

The 2002 Turkey Watch Report

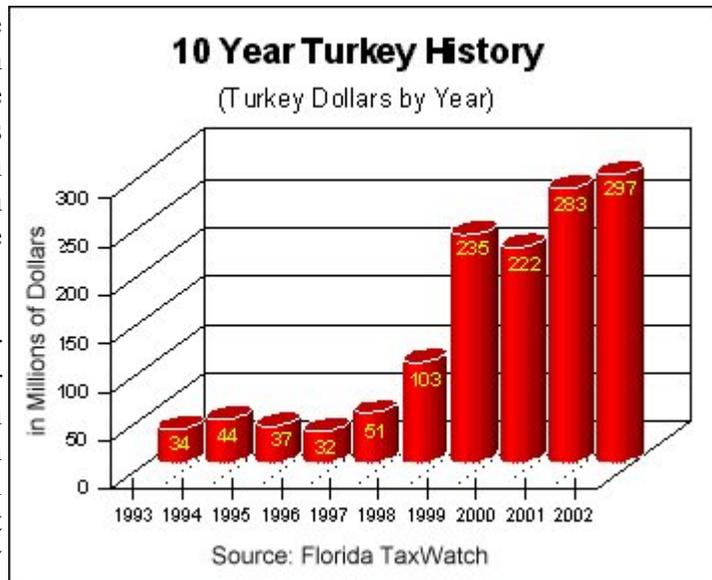


The 2002 Turkey Watch Report

*The 2002-2003 State Budget Contains 450 Items
Worth a Record \$297 Million That Should Have Been Vetoed*

The struggle to find funding for vital state services didn't keep Florida lawmakers from stuffing a record amount of turkeys into the tight budget for fiscal year 2002-2003. This edition of Florida TaxWatch annual report on "budget turkeys" highlights nearly \$300 million in projects that should have gone on the Governor's line item chopping block.

The annual turkey report spotlights member projects placed in the budget without proper public review; which circumvent competition and the lawfully established procedures; which benefit a very limited special interest or local area of the state or are low priority items that get funded over higher priority needs. To allow for legislative discretion, any items that were funded in both the House and Senate Budget in both the regular and special sessions were not designated as budget turkeys.



This year, TaxWatch identified 450 items placed in the budget valued at \$297 million. Of the total appropriated for budget turkeys, \$103 million were found in General Revenue and \$194 million in trust funds. This year's turkeys cost \$45 for each Florida family and cost every man, woman and child in Florida: \$18.

In the 19 years of Florida TaxWatch turkey reviews, this year sees the largest flock of budget turkeys in dollars, exceeding last year's previous record of \$278 million. In number, this year's 450 falls a bit short of last year's 527. Recent years have seen an unprecedented proliferation of turkeys. In the last four years, there have been a total of more than \$1 billion.

The 2002 budget process was drawn-out and complex, with the Legislature not agreeing on a budget during the regular session and having to come back in special session to finish the job. This contentious session, with its many divisive issues, led to extensive negotiations and deal-making. Add to this the fact that the Legislature "found" additional money during the special session, suddenly there appears ample opportunities for lawmakers to get their pet projects in the budget.

The Governor's Vetoes

Florida TaxWatch operated under a shortened time frame this year, as the Governor surprised most people by only using nine of his allotted 15 days to review the budget after it was officially presented to him by the Legislature. He signed the budget and announced his vetoes the afternoon of June 5. With very little advance warning, Florida TaxWatch released its list of turkeys and delivered it to the Governor that morning.

In the past, Governor Bush has shown that he is quick to veto pet projects, but this year the Governor vetoed far less than he has in any previous year of his administration - 242 items worth \$107 million. It was not particularly surprising that there were fewer vetoes since, typically, more member projects make it into the final budget in election years, particularly during gubernatorial election years. The very low number was more surprising, however.

Of the Governor's vetoes, 198 items worth \$69 million were identified by Florida TaxWatch. That leaves \$228 million on our list that escaped the veto pen. Our list did include approximately \$100 million in unrequested state university and community college building projects that, because legislators tried their best to "hide" pet projects, would have been difficult for the Governor to veto (see *"Why wait in a long line when you have a friend at the front"* later in this document) However, our total of \$297 million only includes \$68 million of these university projects for which cost estimates were available.

In addition to the eternal job of safeguarding taxpayers' dollars, it was especially important for the Governor not to leave dubious appropriations in the budget this year. With our combined general revenue and working capital fund reserves down to a very low \$50 million, a significant veto amount would have provided a bigger "ready" cushion for unforeseen problems (the fully-funded budget stabilization fund is harder to tap.)

Natural disasters are a well-known occurrence in Florida and at this uncertain time in our nation's history, unnatural disasters loom as well. Low reserves also mean that there is no allowance for even a minimal economic "hiccup." The economy and the attendant government revenues must remain strong and consistent. In short, there is no room for error.

What Is A Budget Turkey?

*"That most delicious of
all privileges - spending
other people's money."*

*John Randolph,
Early 19th Century
Member of Congress*

Florida TaxWatch has been declaring war on budget turkeys since 1983, and the battle continues. As in previous years, it is important to note that the "budget turkey" label does not denote condemnation of a budget item's worthiness. The term merely suggests that, with the state's vast and pressing needs and limited resources, the question must be asked, "Is this the best use of Floridians' state tax dollars?" The priorities of all citizens must be considered. This and previous Turkey Watch reports are not attempts to record only government waste or inefficiency. While in some cases that may be a factor, this report offers an independent assessment about the honesty, integrity and public review of the state's \$50.4 billion 2002-2003 budget.

Turkeys are added onto the budget during the legislative process, some very late in the session. This maneuver circumvents normal planning and budgeting processes that, by necessity, require close scrutiny by state agencies, the Governor's Office of Planning and Budgeting, legislative committees, staff and meaningful citizen input. Florida TaxWatch's Turkey Watch criteria allow for a considerable amount of legislative initiative. Too often, the normal processes

are bypassed or given less than full consideration.

Parochial projects may or may not have merit, but such spending can undercut the spirit of true performance-based program budgeting. Moreover, such spending circumvents accountability, disrupts logical program prioritizations and subordinates statewide concerns to the localized needs or desires of exclusive areas of the state.

Florida TaxWatch Budget Turkey Criteria

1. Projects or programs that did not go through a legitimate review process allowing for proper evaluation: agency budget requests, governor's recommended budget or legislative committee hearings.
2. Appropriations that were inserted in the Budget Conference, meaning they did not appear in either the Senate or House final budget.
3. Subsidies to private organizations, councils or committees that can and should obtain funding from private sources.
4. Local government projects benefiting local area residents but lacking significant local funding support and/or overall benefit to the state as a whole.
5. Appropriations that circumvent competition and mandate that a specific vendor or project receive funding.
6. Low priority projects that get funded over higher priority items.
7. Inappropriate sources and questionable appropriations-e.g., only partially funded with a large annualized cost in subsequent years, funded from inappropriate sources and/or duplicative of existing programs.

To provide for some additional legislative prerogatives, any items that were funded in both the House and Senate Budget in both the regular and special sessions were not designated as turkeys.

What Else Could A Turkey Buy?

One of the best arguments for stopping turkeys is the many urgently needed state services that the funds spent on budget turkeys would otherwise purchase. Florida TaxWatch investigated other funding opportunities for the revenue appropriated to this year's turkey crop. To show the magnitude of this spending, \$297 million could be used to purchase any of the following critically needed social services, educational and statewide needs:

▼ **Education.** \$150 million could increase per-student spending by \$65.

▼ **Foster care caseworkers.** \$5 million could provide 60 additional counselors, ten supervisors and ten support staff.

▼ **Nutrition-related health services.** \$10 million could provide services to 14,000 additional poor mothers and their children in the WIC program.

▼ **Crime prevention services.** \$20 million could extend services to 12,000 additional at risk youth.

▼ **Performance bonuses for state workers.** \$41 Million could provide the full amount needed for performance-based businesses under the Governor's Service First reform initiative.

▼ **Healthy Start.** \$10 million could provide services to 22,000 additional clients.

"Public money ought to be touched with the most scrupulous conscientious of honor. It is not the produce of riches only, but of the hard earnings of labor and poverty." ~ Thomas Paine

Why Wait in a Long Line When You Have a Friend at the Front?

Every year state universities, community colleges and public schools share access to a pot of public education capital outlay (PECO) dollars. State education facility needs are assessed, prioritized, placed on waiting lists and presented to the Legislature. The dollars are scarce and there are never enough to go around. Everyone patiently waits a turn.

Well, almost everyone.

This year large universities with friends in high places gobbled up more than their fair share of the limited and shrinking state PECO dollars-while those who waited patiently in line for their turn found themselves years further from the front of the line. Four universities received considerably more money than the cost of the projects on the priority list:

FSU: \$50 million

USF: \$28 million

UCF: \$19.6 million

FAU: \$8.8 million

Other universities and community colleges involuntarily gave up projects on their waiting lists so that these four universities could receive double or triple the amounts they requested: UF received funding for only two-thirds of the projects on its priority list; the university system as a whole took nearly two and a half times the community college allotment.

Under current law the governor can only strike line items with specific appropriation amounts from the budget. Because these "extra" projects were folded into lump sum appropriations that included legitimate, agency-requested projects, a veto would mean that these four universities would have had to put some of their legitimate capital projects on hold this year. Despite the difficulties this would have created for the universities a veto was not impossible. Perhaps it would have sent a critical message to universities and their proponents-to think long and hard before encouraging such arbitrary and undisciplined budgeting tactics.

These PECO dollars could have built much needed public school classrooms or facilities for training nurses to serve Florida's growing elderly population. The children who attend school each day in substandard classrooms will probably never know what they lost at the hands of their leaders this legislative session.

This PECO budget betrays the fiscal responsibility that Florida citizens deserve from their elected officials. After all, proponents of the K-20 system promised that the large, powerful universities would not abuse their power at the expense of smaller universities, community colleges and public schools without lobbyists.

Perhaps the governor could use his influence with the Boards of Trustees at these universities and convince them to revert the money to the state so that it can be appropriated more fairly next year.

BUDGETING WITHOUT DISCIPLINE: A FINAL THOUGHT

Florida voters who place greater importance on projects within their community, at the expense of what are clearly more critical needs of the state majority, must share in the responsibility of the turkey fiasco. Legislators, however well-intentioned and noble when first elected, learn very swiftly that petty parochialism pays off when voters tally the score of the legislative sessions. Those who reward turkey-prone lawmakers with re-election are no less guilty of abuse of the state's trust than are the lawmakers themselves.

See the 2002 Turkey List [HERE](#).

See the 2002 Turkey List Alphabetized by County [HERE](#).

This *Research Report* was researched and written by Kurt R. Wenner, Sr. Research Analyst; Janet Herndon and Louise Horkan, Research Analysts; Dave Davis, Sr. Research Analyst; Brea Rasmussen, Phil Canto, and Abdulhamit Yagmurcu, Research Associates, under the direction of Keith G. Baker, Ph.D., Senior Vice President and Chief Operating Officer. Steven L. Evans, Chairman; Dominic M. Calabro, President and Publisher

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