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# Amendment 5 Would Worsen Florida's Environmental Crisis and Impede Disaster Recovery

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*Florida's natural resources are critical not only for driving tourism and the state economy, but also for maintaining biodiversity in the face of growing threats to the environment. In recent years, Florida has fallen behind in providing adequate resources for a range of investments in the environment, from preserving the state's coastline to the everyday management of air and water quality. Additionally, as hurricanes continue to increase and become more intense, the state must be able to quickly mobilize a disaster response.*

*On November 6, Florida voters will decide on Amendment 5, which would make generating resources to preserve the state's natural resources and respond to disasters much harder. The measure would require a two-thirds (supermajority) vote of the state Legislature to approve any new state revenues, taxes and fees, or to eliminate tax incentives, loopholes and other such expenditures.*

*Florida currently has the wrong priorities, giving special tax breaks to big corporations while cutting funds for conservation and resource management. Amendment 5 locks in these failed priorities before the state has a chance to recover from deep cuts following the Great Recession and a supermajority requirement would likely require huge funding cuts in the wake of another fiscal crisis. Amendment 5 would unnecessarily restrict investments in Florida's future.*

## The Importance of Florida's Environment and Natural Resources

Environmental preservation and management contribute to Florida's economy and are critical for maintaining a safe environment for all Floridians. A study by the Office of Economic and Demographic Research (EDR) concluded that of the nine features that make Florida attractive for visitors, beaches are the most important.

The analysis also showed that the state's investment in beaches resulted in a positive return on investment of 5.4, measured by tax revenues generated by visitor spending.[1]

Additionally, Florida's environment and natural features are critical in the effort to preserve ecosystems and biodiversity. The Everglades, for example, are the largest wilderness east of the Mississippi River and the largest subtropical wilderness in the United States. Covering 18,000 square miles, the Everglades are home to multiple ecosystems and dozens of threatened or endangered species.[2] Other natural features, such as mangroves, play a critical role on Florida's shorelines, protecting them during storms and hurricanes and preventing erosion.[3]

The state's efforts to protect Florida's environment include activities that impact every resident of the state. The Department of Environmental Protection (DEP) performs critical functions that ensure a safe environment for our communities. These functions include: protecting air quality, managing and conserving state parks, promoting parks and recreation, managing hazardous waste, cleaning up contaminated sites and protecting water quality.[4]

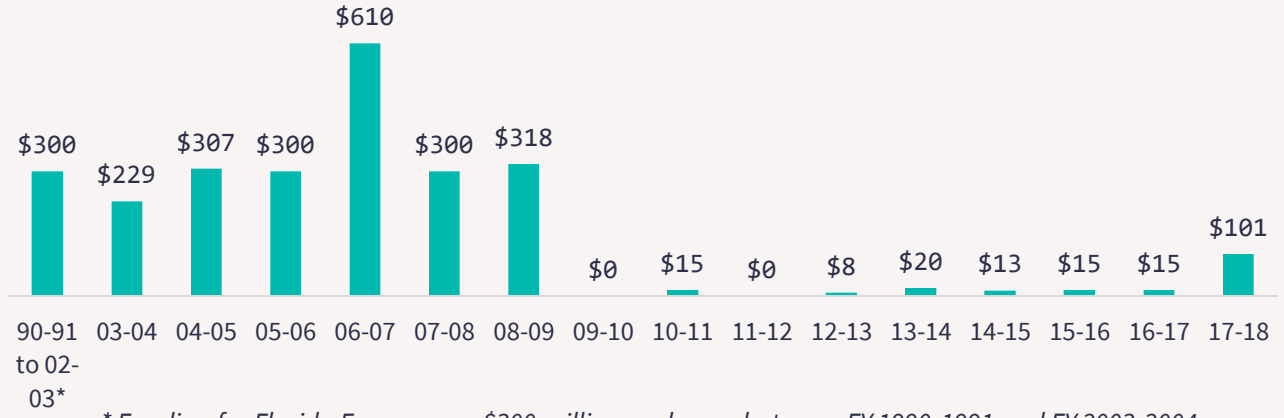
## State Funding for Conservation has Eroded

Unfortunately, the Sunshine State's investment in conservation and environmental protection has eroded over the past couple of decades. In 1990, the Florida Legislature passed the Preservation 2000 Act, which authorized $3 billion in bonds for a range of conservation programs. Over the subsequent decade, these programs were able to preserve 2 million acres of land. In 1999, the Legislature renewed its commitment to conservation by passing the Florida Forever Act, authorizing $300 million in bonds for 10 years to support conservation efforts.[5]

Between 2000 and 2007, lawmakers appropriated the full $300 million for Florida Forever. However, starting in 2008, the Legislature began to significantly reduce or eliminate funding for the program. Florida Forever received $100.8 million in the current-year budget, the largest appropriation in a decade.[6]

**Figure 1. FLORIDA HAS CUT FUNDING FOR CONSERVATION THROUGH THE FLORIDA FOREVER FUND**

Total Funding for Florida Forver through bond proceeds and other sources, in millions, FY 1990-1991 to FY 2017-2018.




** Funding for Florida Forever was $300 million each year between FY 1990-1991 and FY 2003-2004*

Source: Florida Conservation Voters analysis of Florida Department of Environmental Protection and Department of Revenue data.

As lawmakers pulled back from conservation, the state's environmental challenges grew. A majority of Florida's prized beaches — 61 percent — are eroding, while the state has faced a $40 million average annual shortfall for the past 10 years between the amount of funding needed for restoration and how much the state has appropriated.[7]

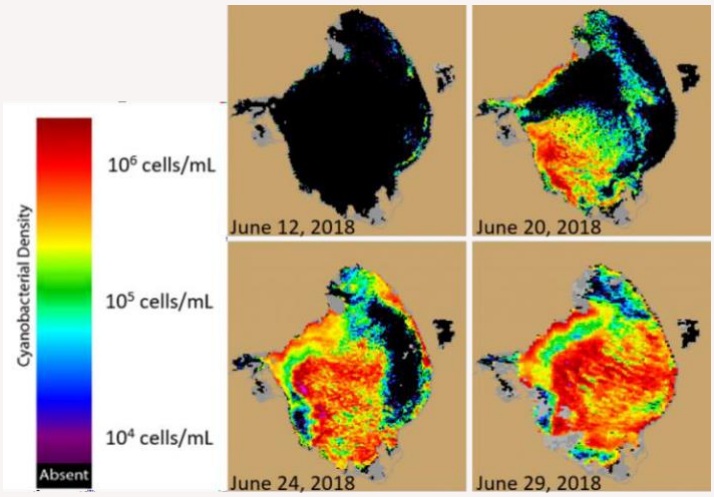
In 2014, voters passed a constitutional amendment requiring that 33 percent of the net revenue collected from the excise tax on documents be put into the Land Acquisition Trust Fund. The estimated $750 million annually is supposed to be used to buy conservation properties and then restore and manage them. However, since the amendment was adopted, the Florida Legislature had diverted monies intended for the trust fund to pay for other state operating expenses. In June 2018, a circuit court judge determined that it was inappropriate for the Legislature to divert these funds.[8]

## Diminished Investment Has led to An Environmental Crisis

Florida is facing a major environmental crisis that threatens both the natural and economic ecosystems of the state: the toxic algae spill-off from Lake Okeechobee. Before development in the region began in the 1940s, the lake would overflow through the marshes and into the Everglades. In the late 1940s, Lake Okeechobee was enclosed in a dike, which was later expanded to become the Herbert Hoover Dike in the 1960s. Only two outlets remained for the lake to spill over into — the Caloosahatchee River and St. Lucie River.[9] Over the years, due to development and nearby agri-business, the lake has filled up with runoff from farms and ranches, urban storm water and pollution from septic tanks. This mix of pollutants has created an environment for toxic algae to bloom, contaminating water from Fort Myers to Stuart.

**Figure 2. TOXIC ALGAE BLOOMS IN LAKE OKEECHOBEE ARE INCREASING IN SCOPE**

Satellite images of the growing algae blooms in June 2018




Source: NOAA, derived from Copernicus Sentinel-3 data from EUMETSAT

The algae blooms have been increasing in their scope and toxicity, particularly as hurricanes such as Irma have rustled up sediments at the bottom of the lake, which contribute more nutrients for algae to grow.[10] The water and the level of algae are far more than the 70-year-old Herbert Hoover Dike can handle. The contamination not only threatens the ecosystem, fish and wildlife, but also local economies that depend on tourism and recreation. Florida has authorized $800 million in bonds to pay for a new reservoir to help with the restoration of Lake Okeechobee and the Everglades.

But the severity of the contamination increases yearly. In December 2017, the Legislature provided the Army Corps with $50 million to expedite the repair of the Herbert Hoover Dike.[11] In July 2018, the U.S. Army Corps of Engineers also committed $500 million to fix the dike by 2022. However, addressing the problem of the toxic algae will take a multi-faceted approach.[12]

Amendment 5 would make providing an adequate level of funding for environmental programs and conservation even more difficult, particularly as the threats increase each year. Florida's current funding levels for addressing critical environmental needs, which are insufficient, would be locked in place, while erosion, toxic algae blooms and other threats would continue to increase.

## Amendment 5 Would Tie Lawmakers' Hands During Emergencies

The EDR's study on the economic impact of Florida beaches noted that "hurricanes, tropical storms and other shocks have a negative effect on the attractiveness of the state to visitors and state tax revenues. Depending on the magnitude of the shock, the state may need to spend additional dollars to restore the beaches while also experiencing reduced revenues." Not only do natural disasters impact tourism, they also cause economic and physical devastation within impacted communities.

Hurricanes and other crises underscore the need for swift decision making and state leadership in rebuilding efforts. Supermajority requirements, like the one that Amendment 5 would impose, limit the state's options during emergencies, since a small group of lawmakers looking for concessions would be able to hold the whole process hostage. This could post a substantial risk to public health and obstruct rebuilding efforts in the long- term. As an example, Hurricane Irma caused an estimated $50 billion to $100 billion in damages (See Figure 3).[13]

**Figure 3. ESTIMATED DAMAGE CAUSED BY HURRICANE IRMA**

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|---|---|
| $5.1 billion | Claims through the Florida Hurricane Catastrophe Fund |
| $650 million | $650 million for emergency resources and clean-up |
| $1.2 billion | Insured losses to the Citizens Property Insurance Corporation* |
| 70,000 | Claims to the Citizens Property Insurance Corporation |

*The Citizens Property Insurance Corporation, the state-run insurer for those who are unable to find property insurance coverage in the private market

Source: Insurance Journal articles: "Florida Hurricane Fund Irma Payouts Could Exceed $5B." October 30, 2017. Accessed via: https://www.insurancejournal.com/news/southeast/2017/10/30/469653.htm; "Florida's Hurricane Irma Recovery Tab Tops $650M." October 27, 2017. Accessed via: https://www.insurancejournal.com/news/southeast/2017/10/27/469548.htm; and "Florida's Citizens Estimates 70K Hurricane Irma Claims, $1.2B in Losses." October 16, 2017. Accessed via: https://www.insurancejournal.com/magazines/features/2017/10/16/467066.htm

The state Department of Economic Opportunity estimates the total impact of Hurricane Irma on housing, infrastructure and the economy at $17.4 billion, with an unmet need of almost $11 billion.[14] Local governments cannot pick up the tab for this level of devastation without state support.

The intensity and frequency of natural disasters is likely to increase in coming years, as will the cost of damages, because of rising temperatures.[15] Forecasts already predict a "busier than normal" Atlantic hurricane season for 2018, with above-normal tropical storm risk.[16] If a supermajority requirement limits state support and forces local areas to pay for their own rebuilding, localities may not be able to raise sufficient revenues from constituents who have just experienced a major catastrophe. The inability to raise funds means that localities may not be able to rebuild as quickly or as responsively.

Amendment 5 may also limit federal disaster aid. The Federal Emergency Management Agency's (FEMA's) Public Assistance Grant Program requires states to provide a 25 percent match for the funds received. This grant program is intended to provide the resources for states to respond quickly to natural disasters and pays for things like debris removal and repairs to buildings and infrastructure. As such, states need to be able to designate the match funds in short order.[17] If the state cannot agree to support this aid because it requires supermajority approval, local areas would not be able to receive needed help.

## Conclusion

The state's conservation and environmental programs oversee a range of important functions, from coordinating land conservation and restoration, to ensuring that Floridians have clean water and air. These are critical investments that help create a safe environment for Florida's residents and visitors. Unfortunately, the state has a history of underinvesting in conservation and environmental protection. As a state that is in the path of an increasing number of hurricanes, Florida also must have the flexibility to raise revenue for disaster recovery and rebuilding. Amendment 5 would lock in the diminished funding for conservation and the environment and create unnecessary hurdles for legislators in raising the revenue needed to address the growing crisis and respond quickly in the face of an emergency.

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