



State of South Carolina

Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

April 15, 2015

The Honorable Hugh K. Leatherman, Sr.
Chairman, Senate Finance Committee
111 Gressette Building
Columbia, South Carolina 29201

Dear Chairman Leatherman,

Yesterday, I understand that you introduced S.657, an effort to revive a "bond bill" that was recently defeated in the House of Representatives. In the spirit of full disclosure, just as I did not support the House bond bill, I want to let you and members of the Senate know now that I will vigorously oppose a Senate bond bill and will veto it if it comes to my desk.

As you and other members of the General Assembly know, I opposed the House bond bill because it did not follow a deliberative process for identifying capital needs across the state and was filled with individual member projects that do not merit taking on long-term debt. With over \$200 million available in additional nonrecurring funds this year, we surely have the ability to prioritize and meaningfully address the present needs of South Carolina with money we already have.

As I said repeatedly during the debate in the House, I believe that there is a time and a place for the State to use our bonding capacity to improve the lives of the citizens we serve. There is also a very defined, very deliberate process by which we can and should do that. A bond bill like this one serves only to fund one year of projects while binding taxpayers to debt that will be paid over the course of 10 years or more. Funding projects with debt that could be funded annually and within the normal course of business is not a responsible use of our limited ability to borrow. We should do as we have done in prior years and live within our means, fund the projects we can afford, and leave those of a lower priority for next year.

We share the goal of using the tools available to us as elected leaders to better the lives of all South Carolinians. I simply do not believe that – in this time, when South Carolina is so clearly on the move – increasing our debt in this manner for this reason is the best way to serve our citizens, and I will continue to oppose it.

My very best,

A handwritten signature in dark ink, appearing to read "Nikki R. Haley", is written over a printed name.

Nikki R. Haley

cc: Members of the Senate