

1975 WL 29719 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

April 15, 1975

*1 Senator J. P. Harrelson
State House
Columbia, South Carolina

Dear Senator Harrelson:

You have requested an opinion relative to the procedure for the issuance of general obligation bonds by the incorporated municipality of Edisto Beach, South Carolina, for water purposes. As Deputy Attorney General Coleman advised you last week, Edisto Beach cannot issue general obligation bonds pursuant to Sections 47-831 *et seq.*, Code of Laws of South Carolina, 1962, as amended, the Municipal Bond Act, without conducting an election on the issue, upon the filing of the requisite petition (*see*, §§ 47-835 *et seq.*).

In addition, Article VIII, Section 16 of the South Carolina Constitution of 1895 provides in part:

Any incorporated municipality may, upon a majority vote of the electors of such political subdivision who shall vote on the question, acquire by initial construction or purchase and may operate . . . water; . . . systems and plants. [Emphasis added.]

Before Edisto Beach can acquire and operate a water system, therefore, it must first conduct an election on that question.

Our opinion is that the election on both the question of acquiring and operating a water system and the question of issuing general obligation bonds to finance such a project can be held at the same time so long as the questions are separately stated so that voters may note separately on them. *See*, [Paris Mountain Water Co. v. Greenville](#), 105 S.C. 180, 89 S.E. 669; [Enterprise Real Estate Co. v. City Council of Charleston](#), 107 S.C. 492, 93 S.E. 184; *cf.*, [McDaniel v. Bristol](#), 160 S.C. 408, 158 S.E. 804. In this connection, I direct your attention to Section 47-841, Code of Laws of South Carolina, 1962, as amended, detailing the requirements of the ballot on the question of the issuance of bonds.

If Edisto Beach decides to issue revenue bonds instead of general obligation bonds, one procedure it may follow is outlined in Sections 59-361 *et seq.*, Code of Laws of South Carolina, 1962, as amended, which procedure does not require the holding of a referendum on the question of the issuance of the bonds, although all other requirements set out therein (*see, e.g.*, § 59-381) must be met. *See*, 1964-65 Ops.Atty.Gen. No. 1848 at 106.

With kind regards,

Karen LeCraft Henderson
Assistant Attorney General

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