

ANALYZING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR FY2015-16

Governor's Budget Recommendations Focus on Tax Cuts and Education Funding

Governor Rick Scott's budget recommendations for FY2015-16 total \$76.980 billion, slightly less (\$92.8 million, or 0.1 percent) than current year spending of \$77.073 billion. The budget proposes to fund 113,485 state employee positions, 1,018 fewer than currently exist. The proposed budget is also \$540.1 million less than was requested by state agencies this fall,¹ and funds 2,339 fewer positions than requested.²

The Governor's proposed budget will serve as the framework for the state's new spending plan as the Legislature formulates the state General Appropriations Act this session.

The budget recommendations focus on taxes and education funding. The Governor is proposing \$673.2 million in tax cuts, \$33.2 million of which are local government revenues. These tax savings are the recurring annual amount, and the impact to state general revenue (GR) in the next budget year is \$487.1 million. The Governor is also recommending what would be the highest level of per-student K-12 funding in history (not adjusted for inflation).

¹ See Appendix B. The Department of Transportation's budget request makes up the majority of the difference.

² See Appendix A and B for comparisons between the Governor's proposed budget and the agency LBRs, as well as a comparison to last year's budget.

THE GOVERNOR'S BUDGET: A SNAPSHOT

TOTAL FUNDING \$76.980 billion—slightly less (\$92.8 million or 0.1%) than current year spending of \$77.073 billion.

STATE EMPLOYEES 113,485 state employee positions, 1,018 fewer than currently exist. The “vast majority” of these positions are expected to be vacant. There is no funding for salary increases or bonuses for state employees or teachers.

TAX CUTS \$673.2 million in annual tax savings. The impact to GR next year would be \$487.1 million.

TUITION no tuition increase.

RESERVES \$5.2 billion, including \$1.5 billion in General Revenue (cash) reserves.

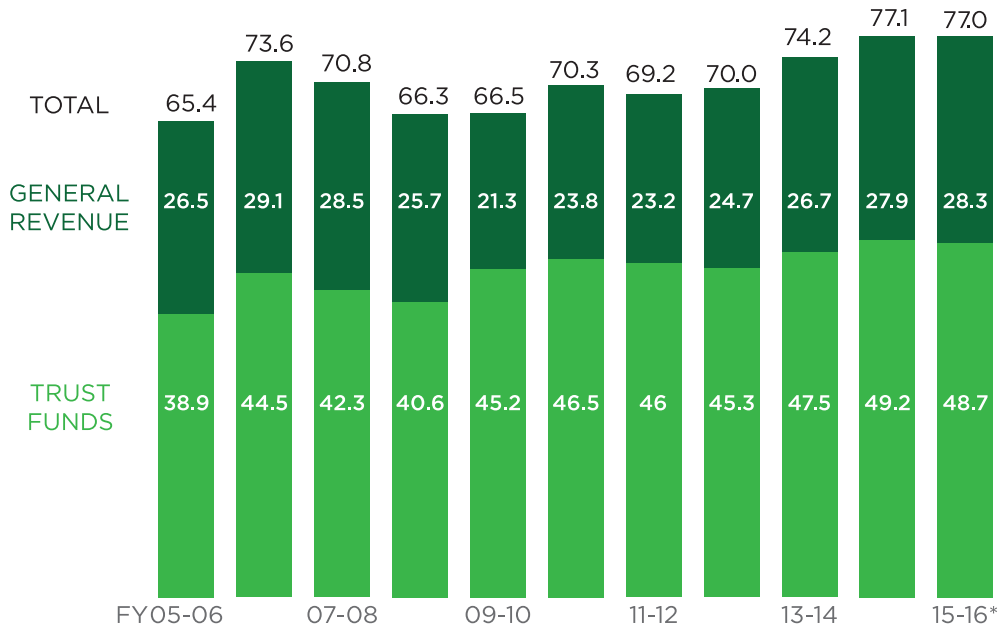
TRUST FUND SWEEPS \$279.1 million, including \$177.7 million from the affordable housing trust fund. The State Transportation Trust Fund is not swept.

BONDING The Governor proposes to use new bonds for transportation only (\$268 million).

BY THE NUMBERS

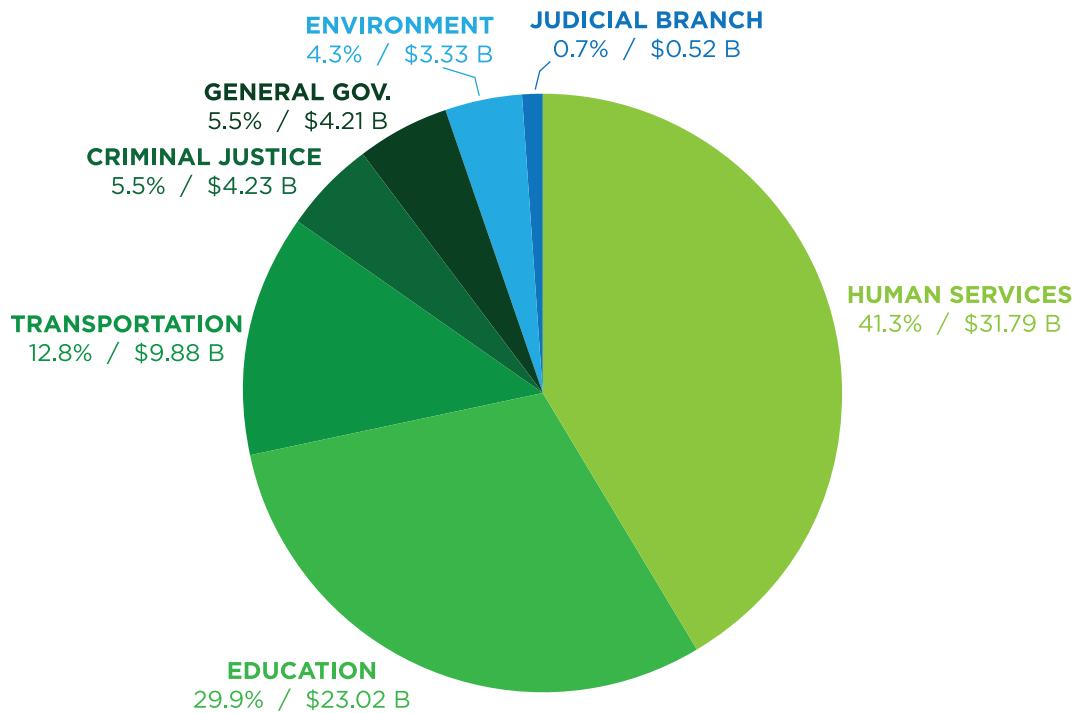
FLORIDA'S BUDGET OVER TIME

(FY2005-06 - FY2015-16 RECOMMENDATIONS / \$ BILLIONS)



* Governor's recommended budget

GOVERNOR'S FY2015-16 RECOMMENDATIONS BY PROGRAM AREA



PROPOSED TAX REDUCTIONS

Communications Services Tax – The lion’s share (\$470.9 million) of the tax cuts come from a 3.6 percentage point reduction in the state portion of the CST, a tax levied on cell phone, cable and satellite television, and non-residential landline phone service. The state rate on phone and cable television would fall from 6.65³ percent to 3.05 percent. The rate on satellite television would fall from 10.8 percent to 7.2 percent. Consumers will save \$43 annually for every \$100 per month they spend on communications services. Since part of the state CST is shared with local governments, the budget provides \$44.8 million in GR to hold local governments harmless from the CST cut. Florida TaxWatch has been recommending a reduction in the CST for several years, finding that it would be the most justifiable way to give broad-based tax relief to Floridians. Florida’s total state and local CST rate can reach as high as 16.29 percent, one of the highest rates in the nation.⁴ Florida’s CST rate is also more than twice the highest state and local general sales tax rate in the state.

Sales Tax Exemption for College Textbooks – The Governor also wants to exempt college textbooks from the state and local sales tax. The exemption would apply to textbooks for both public and private institutions. College students would save an estimated \$41.4 million per year, or \$60 to \$75 per student annually. The state would lose \$33.9 million annually, local governments would lose \$7.5 million annually.

³ A gross receipts tax of 2.52 percent is also applied to communications services.
⁴ A 2012 survey by the Florida Department of Revenue found Florida to have the second highest state and local CST in the nation. A 2014 Tax Foundation report found that comparing taxes on cell phones, Florida has the 3rd highest rate.

FY2015-16 Governor’s Recommended Tax Cuts (\$ in millions)						
Department/Agency	General Revenue		Local		Total	
	First Year	Recurring	First Year	Recurring	First Year	Recurring
Sales Tax						
Exemption for College Text Books	-\$33.9	-\$33.9	-\$7.5	-\$7.5	-\$41.4	-\$41.4
Exemption for Manufacturing M&E*	0.0	-\$116.8	0.0	-\$25.7	0.0	-\$142.5
3 Day Back-to-School Sales Tax Holiday	-\$33.7	0.0	-\$7.4	0.0	-\$41.1	0.0
Corporate Income Tax						
Exemption Increase from \$50k to \$75k	-\$7.5	-\$18.4	0.0	0.0	-\$7.5	-\$18.4
Communications Services Tax						
Rate Reduction of 3.6%	-\$367.4	-\$419.9	-\$44.6	-\$51.0	-\$412.0	-\$470.9
Hold Local Government Harmless	-\$44.6	-\$51.0	\$44.6	\$51.0	0.0	0.0
Total Tax Relief	-\$487.1	-\$640.0	-\$14.9	-\$33.2	-\$502.0	-\$673.2

* Make the current temporary exemption for manufacturing machinery and equipment permanent.
 Note: These cuts would have an insignificant impact on Trust Fund revenues.

Corporate Income Tax – This proposal would increase the standard corporate income tax exemption from \$50,000 to \$75,000. This has been a priority for the Governor and the exemption was increased from \$5,000 to \$25,000 in 2011 and then to \$50,000 in 2013. His proposal to increase it to \$75,000 last year did not pass. This higher exemption would eliminate corporate income taxes for 2,189 out of 9,934 taxpayers (22.0 percent), and save \$18.7 million annually. Since it will apply to tax years beginning on or after January 1, 2016, the FY2015-16 impact will be only \$7.6 million.

Sales Tax Holiday – The Governor is recommending another of the popular “back to school” sales tax holidays. His proposal is identical to the one passed last year, except for the dates. This holiday would run from July 31 – August 2, 2015. The 3-day sales tax holiday would exempt clothing priced at \$100 or less, school supplies at \$15 or less, and the first \$750 of the price of a computer. This would save consumers \$41.1 million, \$7.4 million of which would be local revenue.

Sales Tax Exemption for Manufacturing Machinery and Equipment – The Governor’s tax proposal also includes another long-standing Florida TaxWatch recommendation: making the sales tax exemption for manufacturing machinery and equipment permanent. The 2013 Legislature passed a three-year exemption, set to expire April 30, 2017. This will not cost the state any additional money this year, but recurring savings are expected to be \$142.5 million annually. Of that amount, local governments would lose \$25.7 million

FY2015-16 General Revenue Fund Outlook (Impact of Governor’s Recommendations / \$ in millions)			
Funds Available FY2015-16	Recurring	Non-Recurring	Total
Current Reserves	-	\$1,820.7	\$1,820.7
Estimated revenues	\$28,717.4	(\$138.9)	\$28,578.5
Reversions	(\$0.2)	\$159.9	\$159.7
Budget Stabilization Fund	-	(\$214.5)	(\$214.5)
Total GR Available for 2015-16	\$28,717.2	\$1,627.2	\$30,344.4
Governor’s Recommendations			
Tax Relief	(\$640.0)	\$152.9	(\$487.1)
Amendment 1 Redistribution	(\$292.1)	-	(\$292.1)
Trust Fund Sweeps	-	\$271.9	\$271.9
Appropriations	(\$27,771.5)	(\$558.3)	(\$28,329.8)
New GR Reserves	\$13.6	\$1,493.7	\$1,507.3

Florida TaxWatch calls on the legislature to also reduce the sales tax on commercial leases, a tax which is an impediment on job creation and capital formation in the sunshine state.

COST SAVINGS AND EFFICIENCIES

The Governor's budget recommends \$267 million in savings and a decrease of 1,353 positions as a result of efforts to streamline state agencies. Many of these measures have been recommended by the Florida TaxWatch Center for Government Efficiency.

Contract and Lease Renegotiations – This will save \$2.8 million this year and brings total savings resulting from contract and lease renegotiations to \$44 million since FY2012-13.

MyFlorida Market Place Fee Savings – Reducing the MyFloridaMarketPlace purchasing transaction fee from 1 percent to 0.75 percent will save \$6.7 million annually.

Real Estate Optimization Plan – This plan promotes the centralization of the operations and maintenance responsibilities of facilities located in the northeast region of the state. Savings are expected to begin in FY2016-17 and total \$3.8 million annually in FY2017-18.

Reduction in Debt Service – Reduced debt service obligations and State Board of Administration fees associated with the issuance of bonds for public schools, Florida colleges, state universities, and correctional facilities will save \$28 million this year.

State Employee Health Coverage Savings – A long-time Florida TaxWatch recommendation, requiring that all employees pay the same amount for health insurance coverage would save \$24.8 million by reducing the employer contribution for health insurance coverage for employees in the Senior Management Service and Selected Exempt Service systems.

Elimination of Earmarks – Recurring funding was reviewed for earmarks and, as a result, the Governor's budget includes the elimination of \$12.2 million in such projects. Florida's Turkey Watch report helps ensure that earmarks do not make it into the recurring budget.

Education

K-12 Education – The Governor followed through with his pledge to recommend the highest spending level for K-12 in history, both in total dollars and per-student spending (if not adjusted for inflation). Recommended total K-12 spending is \$19.75 billion (\$11.0 billion in state funding), \$842.5 million more than the current year. Per-student spending of \$7,176 would be \$50 per student more than the previous high in FY2007-08. It should be noted that if using inflation-adjusted dollars, the proposed funding level is less than it was in FY 2007-08. Local taxpayers will pay for most of this funding increase, as Required Local Effort property taxes will rise by \$451.8 million. Although the Governor is proposing to keep the current millage rate, increasing property values will mean higher school property tax bills. The nearly 18,000 new students expected for next year will cost \$123.4 million.

This spending for the Florida Education Finance Program (FEFP) includes a doubling of the digital classroom allocation (to \$80 million), and a \$14.3 million boost for the Safe Schools allocation (to \$78.7 million). The Governor did not recommend the Department of Education request for \$29.3 million for a new Lowest Performing schools allocation.

Other K-12 funding:

- \$10 million for Math Counts to provide remedial instruction in mathematics for rising 9th grade students who have not succeeded in earning Algebra I credit;
- \$8.4 million for principal training and \$1 million to establish the STEM Business Partnership Summer Residency Program for teachers. However, the Governor did not fund an additional \$3 million for STEM teacher preparation, which was recommended by the agency;
- A \$30.8 million increase, for a total of \$3 billion, in funding for class size reduction;
- A \$6.9 million increase, for a total of \$55.2 million, in funding for the Sparsity Supplement which provides funding to assist rural districts; and
- A \$5 million increase in funding, for a total of \$23.4 million, for the Personal Learning Scholarship Account Program for students with disabilities.

Higher Education – Florida Colleges are funded at \$1.17 billion, a \$30.2 million increase over the current year. The two big new initiatives are \$60 million for performance funding and \$5 million to create a \$10,000 STEM Bachelor Degree program. Universities would receive \$4.78 billion, a \$97.2 million increase. This includes \$400 million in performance funding, \$100 million of which is new money. The Governor would provide \$23.5 million to expand Bright Futures Scholarships to cover credit hours taken during the summer term. No tuition increase is recommended, but \$34 million in new budget authority is provided for tuition from new students. The budget includes \$1 million for the creation of a State Matching Grant Program to fund annual business-plan competitions across Florida’s state colleges and universities, and a \$750,000 increase for the Institute for Human and Machine Cognition (agency requested \$3.5 million). Other agency requests that the Governor did not recommend include a \$8.5 million increase for the Moffitt Cancer Center and \$15 million for the Targeted Educational Attainment initiative, a competitive allocation program open to all universities that incentivizes the recruitment and graduation of students in high-wage, high-demand fields.

Early Learning – The Office of Early Learning, which runs the state’s prekindergarten programs would receive \$1.055 billion, a \$33.5 million increase. The request does not include the \$10 million increase to the base allocation for the Voluntary Prekindergarten Program (VPK), requested by the agency, which would be a boost of \$63 per full-time equivalent student. However, the most recent estimate of VPK

enrollment was reduced by more than 4,000 students, which helps achieve a \$46 per student increase in the Governor's budget. The Governor's budget also includes a one-time \$30 million appropriation to serve additional children in Florida's School Readiness Program and a restoration of \$11.5 million for School Readiness Development Programs, including pre- and post-assessments to improve instructor quality.

Fixed Capital Outlay – The Governor recommends \$1.8 billion for education facility projects, most of which (\$1.3 billion) goes to pay debt service on outstanding bonds. The remainder includes \$153 for maintenance, repair and renovation of public schools (\$60.0 million), universities (\$50.0 million), and colleges (\$40.0 million). Ten small school districts would receive \$96.7 million for construction projects. Another \$90 million is provided for new college and university building projects, for which the Governor would require a 1 to 1 private match. The Board of Governors and the State College System requested \$211.5 million (no match requirement) for these projects. In addition to all this Public Education Capital Outlay (PECO) Trust Fund spending, \$100 million in general revenue is provided for charter schools.

Health and Human Services

Medicaid – The Governor provides \$246 million for price and caseload increases in the state's \$23 billion Medicaid program. He is also recommending the first ever statewide initiative in Medicaid to tie payments directly to quality outcomes, such as preventable hospitalizations and emergency room use. The recommended budget assumes that the Low Income Pool will continue to receive federal funding, which is not guaranteed. Additional trust fund budget authority is provided in the event that the federal government decides to make any adjustments in funding to this program.

Persons with Disabilities – \$7.9 million in additional funding is provided to enroll all individuals with critical needs from the waiting list onto the Developmental Disabilities Waiver Program, which provides home and community based services to assist people with developmental disabilities in living, learning, and working in their communities. \$2 million is recommended for supported employment and supported internship services for the disabled.

Children and Families – An increase of \$22 million is recommended for mental health and substance abuse services, and \$15 million in new core services funding to child welfare community-based care lead agencies. In addition, \$14 million would be provided for standardized training of all child welfare workers and \$8 million is provided to support adoptions of children with special needs.

Elder Affairs – The Governor recommends \$2 million in new funding to enroll 200 additional individuals into the Alzheimer's Disease Initiative program, and another \$2.7 million to enroll 400 additional individuals into the Community Care for the Elderly program.

Health – The Statewide Medicaid Residency program would receive an increase of \$7 million. The Governor also recommends \$8 million for brain disorder research.

Veteran Affairs – The Governor proposes \$7.4 million, and the use of revenue from existing state veteran nursing homes to create three new state veterans nursing homes: one in St. Lucie County and two more at locations to be determined shortly.

Criminal Justice

The state's correctional system has come under fire recently, and the Governor provides \$51.2 million for prison reforms. This includes \$17.5 million to fill more than 300 critical vacancies for corrections officers and program staff, \$15.0 million for improvements to correctional facilities, an increase of \$7.9 million for health care services, and \$1.7 million to add additional security cameras in facilities across the state. The Department of Correction's \$15.2 million current-year deficit is also funded.

Other funding issues:

- Substance abuse treatment for offenders and inmates – a \$2.4 million increase.
- Mental health services – \$2.5 million for a pilot program to address mental health and case management services for inmates who are completing their sentences and being released from prison.
- Religious dietary accommodations – an additional \$6.0 million to ensure compliance with a federal court ruling to implement and accommodate inmates with religious dietary needs.
- Electronic monitoring – \$3.2 million to ensure all inmates participating in a work release program are on an electronic monitoring device.
- Juvenile Justice – The Department of Juvenile Justice budget would be reduced by \$14.4 million (2.6 percent), mostly attributable to successful prevention programs that have resulted in fewer juveniles entering the system. \$2.9 million is provided to enhance health, mental health and substance abuse treatment for youth in juvenile detention.
- Guardian ad Litem – A \$4.4 million increase with the aim of providing representation for every child in the dependency system.
- No prison would be closed, re-opened or privatized.

Florida TaxWatch urges the Legislature to implement an elderly parole option for elderly Florida inmates, which would further reduce the cost of the department of corrections budget without compromising community safety.

Environment

The Governor's budget fully complies with constitutional Amendment 1 (approved by the voters last November) by including over \$757 million for land and water programs funded from documentary stamp tax revenues. The Amendment requires that 33 percent of documentary stamp revenues be placed in the Land Acquisition Trust Fund. The Governor meets this requirement by diverting \$292.1 million from general revenue into the trust fund.

Other Environmental highlights include:

- \$150 million for Everglades restoration, including \$20 million for the Kissimmee River. The Governor is also proposing legislation that would dedicate at least \$150 million annually in documentary stamp revenue for the Everglades;
- \$150 million for Florida Forever land purchases and land management;
- \$25 million for beach restoration;
- \$50 million for springs restoration;
- \$19 million for state park improvements; and
- \$15.4 million to fight citrus disease.

Economic Development

The Governor is recommending a \$1.051 billion budget for the Department of Economic Opportunity, slightly less than last year and \$161.3 million less than what the agency requested. The difference is mostly due to funding for affordable housing. This funding includes:

- \$283.4 million for the 24 Regional Work Force Boards, the same amount as the current year;
- \$30 million for high skill/high wage workforce training program;
- \$85 million for flexible funding for economic development tools (incentives);
- \$24.9 million for Enterprise Florida, Inc.;
- \$17.5 million to increase VISIT FLORIDA funding level (\$85 million total);
- \$10 million for Space Florida operations; and
- \$5 million for a Statewide Business Brand for Florida.

Affordable Housing – The proposed budget includes \$100.8 million for affordable housing. This recommendation includes \$70.8 million for the State Apartment Incentive Loan program, and \$30 million for the State Housing Initiatives Partnership Program (SHIP), with 70 percent of the funding provided to local governments for first time home buyer down payment assistance, and the remaining 30 percent is for low income people for either down payment assistance or housing rehabilitation. The Governor’s housing recommendation is \$66.8 million less than the current year and \$136.4 million less than requested by the Florida Housing Finance Corporation. Instead, the Governor wants to transfer \$177.7 million from affordable housing trust funds to general revenue. The Governor points out that his proposed conforming bill to implement Amendment 1 does not reduce the recurring level of documentary stamp tax revenues dedicated to affordable housing.

Transportation

The Governor recommends \$9.882 billion for the Department of Transportation Work Program, which is \$235.5 million less than the current year. The reduction is due to several large “milestone” payments for projects in the current year work program. The Governor’s budget fully funds the new work program at \$9.1 billion, including:

- \$3.6 billion to expand transportation system capacity which includes adding 245 new lane miles;
- \$657.5 million for resurfacing more than 2,510 lane miles;
- \$242.6 million for scheduled repairs of 92 bridges and replacement of 16 bridges;
- \$109.6 million in seaport infrastructure improvements;
- \$350 million for aviation improvements;
- \$492 million for transit program improvements;
- \$168.3 million for safety initiatives; and
- \$38.3 million for bike and pedestrian trails.

CONCLUSION

The Governor's proposed budget is simply the starting point for the legislative budget process. The Legislature will have its own initiatives and some items in the Governor's budget will likely be replaced. There does appear to be significant support for education funding and tax cuts, although the Legislature may not go as high as the Governor. There are also alternative tax proposals, such as a reduction in the sales tax on commercial leases, which are picking up steam in the Legislature. There will also be another revenue estimating conference before the Legislature passes the new state budget, and available revenues could go up or down.

Florida TaxWatch supports many provisions in the Governor's proposal. Cutting taxes, while increasing spending on things that are important to Floridians, such as education and the environment, and maintaining healthy reserves should be commended. Florida TaxWatch research has made the case for reducing the communications services tax and keeping the sales tax exemption for manufacturing machinery and equipment.

The proposed budget includes many provisions supported by Florida TaxWatch research and the TaxWatch Center for Government Efficiency.

Although the proposed budget includes \$267 million in administrative and operational efficiencies, the Governor did not seize this opportunity to move forward with a project that has the potential for significant cost avoidance and a major increase in effectiveness of government through increased accountability. The replacement of the extremely outdated Florida Accounting Information Resource (FLAIR) is one of the key recommendations of the TaxWatch Center for Government Efficiency. The Governor's Office states that no money was provided for FLAIR replacement because the amount needed is unknown. TaxWatch hopes that the Governor will work with the CFO and the Legislature on this most important investment.

In addition, in light of the significant proposed trust fund sweeps, Florida TaxWatch reiterates its recommendation that each sweep be considered in a separate bill and voted upon by the Legislature.

Florida TaxWatch will continue to work this session to help ensure that cost savings and improvements in the way government does business continue to be priority and that appropriation items get the scrutiny and debate they deserve.

APPENDIX A

FY2015-16 Governor's Budget Recommendations Compared to Current Year (\$ in millions)

Department/Agency	General Revenue	Trust Funds	Total	Current Year	+ /(-) Current Year	Positions	+ /(-) Current Year
Administered Funds (Statewide)	\$44.1	\$2.4	\$41.7	\$54.2	(\$12.5)	0	-
Agriculture & Consumer Services	\$140.7	\$1,310.7	\$1,451.4	\$1,532.8	(\$81.4)	3,564	-33.0
Business & Professional Regulation	\$1.8	\$146.3	\$148.1	\$147.8	\$0.3	1,590	-26.0
Children & Families	\$1,624.2	\$1,292.1	\$2,916.3	\$2,892.3	\$24.1	11,831	-38.5
Citrus	\$0.0	\$48.4	\$48.4	\$52.4	(\$3.9)	49	-6.0
Commission on Offender Review*	\$10.0	\$0.1	\$10.0	\$9.6	\$0.4	132	-
Corrections	\$2,290.1	\$68.9	\$2,359.0	\$2,307.8	\$51.2	23,892	163.0
Economic Opportunity	\$58.0	\$993.4	\$1,051.4	\$1,120.3	(\$68.9)	1,629	8.0
Education	\$15,187.8	\$7,829.5	\$23,017.3	\$22,588.4	\$428.9	2,413	-
Elder Affairs	\$122.3	\$167.5	\$289.8	\$294.5	(\$4.8)	430	-11.0
Environmental Protection	\$118.4	\$1,417.6	\$1,536.0	\$1,564.7	(\$28.7)	2,940	-155.5
Financial Services	\$23.3	\$286.8	\$310.0	\$327.0	(\$17.0)	2,565	-53.0
Fish & Wildlife Conservation	\$29.9	\$311.5	\$341.4	\$366.1	(\$24.7)	2,115	2.0
Governor's Office	\$42.5	\$319.5	\$362.0	\$259.0	\$103.0	425	-8.0
Health	\$489.5	\$2,298.2	\$2,787.7	\$2,843.1	(\$55.3)	14,414	-758.0
Health Care Administration	\$5,456.2	\$19,064.5	\$24,520.7	\$24,585.3	(\$64.6)	1,563	-81.0
Highway Safety & Motor Vehicles	\$0.0	\$438.8	\$438.8	\$440.5	(\$1.7)	4,414	-
Justice Administration	\$721.9	\$138.2	\$860.1	\$854.0	\$6.1	10,460	114.5
Juvenile Justice	\$392.1	\$144.3	\$536.3	\$550.7	(\$14.4)	3,266	-
Law Enforcement	\$101.0	\$164.2	\$265.2	\$260.7	\$4.5	1,790	19.0
Legal Affairs	\$47.7	\$153.5	\$201.3	\$202.5	(\$1.2)	1,354	40.0
Legislature	\$201.3	\$2.5	\$203.8	\$204.0	(\$0.2)	0	-
Lottery	\$0.0	\$167.6	\$167.6	\$163.7	\$3.9	420	-
Management Services**	\$35.0	\$647.8	\$682.9	\$688.5	(\$5.7)	1,278	-58.3
Military Affairs	\$34.5	\$47.6	\$82.1	\$114.5	(\$32.4)	458	-1.0
Persons with Disabilities	\$485.0	\$679.6	\$1,164.5	\$1,153.5	\$11.0	2,866	-
Public Service Commission	\$0.2	\$24.1	\$24.3	\$25.5	(\$1.2)	268	-18.0
Revenue	\$209.7	\$355.3	\$565.0	\$561.2	\$3.7	5,133	-
State	\$56.1	\$29.2	\$85.3	\$160.0	(\$74.7)	390	-18.0
State Courts	\$398.4	\$116.6	\$515.0	\$515.9	(\$0.9)	4,330	-
Transportation	\$0.0	\$9,882.4	\$9,882.4	\$10,117.9	(\$235.5)	6,404	-100.0
Veterans Affairs	\$8.1	\$106.2	\$114.3	\$114.5	(\$0.3)	1,106	1.0
Totals	\$28,329.5	\$48,650.7	\$76,980.2	\$77,073.0	(\$92.8)	113,485	-1,017.8

* formerly the Parole Commission

** includes the new Agency for State Technology

Source: Florida TaxWatch, compiled using the Governor's Budget Recommendations, February 2015

APPENDIX B

FY2015-16 Governor's Budget Recommendations Compared to Agency LBRs (\$ in millions)

Department/Agency	General Revenue	Trust Funds	Total	Agency Request	+ /(-) Agency Request	Positions	+ /- Agency Request
Administered Funds (Statewide)	\$44.1	(\$2.4)	\$41.7	\$6.4	\$35.3	0	0
Agriculture & Consumer Services	\$140.7	\$1,310.7	\$1,451.4	\$1,557.7	(\$106.2)	3,564	-82
Business & Professional Regulation	\$1.8	\$146.3	\$148.1	\$147.9	\$0.2	1,590	-31
Children & Families	\$1,624.2	\$1,292.1	\$2,916.3	\$2,915.5	\$0.8	11,831	-60
Citrus	\$0.0	\$48.4	\$48.4	\$48.9	(\$0.4)	49	-6
Commission on Offender Review*	\$10.0	\$0.1	\$10.0	\$10.2	(\$0.2)	132	0
Corrections	\$2,290.1	\$68.9	\$2,359.0	\$2,406.5	(\$47.5)	23,892	163
Economic Opportunity	\$58.0	\$993.4	\$1,051.4	\$1,212.7	(\$161.3)	1,629	5
Education	\$15,187.8	\$7,829.5	\$23,017.3	\$23,067.0	(\$49.8)	2,413	0
Elder Affairs	\$122.3	\$167.5	\$289.8	\$292.3	(\$2.5)	430	-14
Environmental Protection	\$118.4	\$1,417.6	\$1,536.0	\$1,577.6	(\$41.6)	2,940	-173
Financial Services	\$23.3	\$286.8	\$310.0	\$332.2	(\$22.2)	2,565	-64
Fish & Wildlife Conservation	\$29.9	\$311.5	\$341.4	\$343.0	(\$1.5)	2,115	-23
Governor's Office	\$42.5	\$319.5	\$362.0	\$350.5	\$11.5	425	-9
Health	\$489.5	\$2,298.2	\$2,787.7	\$2,819.0	(\$31.2)	14,414	-776
Health Care Administration	\$5,456.2	\$19,064.5	\$24,520.7	\$24,504.4	\$16.3	1,563	-81
Highway Safety & Motor Vehicles	\$0.0	\$438.8	\$438.8	\$451.8	(\$13.0)	4,414	0
Justice Administration	\$721.9	\$138.2	\$860.1	\$926.4	(\$66.3)	10,460	-683
Juvenile Justice	\$392.1	\$144.3	\$536.3	\$546.4	(\$10.0)	3,266	-20
Law Enforcement	\$101.0	\$164.2	\$265.2	\$287.1	(\$21.9)	1,790	-97
Legal Affairs	\$47.7	\$153.5	\$201.3	\$202.5	(\$1.3)	1,354	0
Legislature	\$201.3	\$2.5	\$203.8	\$203.8	(\$0.0)	0	0
Lottery	\$0.0	\$167.6	\$167.6	\$173.4	(\$5.8)	420	0
Management Services**	\$35.0	\$647.8	\$682.9	\$671.0	\$11.9	1,278	-66
Military Affairs	\$34.5	\$47.6	\$82.1	\$82.4	(\$0.3)	458	-1
Persons with Disabilities	\$485.0	\$679.6	\$1,164.5	\$1,160.9	\$3.6	2,866	0
Public Service Commission	\$0.2	\$24.1	\$24.3	\$25.3	(\$1.0)	268	-16
Revenue	\$209.7	\$355.3	\$565.0	\$538.9	\$26.1	5,133	0
State	\$56.1	\$29.2	\$85.3	\$88.2	(\$2.9)	390	-25
State Courts	\$398.4	\$116.6	\$515.0	\$571.1	(\$56.1)	4,330	-217
Transportation***	\$0.0	\$9,882.4	\$9,882.4	\$8,243.9	\$1,638.5	6,404	-50
Veterans Affairs	\$8.1	\$106.2	\$114.3	\$117.2	(\$2.9)	1,106	-64
Totals	\$28,329.5	\$48,650.7	\$76,980.2	\$75,881.9	\$1,098.4	113,485	-2,389.2
Totals (minus Transportation)***	\$28,329.5	\$38,768.3	\$67,097.8	\$67,637.9	(\$540.1)	107,080.8	-2,339.2

* formerly the Parole Commission

** includes the new Agency for State Technology

***due to DOT's unique cash flow budgeting system, its request is artificially low. The final amount is expected to be closer to current year appropriations

Source: Florida TaxWatch, compiled using the Governor's Budget Recommendations, February 2015

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ABOUT THE AUTHOR



Kurt Wenner, Vice President for Tax Research, is a mainstay on the Tallahassee state budget watchdog scene and is the second-longest serving staff member of Florida TaxWatch. Kurt has authored all of the major tax publications produced by Florida TaxWatch, including pieces on Florida's Intangibles Tax, and general sales, property, and business tax issues. Kurt is the author of TaxWatch staples "How Florida Compares," the annual "Taxpayer Independence Day" report on tax burdens, and the annual "Budget Turkey Watch."

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As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the citizens of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs. Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on citizens and businesses.

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