

**For Immediate Release**

July 1, 2003

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## **Governor Musgrove: Priorities and Policies Lead to Balanced State Budget**

(Jackson, MS) – Governor Ronnie Musgrove said today that Mississippi ended the 2003 Fiscal Year with a balanced budget because of determined priorities and good fiscal policies. This is the third straight year Musgrove has balanced the state's budget. Despite the national recession, the work was done without raising taxes, depleting the rainy day fund or cutting critical services.

"Our state has felt the effects of the national recession," said Musgrove. "However, we have continued to use sound and conservative fiscal policies in managing our state's resources. The result is a balanced budget without raising taxes."

Many states across the country have resorted to raising taxes, laying off employees, shortening schools weeks and releasing prisoners to balance their budgets. The Rockefeller Institute recently released a report citing the national recession as the main reason for the decline in revenue collections.

Recent trends in tax collection now indicate signs of recovery for the national recession. In addition, the state budget will begin to see returns on investments in Nissan, Howard Industries, Northrop Grumman and the thousands of other job opportunities created over the last three years.

"Because of conservative fiscal policies, Mississippi has been weathering the national recession better than most," Musgrove stated. "Now that we are seeing some positive movement in our economy, we will be ahead of the curve coming out of these tough economic times."

Under Musgrove's leadership, more than 2,000 new and expanded facilities have opened, creating more than 50,000 jobs and a total business investment of over \$14 billion. Mississippi has been listed as one of the top ten states for new and expanded facilities and as one of the top ten states for small business survival. The January 2003 issue of *Expansion Management* magazine ranked four Mississippi cities in its survey of America's 50 hottest cities for business expansions.

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