

Governor Tuck. Mr. Speaker. Members of the Mississippi Legislature. Chief Justice Pittman and Justices of the Supreme Court. Elected Officials, Agency Directors and Distinguished Guests. My fellow Mississippians.

The past year has brought trials and triumphs to our great state. We faced the challenges placed before us; some of our own design and others by the hand of fate. We have lost some of our best native sons and daughters. While the voice of its creator has been silenced, the literature of Eudora Welty will live on for generations of Mississippians and readers around the world.

This Legislature said farewell to three of its most respected and honorable members. Sam Wright, Clyde Woodfield and Glen Deweese demonstrated for us all the quiet determination of their hope for Mississippi, and left us all better for simply having known them.

In July, we committed ourselves to those men and women who stand at the front of Mississippi's classrooms and help shape our future. Our teachers are true professionals, and now we are going to pay them as such. The average teacher salary in our state is moving from 49<sup>th</sup> in the nation to 19<sup>th</sup> in the nation. Mississippi has sent a clear message to the rest of the country. It's a message of hope and belief in a better future.

Then, things changed.

Our world, our nation and our state 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. On this day, we honor their memory in the presence of their families – Ms. Barbara Harrell, mother of Joe Ferguson, and Mr. Jerry Don Dickerson, Sr., father of Lieutenant Colonel Jerry Don Dickerson. Ms. Harrell, Mr. Dickerson, your sons were victims of our nation's greatest tragedy. As a state and as a nation, 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 promise was taken to new heights.

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.

Just last week, we said good-bye to the men and women of the 114<sup>th</sup> Military Police Company as they deployed for service at Fort Campbell, Kentucky. In the days after September 11, our Air National Guard’s 186<sup>th</sup> Refueling Wing in Meridian began flying in support of combat aircraft – a mission they continue today. The 255<sup>th</sup> Air Control Squadron on the Gulf Coast is helping control flights stateside.

Almost eighty of our Special Forces soldiers are now becoming involved in the war against terrorism. Where they will go and what they will be doing we do not know, but this much we do know – they’ll make us proud.

Over four hundred members of the 155<sup>th</sup> Task Force Rifles were already serving their country on a peace-keeping mission to Bosnia when terror struck our shores. Along with some you here today, I had the opportunity to visit with these soldiers last month at Camp Comanche and Eagle Base. I know they share my admiration and gratitude for the service of the members of the 155<sup>th</sup>. I know all of you would agree with me that when America needs its very best, it looks first to the soldiers of the Magnolia State.

They look to our soldiers because they have confidence in, and respect for, men like Adjutant General James Lipscomb. General, thank you for your fine work and leadership.

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 handled those fears, just as we will handle our current fears. The commitment and sacrifice of our people helped eliminate the fears of our nation.

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

We are in constant contact with Washington regarding security. Mississippi is ably represented in the Office of Homeland Security by Adjutant General Lipscomb. The all-important lines of communication are open and information is being shared daily.

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 called to protect. 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 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 insecure 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.

There is one simple manner in which we can improve our ability to respond and react to changing economic situations. Our agency heads are dedicated professionals, and have demonstrated time and again their capability in their jobs. Let's give them the flexibility they need to make adjustments in their budgets when the times demand it. It is an efficient and responsible action to take.

We must also be creative in our efforts to find savings in state government. Department of Corrections Commissioner Robert Johnson found a way to save \$10 million in his department for this fiscal year.

Just last week, the Bond Commission refinanced nearly \$308 million in outstanding debt. Through this one action, we've saved another \$10 million for the rest of this fiscal year and for Fiscal Year 2003.

Let's stay creative. Let's keep looking for ways to save money. Let's try the things we haven't tried.

On the budget, 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 estimate of the Joint Legislative Budget Committee is overly optimistic.

I have offered a compromise to the Committee. It is an estimate 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.

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 budget I have produced fully funds the teacher pay raise. It deals with the shortfall in Medicaid. It addresses the health care needs of our people.

The details of my recommendations will be made public on Friday, January 25. At that time, I will discuss the specifics of this plan and its potential for our future.

A top priority in that blueprint is the education of our youth. 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.

It is important to recognize that Mississippi is a leader in nationally board certified teachers. We were the first state in the nation to offer more pay to teachers with national board certification, and it has paid off. Today, we aren't 50<sup>th</sup>, we aren't 40<sup>th</sup>, we aren't 30<sup>th</sup>, we aren't even 10<sup>th</sup> – we're 6<sup>th</sup> in the nation in the number of nationally board certified teachers. For the 2000-01 school year, 405 of our teachers achieved this recognition.

We also have within our reach the ability to bring the Ayers case to a final settlement. For 27 years, each of our universities has had to deal with this case. Now, it can be brought to an end. I urge this body to act quickly and responsibly in passing the necessary resolutions to meet the requests of the court. It is time to move on.

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 highest population underserved by primary care physicians. We are second in the nation in overweight population, hospitalizations and emergency room visits. We are fifth in the nation in uninsured population.

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.

Each of you is familiar with the proposal I have made and the simplicity found within it. By taking a portion of the annual future payments from the tobacco industry, 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 it 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 the State Board of Health. Other health care groups and associations are familiar with the proposal. These health care professionals, 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.

We know there are difficult decisions ahead with our Division of Medicaid. We are dealing now with a shortfall created in part by the enrollment of 87,000 new recipients in the past year, unfunded mandates, and increased costs in prescription drugs. In this speech last year, I spoke of the Children's Health Insurance Program, known as CHIP, and how more than 18,000 children had been enrolled for health coverage. As of January 1, 2002, there are more than 44,000 children enrolled in CHIP.

No child in our state will be denied the health care necessary for success. Healthy children go to school ready to learn. Mississippi's children deserve every opportunity to make the most of their God-given talents.

Rica Lewis-Payton has done a tremendous job at Medicaid, and she deserves our thanks for her good work under difficult conditions. The job of Medicaid is to help ensure a healthy Mississippi, one ready to compete at all levels. I want every citizen in this state to have equal access to quality health care services despite their economic status. Anything less just won't work.

Medicaid is not in the situation it is in because it has been poorly managed. It's in the situation because more of our people are receiving much-needed services. More of our children are covered with health insurance. More of our elderly are getting the help they need at a time when they need it most.

Nearly one-half of the states in America are currently dealing with shortfalls in Medicaid. This is not just a Mississippi problem, but it is a problem that demands a solution from us.

You have heard me speak before about our investment in human capital. Every dollar we spend in education is an investment in human capital. Every dollar we spend on health care is an investment in human capital. Let's make this investment now; the dividends won't be far behind.

This same theory applies to our work in economic development. Now is not the time for us to lessen our commitment to economic development in Mississippi. Rather, we should double our efforts to sell the promise and potential of this great state and its people.

That's what we've been doing through the Mississippi Development Authority. The divisions of the MDA, with different tasks but a common goal, have experienced what I would call "a winning season."

The Minority Business Enterprise Division helped new and existing businesses with over \$200,000 in loans through the Minority Micro Loan Program. The National and International Development Division met a goal set out for them at this time last year and established World Trade Center status. The Tourism Division was recognized as the Outstanding State Tourism Office in the Southeast for 2001.

Last year, we announced 71 new manufacturing companies, resulting in over 4,000 new jobs and an estimated capital investment of \$342 million. There was significant expansion as well in the non-manufacturing sector, with 159 companies locating in the state and bringing with them nearly 7,000 new jobs and an investment of almost \$3 billion.

The Nissan plant is currently under construction just a few miles north of here, and if you haven't seen it, you need to go take a look. It is impressive. Along with the plant, we have named the first Tier One suppliers. In addition to a combined investment of \$230 million and 2,000 jobs, these suppliers are locating not just in Canton but in places like Vicksburg and Forest.

I'm also very proud of the fact that three of these major Tier One suppliers are Mississippi-based and minority-owned.

No, now is not the time to back off on our investments in economic development.

I also want to recognize the newest member of the team at the Mississippi Development Authority. Robert Rohrlack has been serving as Executive Director of MDA since the beginning of December, and he has hit the ground running. Bob was the first Certified Economic Developer in the country to receive a master's in economic development, and he did it at our very own University of Southern Mississippi. That speaks volumes about what Mississippi has to offer, as well as what Bob Rohrlack has to offer Mississippi. Bob, thank you for the great job you're doing for this state.

2001 also provided challenges beyond our control. We dealt with four Presidential disaster declarations, more than any other state, three Small Business Administration disaster declarations, and two state disasters. At Thanksgiving, massive storms and tornadoes destroyed lives and property in central and north Mississippi. And, of course, there was September 11.

The Mississippi Emergency Management Agency responded to all of this and more with textbook professionalism. In the aftermath of the terrorist attacks, they conducted the first Governor's Domestic Preparedness Summit for emergency responders across the state.

They have brought about a 40 percent increase in the ability of local county programs to respond to emergencies. This effort, along with the implementation of an Incident Command System for emergency agencies, has dramatically improved the responsiveness of emergency personnel to all situations.

The Department of Environmental Quality is making strong progress in their efforts to improve our way of life in the Magnolia State. Last March, I established the Governor's Water and Sewer Task Force, and charged them to look at ways to safeguard and enhance our water resources and infrastructure. In their report issued in October, they provided strong recommendations that I look forward to implementing as soon as possible.

Our Department of Public Safety has worked hard to make a difference for the safety of our people, and they succeeded beyond all expectations this past year. I have always believed that if we want to change the bad statistics, we can do it. It's just a matter of wanting to get it done. It was done last year with the Highway Patrol.

We wanted to reduce the number of deaths on our highways, and we did it. We reduced the number of fatalities by 35 percent. We did it because we were aggressive about our enforcement, our promotion of seatbelt usage, and our commitment to a safer state.

All of these things I've discussed affect the security we feel as Mississippians and, at a more basic level, as human beings. No individual is untouched by these issues. It is our job to make these issues positive ones.

Let us keep things in perspective. Our country and our state have faced far greater problems than those before us today. That does not make today's dilemmas less important; it does show that we have overcome greater obstacles, and we can do it again.

In his inaugural speech in 1933, at the height of the Great Depression, Franklin Delano Roosevelt stated that "the only thing we have to fear is fear itself – nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance."

The times we are in beg for us to work together. Our promise, our potential, our people deserve no less. Let's convert retreat into advance. Let's do it together. Let's do it now.

God bless our great state, and God bless America.

