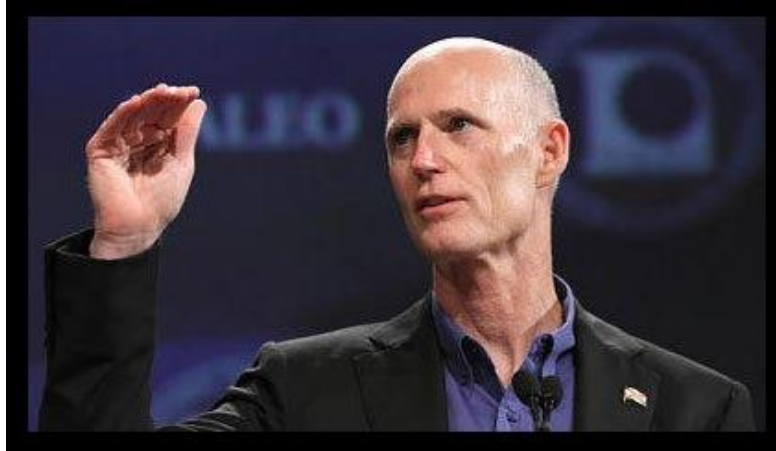


Scott budget skews state priorities: Where We Stand



Be thankful that the Legislature will get another crack after Gov. Rick Scott in writing a budget.

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Under Florida's system of government, the governor's annual budget proposal is only a statement of priorities. It's up to legislators to put together and pass the actual spending plan.

That'll be among the things we say thanks for this week. And when legislators convene for their annual 60-day session in January, we hope they'll come up with a better-balanced budget than Gov. Rick Scott unveiled this week.

Based on the bottom line, one priority stands out among others in Scott's \$79.3 billion proposal: tax cuts and other incentives for businesses. Most of the \$1 billion worth of tax cuts the governor wants over the next two years would go to businesses. He also has proposed a more-than fivefold increase in funds to attract or keep businesses in Florida, from \$43 million this year to \$250 million next year.

Those two items alone nearly double the \$635 million surplus for the next budget year projected by state economists. And because budgeting is a zero-sum game, something's got to give — including priorities that are essential to a healthy economy, like education, health care and law enforcement.

Scott insists the business package he's peddling is essential to strengthen and diversify the state's economy. We've long shared those goals, even if we don't agree on how to get there. Florida — especially our region — depends too heavily on lower-wage industries such as tourism. We've already endorsed one of the narrower measures in Scott's plan, making

permanent a temporary sales-tax exemption for manufacturers that would be worth \$77 million next year.

But the governor's full \$1.25 billion business tax blowout would come at the expense of other priorities.

Scott is touting record-high spending on public education in his budget plan, but only about \$80 million of the \$500 million increase he is proposing would come from the state treasury. The rest would come from higher tax payments based on rising property values. So while certain businesses would pay less in taxes, homeowners would pay more.

Meanwhile, the governor is not proposing to renew \$450 million in funding in this year's budget to help hospitals in the state cover their cost of caring for uninsured patients. He also would eliminate a scheduled \$82 million increase in payments to hospitals for treating patients under Medicaid.

Scott also hasn't backed away from his opposition to accepting billions of dollars in federal funds to provide health coverage to the uninsured. Instead, those businesses and individuals who pay for insurance now will keep shelling out more for it to help foot the bill for those don't. Consider it a tax on insurance in Florida.

Other priorities got shortchanged in the governor's budget. Though he often boasts about Florida's low crime rate, he proposed giving state attorneys' offices — the folks who put crooks in jail — \$44 million less than they requested for next year.

Scott also didn't include funding for the 24 additional judges the Florida Supreme Court requested to keep up with an expanding caseload. Clogged court dockets, ironically, are particularly bad for business, which depend on judges to resolve disputes.

And at a time when a consensus is building among government, business and nonprofit leaders in Central Florida on the need for the state to support communities in providing housing to reduce their homeless populations, Scott proposes to fill gaps in his budget by raiding dollars from a source that could accomplish that goal — the state trust fund for affordable housing.

Scott unveiled his latest budget in a campaign-style event at a Jacksonville business warehouse, with a speech delivered to a cheering crowd. While term limits will prevent him from running for re-election as governor, he has continued to rake in five- and six-figure contributions from deep-pocketed special interests. Tax cuts will doubtless be a campaign theme for him if and when he hits the campaign trail for U.S. Senate in 2018.

Which means the governor didn't neglect at least one other priority in his budget: his own political aspirations.