



The Florida Policy Institute is committed to advancing state policies and budgets that provide economic opportunity and improve the quality of life for all Floridians.

► Roadmap for Shared Prosperity

Florida should be a state where families can build a healthy future and where both workers and businesses can thrive. The Florida Policy Institute released a [Roadmap for Shared Prosperity](#) to help Floridians achieve this vision. This includes:

- Unleashing Floridians' potential and boosting productivity by investing in education and health
- Launching public infrastructure projects to create jobs, spur growth, promote equity and improve climate resilience
- Boosting household incomes
- Cleaning up and modernizing the tax code for a stronger future

These priorities are achievable through commonsense legislation. Under the policy recommendations below, Florida could begin to make the investments needed to grow an economy that generates broadly-shared benefits across our state and in every community.

► Budget & Taxes

Require Automatic Sunsets and Regular Evaluation of Tax Expenditures

In Fiscal Year (FY) 2019, Florida is projected to spend \$20 billion on tax expenditures — subsidies and tax breaks — that exempt revenue collection from some taxpayers and activities. This foregone revenue would otherwise be collected and appropriated through the state budget. The cost of tax expenditures has increased each year, and since 2010 Florida has spent more than \$6 billion.

While state tax expenditures are neither inherently good nor bad, these expenditures tend to remain in law without an expiration date or regular review. Automatic sunsets and regular evaluation of tax expenditures would ensure that the forgone revenue is serving a legitimate public purpose. Additionally, unproductive tax expenditures could be eliminated, making revenue available for investing in Florida's families and communities.

Stop New Tax Cuts in the FY 2019-20 Budget

The FY 2018-19 budget included a tax reduction package totaling \$171 million, including \$74 million in recurring and \$97 million in nonrecurring tax cuts. While Governor Scott touted tax cuts totaling more than \$10 billion during his tenure, the result has been significant and persistent cuts in critical investments that spur economic growth. Additionally, Florida's upside-down tax system already places a heavy burden on the Floridians who earn the least, while the state's wealthiest residents enjoy a relatively lower tax burden. The FY 2019-20 budget should not include further tax cuts that would put investments in Florida's future at risk.



Ensure Sufficient Funding to Meet Florida's Top Priorities

The \$88.7 billion FY 2018-9 budget provided an overall increase of 4.4 percent over the previous year's budget. Despite nominal increases in funding for some services and programs that are crucial for economic growth and residents' well-being, funding for long-term investments in key areas such as affordable housing, health care and education continue to lag. Florida ranks poorly among states for investment in these areas and has yet to restore funding in many areas to pre-recession levels. The FY 2019-20 budget should include sufficient funding for Florida's top priorities, including:

- *Mental Health & Substance Abuse Programs*
Florida ranks 50th among states for per-capita investment in community-based mental health and substance abuse treatment for its residents. Modest increases in recent years for mental health funding, such as the Marjory Stoneman Douglas High School Public Safety Act, have been countered by drastic funding cuts in other areas. Adequate funding is needed to address the needs of Florida's increasing population and to combat critical issues, such as the growing opioid problem.
- *Department of Corrections Mental Health, Substance Abuse, and Reentry Programs*
In 2018, the Department of Corrections made massive cuts to substance abuse and re-entry programs as a response to a \$28 million budget deficit — the culmination of years of underfunding. These programs are critical for inmates' health and rehabilitation, which impact the state's recidivism rate. Funding for DOC should restore these programs and ensure effective implementation.
- *Education*
Florida's per-pupil investment in PreK-12 education remains almost 23 percent below pre-recession levels — a decrease of \$2,767 per pupil from 2008 to 2016, inflation adjusted. The state also ranks poorly along several other measures of education quality, such as attracting and retaining effective teachers (47th) and spending per student (39th).

Providing a quality education to all of Florida's students is a core constitutional responsibility of state government and critical to economic growth. To build a competitive workforce, expand access to economic mobility, and strengthen Florida's future economy, the state must restore its investment in public education.

► Health Care

Enact Statutory Changes to Increase Access to School-Based Health Services

Healthy students are better learners. Expanding access through school-based Medicaid services would ensure healthier children, lower absenteeism, reduced health disparities and increased academic performance.

One million of Florida's 2.7 million students enrolled in public schools are covered by Medicaid, which provides important pediatric services, including periodic health, dental, vision and mental health screenings, diagnosis and treatment. Previously, schools were only able to access Medicaid funds to cover services for students with disabilities.

A recent federal policy change expands this coverage, allowing for schools to draw down federal funds to pay for school-based health services for all Medicaid-eligible children. To access these funds, however, Florida's statutes must be amended to conform with federal policy.

Furthermore, a working group should be established to coordinate and maximize efforts across health and education agencies, school districts, parent groups, provider associations and other community partners.

Require AHCA to Report on Child Quality Performance Measures for Children of Color

Timely and accurate data is needed to improve health quality performance measures for children enrolled in Medicaid, including children of color who are disproportionately impacted by poor quality of care.

Florida ranks below average on many health quality performance measures for children enrolled in Medicaid managed care plans, including dental services, primary care access and developmental screenings. Data on quality and health disparities are not publicly reported. Requiring AHCA to report on the outcomes for children enrolled in Medicaid managed care plans, particularly disaggregated by race and ethnicity, would ensure greater transparency of the more than \$16 billion annual public investment in these plans and their impact on child health. This reporting would also serve as a basis from which improvements could be made.

Restore Retroactive Medicaid Benefits

The 2018 Legislature passed a law eliminating retroactive Medicaid benefits. This is a \$98 million cut primarily targeting seniors, persons with disabilities and Floridians facing catastrophic illnesses.

► Criminal Justice

Establish a Comprehensive Criminal Justice Reform Task Force

Florida's Department of Corrections faces several challenges that hinder its ability to effectively and safely house, treat and rehabilitate inmates. The Department of Corrections houses over 96,000 inmates in 148 prison facilities. Prison overcrowding and inadequate staffing have created conditions in the state's correctional institutions that are unsafe for inmates and staff.

The experience of other states has shown that criminal justice reforms both reduce the prison population and result in significant savings. A bipartisan Criminal Justice Task Force, representing a range of stakeholders and agencies, would be tasked with evaluating and analyzing the state's criminal justice system to develop commonsense criminal justice reform policies for Florida.

► Affordable Housing

Protect the Sadowski Housing Trust Fund from Funding Sweeps

Established in 1992, the Sadowski Housing Trust Fund provides critical funding for the production and preservation of affordable housing, as well as the construction and rehabilitation of multi-family rental housing. It is funded through the state documentary stamp tax on deeds.

Over the past two decades, however, revenue slated for the Sadowski Housing Trust Fund has instead been "swept" into the General Revenue Fund by the Legislature for other purposes. Since Fiscal Year 2001-02, nearly \$2.2 billion has been diverted away from affordable housing investment. Florida ranks 44th in the availability of affordable housing and as the cost of living increases, more working families are struggling to afford a decent place to live. The Sadowski Housing Trust Fund must be protected from annual funding sweeps, to ensure that full funding for affordable housing is maintained into the future.

