



FACT SHEET: *February 16, 2010*

Fourth Round of Budget Cuts Highlights Need for Balanced Approach

KEY TAKEAWAY:

By the end of the current budget year, Mississippi is expecting a shortfall of \$459 million. In response to increasing shortfalls, Governor Barbour announced a fourth round of budget cuts totaling \$459 million to match the shortfall.

As a result of the cuts, elementary school class sizes are increasing and tuition is rising in Mississippi's universities. With the quality of services being compromised, a balanced approach that includes raising revenue is necessary to preserve jobs and education opportunities for Mississippi to move forward.

Budget Cuts: Round 4

Nearly every state agency has sustained deep cuts. The table below illustrates the extent of the cuts in areas of government that provide critical jobs and services to the people of Mississippi.

Budget Category	FY10 Appropriated Funds	FY10 Projected State Support Cuts	Total % Cut
Legislative	\$26,004,726	\$0	EXEMPT
Judiciary	\$61,485,725	\$3,259,226	5.301%
Executive	\$3,566,637	\$309,023	8.664%
Fiscal Affairs	\$98,180,378	\$8,506,580	8.664%
Public Education	\$2,383,611,967	\$10,003,663	8.664%
MAEP	\$2,070,596,761	\$179,401,376	8.664%
Higher Education	\$909,238,411	\$78,778,557	8.664%
Public Health	\$31,790,911	\$2,754,440	8.664%
Hospitals and Schools	\$220,418,554	\$19,097,583	8.664%
Agriculture	\$91,625,321	\$7,938,633	8.664%
Economic Development	\$25,198,524	\$2,183,258	8.664%
Conservation	\$55,652,628	\$4,821,876	8.664%
Corrections	\$324,556,678	\$28,120,355	8.664%
Social Welfare	\$527,770,969	\$36,451,659	6.907%
Medicaid	\$840,576,64	\$24,000,000	6.249%
Military, Police and Veterans Affairs	\$96,525,710	\$8,363,217	8.664%
Local Assistance	\$84,150,000	\$7,290,954	8.664%
Arts Commission	\$1,907,411	\$165,263	8.664%
Debt Service	\$347,187,030	\$0	8.664%
Wind Pool	\$20,000,000	\$1,732,847	8.664%
GF Agencies State Source Special Funds not excluded by Statute	\$323,247,045	\$27,314,671	8.473%
Special Fund Agencies State Source not excluded by Statute	\$171,864,456	\$14,890,741	8.664%

Source: MS Department of Finance and Administration Office of Budget and Fund Management

Unfortunately, while this year's budget picture is bleak, the next two budget years are not projected to be any better as the economy continues to struggle and federal recovery funds end. No one single approach can address a challenge this big. A balanced approach that includes raising revenue is necessary to preserve jobs, education opportunities and to lessen the harm caused by the recession on working families.