1978 WL 207626 (S.C.A.G.)

Office of the Attorney General

State of South Carolina May 31, 1978

*1 Hon. John Jay James Chairman The Agriculture Commission of South Carolina Post Office Box 11280 Columbia, S.C. 29211

Dear Mr. James:

You have recently asked the opinion of this Office on the capability of the S.C. Soybean Board to lawfully make contributions to American Agriculture from collected assessments furnishing for our consideration a copy of a letter to Mr. McGhee Fralix, Chairman of the Soybean Board.

The question presented pertains to the authority of a commodity board to make expenditures and the nature of those expenditures and is similar to a question addressed in an opinion issued by this Office earlier this month.

It was concluded in that opinion, a copy of which is attached, that a commodity board could properly make any expenditure from its funds provided that four conditions are met. It is stated there that the conditions to be met by each expenditure are: "... (1) it has received the approval of the Agriculture Commission, (2) it can be categorized as programmatic in nature, (3) it does not fall into one of the areas enumerated in the appropriations act as being prohibited, or regulated by the State Budget and Control Board, e.g., salaries, travel expense, and other allowances or benefits for employees, and (4) it does not involve a use patently illegal, that is, constitutes a purchase prohibited by state law such as that of alcoholic beverages."

The purposes for which the Soybean Board may expend its funds are set forth in Marketing Order No. 1 for South Carolina Soybeans, Regulations 5-1, et seq, Code of Regulations of S.C. (1976) and the Agricultural Commodities Marketing Act (Sections 46-17-10, et seq of the S.C. Code of Laws (1976)).

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