



State of South Carolina

Office of the Governor

MARK SANFORD
GOVERNOR

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May 6, 2009

The Honorable Robert W. Harrell, Jr.
Speaker of the House of Representatives
Post Office Box 11867
Columbia, South Carolina 29211

Dear Mr. Speaker and Members of the House:

I am hereby vetoing and returning without my approval H. 3627, R. 38, a bill that would allow Sandy Island residents and their guests to utilize a boat operated by the State Department of Education (SDE).

Having been to Sandy Island and having seen firsthand its unique character and the special people that make this the case, for a variety of reasons I would like to let this bill become law. Unfortunately, to be consistent in that which we have advocated with regard to the use of state assets, I am compelled to veto this bill. To the great people of the island let me both offer my apology in being compelled to do so and to offer thoughts and prayers for the Sandy Island families still dealing with the tragedy of the boat accident earlier this year – and my rationale for doing as I am in vetoing this bill.

This legislation is a short-term attempt to address this Sandy Island tragedy by giving the residents of the island a special exception to use SDE's boat when it is not transporting students. On the surface, we see how this might be an efficient use of state resources, particularly because the boat only transports students for a total of roughly 30 minutes each day. However, because of the precedent this sets, we need to be careful about not backing our way into a state ferry system or opening the floodgates to using state property for well-intended, but wide-ranging, interests outside of the statutory framework used to justify the state's involvement and spending. As such, we have several concerns that constrain us from not supporting this legislation.

Who will shoulder the cost? The legislation allows the school district to bear the cost of operating the boat for Sandy Island residents and they may contract with a third party to operate the boat. This means that the school district – which is funded by the state – would pick up the costs for use of this boat, and a separate entity could then reimburse the state. According to SDE officials, they estimate it would cost \$30,000 per year for operation of the 1968-model boat, including maintenance, fuel, and the driver's salary. Additionally, officials at the South Carolina Insurance Reserve Fund say it would cost \$3,600 per year to cover individuals who ride the boat who are not public school students.

What is not included in this cost is wear and tear on the boat that is being requested by residents for use twice each weekday and twice on the weekends. The legislation does not provide any direction as to how the costs of operations will be shared outside of the Georgetown County School District either with local residents or the county government. In most other cases of public transportation, the costs of operation are shared between the municipal governments that provide the service and the riders and users of those systems. Leaders in Georgetown even say that questions linger about how the costs will be picked up, as the waterway that leads to Sandy Island may be a national waterway, suggesting that potential federal funding may be available for this need.

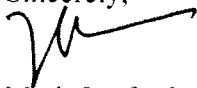
Second, we are not supporting this bill because it is only one of many options that are presently being considered by Georgetown County Council. A committee has been formed to study the transportation issues regarding Sandy Island, and even council members realize that using the state boat would only be a temporary solution to a pre-existing and permanent issue. Sandy Island residents and Department of Transportation officials are a part of this committee, and we trust that this collaborative group can come together to provide a lasting proposal that does not rely solely on access to a state-funded asset.

While addressing this issue, we think it would be wise for leaders in Georgetown to look to Beaufort County, which is the only other South Carolina school district that uses a boat to transport students. For more than 20 years, the school district has contracted with a vendor to provide a ferry that takes a dozen students from Daufuskie Island to Hilton Head High School. The Daufuskie boat is a unique example of a public-private partnership in that the school district receives the majority of its funding from the State Department of Education and they make up the difference with local funds. The district pays a total of \$148,000 each year, and they don't have to worry about paying for maintenance or upkeep because they don't own the boat. Presently, Beaufort County Council and the Beaufort school district are looking at ways to partner, so that the school ferry can accommodate students and residents at the same time. They believe this will be an efficient use of shared resources, with which we would agree.

Finally, as mentioned earlier we believe this legislation would set a negative precedent statewide. If this bill were to become law, it opens the door to allow the use of public school buses – or, in this case, a boat – for private use. Given the number of valid needs across the state and the number of state assets around this state, I am not sure how one ever draws the line – and if one doesn't, there are substantial future costs that must be borne by taxpayers already saddled with a government that has made more promises than it has tax revenue to support. For example, we have a \$20 billion unfunded liability in our retirement and health care plans. These benefits were added by well-intended legislators – but not paid for, and what is contemplated here mirrors in a small way this pattern. In this case, we would urge Sandy Island residents to continue working with local leaders – as they are presently doing – to find a safe and reliable mode of transportation that does not interfere with the state-owned boat intended for student use only.

For these reasons, I am vetoing H. 3627, R. 38.

Sincerely,



Mark Sanford