Our world, our nation and our state have entered into a new time – a new time for many, but a time familiar to those of generations before us. It is a time of caution, faith and patriotism. For many, it is a time of fear. For all of us, it is a time of war.

Five months ago, on a day that seems much more distant than that time, America was attacked by terrorists. Airplanes were turned into instruments of destruction. Thousands of innocent men, women and children were the victims of the misguided acts of individuals who, for beliefs we do not share, forced their hatred on our country.

Two of the victims of the September 11 attacks were Mississippians. Joe Ferguson and Lieutenant Colonel Jerry Don Dickerson, Jr., died at the Pentagon – one on American Flight 77, one in the Pentagon itself. Ferguson was escorting a group of school children on a trip sponsored by the National Geographic Society. Dickerson was in uniform, serving as a member of our armed forces.

These two men both grew up in tiny Durant, Mississippi, a town of less than three thousand people. They were two years apart in age, and lived only two blocks apart in town.

These two men from a small Mississippi town lost their lives together on a day we will never forget.

The ripple effects of the attacks spread around the world. Borders and differences with countries ceased to exist, if only for a time, and we all mourned as one. Then, we responded.

National guard units across the nation and here at home were posted in airports. The Office of Homeland Security was created with my colleague, Governor Tom Ridge of Pennsylvania, at the helm. Americans – of all races, backgrounds and heritage – flew the flag and flew it proudly. A generation that had only known peace was confronted with the true threat of war.

In the weeks that followed, the terror of the attacks continued in the form of biological threats. Anthrax invaded our offices and our vocabulary. For the first time, the simple act of opening our mail caused hesitation. Sadly, others fell victim to this horrible weapon of war – more innocents, more grief, more fear.

Again, we responded.

I am proud of the way Mississippi answered its call to action. At all levels, we met the challenge. Law enforcement and emergency agencies readied themselves for situations and contingencies previously unimagined. The work of safeguarding our people, our property and our

In one eight-hour meeting, directors of our Department of Health, Department of Public Safety, Mississippi Emergency Management Agency, and others met with representatives of the Federal Bureau of Investigation and U. S. Postal Service to establish guidelines for how to respond to future threats.

And leading the way were the men and women of the Mississippi National Guard. No longer does the term "weekend warrior" seem fitting enough. These citizen soldiers stepped up to the task before them – in our airports, at the Grand Gulf Nuclear Facility, and in response to their nation's call for their support.

Everything we have done in the past five months has been about one thing – security. It has been a long time since we had to worry about our security at this level, since we faced the fears conquered by generations passed.

America and its people handled those fears, just as we will handle our current fears. They were handled by people like Walter Gordon of Pass Christian, a member of Easy Company in the 101st Airborne. After parachuting into France on D-Day, Gordon fought in Normandy, Holland and Germany in the greatest conflict our world has ever seen. His commitment and his sacrifice helped eliminate the fears of a nation. Today, 57 years after he left Germany to return home and enjoy the freedoms he helped preserve, we honor him for answering the call to duty. Sergeant Gordon, thank you.

In the years following World War II, we were again confronted by fears to our security – in Korea, in Vietnam, in the Persian Gulf. Again, there were those who stood up to confront those fears – men like (find someone!)

Now, today, we fear for our security again. And, like before, our security is being protected.

Mississippi is helping provide that protection. Over three hundred members of the 155th Task Force Rifles of the Mississippi National Guard are today serving in a peace-keeping mission in Bosnia. Hundreds of other men and women in our guard have been called up as part of our nation's response to the attacks of September 11.

We are in constant contact with Washington regarding security. In addition to my office, Mississippi is represented in the Office of Homeland Security by the Adjutant General of the Mississippi National Guard, Adjutant General James H. Lipscomb III. General Lipscomb, thank you for the tremendous work you do for us on a daily basis.

When we talk about security these days, we think about those National Guard soldiers protecting our airports. We think about the metal detectors in places previously wide open to anyone – places like the lobby of this very building, a building of the people and for the people.

Yet there are other areas in which we also seek security – areas like our budget, our schools, our health. These are the areas of security that we in this chamber are charged with protecting. And, like those Mississippians who wear the uniforms of our armed forces, we will not – we cannot – fail in our mission.

Prior to the tragedies of September 11, our nation's economy was in a downturn. Revenue collections and consumer confidence were falling. Leading economists were predicting things would get worse before they got better.

And they did. There's no easy or comforting way to say it, but we are in a serious situation. Our revenue collections for the first six months of the fiscal year are down approximately \$113 million below the sine die estimate. Our worst month to date was August, a month before the attacks that further damaged our economic condition.

Our charge from the people of Mississippi is to manage this condition, to work together to find a solution, to provide some sense of security in an unsecure time. It is a charge I take, and I know each of you as elected members of the Legislature, take very seriously; that is why we must work as one to guide our ship of state through these troubled waters and into a safe port for our future.

The law is very clear: The Governor and the Legislature must agree on the revenue estimate for the state. It has been, and still remains, my firm belief that the current estimate of 4.3 percent, as established by the Joint Legislative Budget Committee, is overly optimistic.

Economists and financial experts far more capable than I are predicting a turnaround in the first few months of the 2003 fiscal year. The question regarding those predictions, however, is this: Will that turnaround be enough to lift us from the hole in which we currently find ourselves? I believe, regretfully, that it will not.

I have offered a compromise to the Joint Legislative Budget Committee, a compromise of 2.65 percent for the 2003 revenue estimate. It is an estimate that I believe is fair, prudent and fiscally responsible given our current situation. It is the estimate on which I have prepared my executive budget recommendations.

Today I submit those recommendations for your review. In them, I have provided for those needs which we all know must be met – namely, a teacher pay raise and ...

My recommendations seek to provide the security desired by the people of Mississippi. I have often said that our budget must be a blueprint for success, and I remain committed to that idea.

The education of our youth is the foundation for our future. Our commitment to education is, I believe, unquestioned; how we shape that commitment is part of the work before us.

We are going to give our teachers the raises they sorely deserve. We are going to pay them as the professionals they are. We are going to recognize their contributions in classrooms around the state.

But those raises should not come at too dear a cost. We cannot put more money in the pockets of these talented and dedicated individuals, and then put them into a situation where they are forced to pay for school supplies out of their own pockets. Giving them the tools to do their jobs is our responsibility, and one from which we cannot retreat.

Mississippi is being recognized around the country for its forward-thinking in the educational arena. From our kindergartens to our universities, we are being creative in the face of daunting challenges.

We are in the process of placing internet-accessible computers in every public school classroom in the state. This effort will ensure that every child in Mississippi, from the most rural districts to the largest urban areas, will have the opportunity to learn and explore the world in a way we could have never imagined in previous years.

It is no secret that we operate in a world based on technology. For our children, for our state, to compete in this world requires us to give them the necessary tools to succeed.

We must invest in our human capital today, confident in the belief we will see the dividends of that investment in the future.

It is our responsibility to the security of our people.

An added aspect to our work is found in our ability to commit ourselves to the basic health care needs of the citizens of Mississippi. We are all too aware of the conditions we face today. We have the highest death rate due to heart disease in the nation. We have the highest prevalence for diabetes. We have (add another).

We lead the nation in areas where we want to be last – areas Dr. Ed Thompson has termed our "worst firsts." It is within our power to change these statistics, and we must do it now.

Last July, I unveiled a proposal to accomplish this goal, and if we are willing to take the next step, we can do great things. This month, we are scheduled to receive our annual payment from the settlement reached with the tobacco industry, a payment of approximately \$210 million.

Each of you is familiar with the proposal I have made and the simplicity found within it. By taking a portion of the annual payment, we can receive matching federal funds to address the health care needs in our state. We can make a tremendous difference in the most basic of health care needs facing our people today, while leaving the principal of the Health Care Trust Fund intact.

The spirit of the tobacco settlement was, and still is, that the proceeds from the settlement would be used for health care. We all agree on that point. When the settlement was reached, this body wisely acted to place the funds from the settlement in a trust, to remain inviolate from use for anything beyond health care. I remain committed to that decision.

My proposal does not touch the principal of the fund, other than to add to it. What is does do is this: It allows us to spend nearly \$7 billion on health care over the next twenty years, rather than the \$2 billion projected to be spent under our current plan.

It is money we can use to increase the number of school nurses tending to our children while they learn. It is money we can use to improve screening for cancer. It is money we can use to dramatically improve access to health care in rural areas.

Components of this proposal have been endorsed by your State Board of Health, along with (name other groups). These endorsements come from health care professionals who, like our teachers, serve on the front lines. They are as dedicated and committed a group as you will ever find, and they know what needs to be done to affect change. In the coming weeks, their expertise and knowledge will be available to you as we work to make a difference.

In the end, we cannot use the Health Care Trust Fund as a band-aid for our financial situation when it has the potential to serve as a life-saver for our people.

Other states have used settlement funds to shore up deficits. This is a short-term solution for a long-term problem. For us to choose this route would most certainly lead us into a situation from which we would not recover. Once the money is gone, we know it won't be replaced. Making the right decision today will reflect our commitment to the security of health care for our people. I trust this will be the action you take.