

The budget I presented last November laid out a clear course with clear priorities: Putting our schools first, creating jobs and ensuring that the state continued to provide quality services. My plan accomplished these goals using sound fiscal policies that did not jeopardize the faith and credit of our state.

We have been successful in working with the legislature in meeting the needs of the people of this state. The historic education bill changed the way we do business forever. State agencies now have greater flexibility to provide services more efficiently and effectively. The creation of our rural jobs program will allow us to bring much needed help to those areas that have been hit hardest by the national recession and NAFTA.

However, I cannot and will not support the legislature's irresponsible use of both the 2% holdback and the rainy day fund. The state has over \$ 900 million in cash on hand that can be used to manage our budget. Because we have been innovative and creative, Mississippi has been able to weather the National Recession better than most states. We have not had to cut services, raise taxes or lay off employees.

What we have seen today is not innovation or creativeness. Instead, it is nothing short of fiscal irresponsibility. That, I will not stand for.