



Update 2009

*A Report on Legislative Action
on Issues of Economic Justice*

In this issue:

The Florida 2009-10 Budget

The Cigarette User Fee

Florida KidCare Bill Passes

Affordable Housing

Bringing Afterschool Suppers to Florida





The Florida 2009-10 Budget and the Federal Stimulus Funds

Florida's FY2009-10 budget of \$66.5 billion passed by the Florida Legislature is the lowest state budget since 2006. The Legislature crafted a budget by using more than \$5.3 billion in federal stimulus funds and making additional cuts to vital programs and services. The budget is estimated to provide more than 12 percent of the total cost of the Medicaid program through 2010, although the final budget approved this legislative session diverts almost \$2 billion in savings to uses unrelated to health care. It also contains reductions and cuts to programs for community care for the elderly, nursing homes, food banks, hospital inpatient and outpatient services, guardian ad-litem services, independent living for children in foster care, pre-paid health plans, county health departments, and community corrections probation services. The budget also contains roughly \$1 billion in higher court, motorists, and other fees.

The national economic recession caused state revenues to plummet, which created large shortfalls in state budgets. Shackled with an outdated and inequitable tax structure, Florida's fiscal crisis was particularly acute. The Florida Constitution mandates that state government operate within a balanced budget. The Florida Legislature's response to revenue shortfalls of tightening the belt has led to a \$6 billion reduction in the state's budget over the past three years. The budget was also balanced with revenues from rainy day and reserve accounts (including trust

fund balances). Budget reductions have eroded critical services—like education, health and human services, and the state court system--to Florida's most vulnerable citizens.

Over the past three years, the need for services has escalated, but the state's staffing and cost of living adjustments have not kept pace, as evident in Florida's low ranking in national quality and fiscal effort indices. Florida has experienced a 17.1% reduction in recurring general revenue since 2007. Economic forecasts predict a continuing decline in general revenues until 2010 or later.

A new approach is needed to sustain Florida's economy in the long term. It must provide the balance, fairness, and growth necessary to meet unmet needs and improve the quality of state services. An examination of 246 exemptions and exclusions to sales and use taxes, subsidies and other tax preferences, costing the state more than \$12 billion a year in lost revenues, is needed.

During the 2009 legislative session, several bills were introduced in the House and Senate to begin deliberation of future revenue streams for Florida. There were attempts to address some of the 246 exemptions and exclusions, but those bills failed to move forward.

Information for this article comes from the Florida Center for Fiscal and Economic Policy. For a fuller treatment, go to http://www.fcfe.org/Documents/FiscalCrisis_112808.pdf, http://www.fcfe.org/Documents/2009_Session_Issue_Brief.pdf, and <http://www.fcfe.org/Documents/ThePrescription.pdf>.

The Cigarette User Fee and Health Care Funding

With the Senate leading the way and holding firm, the Florida Legislature passed the first increase in the Cigarette User Fee (CUF) since 1990--an additional \$1 surcharge per pack. The CUF was also increased on all other tobacco products except cigars. Significant reductions in the number of teens who quit or never take up smoking are expected, but the increased CUF will also provide an estimated \$900 million for health care services next year alone. Under the legislation, most of the additional money

raised by the CUF increase will be deposited into a fund for the Medicaid program. Although the specific uses sought by the Healthy Florida Alliance coalition and the broader coalition led by the American Cancer Society did not material-



ize, the revenue generated will in fact go to health care, as advocates had hoped. Revenue generated by the CUF will be used to directly offset the cost of treating smoking-related illnesses.

Specific health-related uses of the revenue could conceivably be revisited each year under the approved legislation. Health advocates and Senator Ted Deutch (D-Delray Beach), the bill's Senate sponsor, had sought a dedicated source of revenue for the Medically Needy and MEDS-AD Waiver programs, but the funds were instead spread throughout the entire Medicaid budget--at least for FY2009-10. The Senate

did this, at least in part, to make it more difficult for Governor Charlie Crist to veto the CUF increase, as doing so would also require him to veto funding for most of the Medicaid program. Later the Governor expressed his support for the bill in part as a good public health issue. The challenge for the future will be to ensure that the CUF revenue doesn't become for the Medicaid program what Lottery revenue became for public education--a shell game where CUF money just replaces other state funding.

Summary from Florida CHAIN-Community Health Action Information Network, 2009 Legislative Session, Wrap-Up Report, May 14, 2009.



Florida KidCare Bill Passes

The comprehensive Senate version of the KidCare bill—concerning children's health insurance and sponsored by Senator Nan Rich (D-Sunrise)—was passed by the Florida Legislature and signed into law by Governor Charlie Crist. The House companion bill by Representative Jimmy Patronis (R-Panama City) was never heard in committee on the House side. The bill was supported by health and children's advocacy groups (including Florida Impact), and its passage was one of the real victories of the 2009 legislative session.

The bill makes several changes in the Florida KidCare program. It modifies eligibility determination by requiring electronic verification of family income and allowing reactivation of pending applications. The bill also decreases the period of time from 60 to 30 days for reinstatement of coverage upon voluntary cancellation for nonpayment of family premiums. It reduces the wait period from 6 months to 60 days for eligibility for families who voluntarily cancelled their employer-sponsored or private health insurance.

In addition, the bill adds good cause reasons that provide immediate KidCare eligibility for children without a waiting period, including:

- Cost of the families' employer health plan is greater than 5 percent of family income;
- Parent lost a job that provided child's health insurance;
- Parent who provided health insurance coverage is deceased;
- Child has serious medical condition;
- Parent's employer cancelled health coverage;
- Child's health benefit ended as they reached lifetime maximum benefit;
- Child has exhausted coverage under COBRA;
- Health plan benefit does not cover child's need.

The bill also removes a restriction on enrollment related to the MediKids program component and allows children to enroll in any available program in Florida KidCare. The bill expands the membership of the Florida Healthy Kids Board of Directors to add the Department of Children and Families Secretary or its designee. The bill has an estimated fiscal impact of \$4.4 million in the state's general revenue and \$10.7 million in trust funds.

Source: Florida House of Representatives, Session Summary Report, May 2009, p. 263.



Affordable Housing in Florida

In summary:

State and local housing trust funds were raided in the amount of \$91.9 million. The final \$31.11 million appropriation for housing is the lowest since FY1991-92. Repeal of the cap on the state and local housing trust funds will need to be addressed again in 2010.

The total revenue projected to be distributed to the state and local housing trust funds for FY2009-10 is \$123.01 million. Of those projected monies, the Florida Legislature has taken \$91.9 million out of the trust funds to use for other purposes, leaving only \$31.11 million for housing. This means that there is no appropriation for successful existing programs such as:

- The State Apartment Incentive Loan Program (SAIL) for the purpose of providing first, second, or other subordinated mortgage loans or loan guarantees to sponsors (for-profit, nonprofit, and public entities) to provide housing affordable to very-low-income persons.
- The Predevelopment Loan Program (PLP), which helps to fund the initial and up front costs associated with the building or rehabilitation of affordable housing.
- The Affordable Housing Catalyst Program, which provides free workshops and on-site technical assistance to community-based organizations, local governments and housing professionals.

The budget includes \$30.11 million appropriated to a program which will provide down payment assistance loans to first time homebuyers who are eligible to receive the tax credit of up to \$8,000 provided in the federal economic stimulus bill. One million dollars is appropriated for public housing repairs. Neither of the programs that received appropriations currently exists, and they were not part of the substantive legislation described below.

The \$91.9 million diversion of housing trust fund monies to general revenue is in addition to the \$250 million that was diverted to general revenue in 2008 and another \$190 million in January 2009--making \$531.9 million the one-year total of housing monies diverted from housing.

House Bill 161, sponsored by Representative Gary Aubuchon (R-Cape Coral), passed the House unanimously with repeal of the cap on the state and local housing trust funds. Unfortunately, neither HB 161 nor the Senate companion, SB 1042, was taken up on the Senate floor. Instead, SB 1042 sponsor Senator Mike Bennett (R-Bradenton) amended portions of HB 161 onto SB 360, the controversial growth management bill, which was then passed by the House. The repeal of the cap was not included in that amendment. Therefore, the repeal of the cap on the state and local housing trust funds will need to be addressed again in 2010.

Source: Florida Housing Coalition, May 4, 2009 (<http://www.flhousing.org/>).



Gearing Up for Bringing Afterschool Suppers to Florida's Kids.

The U. S. Congress will begin the process to reauthorize the child nutrition and WIC programs in 2009, so it's an important year to stay close to your senator/representative and his/her staff. For its part, Florida Impact will be working closely with our colleagues at the Food Research and Action Center (FRAC) to organize in-person meetings, group conference calls, and site visits with Florida's congressional delegation. With this reauthorization, Congress has a unique opportunity to improve access, meal quality, and nutrition for millions of children through the Child and Adult Care Food, School Meals, Afterschool Snack, Summer Nutrition, and WIC programs. A diverse set of national, state and local organizations have signed on to a Statement of Principles (http://frac.org/Legislative/action_center/statement_principles.htm) committing to a reauthorization bill with a bold vision to eliminate child hunger. These organizations are now joined by a President who, during the campaign, set the goal of ending child hunger by 2015.



Reauthorization also provides one of two opportunities to include Florida—if not the rest of the nation—in the Afterschool Meal Program, which provides a higher reimbursement rate than afterschool snack, so states can serve a nutritious meal after school. The other is Senate Bill 990, the Afterschool Flexibility to Expand Reimbursement for School Meals Act of 2009 (note the acronym), sponsored by Senators Debbie Stabenow (D-MI) and Richard Lugar (R-IN). Under current law, only ten states can operate this program, and Florida's not one of them. It gives schools the option of operating suppers through the School Lunch/Breakfast Programs or through the Child and Adult Care Food Program (CACFP), easing program administration for some schools. It also authorizes grants to states to encourage schools and institutions to participate.

Afterschool programs are vitally important as parents work longer, non-traditional hours, and many more children require afterschool care. This bill would dramatically expand access and improve the lives of millions of low-income children. The Florida Partnership to End Childhood Hunger worked collaboratively with Congressman Allen Boyd (D-2nd) this year to allocate at least enough funding in the House Agriculture Appropriations Committee (on which he sits) to add Florida to the Afterschool Meals Program. When the Congressional Budget Office (CBO) reported that adding Florida would cost over \$7 million dollars, the Subcommittee chose instead to add enough funding for the District of Columbia and Connecticut. The good news is, the Partnership secured 12 (plus Boyd) of the 25 members of the Florida delegation to sign on to a letter in support of this early maneuver and will be counted on to promote Florida's inclusion in the Afterschool Meals Program going forward. The bi-partisan signatories on the letter

were Allen Boyd, Corrine Brown (D-3rd), Kathy Castor (D-11th), Mario Diaz-Balart (R-25th), Alan Grayson (D-8th), Alcee Hastings (D-23rd), Ron Klein (D-22nd), Susanne Kosmas (D-24th), Kendrick Meek (D-17th), Adam Putnam (R-12th), Ileana Ros-Lehtinen (R-18th), Debbie Wasserman Schultz (D-20th), and Robert Wexler (D-19th).

The next strategic step is for local leaders to secure the support of Florida congressional delegates who sit on the Senate Finance and House Ways and Means committees, which will propose the size of the funding allocation for child nutrition reauthorization. Kendrick Meek and Ginny Brown-Waite (R-5th) serve on the House Ways and Means Committee. Senator Bill Nelson is on the Senate Finance Committee.

To watch the progress of Senate Bill 990 and the Child Nutrition Reauthorization and to participate actively in bringing millions in federal funding to Florida's children, visit Florida Impact's Let Your Voice Be Heard page at www.floridaimpact.org.



Florida Impact is celebrating its 30th year

We are also acknowledging the community, state, and federal partnerships that have helped us pull in literally millions of federal dollars and direct them to those for whom they were intended—the poor, the children, and low-wage workers. Later this year, we will publish our 30th Anniversary Report, which will feature *and itemize* the fiscal impact of these leveraged dollars on Florida and its communities. In the meantime, here is a peek at the latest update of *Feeding Florida: Responses to Hunger in the Sunshine State* (in the Publications section at www.floridaimpact.org), so that you can determine how much *more* resource could be brought into your community. Statewide, nearly \$2 billion is potentially available from just four federal programs, if those who are eligible were enrolled.

County	Estimated Federal Dollars not Coming into the State of Florida for 2009 Projected-eligible Populations				Total Potential but Unused Federal Dollars
	Earned Income Tax Credit	Food Stamps (SNAP)	School Breakfast	Summer Nutrition	
Alachua	\$6,100,395.19	\$41,028,900.01	\$1,722,543.15	\$1,075,679.70	\$49,927,518.05
Baker	\$806,803.88	\$1,020,540.86	\$347,532.30	\$214,125.82	\$2,389,002.85
Bay	\$5,262,717.56	\$5,276,915.55	\$1,822,212.75	\$950,557.27	\$13,312,403.13
Bradford	\$883,322.25	\$2,055,060.38	\$315,192.90	\$157,415.30	\$3,410,990.82
Brevard	\$12,636,343.88	\$16,330,897.99	\$2,630,571.30	\$2,122,228.46	\$33,720,041.63
Broward	\$55,692,977.63	\$113,935,805.00	\$19,389,993.45	\$10,834,967.46	\$199,853,743.53
Calhoun	\$504,145.13	\$1,984,791.76	\$147,600.00	\$110,851.70	\$2,747,388.58
Charlotte	\$2,816,448.19	\$7,917,479.97	\$1,318,435.65	\$773,486.03	\$12,825,849.84
Citrus	\$3,310,173.75	\$7,901,491.67	\$1,156,438.20	\$690,593.33	\$13,058,696.95
Clay	\$4,385,146.88	\$6,746,500.42	\$1,777,013.25	\$1,044,459.52	\$13,953,120.06
Collier	\$7,051,690.69	\$24,436,575.18	\$3,139,886.10	\$1,429,749.99	\$36,057,901.95
Columbia	\$2,477,231.06	\$1,908,120.10	\$850,667.55	\$527,875.31	\$5,763,894.02
Dade	\$115,639,901.25	\$72,508,800.05	\$36,315,850.05	\$18,971,386.26	\$243,435,937.61
DeSoto	\$1,075,173.75	\$4,930,295.58	\$556,552.20	\$331,149.85	\$6,893,171.38
Dixie	\$551,742.38	\$995,605.83	\$197,689.35	\$131,518.06	\$1,876,555.61
Duval	\$32,114,297.25	\$32,568,222.07	\$7,898,415.75	\$4,129,808.46	\$76,710,743.53
Escambia	\$10,810,841.25	\$17,476,898.22	\$3,628,551.90	\$2,434,425.77	\$34,350,717.14
Flagler	\$2,242,874.81	\$4,089,966.25	\$556,176.60	\$398,651.40	\$7,287,669.06
Franklin	\$362,512.88	\$992,772.46	\$94,332.90	\$56,018.96	\$1,505,637.20
Gadsden	\$3,060,235.13	\$5,437,999.96	\$735,691.95	\$365,205.84	\$9,599,132.87
Gilchrist	\$489,279.38	\$1,136,079.08	\$211,859.85	\$144,265.26	\$1,981,483.56
Glades	\$294,845.44	\$1,433,775.07	\$(8,711.85)	\$50,925.80	\$1,770,834.45
Gulf	\$407,578.31	\$1,047,413.27	\$181,461.60	\$90,076.58	\$1,726,529.76
Hamilton	\$626,966.81	\$2,119,508.87	\$160,160.85	\$103,518.63	\$3,010,155.16
Hardee	\$1,092,816.56	\$4,060,581.08	\$568,157.25	\$349,631.88	\$6,071,186.77
Hendry	\$1,799,710.69	\$3,411,414.02	\$701,431.05	\$386,876.21	\$6,299,431.96
Hernando	\$4,305,591.56	\$2,598,871.05	\$1,763,883.90	\$982,656.03	\$9,651,002.54
Highlands	\$3,092,604.00	\$10,178,841.20	\$805,765.95	\$588,161.32	\$14,665,372.47
Hillsborough	\$39,108,868.88	\$38,205,175.97	\$12,364,139.25	\$7,724,378.80	\$97,402,562.89
Holmes	\$675,921.94	\$993,413.28	\$309,554.25	\$196,848.86	\$2,175,738.33

County	Estimated Federal Dollars not Coming into the State of Florida for 2009 Projected-eligible Populations				Total Potential but Unused Federal Dollars
	Earned Income Tax Credit	Food Stamps (SNAP)	School Breakfast	Summer Nutrition	
Indian River	\$3,295,074.85	\$6,297,436.06	\$1,179,686.70	\$655,769.94	\$11,427,967.55
Jackson	\$1,838,155.31	\$9,010,616.22	\$478,530.90	\$350,241.57	\$11,677,544.00
Jefferson	\$583,297.88	\$1,038,500.87	\$83,586.00	\$94,315.38	\$1,799,700.12
Lafayette	\$225,721.69	\$1,222,716.63	\$110,377.05	\$56,017.96	\$1,614,833.32
Lake	\$7,328,711.06	\$11,699,905.12	\$2,840,930.70	\$1,630,025.38	\$23,499,572.25
Lee	\$14,591,674.69	\$32,854,387.11	\$6,499,953.00	\$3,481,826.07	\$57,427,840.87
Leon	\$6,966,542.44	\$29,564,311.21	\$1,949,397.30	\$995,137.84	\$39,475,388.79
Levy	\$1,378,632.38	\$2,878,682.07	\$580,208.25	\$373,243.13	\$5,210,765.82
Liberty	\$296,281.69	\$693,109.97	\$106,879.05	\$47,747.61	\$1,144,018.31
Madison	\$879,903.56	\$1,226,184.94	\$315,316.95	\$196,088.02	\$2,617,493.47
Manatee	\$7,553,674.31	\$19,641,210.26	\$2,879,440.65	\$1,775,583.49	\$31,849,908.72
Marion	\$10,191,423.75	\$17,677,818.91	\$3,257,200.50	\$2,187,983.88	\$33,314,427.03
Martin	\$2,302,603.88	\$8,228,255.05	\$530,657.10	\$327,207.66	\$11,388,723.69
Monroe	\$1,508,911.13	\$5,194,719.09	\$499,983.00	\$261,824.08	\$7,465,437.29
Nassau	\$1,688,913.94	\$2,570,948.23	\$554,458.20	\$381,429.06	\$5,195,749.43
Okaloosa	\$4,922,929.69	\$9,135,572.74	\$1,496,395.20	\$765,602.78	\$16,320,500.41
Okeechobee	\$1,297,696.69	\$3,525,634.50	\$622,957.50	\$384,197.21	\$5,830,485.90
Orange	\$44,310,987.38	\$56,132,237.85	\$15,369,800.85	\$8,087,475.95	\$123,900,502.02
Osceola	\$12,937,236.75	\$2,417,325.23	\$5,414,023.50	\$2,803,630.98	\$23,572,216.46
Palm Beach	\$33,200,117.44	\$83,111,259.71	\$12,400,822.80	\$6,022,923.55	\$134,735,123.51
Pasco	\$10,800,211.31	\$24,671,488.48	\$3,953,707.05	\$2,971,067.78	\$42,396,474.62
Pinellas	\$21,529,537.88	\$48,724,124.51	\$7,492,015.95	\$3,731,294.31	\$81,476,972.65
Polk	\$21,317,220.00	\$22,282,341.48	\$9,080,000.25	\$5,145,473.92	\$57,825,035.65
Putnam	\$3,109,345.69	\$3,264,725.84	\$863,003.40	\$739,270.52	\$7,976,345.44
St. Johns	\$2,871,674.44	\$6,819,652.37	\$472,286.40	\$453,117.77	\$10,616,730.98
St. Lucie	\$8,788,426.13	\$8,230,432.45	\$4,374,397.20	\$2,082,709.23	\$23,475,965.01
Santa Rosa	\$3,359,950.88	\$8,365,976.13	\$157,702.05	\$612,155.03	\$12,495,784.08
Sarasota	\$6,159,733.50	\$18,047,498.73	\$3,124,285.50	\$1,529,156.81	\$28,860,674.55
Seminole	\$10,171,367.44	\$22,668,991.80	\$3,084,112.20	\$1,962,116.44	\$37,886,587.88
Sumter	\$1,490,313.56	\$5,705,708.62	\$492,571.95	\$364,431.45	\$8,053,025.58
Suwannee	\$1,444,219.13	\$2,182,561.31	\$507,201.45	\$319,562.97	\$4,453,544.86
Taylor	\$841,337.06	\$801,865.99	\$281,395.80	\$163,555.33	\$2,088,154.17
Union	\$401,368.31	\$1,854,580.29	\$171,246.60	\$106,676.57	\$2,533,871.77
Volusia	\$13,502,370.38	\$40,400,057.64	\$4,253,303.10	\$2,304,224.79	\$60,459,955.90
Wakulla	\$850,693.13	\$1,702,137.50	\$324,033.90	\$195,366.14	\$3,072,230.67
Walton	\$1,449,763.31	\$3,762,706.07	\$456,648.30	\$302,486.05	\$5,971,603.73
Washington	\$857,576.25	\$1,667,471.56	\$268,238.55	\$204,716.05	\$2,998,002.41
FLORIDA	\$585,778,300.50	\$960,001,864.75	\$198,185,804.25	\$111,433,146.47	\$1,855,399,115.96



Mobilizing Communities
Against Hunger and Poverty

1331 E. Lafayette Street, Suite A
Tallahassee, FL 32301

NONPROFIT ORG.
U.S. Postage
PAID
Tallahassee, FL
Permit NO. 187



**Help Bring Afterschool Suppers
to Florida's Kids this year!**

**Let Your Voice Be Heard
at www.floridaimpact.org!**

Check out the automated email feature!
Sign up for your personal email alerts!

And use our directory to easily locate your
congressional and state policymakers.

YES! I will support Florida Impact in Celebration of its 30th Year!

AMOUNT DONATED: \$ _____

**Now you can make your contributions to the work of
Florida Impact on-line at www.floridaimpact.org!**

Name: _____

Organization: _____

Address: _____

Telephone: _____ Email: _____

Florida Impact is recognized as a 501 (c) 3 organization - all donations are tax deductible

