

## DISCLOSURE

*A Non-Partisan Center for Research  
on Economies in Florida's Government*



**CITIZENS COUNCIL FOR  
BUDGET RESEARCH, INC.**  
201 S. Monroe St., Suite 400  
Tallahassee, Florida 32301  
Telephone (904) 222-5052

## HIGHLIGHTS

Special interest spending costs \$111 million, and

- diverts needed funds from vital public services,
- heightens the likelihood of further tax increases,
- reduces "rainy day" reserve to a mere 1% of this year's general revenue (A minimum of 5% is considered fiscally prudent),
- improves the climate for tax reduction initiatives.

### Diverting Funds From Vital Public Services:

## Special Interest Items Cost Florida Taxpayers Over \$100 Million

Amid a horrific frenzy, the Governor and legislators traded off "special or parochial interest appropriations (spending items)" worth at least \$111.2 million for passage of yet another round of major tax increases of \$233.3 million. Consequently, new and additional Florida tax increases (above and beyond normal economic growth) have just surpassed the billion dollar mark - \$1.2 billion - in a 14 month period between May 1982 and July 1983.

The tax increases on alcohol (\$76 million), school property taxes (\$62.3 million) and corporate income taxes (\$95 million) estimated for 1983-84 helped make possible special interest projects worth \$111.2 million: \$48.9 million in the General Revenue Fund and \$62.3 million in Trust Funds. Of these, only the school district property

tax increase is properly segregated/earmarked for education expenditures.

Since the alcohol and corporate income tax hikes are not segregated or earmarked, they are as much tax hikes for "special interest projects" and salary increases for state employees (\$29.8 million GR), community colleges (\$7 million GR) and university faculty (\$12.3 million GR) as they are tax increases for "educational improvements." While a number of important education reforms were in fact enacted this year, these tax increases are no more and no less tax hikes for special/parochial projects than they are "education" taxes.

Parochial or special interest projects - projects of some local benefit to a constituency in a legislator's district but with-

out serving a statewide purpose or rationale - are not new to Florida's budget. In some ways this year's list of special projects identified by the Citizens Council's professional staff of economists and budget analysts contains fewer flagrant items of a "special" or questionable statewide public interest. What makes this year's list unique is the magnitude of the cost of these projects (\$111.2 million), that a substantial tax package accompanied it, and the blatant nature with which spending items and tax votes were traded.

In a year in which many non-government employees saw little, if any raise, the State also appropriated \$182.9 million for increased government employee salaries -- \$62.9 million outside the K-12 public education system. These raises were also made possible because of the newly enacted tax package.

Despite these tax increases, the State has only managed to set aside an estimated \$58.3 million, just under 1% of this year's available funds in the General Revenue and Working Capital (Rainy Day) Funds. This is less than 1/5 of the amount traditionally required of states to ensure fiscal prudence (5% reserve).

While this list is one of the most comprehensive of its kind, it is not purported to be all encompassing. Particular attention has been given to identify those special projects funded with General Revenue (GR) dollars since these funds could have been diverted to more pressing statewide needs.

These are the general criteria used in identifying parochial or special projects.

- Identifying items which were included outside the legitimately established planning and budget process,
- Items which were inconsistent with the Governor's general policy guidelines,
- Items which were not included by the legitimately established priority setting procedures (i.e., Board of Regents and State University System capital outlays),
- Items vetoed and later reinserted,
- Items of a very parochial nature which have not been financed previously and for which there is no priority or needs

- assessment procedure established, and
- Items identified by legislative leaders.

Many of these items, under more favorable economic conditions and with responsible planning procedures, might constitute legitimate public expenditures. Until the State concentrates on lowering the base of expenditures to meet Florida's growing and dynamic needs and contains the onslaught of special or parochial projects (possibly heightened by the new single member legislative districts), tax reduction initiatives such as the Citizens' Choice constitutional amendment will continue to loom.

**The parochial or special interest spending items which follow ultimately divert funds from more pressing and vital public needs and unnecessarily heighten the likelihood of additional tax increases.**

**GENERAL APPROPRIATIONS ACT AND LETTER OF  
INTENT AND  
SUPPLEMENTAL APPROPRIATIONS ACT  
(Dollars in Millions)**

| <u>Item</u> |  |
|-------------|--|
| 27          | Constituency for Children<br>(new program) GR \$ .050  |
| 40A         | Optional Retirement Program.<br>Alternative retirement for faculty.<br>Division of Retirement was opposed<br>and little study was performed. In-<br>volves an additional FTE and was not<br>recommended by Governor. GR .062 |
| 105A        | Payment of Indemnities.<br>Indemnifies farmers for cows lost<br>through brucellosis. Feds already<br>indemnify. The Governor did not<br>recommend. GR .953   |
| 208         | National Order of Women Legislators<br>Governor vetoed because it is a pro-<br>per legislative expenditure but he<br>left the funds in the Department of<br>Commerce. GR .050  |
| 211A        | Aid to Local Governments<br>Polk Cty. special project TF 2.000   |

|      |   |                |                      |      |   |    |        |
|------|---|----------------|----------------------|------|---|----|--------|
| 213A | Lakeland Miss Teenage America<br>Vetoed, put back in SB-1C  | GR             | .150                 | 321A | Truancy study<br>\$50,000 is for DOE study statewide<br>\$85,000 is targeted for Hillsborough<br>Governor didn't recommend.   | GR | .135   |
| 213B | Miami Grand Prix<br>Vetoed, put back in SB-1C   | GR             | .500                 | 346  | Private Tuition Assistance<br>Program was expanded from last year<br>by \$600,000 GR to \$10.1 million.<br>Gov. recommended \$9.5 million, prior<br>year's level.                     | GR | .600   |
| 214A | Superbowl Promotion/Tampa   | GR             | .075                 | 374A | Sparcity Study<br>Sparcity formula was not funded<br>previously and was not anticipated<br>this year. Vetoed first time at \$3<br>million and was put back in 1C at<br>\$4.5 million. | GR | 4.500  |
| 214B | Tampa Trade Fair  | GR             | .075                 | 385A | Safe Schools<br>Was not recommended by Governor.<br>Diverts education funds for truancy.<br>\$2 million added in SB-1C.   | GR | 10.000 |
| 214C | World Orchid Conference<br>Economic Devel./Cities<br>European Nursery Promo.  | GR<br>GR<br>GR | .150<br>.950<br>.225 | 394A | Assessment Program Upgrade<br>Vetoed because it should be accom-<br>plished within cur. appropriations.<br>Added back in SB-1C.   | GR | .015   |
| 238  | Economic Devel/Gadsden/Leon Counties<br>\$200,000 was left in Community Dev.<br>Corp. Grant although Governor vetoed<br>these two specific items. Funds<br>should be deleted. | TF             | .200                 | 395A | Curriculum Framework Development<br>Vetoed first time because already<br>funded elsewhere. Added back in<br>SB-1C.  | GR | .020   |
| 283  | Comm. Equipment/Correction Officers<br>Specifically identified at 4 pri-<br>sons, why not all?  | GR             | .177                 | 415A | Center for Industrial Excellence -<br>Pinellas County<br>Was not included in the State Plan<br>for Vocational Education. Vetoed 1st<br>time added back in SB-1C                       | GR | .179   |
| 307C | Collective Bargaining Study<br>So narrowly drawn as to apply to one<br>spec. private contractor.  | GR             | .085                 | 426A | Cooperative Agreements Study<br>Should be inherent within existing<br>responsibilities of community col-<br>leges. Vetoed first time.   | GR | .035   |
| 308  | Community Hospital Education Program<br>Vetoed and back in SB-1C.   | GR             | .517                 | 441  | Non-credit Teacher Educa.   | GR | .008   |
| 315A | Fla. Information Resource Network<br>Not recommended by Gov.  | GR             | 2.730                | 457D | Law School Quality Improvement<br>This is a discriminatory way of in-<br>creasing salaries or positions at 2<br>schools, FSU & UF. Was vetoed first<br>time. Added back in SB-1C.     | GR | 1.000  |
| 315C | Government Close-Up Program<br>Dade county pilot. Could this not be<br>accomplished with pub. TV?   | GR             | .040                 | 458B | UWF/Ft. Walton<br>Not recommended by Governor. Not on<br>BOR plan.  | GR | .373   |
| 315E | Gadsden Improvement Proj.   | GR             | .138                 |      |   |    |        |
| 315F | Life Fitness Program (Walton, Escam-<br>bia, Hillsborough)<br>Why is this not part of regular<br>health education?  | GR             | .200                 |      |   |    |        |
| 316  | East Central Florida Mgt. Training<br>Designates specific program to be<br>funded out of total appropriation of<br>\$1.1 million.   | GR             | .150                 |      |   |    |        |
| 319  | Southeast College/Osteopathic Med.<br>Gov. recommended \$184,000 and appro-<br>priation was \$400,000.  | GR             | .216                 |      |   |    |        |

|      |  |   |
|------|--|---|
| 458C | Unmet needs in Broward County<br>Not recommended by Governor (24 new<br>FTE). GR .972  | Juvenile Sex Offender/<br>Broward County GR .250  |
| 459A | Fla. Sea Grant/UF<br>Not requested in 1983-84 by Board of<br>Regents. GR .100  | Early Intervention/Dade GR .070   |
| 463A | UCF/Hospitality Program (new)<br>Was not approved for planning by the<br>BOR. Was vetoed the first time by<br>Governor. GR .087  | Ann Stork Center/Broward GR .080  |
| 464B | UWF/Dept./Communications<br>Special appropriations for equipment<br>- not in BOR budget request. No<br>other special appropriations for<br>equipment. GR .110                | 955A Public Guardianship Program<br>/Dade County GR .125  |
| 465  | St. Pete/Sal Dali Museum<br>Governor only recommended \$200,000.<br>Leg. approved \$300,000. GR .100   | 964 Jurors and Witnesses Payment<br>Over and above \$4 million Governor<br>recommended. GR 2.290  |
| 465A | Women's Intercollegiate Athletics<br>Not in Governor's request. GR .133  | 997 Trial Court Personnel/<br>Pinellas County GR .038   |
| 470B | Quality Improvement/IFAS<br>\$200,000 is to go to ornamental<br>horticulture and turf and 15 new<br>positions. Special treatment. Vetoed<br>1st time. Back in SB-1C. GR .600 | 1324B Oyster Planting GR .150   |
| 493A | Cancer Center<br>Not recom. by Gov. Why is this not<br>funded with cigarette tax? GR .982  | Experimental Fish Hatchery<br>/Miami GR .250  |
| 715  | Local Services Programs - HRS/OES<br>Why single out and indemnify federal<br>monies in Dade and Hillsborough?<br>GR .530   | Melbourne Maint./Dredging GR .150   |
| 719  | HRS/Alcohol Domiciliary, Orange Cty.<br>GR .232  | Hydrocarbon Studies/Tampa TF .150   |
| 733  | Evaluation/Treatment Ctr. GR .745  | 1454A Aid/Local Govern./Mandarin Library<br>This was vetoed first time for not<br>being a high priority on the state-<br>wide plan for library construction.<br>Now in SB-1C. GR .200 |
| 750  | Therapeutic Group Home<br>Subsidy for Hillsborough MH Center.<br>GR .207   | 1455 Aid/Local Governments/Hold Harmless<br>For Pinellas County library for City<br>of St. Petersburg. GR .158  |
| 753  | Outward Bound Program<br>HRS should be able to make determi-<br>nation without Legislature's help.<br>TF .304  | 1465A Museum of Science/Dade GR .025  |
|      | Charlee Program/Dade Cty. GR .193  | Gusman Cultural Ctr/Miami GR .075   |
|      |  | Vizcaya/Dade GR .700  |
|      |  | Ballet Bldg/Jacksonville GR .075  |
|      |  | Art Museum Relocation/Jax GR .085   |
|      |  | Childrens Museum/Jax GR .175  |
|      |  | Union Terminal Bldg./Jax GR .500  |
|      |  | Summer Music Theater/<br>Daytona Beach GR .050  |
|      |  | Atlantic Center, NSB GR .500  |
|      |  | Bartlett Estate Renovation/<br>Ft. Lauderdale GR 1.000  |



|   |          |                                     |          |
|---|----------|-------------------------------------|----------|
| Pensacola Jr. College - Renovation<br>This was priority # 13      | TF .336  | UNF/Swimming Pool                   | TF .500  |
| Hillsborough CC/Allied Health Building<br>This was priority # 21. | TF 5.013 | UCF/Field House (C&E)               | TF 2.914 |
|   |          | FIU/Teaching Gym (No \$ requested). | TF .500  |

The following item was not requested until the third year of the three year plan (1983-86):

|  |  |         |         |
|--|--|---------|---------|
|  |  | WUSF-FM | TF .165 |
|--|--|---------|---------|

|  |         |  |         |
|--|---------|--|---------|
| Palm Beach Jr. College<br>Planning Vocational Building | TF .250 | DOE/Faculty Office Center Near University<br>Hospital. | GR .100 |
|--|---------|--|---------|

Item - Universities

The following items were funded in 1983-84 although not requested or recommended by the Board of Regents: See above.

|  |         |
|--|---------|
| City of Tampa & Hillsborough Community Col.<br>Jt. Demolition/Palm Ave. Walk | GR .015 |
| BOR/The Theatre, Inc./Jupiter  | GR .575 |
| UF/College of Veterinary Medicine  | GR .600 |

|                        |          |
|------------------------|----------|
| UF-IFAS/Ft. Pierce Lab | TF 2.090 |
|------------------------|----------|

|                  |         |
|------------------|---------|
| UF-IFAS/Vero Lab | TF .505 |
|------------------|---------|

|                           |         |
|---------------------------|---------|
| UF-IFAS/Hazardous Storage | TF .523 |
|---------------------------|---------|

|                 |                 |
|-----------------|-----------------|
| <b>GR total</b> | <b>\$48.917</b> |
| <b>TF total</b> | <b>62.295</b>   |

|                        |          |
|------------------------|----------|
| FSU/Panama City Branch | TF 1.500 |
|------------------------|----------|

|                       |                  |
|-----------------------|------------------|
| <b>Combined total</b> | <b>\$111.212</b> |
|-----------------------|------------------|

|   |          |
|---|----------|
| USF/Sarasota Library Expansion<br>(#7 on SUS Priority list/1984-85) | TF 7.000 |
|---|----------|

|                         |         |
|-------------------------|---------|
| USF/Edison CC Joint Use | TF .250 |
|-------------------------|---------|

|   |          |
|---|----------|
| FAU-FIU/Broward Community College<br>Ft. Lauderdale | TF 8.000 |
|---|----------|

|                             |         |
|-----------------------------|---------|
| UWF/Ft. Walton Beach Center | TF .200 |
|-----------------------------|---------|

|                               |         |
|-------------------------------|---------|
| UCF/DBCC Joint Use (planning) | TF .019 |
|-------------------------------|---------|

The 1984-85 Capital Improvement Fee Project List from the Board of Regents includes the following items which were accelerated by one year:

|   |                      |
|---|----------------------|
| FSU/University Union<br>This was requested by the BOR in 1984-85 at<br>a \$2 million level. | GR 1.200<br>TF 8.800 |
|---|----------------------|

Several items from the 1985-86 BOR legislative Capital Improvement Fee Project List were funded in 1983-84.

|                    |          |
|--------------------|----------|
| USF/Student Center | TF 2.600 |
|--------------------|----------|

|                            |         |
|----------------------------|---------|
| UCF/Field House (planning) | TF .500 |
|----------------------------|---------|

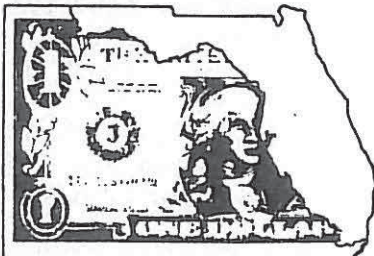
The CITIZENS COUNCIL is the only statewide association devoted entirely to Florida taxing and spending issues. Since its inception in 1979, the Citizens Council has worked diligently and effectively to safeguard the interests of the taxpayer, helping to reduce inefficiencies and prompting responsible cost effective improvements in the management and operation of citizens' tax dollars.

The CITIZENS COUNCIL is supported by all types of taxpayers—homeowners, small businesses, large corporations, professional firms, members of the news media, associations and individuals—representing a wide spectrum of Florida's citizens. The Council is a non-partisan, non-profit research and public information organization supported entirely by voluntary tax deductible membership contributions. Membership is open to any organization or individual interested in supporting sound research which promotes effective and efficient government.

The CITIZENS COUNCIL publishes several types of research products which range from detailed research findings and recommendations as to where and how productivity improvements in government can be achieved, to explaining how timely economic, financial and tax related developments may impact on Florida's citizens.

**THE COUNCIL DOES NOT OPPOSE ALL TAXES . . . but is ever present to watch that taxes are fair, equitable, not excessive, that their public benefits and costs are weighed, and that government agencies are responsible and efficient in their use of public funds.**

For membership and other information contact:



CITIZENS COUNCIL FOR  
BUDGET RESEARCH, INC.  
201 S. Monroe St., Suite 400  
Tallahassee, Florida 32301  
Telephone (904) 222-5052

