	12,600	13,600
WORKMEN'S COMPENSATION	2,900	2,950
TOTAL--"ALL OTHER" SOURCES	\$ 276,000	\$ 289,500
<u>TOTAL--REGULAR SOURCES</u>	<u>\$1,336,000</u>	<u>\$1,471,500</u>
<u>MISCELLANEOUS SOURCES</u>		
DEBT SERVICE TRANSFERS	24,281	23,938
FINES--CIRCUIT & FAMILY COURTS	725	750
INDIRECT COST RECOVERIS	5,767	5,250
WASTE TREATMENT LOAN REPAYMENT	400	400
TOTAL MISCELLANEOUS SOURCES	\$ 31,173	\$ 30,338
TOTAL REVENUE SHARING	\$ 31,500	\$ 31,500
<u>GRAND TOTAL--GEN FUND REVENUE</u>	<u>\$1,398,673</u>	<u>\$1,533,338</u>

10/18/78

1979-80 STATISTICAL DATA

CODE: \_\_\_\_\_

AGENCY: Aid to Subdivisions

Do Not Use	ITEM	ACTUAL		ESTIMATED		Revised (New Estimates) 1978-79
		1976-77	1977-78	<i>Appropriated</i> 1978-79	1979-80	
	Aid to Counties					
	Alcoholic Liquor Tax					
	Amount for distribution w/o limitation	5,580,354	5,930,309	6,822,000	6,996,000	6,707,000
	Amount Distributed	5,342,589	5,342,589	5,638,471	6,167,483	5,615,471
	Amount Retained in General Fund	237,765	387,718	1,183,529	828,317	1,091,529
	Alcoholic Liquor Tax - Mini-Bottle					
	Amount for Distribution w/o Limitation	1,608,060	1,868,672	1,800,000	1,850,000	1,775,000
	Amount Distributed	1,360,773	1,868,672	1,800,000	1,850,000	1,775,000
	Amount Retained in General Fund	247,287	-	-	-	-
	Bank Tax					
	Amount for Distribution w/o Limitation	1,237,179	1,426,748	1,380,000	1,560,000	1,500,000
	Amount Distributed	1,160,550	1,260,404	1,349,778	1,437,600	1,356,000
	Amount Retained in General Fund	76,629	166,344	30,222	122,400	144,000
	Beer and Wine Tax					
	Amount for Distribution w/o Limitation	2,462,421	2,634,509	2,733,000	2,880,000	2,774,000
	Amount Distributed	2,209,409	2,209,409	2,314,127	2,595,396	2,322,327
	Amount Retained in General Fund	253,012	425,100	418,873	334,604	451,673
	Gasoline Tax					
	Amount for Distribution w/o Limitation	16,287,925	16,955,217	16,600,000	18,200,000	17,600,000
	Amount Distributed	14,881,523	14,881,523	15,225,218	16,535,130	15,425,218
	Amount Retained in General Fund	1,406,402	2,073,694	1,374,782	1,664,870	2,174,782
	Income Tax					
	Amount for Distribution w/o Limitation	29,591,615	34,045,566	38,400,000	45,525,000	40,200,000
	Amount Distributed	21,873,074	21,873,074	25,178,460	33,535,075	26,833,717
	Amount Retained in General Fund	7,718,541	12,172,492	13,221,540	11,999,925	13,366,283
	Insurance Tax					
	Amount for Distribution w/o Limitation	6,755,205	7,811,465	7,550,000	8,825,000	8,250,000
	Amount Distributed	5,403,971	5,404,276	5,833,498	7,113,906	5,973,177
	Amount Retained in General Fund	1,351,234	2,407,189	1,716,502	1,711,094	2,276,823

979-80 STATISTICAL DATA

CODE: \_\_\_\_\_

AGENCY: \_\_\_\_\_

Do Not Use	ITEM	ACTUAL		ESTIMATED		Revised 1978-79
		1976-77	1977-78	1978-79	1979-80	
	Homeslead Exemption Amount Reimbursed	5,062,915	5,736,406	6,710,000	7,300,000	6,900,000
	SPECIAL AID - COUNTIES AMOUNT DISTRIBUTED	—	—	3,958,250	—	3,958,250
	Grand Total - Aid to Counties					
	Amount for Distribution w/o Limitation	68,585,674 ✓	76,208,890 ✓	85,943,250	93,126,000 ✓	89,664,250 ✓
	Amount Distributed	57,294,804 ✓	58,576,353 ✓	67,997,802	76,482,790 ✓	70,159,160 ✓
	Amount Retained in General Fund	11,290,870 ✓	17,632,537 ✓	17,945,448	16,653,210 ✓	19,505,090 ✓
	Aid to Municipalities					
	Alcoholic Liquor Tax					
	Amount for Distribution w/o Limitation	5,580,354	5,730,307	6,822,000	6,996,000	6,707,000
	Amount Distributed	5,338,276	5,344,594	5,638,471	6,167,683	5,615,471
	Amount Retained in General Fund	242,078	385,713	1,183,529	828,317	1,091,529
	Bank Tax					
	Amount for Distribution w/o Limitation	587,955	669,989	656,000	741,000	712,000
	Amount Distributed	524,813	573,207	640,777	682,800	644,000
	Amount Retained in General Fund	63,142	96,782	15,223	58,200	68,000
	Beer and Wine Tax					
	Amount for Distribution w/o Limitation	6,331,941	6,744,450	7,020,000	7,398,000	7,125,000
	Amount Distributed	5,678,725	5,685,868	5,999,070	6,541,242	5,979,070
	Amount Retained in General Fund	653,216	1,058,582	1,020,930	856,758	1,154,930
	Insurance Tax					
	Amount for Distribution w/o Limitation	754,375	828,887	846,000	988,000	924,000
	Amount Distributed	546,235	547,787	846,000	988,000	924,000
	Amount Retained in General Fund	208,140	281,100	—	—	—

1979-80 STATISTICAL DATA

CODE: \_\_\_\_\_

AGENCY: \_\_\_\_\_

Do Not Use	ITEM	ACTUAL		ESTIMATED		Revised 1978-79
		1976-77	1977-78	1978-79	1979-80	
	Motor Transport Fees					
	Amount for Distribution w/o Limitation	947,096	984,275	1,102,000	1,160,000	1,102,000
	Amount Distributed	947,096	984,275	1,018,460	1,075,076	1,018,460
	Amount Retained in General Fund	-	-	83,540	84,924	83,540
	HOMESTEAD REIMBURSEMENT AMOUNT DISTRIBUTED	-	-	2,040,000	2,500,000	2,100,000
	SPECIAL AID - MUNICIPALITIES AMOUNT DISTRIBUTED	-	-	1,041,750	-	1,041,750
	Grand total - Aid to Municipalities					
	Amount for Distribution w/o Limitation	14,201,721 ✓	14,957,908	19,527,750 ✓	19,783,000 ✓	19,711,750 ✓
	Amount Distributed	13,035,145 ✓	13,135,731 ✓	17,174,528 ✓	17,954,201 ✓	17,313,751 ✓
	Amount Retained in General Fund	1,166,576 ✓	1,822,177 ✓	2,353,222 ✓	1,828,199 ✓	2,397,999 ✓
	Grand Total Retained in General Fund	12,457,446 ✓	19,454,714 ✓	20,298,670 ✓	18,481,409 ✓	21,903,089 ✓

EXHIBIT II  
10/18/78

RESOLUTION

Pursuant to authority contained in Part II, Section 24, Paragraph K of the 1978-79 Appropriation Act (Act 644 of 1978), the Executive Director of the State Budget and Control Board is hereby authorized to consult with the Chief of the State Law Enforcement Division from time to time as the Executive Director shall deem necessary and to determine for the Board which motor vehicles of the Division, if any, may be exempted from the provisions of the referenced Act insofar as special license plates and other markings are concerned and to grant such exemptions as he deems proper and lawful. License tags issued pursuant to such exemptions shall not be recorded in any computer record and no information relating to such tags shall be released to any person except by direction of the Executive Director of the State Budget and Control Board, the Chief of the State Law Enforcement Division, or upon the order of a State Court of record duly certified by the Clerk of the Court.

Adopted October 18, 1978 by the State Budget and Control Board.

PART ONE

FROM: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TO: State Budget and Control Board  
Division of Motor Vehicle Management  
Box 633, Columbia, SC 29202

SUBJECT: Request for Exemption from Motor Vehicle Identification Requirements

REFERENCE: 1978-79 General Appropriations Act, Part II, Section 24, Paragraph (K)

In accordance with the referenced Act, it is requested that the State-owned vehicle(s) described below be exempted from the requirement to display permanent license tags and other state identification.

I have personally evaluated this request and verify that the vehicle(s) described below are primarily involved in undercover law enforcement work to the extent that the actual investigation of criminal cases or the investigators' physical well-being would be jeopardized if they were so identified.

A brief statement of particulars in support of each request is attached.

VEHICLE DESCRIPTION				DO NOT WRITE IN THIS SPACE
Req. #	Make	Year	Identification No.	License Assigned
1				
2				
3				
4				
5				

List additional requests on a separate sheet in this same format.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Head, Requesting Agency

PART TWO

TO: State Budget and Control Board

With reference to the motor vehicle(s) listed above for which an exemption from the identification requirements of the referenced Act is requested, it is my opinion that:

(a) request number(s) \_\_\_\_\_ should be granted;

(b) request number(s) \_\_\_\_\_ should not be granted.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chief, S. C. Law Enforcement Division

PART THREE

TO: Mr. Emory P. Austin, Director, Motor Vehicle Division  
Department of Highways and Public Transportation

After consultation with the Chief of the State Law Enforcement Division, it has been determined by the State Budget and Control Board that the motor vehicle(s) listed above as request number(s) \_\_\_\_\_ should be exempted from identification requirements of the referenced Act, and the Board hereby grants these exemption(s).

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director, Division of Motor Vehicle Management  
for State Budget and Control Board

TO: HONORABLE J. P. STROM, CHIEF, STATE LAW ENFORCEMENT DIVISION

THE FOLLOWING STATE-OWNED MOTOR VEHICLES ASSIGNED TO THIS AGENCY ARE ACTUALLY INVOLVED IN UNDERCOVER LAW ENFORCEMENT WORK TO THE EXTENT THAT THE ACTUAL INVESTIGATION OF CRIMINAL CASES OR THE INVESTIGATOR(S)' PHYSICAL WELL-BEING WOULD BE JEAPARDIZED IF THEY WERE IDENTIFIED.

EXEMPTION FROM IDENTIFICATION REQUIREMENTS OF SECTION 24, PART II, PARAGRAPHS F & K, PERMANENT SECTIONS, 1978-79 GENERAL APPROPRIATIONS ACT, IS REQUESTED WITH RESPECT TO SUCH VEHICLES.

VEHICLE DESCRIPTION			DO NOT WRITE IN THIS SPACE
MAKE	YEAR	IDENTIFICATION NO.	LICENSE ASSIGNED

LIST ADDITIONAL VEHICLES ON A SEPARATE SHEET

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE /TITLE

\_\_\_\_\_  
AGENCY

TO: HONORABLE WILLIAM T. PUTNAM, EXECUTIVE DIRECTOR, STATE BUDGET AND CONTROL BOARD:

IT IS MY PRELIMINARY OPINION THAT THE MOTOR VEHICLES LISTED ABOVE SHOULD BE EXEMPTED FROM IDENTIFICATION REQUIREMENTS OF THE ACT CITED. I REQUEST A CONSULTATION WITH YOU WITH RESPECT TO THE GRANTING OF SUCH EXEMPTION(S) BY THE BOARD.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
CHIEF, S.C. LAW ENFORCEMENT DIVISION

TO: HONORABLE EMORY P. AUSTIN  
DIRECTOR, MOTOR VEHICLE DIVISION,  
S.C. DEPT. OF HIGHWAYS  
AND PUBLIC TRANSPORTATION

AFTER CONSULTATION WITH THE CHIEF OF THE STATE LAW ENFORCEMENT DIVISION, IT HAS BEEN DETERMINED BY THE STATE BUDGET AND CONTROL BOARD THAT THE MOTOR VEHICLE(S) LISTED ABOVE SHOULD BE EXEMPTED FROM IDENTIFICATION REQUIREMENTS OF THE REFERENCED ACT, AND THE BOARD HEREBY GRANTS THE EXEMPTION(S) REQUESTED.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
EXECUTIVE DIRECTOR, STATE BUDGET AND  
CONTROL BOARD

State of South Carolina  
Law Enforcement Division

JAMES B. EDWARDS  
Governor



J. PRESTON STROM  
Chief

P. O. Box 21398 Phone 758-2461  
COLUMBIA, S. C. 29221

OCTOBER 16, 1978

MR. WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR  
BUDGET AND CONTROL BOARD  
POST OFFICE BOX 12444  
COLUMBIA, SOUTH CAROLINA 29221

DEAR DR. PUTNAM:

I AM ATTACHING A COPY OF A DRAFT OF THE PROPOSED FORM FOR LICENSING VEHICLES ASSIGNED TO SLED AND OTHER SELECTED LAW ENFORCEMENT AGENCIES USING VEHICLES FOR SURVEILLANCE, INVESTIGATION AND UNDERCOVER OPERATIONS WHERE THE INVESTIGATOR'S PHYSICAL WELL-BEING WOULD BE JEOPARDIZED IF THEY WERE IDENTIFIED.

I AM ALSO ATTACHING A COPY OF A PROPOSED RESOLUTION WHICH WE RESPECTFULLY REQUEST THAT THE BOARD ADOPT AT THEIR EARLIEST POSSIBLE CONVENIENCE BECAUSE OF THE TIME ELEMENT ON RE-LICENSING AUTOMOBILES.

PLEASE ADVISE ME OF THE ACTION TAKEN BY THE BUDGET AND CONTROL BOARD ON THE RESOLUTION AND FORM SO THAT I MAY, IN TURN, TAKE THE APPROPRIATE ACTION FOR THE ISSUANCE OF THE LICENSE TAGS.

THANKING YOU IN ADVANCE FOR YOUR CONSIDERATION, I AM,

YOURS VERY TRULY,

A handwritten signature in cursive script that reads "J. P. Strom".

J. P. STROM  
CHIEF  
S.C. LAW ENFORCEMENT DIVISION

JPS/BHH

ENCLOSURES (2)

CC: THE HONORABLE JAMES B. EDWARDS  
THE HONORABLE REMBERT C. DENNIS  
THE HONORABLE TOM G. MANGUM  
THE HONORABLE GRADY L. PATTERSON  
THE HONORABLE JAMES E. MORRIS

PROPOSED RESOLUTION FOR THE BUDGET AND CONTROL BOARD  
CONCERNING LICENSING OF UNDERCOVER, SURVIELLANCE, AND  
INVESTIGATIVE VEHICLES.

PURSUANT TO AUTHORITY CONTAINED IN SECTION 24 (PART II),  
PARAGRAPHS F & K OF THE PERMANENT PROVISION OF THE 1978-79  
APPROPRIATIONS ACT, THE EXECUTIVE DIRECTOR OF THE STATE BUDGET  
AND CONTROL BOARD IS HEREBY AUTHORIZED TO CONSULT WITH THE  
CHIEF OF THE STATE LAW ENFORCEMENT DIVISION FROM TIME TO TIME  
AS THE EXECUTIVE DIRECTOR SHALL DEEM NECESSARY AND DETERMINE  
FOR THE BOARD WHICH MOTOR VEHICLES OF THE DIVISION, IF ANY,  
ARE EXEMPT FROM THE PROVISIONS OF THE SUBJECT ACT INSOFAR AS  
SPECIAL LICENSE PLATES AND OTHER MARKINGS ARE CONCERNED, AND  
THE EXECUTIVE DIRECTOR IS AUTHORIZED ON BEHALF OF THE BOARD  
TO GRANT SUCH EXEMPTIONS AS HE DEEMS PROPER AND LAWFUL. LICENSE  
TAGS ISSUED PURSUANT TO SUCH EXEMPTIONS SHALL NOT BE COMPUTERIZED  
AND INFORMATION THEREABOUT SHALL NOT BE RELEASED TO ANY PERSON  
EXCEPT BY DIRECTION OF THE EXECUTIVE DIRECTOR, THE CHIEF OF THE  
STATE LAW ENFORCEMENT DIVISION, OR UPON ORDER OF A STATE COURT  
OF RECORD DULY CERTIFIED BY THE CLERK OF THE COURT.

State of South Carolina  
Law Enforcement Division



JAMES B. EDWARDS  
Governor

J. PRESTON STROM  
Chief

P. O. Box 21398 Phone 758-2461  
COLUMBIA, S. C. 29221

October 5, 1978

Mr. William T. Putnam  
Executive Director  
Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Dear Mr. Putnam:

I respectfully request a brief appearance before the Budget and Control Board on Wednesday, October 18, 1978.

My appearance is pursuant to Part II, Section 24, Paragraphs F & K of the 1978-79 General Appropriations Act. This Section addresses the identifications and markings of State owned automobiles. The Act states in part, "...after consulting with the Chief of the South Carolina Law Enforcement Division, The Board is authorized to exempt certain law enforcement vehicles from such identifications and markings." The immediacy of the situation is due in part to the expiration of license tags on October 31, 1978.

Your attention and consideration in this request will be greatly appreciated.

Yours very truly,

A handwritten signature in cursive script, appearing to read "J. P. Strom".

J. P. Strom  
Chief  
S.C. Law Enforcement Division

JPS/bhh

cc: The Honorable James B. Edwards  
The Honorable Rembert C. Dennis  
The Honorable Tom G. Mangum  
The Honorable Grady L. Patterson  
The Honorable James E. Morris  
Mr. Allen Spence, State Fleet Manager