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positive change. What's essential to remember is that all of our successes have their foundation in fiscal integrity. I consider my role as steward of the budget to be my number one challenge. Over the past five years, we've emphasized fiscal responsibility and spending restraint. We've consistently focused on efficiency, effectiveness and curbing the growth of spending. We've limited the hiring of employees. We've instituted a strategic budget plan. We've seen dramatic results. Before I took office, state government spending was growing at an annual average rate of 12.6 percent. During the past five years, we've reduced the growth rate by two-thirds, to an average of less than four percent a year. Nebraska continues to benefit from a strong economy. We consistently have one of the lowest unemployment rates in the country. During the last five years, we've increased nonagricultural employment in Nebraska by more than ten percent. That's an increase of 82,000 jobs. We expect continued economic growth. But, at the same time, there are good reasons to be cautious. Net tax receipts for Fiscal Year '94-95 were below projections. This has depleted the Cash Reserve Fund. Our first priority must be to rebuild our cash reserve. I am presenting a budget bill which transfers \$21.5 million to the Cash Reserve Fund in this fiscal year, and another \$17.3 million in the next. Action to strengthen our cash reserve is necessary and critical. Inaction is irresponsible and unacceptable. We must maintain a sound financial position and we must establish that our priority is on saving, rather than on spending our General Fund dollars. Budgeting for state government is a balancing act--avoiding uncontrolled growth while still meeting the important needs of Nebraskans. As federal support declines and communities find themselves with responsibilities they cannot afford, the state gets hit from both sides. In addition, this is a time of considerable uncertainty. With nearly a third of the federal fiscal year behind them, Congress and the President still haven't reached an agreement on the federal budget. This leaves us more than halfway through the state fiscal year with only temporary funding decisions on many state-delivered services. Any losses in federal funds can only be made up in three ways--greater efficiencies, reductions in services, or reallocating state resources. We pledge to work closely with you as decisions are made on the federal level, to do what is in the best interests of Nebraskans. State agencies, boards and commissions have submitted mid-biennium General Fund budget requests of \$28.4 million, and I've carefully reviewed them.