



# State of South Carolina

## Office of the Governor

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GOVERNOR

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May 16, 2016

The Honorable James H. Lucas  
Speaker of the House of Representatives  
Statehouse, Second Floor  
Columbia, South Carolina 29201

Dear Mr. Speaker and Members of the House of Representatives,

Today, I am vetoing and returning without my approval R.182, H.4717 **because it is an unprecedented bailout for a single industry affected by last year's flooding.** Farms, like any other small businesses, have access to public and private programs that help them access capital, recover from emergencies, and find markets for their goods. **Unlike most small businesses, farmers are eligible for federally subsidized insurance that covers up to 85% of their business losses with the taxpayer covering an average of 62% of the insurance premium costs.**

Supporters of this bill have said that there is no way South Carolina's farmers could have prepared for this flood and that they will not survive another year without a cash bailout. This is simply not true. Many federal resources are available to farmers year-round, while others were made available as a result of the flood.

### Federal Support Available for Natural Disasters

<u>Program</u>	<u>Small Businesses</u>	<u>Farmers</u>
Disaster Loans	SBA Disaster Loans	FSA Disaster Loans
New Market Access	Export-Import Bank	Market Access Program
Inventory and Assets	National Flood Insurance Program	USDA Crop Insurance
Insurance Premium Support	---	USDA Crop Insurance
Business Income	---	USDA Crop Insurance
Direct Cash Support	---	Farmer Commodity Program

In addition to these, farmers receive cash payments for commodity price supports -- totaling over \$27 million to South Carolina's farmers since October of last year. **This bill would give farmers an additional \$40 million in cash payments other small businesses will never receive.**

Tens of thousands of South Carolinians were affected by this flood and have all started recovery in their own way, with the existing supports available from both the public and private sector. By any measure the current financial support we give to farmers is extraordinary, but a vocal industry has asked for more taxpayer dollars to bail them out. I urge you to reject this bailout and sustain my veto of H.4717.

My very best,

Nikki R. Haley