

Columbia, South Carolina
October 11, 1956

The State Budget and Control Board met in the Governor's office at 10:30 A. M., on October 11. All members of the Board were present except Mr. E. C. Rhodes.

The Board approved a request of the Tax Commission to employ 9 additional clerks and to purchase certain equipment at an annual cost of \$37,037.00. It was the understanding that if sufficient lapsed funds in the Commission's appropriation did not fully cover the additional cost by the end of the year the Board would supply, or recommend a deficiency appropriation, to cover the difference.

The Board approved a request from the Department of Agriculture for an allocation of \$3,753.82 from the Civil Contingent Fund to provide an additional inspector in the Warehouse Division, together with funds to cover his travel expenses.

The Board approved a request from the Supreme Court for an allocation of \$2,000.00, \$1,500.00 for Repairs and \$500.00 for Special Circuit Judges.

The Board approved a request of \$6,569.10 to the S. C. Probation, Parole and Pardon Board for two additional probation officers and travel for the remainder of the fiscal year.

The Board approved a request from the State Library for an allocation of \$245.00 to provide a suitable place for storing Codes.

The Board approved an allocation of \$5,000.00 to the Regional Education Board in connection with the establishment of a Nuclear Energy Advisory Committee.

The Board approved a request for an allocation of \$5,000.00 to the Wildlife Resources Commission to purchase a patrol boat.

The Board approved a request by the State Educational Finance Commission for a transfer of \$1,900,000.00 from School Bus Operating Funds to the School Building Fund, the amount to be restored to the Bus Operating Fund when proceeds of a recent sale of bonds was in hand.

The attached resolution was offered by Mr. Jeff B. Bates who moved its adoption. The motion was seconded by Mr. W. L. Rhodes and upon a vote being taken four members of the Board voted for its adoption.

The Board then adjourned.

A RESOLUTION

MAKING PROVISION FOR THE ISSUANCE OF \$665,000 OF NOTES OF THE STATE OF SOUTH CAROLINA WHOSE PROCEEDS ARE TO BE EXPENDED FOR PERMANENT IMPROVEMENTS AT THE SOUTH CAROLINA SCHOOL FOR THE DEAF AND BLIND IN SPARTANBURG COUNTY AND FOR THE SUMMER TRAINING CAMP OPERATED BY THE STATE DEPARTMENT OF EDUCATION IN CONNECTION WITH ITS VOCATIONAL AGRICULTURAL TRAINING PROGRAM.

WHEREAS, it is provided by Section 13 of Act 813 of the Acts and Joint Resolutions of the General Assembly for the year 1956 (49th Statutes at Large, Page 1953) that with the approval of the State Budget and Control Board (hereafter called the Board) having been first expressed by proper resolution, Notes of the State of South Carolina may be issued by the Governor and the State Treasurer to the extent of \$665,000 for permanent improvements at the South Carolina School for the Deaf and Blind in Spartanburg County, and for the installation of facilities required for the summer training camp for vocational agricultural training, to be operated by the State Department of Education, on a tract of land near East Cherry Grove Beach in Horry County; and,

WHEREAS, the Board has made a careful investigation and survey, and has ascertained for itself that an expenditure of \$415,000 is required for the South Carolina School for the Deaf and Blind and an expenditure of \$250,000 is needed for the facilities at East Cherry Grove Beach; and,

WHEREAS, the tract of land near East Cherry Grove Beach in Horry County, selected as the site for the summer training camp for the vocational agricultural training program operated by the State Department of Education has been acquired and is now owned by the State in fee simple, without reversionary provisions, this Board has received advices from the Attorney General of South Carolina to that effect; and,

WHEREAS, by the provisions of the Statute above referred to it is provided that the said notes may be sold upon such conditions and upon such terms as the Board may prescribe; and,

WHEREAS, the Board has determined that the sum should be raised by the issuance of \$665,000 State of South Carolina Notes, to bear interest at the rate of Four per centum (4%) per annum, and to be sold at par, plus accrued interest to the date of delivery, to the State Budget and Control Board, in its capacity as Trustee of the funds of the South Carolina Retirement System; and,

WHEREAS, by reason of the matters above recited it is proper that the Board should adopt the Resolution prescribed by the Statute above recited and thus empower the Governor and the State Treasurer to issue Notes of the State of South Carolina, whose tenor and effect shall be as set forth hereinafter, and whose proceeds shall be expended under the conditions herein prescribed.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD IN MEETING DULY ASSEMBLED:

Section 1.

Pursuant to the provisions of the Statute above recited, the Board authorizes and empowers the Governor and the State Treasurer to issue \$665,000 of Notes of the State of South Carolina whose proceeds shall be expended in the manner hereinafter prescribed as follows:

- (1) Not exceeding \$415,000 shall be expended for permanent improvements at the South Carolina School for the Deaf and Blind; and,
- (2) Not exceeding \$250,000 shall be expended for the installation of facilities required for the summer training camp for vocational agricultural training program, operated by the State Department of Education, on a tract of land near East Cherry Grove Beach in Horry County.

The said proceeds shall be duly segregated in the proportions shown above for use in effecting each of said purposes.

The improvements to be installed for the School for the Deaf and Blind shall be effected by the superintendent of that institution in accordance with plans and specifications therefor approved by the Board. Payments on account of such improvements shall be made only after the approval by this Board to certificates signed by the superintendent establishing the sum or sums due and the specific purpose of the particular expenditure.

In the case of installations at Cherry Grove Beach, the installation is to be supervised by the State Superintendent of Education and the State Supervisor of Vocational Agriculture. But no expenditure shall be made until this Board shall approve the plans and specifications prescribed for the installation of the facilities. Thereafter, and upon the approval of such plans and specifications, payment on account of the installation of the facilities shall be made upon certification by the said Superintendent of Education and State Supervisor of Vocational Agriculture establishing the sum or sums due and the specific purpose of the particular expenditure. Provided, that the purchaser and subsequent holders of the Notes issued hereunder shall not be responsible for the proper application of the proceeds.

Section 2.

The said notes shall be in denomination of One Thousand Dollars (\$1,000) or in any multiple thereof not exceeding Ninety Five Thousand Dollars (\$95,000). All notes shall be identified with the numerals 1 to 665, inclusive, and a separate number shall be allotted to each \$1,000 multiple. The numbering shall be consecutive and in the order of maturity, with the number 1 being allotted to the first \$1,000 multiple to mature.

Section 3.

The notes shall be dated October 15, 1956, and shall mature

without privilege of prior redemption, Ninety Five Thousand Dollars (\$95,000) on October 15th, in each of the years 1957 to 1963, inclusive.

Section 4.

Such notes shall bear interest at the rate of Four per centum (4%) per annum, payable semi-annually on the 15th days of April and October in each year, beginning April 15, 1957.

Section 5.

Such notes shall be issued, in the first instance, in registered form, in denomination of \$95,000 each, and shall be registered in the name of the State Budget and Control Board, as Trustee of the funds of the State of South Carolina Retirement System. Payment of interest on such notes when outstanding in registered form shall be effected by a check or draft drawn by the State Treasurer to the order of the registered holder, using therefor the funds hereinafter pledged to the payment of principal and interest of said notes. Thereafter, at the request of, and at the expense of the registered holder, the notes may be converted into notes of coupon form in denomination of \$1,000 each. Notes issued in coupon form shall be registerable as to principal only, and the interest to become due thereon shall be evidenced by coupons in form as hereinafter set forth. Both principal of and interest on the notes when outstanding in coupon form shall be payable at any agency of the State of South Carolina in the City of New York, N. Y. The payment of both principal and interest of the notes shall be effected in any coin or currency which on the respective dates of payment thereof shall be legal tender for the payment of public and private debts.

Section 6.

The notes issued hereunder shall be signed by the Governor and the State Treasurer. The Great Seal of the State shall be affixed to each of them and each shall be attested by the Secretary of State. If hereafter the Notes shall be converted

into coupon form they shall be dated as of October 15, 1956, but shall be executed by the persons holding the aforesaid offices on the date of the conversion. The coupons to be attached shall be signed by the facsimile signature of the then State Treasurer. Such coupons shall evidence all future payments to become due by way of interest on said notes.

Section 7.

The form of said notes when issued in registered form shall be substantially as follows:

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
NOTE

No. _____ to _____,
 inclusive

\$

THE STATE OF SOUTH CAROLINA, for value received, hereby promises to pay to The State Budget and Control Board of South Carolina, as Trustee of the funds of the South Carolina Retirement System, or registered assigns, the principal sum of

_____ DOLLARS

on the fifteenth day of October, 19____, and to pay to the registered holder hereof interest thereon from the date hereof until the date of maturity at the rate of Four per centum (4%) per annum, payable semi-annually on the fifteenth days of April and October in each year hereafter. Both the principal of and interest on this note are payable in any coin or currency which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts by check or draft issued by the State Treasurer of the State of South Carolina. This note is one of a duly authorized issue of notes of the State of South Carolina, aggregating Six Hundred Sixty Five Thousand (\$665,000) Dollars, of like date, tenor and effect, except as to number and date of maturity, issued in multiples of One Thousand (\$1,000) Dollars, and numbered from 1 to 665, inclusive, with

each note of a denomination of more than One Thousand (\$1,000) Dollars bearing serial numbers representing each thousand dollars of principal of said notes, issued pursuant to a resolution duly adopted by the State Budget and Control Board of South Carolina, with the approval of the Governor and the State Treasurer, and issued under and in full compliance with the Constitution and Statutes of the State of South Carolina, including particularly Act No. 813 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, enacted at the regular 1956 session, approved March 31st, 1956, to obtain funds for permanent improvements at The South Carolina School for the Deaf and Blind in Spartanburg County and for the summer training camp operated by the State Department of Education in connection with its vocational agricultural training program.

For the payment of the principal of and interest on the notes of this issue, there are hereby pledged, to the extent provided in the Act above recited, so much thereof as shall be needed from the revenue derived from the tax imposed pursuant to Articles 7 and 8, Chapter 10, Title 65, Code of Laws of South Carolina, 1952, as amended.

Neither the faith nor credit of the State of South Carolina is pledged to the payment of either the principal of or interest on this note, nor shall any person signing this note be personally liable thereon.

This note is transferable as provided in said resolution only upon books kept by the State Treasurer by the authorized holder hereof in person or by his attorney duly authorized and similarly noted hereon, or it may be surrendered in exchange for new notes of the same aggregate principal amount in coupon or registered form as provided in said resolution.

The notes of this issue are issuable in the form of coupon notes in the denomination of One Thousand (\$1,000) Dollars each, and in the form of registered notes without coupons in the

denomination of One Thousand (\$1,000) Dollars each, or any multiple thereof not exceeding the aggregate principal amount of notes maturing in any one year. Coupon notes, upon surrender thereof at the office of the State Treasurer, with all unmatured coupons, may, at the option of the holder thereof, be exchanged for an equal aggregate principal amount of registered notes of the same maturity and interest rate of any of the authorized denominations, in the manner, subject to the conditions, and upon the payment of the charges provided in said resolution. In like manner, subject to such conditions and upon the payment of such charges, registered notes, upon the surrender thereof at the office of the State Treasurer with a written instrument of transfer duly executed by the registered holder or his duly authorized attorney, may, at the option of the registered holder thereof, be exchanged for an equal aggregate principal amount of coupon notes of the same maturity and interest rate with appropriate coupons attached or of the registered notes of the same maturity and interest rate of any other authorized denominations.

IN WITNESS WHEREOF, the State of South Carolina has caused this note to be signed by the Governor of South Carolina and by the State Treasurer of South Carolina, and has caused the Great Seal of the State to be affixed hereto, and attested by the Secretary of State, and this note to be dated October 15th, 1956.

Governor

State Treasurer

ATTEST:

Secretary of State

1191

Section 8.

The form of said Notes when issued in coupon form, the coupons to be attached thereto and the provisions relative to registration thereof, shall be substantially as follows:

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
NOTE

No. _____

\$1,000

THE STATE OF SOUTH CAROLINA, for value received, hereby promises to pay to the BEARER hereof, or if this Note be registered, to the REGISTERED HOLDER hereof, the principal sum of

ONE THOUSAND DOLLARS

on the fifteenth day of October, 19____, and to pay interest thereon at the rate of Four per centum (4%) per annum, payable semi-annually on the fifteenth days of April and October in each year hereafter upon presentation and surrender of the annexed coupons as they severally become due. Both the principal of and interest on this note are payable in any coin or currency which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts at the State Treasury in the City of Columbia, South Carolina, or at the option of the holder, at any agency of the State of South Carolina in the City of New York, N. Y. At the written request of the holder, and upon presentation of this note to the State Treasurer this note will be registered in the holder's name on books kept by the State Treasurer, as to principal only, after which no transfer of this note shall be valid unless made on said books by the registered holder in person or by attorney and noted hereon as aforesaid, unless the last registered transfer so noted shall have been to bearer. Registration as to principal shall not affect the negotiability of the coupons hereto attached, which shall continue to pass by delivery.

This note is one of a duly authorized issue of notes of the State of South Carolina, aggregating Six Hundred Sixty Five Thousand (\$665,000) Dollars, of like date, tenor and effect, except as to number, denomination, and date of maturity, issued pursuant to a resolution duly adopted by the State Budget and Control Board of South Carolina, with the approval of the Governor and the State Treasurer, and issued under and in full compliance with the Constitution and Statutes of the State of South Carolina, including particularly Act No. 813 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, enacted at the regular 1956 session, approved March 31st, 1956, to obtain funds for permanent improvements at The South Carolina School for the Deaf and Blind in Spartanburg County and for the summer training camp operated by the State Department of Education in connection with its vocational agricultural training program.

For the payment of the principal of and interest on the notes of this issue, there are hereby pledged, to the extent provided in the Act above recited, so much thereof as shall be needed from the revenue derived from the tax imposed pursuant to Articles 7 and 8, Chapter 10, Title 65, Code of Laws of South Carolina, 1952, as amended.

Neither the faith nor credit of the State of South Carolina is pledged to the payment of either the principal of or interest on this note, nor shall any person signing this note be personally liable thereon.

The Notes are issuable in the form of coupon Notes in the denomination of \$1,000 each, and in the form of registered Notes without coupons in the denomination of \$1,000 each or any multiple thereof not exceeding the aggregate principal amount of Notes maturing in any one year. Coupon Notes, upon surrender

thereof at the office of the Treasurer of South Carolina with all unmatured coupons, may, at the option of the holder thereof, be exchanged for an equal aggregate principal amount of registered Notes of the same maturity and interest rate of any of the the authorized denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the proceedings authorizing this issue of Notes. In like manner, subject to such conditions and upon the payment of such charges, registered Notes, upon the surrender thereof at the office of the Treasurer of South Carolina with a written instrument of transfer duly executed by the registered holder or his duly authorized attorney, may, at the option of the registered holder thereof, be exchanged for an equal aggregate principal amount of coupon Notes of the same maturity and interest rate with appropriate coupons attached or of registered Notes of the same maturity and interest rate of any other authorized denominations.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this Note, exist, have been performed and have happened, and that the amount of this Note, together with all other indebtedness of the State of South Carolina, does not exceed any limit prescribed by such Constitution or Statutes.

IN WITNESS WHEREOF, the State of South Carolina has caused this Note to be signed by the Governor of South Carolina and by the State Treasurer of South Carolina, and has caused the Great Seal of the State to be affixed hereto and attested by the Secretary of State, and the coupons hereto attached to be authenticated by the facsimile signature of the State Treasurer and this Note to be dated as of October 15, 1956.

Governor

State Treasurer

ATTEST:

Secretary of State

(FORM OF COUPON)

The STATE OF SOUTH CAROLINA on the 15th day of _____
_____, 19____, will pay to BEARER, TWENTY DOLLARS (\$20.00),
solely from the revenues mentioned in the note to which this
coupon is attached, at the State Treasury, in the City of Columbia,
or at the option of the holder, at any agency of the State in
the City of New York, New York, in any coin or currency of the
United States of America which is then legal tender, being the
semi-annual interest then due on its NOTE dated October 15,
1956. No. _____.

State Treasurer

(FORM OF REGISTRATION TO APPEAR ON THE REVERSE OF EACH NOTE)

At the request of the holder the within note has been
registered as to principal only in accordance with the provisions
set forth in said note.

<u>DATE OF REGISTRATION</u>	<u>NAME OF REGISTERED HOLDER</u>	<u>STATE TREASURER</u>
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Section 9.

For the payment of principal and interest of such notes as the same severally mature, there is hereby pledged so much thereof as shall be needed from the revenue derived from the tax imposed pursuant to Articles 7 and 8, Chapter 10, Title 65, Code of Laws of South Carolina, 1952, as amended. Such pledge shall not preclude the revision of such tax within the limitations set forth in Act 813 of 1956.

Section 10.

Said notes shall be forthwith made ready for execution in registered form and in denominations of \$95,000 each. Thereupon they shall be executed as herein provided and delivered to the purchaser thereof. The proceeds derived therefrom shall be expended in the manner prescribed by Section 1 of this Resolution.

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