



Vetoed and Special Session: Funding Still Insufficient to Meet Florida's Needs

Governor Scott vetoed \$11.5 billion in public school funding — which was restored after lawmakers agreed to an increase in per-pupil funding in special session — as well as \$409 million in other appropriations throughout the budget. Even though the governor worked with the Legislature to increase public school funding by \$100 per student, the additional \$215 million still leaves public schools below the per-student funding level appropriated a decade ago.

FPI Staff June 2017

On June 2, Governor Rick Scott released his vetoes of the 2017-18 General Appropriations Act. The same day, he issued a proclamation calling the Legislature into special session from June 7 – 9 to increase public school per-student funding by \$100, create and fund a new Florida Job Growth Grant Fund to replace the corporate recruitment programs rejected by the Legislature and boost the meager funding provided by the Legislature for Visit Florida. During the special session, the governor added medical marijuana, as well as funding for repair of the Herbert Hoover Dike at Lake Okeechobee and higher education funding in separate proclamations.

Summary of governor's vetoes

The budget items vetoed by the Governor totaled almost \$12 billion, almost 15 percent of the total state budget, including \$11.5 billion of vetoes specific to public school funding, which was restored following special session. The remaining vetoes can be grouped as follows:

- Appropriations for a specific public entity that bypassed normal approval procedures.
- Appropriations for a specific community that could be funded from local funds.
- Appropriations that benefit a specific vendor.
- Appropriations for which there is no clear statewide return on investment.

Aside from the \$11.5 billion veto in public school funding, vetoes applied to specific service areas as follows:

- \$193.6 million of \$12.9 billion appropriated for education. (See the Special Session section for restoration information regarding these vetoes.)

- \$17.2 million of \$34.2 billion appropriated for health and human services.
- \$12.4 million of \$4.5 billion appropriated for public safety.
- \$135.1 million of \$14.5 billion appropriated for natural resources and transportation.
- \$50.9 million of \$4.4 billion appropriated for other governmental services.

In addition, the Scott vetoed \$94 million of the \$542 million swept by the Legislature from state trust funds. These vetoes restore funding to state agencies. Of the total trust fund sweep vetoes, \$22 million support ongoing state operations. The remaining \$72 million is from the State Economic Enhancement and Development Trust Fund. The governor identified the latter trust fund as a source for funding state economic development initiatives. It is interesting to note that Scott did not veto the \$154 million sweep of affordable housing trust funds through the economic development lens. These funds would have generated an additional \$4 - \$6 in economic activity for each \$1 invested by the state.

Special session wrap-up

By the end of special session, legislators had agreed on:

- \$100 more per student for Florida public school students.
- Additional funding for public postsecondary education.
- Creation and funding of the Florida Job Growth Grant Fund.
- Additional funding for Visit Florida.
- Funding for repairs to the Herbert Hoover Dike at Lake Okeechobee.
- Creation of legislation implementing the amendment to the Florida Constitution that allows the prescription and use of medical marijuana.

The Legislature restored public school funding and provided the additional \$100 in per-student funding, for an increase of \$215 million. Of the \$100 increase, \$94.65 consists of state funds and \$5.35 consists of local property taxes.

The problem with the increased funding is that it leaves the per-student funding at \$7,296, a full \$10 per student less than the funding appropriated by the 2007 Legislature. To keep pace with inflation since 2007, the Legislature would have to fund an additional \$1,280 per student. Such an increase would require an additional \$3.8 billion in public school funding to have the same purchasing power as existed a decade ago.

With regard to postsecondary education, the Legislature reenacted \$75 million for specific public college and state university construction projects, postsecondary program funding, and funding for research on medical marijuana.

The Legislature passed House Bill 1 A, which creates the Florida Job Growth Grant Fund to support the public infrastructure necessary for local economic recovery, as well as workforce education that yields transferable, sustainable skills consistent with local demand. The legislation also institutes additional accountability and transparency measures through which Enterprise Florida and Visit Florida operate.

House Bill 1A includes \$85 million for the Florida Job Growth Grant Fund. It also provides \$76 million for the operations of Visit Florida. Finally, House Bill 1 A provides the \$50 million appropriation for repair of the Herbert Hoover Dike.