



BILL HASLAM
GOVERNOR
STATE OF TENNESSEE

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HASLAM ASKS TENNESSEANS TO ‘BELIEVE IN BETTER’
Governor delivers State of the State Address and Unveils Balanced Budget Proposal

NASHVILLE – Tennessee Gov. Bill Haslam tonight delivered his 2012 State of the State address before a joint session of the General Assembly in which he shared his vision for the state and called upon those watching and listening to “believe in better.”

“We can believe in better for how state government serves Tennesseans,” Haslam said. “We can believe in better when it comes to the education of our children, and we can believe in better when we talk about a stronger, healthier economy for our state.”

During his speech, the governor emphasized the importance of Tennessee job growth, a continued focus on improving education, public safety, a more customer-focused, efficient and effective state government and keeping taxes low.

“Our role in state government is to provide services that Tennesseans aren’t able to get on their own – we build roads, offer higher education options, guard prisoners, help families adopt children, care for the mentally ill, patrol highways, serve veterans and perform hundreds of other services,” Haslam said. “My job as governor is to make sure we are providing those services in a customer-focused and effective way.”

Haslam also outlined his Fiscal Year 2012-2013 budget proposal, which reflects his priorities and includes strategic investments, necessary reductions and savings for the future.

Highlights of the budget include:

- Restoration of more than \$100 million of the \$160 million “core services” funding that was designated two years ago to be cut such as:
 - The Coordinated School Health program;
 - Extended teacher contracts;
 - Alcohol and abuse treatment programs;
 - Juvenile justice grants;
 - Diabetes prevention;
 - And matching dollars for state employee 401k programs.

- Full funding for the Basic Education Program.



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- Nearly \$264 million to fund long-deferred capital outlay projects in higher education including:
 - A new science building at Middle Tennessee State University;
 - A science lab at the University of Tennessee in Knoxville;
 - A new patient diagnostic center at the University of Tennessee Health Science Center in Memphis;
 - And planning money for new buildings at Nashville State Community College, Northeast State Community College, the University of Memphis and the University of Tennessee - Chattanooga.
- A 2.5 percent pay increase for state employees.
- \$50 million to the Rainy Day Fund bringing it up to \$356 million.
- A continued commitment to the West Tennessee Megasite with \$25 million.
- More than \$23 million to fund a new veterans home in Bradley County.

The budget also includes funding for the governor’s legislative proposals announced earlier in the month that include:

- Tougher sentences for certain gang-related crimes and for gun possession by those with prior violent felony convictions along with mandatory incarceration for repeat domestic violence offenders;
- Raising the exemption level on the estate tax in Tennessee from \$1 million to \$1.25 million to lower the tax burden on family farmers and family business owners;
- And lowering the state portion of the sales tax on food from 5.5 percent to 5.3 percent with the goal of lowering it to 5 percent during the next three years.

“I promise to be relentless when it comes to providing the very best service to our taxpayers for the very lowest price. They deserve it,” Haslam said. “And on issue or policy, our administration will always work to get to the right answer, not just our own answer... Working together, we are going to achieve better for Tennessee.”

The complete text of the governor’s speech and an archived video of his speech are available at www.tn.gov/StateoftheState.

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