

Press Conference
Month of April
Revenue Sales Growth Figures
And
Year-to-Date Sales Growth Figures
May 2, 2001

Talking Points

- My mother always told me that it was irresponsible to spend more money than you have...
- My mother was right.
- Right now, Mississippi is on track to spend more money than we have in our state budget.
- Yesterday we got our revenue growth total for the month of April.
- (Display chart that shows projected revenue growth and actual rate of growth for the month of April.)
- That total was \$___, which is \$___ less than what was projected
- That means our state budget for this year is now \$___ in the hole.
- That means for the months of May and June we will have to grow at ___% to make up for the shortfall.
- Now, I hope we grow at a rate that far exceed ___%, but if we don't, that leaves us in the hole as we start our new budget year this July 1.
- As we start a brand new year we will be starting out in the negative.
- This brings about a very serious question of the fundamental issue of how we budget.
- And what we should do to prioritize a budget and spend it in areas that really matter.
- If we start out the 2002 budget year in the hole, we will have to make up the shortfall and grow at a rate of 3.7 %, which was set by the legislature.
- Many people who followed this past legislative session knew there was some sort of disagreement between the legislature, and me but they may not have realized the reasons behind it.
- It was about money.
- The money that comes into the state through sales revenue growth.
- The same money that is spent on education, corrections, Medicaid, public safety and other services that meet the needs of our people.
- Money that belongs to the people of Mississippi.
- Money that should be spent to make a positive difference in their lives – in the lives of their families.
- Money that should be invested in good schools, new jobs, better healthcare.
- (Pause)
- It is the legislature's responsibility to appropriate, or budget those funds.
- That is not disputable.
- It is my responsibility, by law, to balance the budget.

- That means, when money is not coming in to the state at the rate that was projected by the legislature, I have to cut money from the agencies in order to keep the budget balanced.
- You can see that we are now growing at the rate that was projected, and we have been falling below estimates for the last ___ months.
- (display chart that shows the projected revenue and the actual revenue broken down month by month July 1, 2000 through April 30, 2001)
- The good news is – we are only down \$7 million this month compared to \$18 million last month.
- The bad news is – we are \$7 million in the hole this month and \$18 million in the hole from last month, etc....
- My problem with what the legislature did this past session was - they budgeted using inflated figures without adjusting for the shortfall that will take place this new budget year.
- You cannot - and should not - budget on hope.
- You should - and must - budget on realistic numbers.
- (Our legislature has not based the state budget on realistic numbers.)
- Our revenue growth is flat.
- That is obvious. (point to the chart)
- We are not growing at the 3.7% rate projected by the legislature.
- The legislature has set us up to fail.
- They have put our agencies in a position where they will face cuts in their budget this upcoming year.
- They have put our people in a position where they will face cuts in services they receive from agencies.
- That is why I said time and time again – let’s work together to come up with a solution to our budget problem so that we do not put ourselves in a position that will surely be a budget crisis if this rate of growth trend continues.
- If the legislature had let us work with them, we could have found answers and solutions to our education budget.
- We would have put our priorities on education, not on prisons.
- We would make sure that education was the number one priority of Mississippi’s budget.
- Education is my number one priority!
- Education must be our number one priority – statewide!