

1993

TURKEY WATCH



**1993 State Budget Includes 22 Turkeys
Worth \$33 Million**

May 1993

*Updated to include
May 4, 1993 Governor's vetoes*

Florida
TaxWatch
Inc.

ABOUT FLORIDA TAXWATCH

Florida TaxWatch is the only statewide organization entirely devoted to state taxing and spending issues in Florida. Since its inception in 1979, Florida TaxWatch has become widely recognized as the watchdog of citizens' hard earned tax dollars. The nationally distributed City and State magazine in 1989 published a poll of the nation's statewide taxpayer research centers. Based on this poll, the publication cited Florida TaxWatch as one of the six most influential and respected taxpayer assistance institutes in the nation.

During one three-month period in 1991 and 1992, Florida TaxWatch was featured in the **Wall Street Journal**, the **New York Times**, and the **Washington Post**. In early 1992, Florida TaxWatch was featured on the prestigious **MacNeil/Lehrer Newshour** and several times in the **Wall Street Journal**.

Florida TaxWatch is a private, non-profit, non-partisan research institute supported entirely by voluntary, tax-deductible membership contributions and philanthropic foundation grants. Membership is open to any organization or individual interested in supporting a credible research effort that promotes positive change. Florida TaxWatch members, through their loyal support, help Florida TaxWatch to bring about an effective, responsive government that is accountable to the citizens it serves.

Florida TaxWatch is supported by all types of taxpayers -- homeowners, small businesses, large corporations, professional firms, associations, individuals and philanthropic foundations -- representing a wide spectrum of Florida's citizens.

Florida TaxWatch is well-known and respected for its empirically sound research products which recommend productivity enhancements and explain statewide impact of economic and tax and spend policies and practices. Without lobbying, Florida TaxWatch has worked diligently and effectively to build government efficiency and promote responsible, cost effective improvements that add value and benefit taxpayers. This diligence has yielded impressive results: three out of four of TaxWatch's cost saving recommendations have been implemented, saving taxpayers \$1.5 billion. That translates to nearly \$300 for every Florida family.

With your help, we will continue our diligence to make certain your tax investments are fair and beneficial to you, the taxpaying customer who supports Florida's government. Florida TaxWatch is ever present to ensure that taxes are equitable, not excessive, that their public benefits and costs are weighed, and that government agencies are more responsive and productive in their use of public funds.

The Florida TaxWatch Board of Trustees is responsible for the general direction and oversight of the research institute and safeguarding the independence of the organization's work. In his capacity as chief executive officer, the President is responsible for formulating and coordinating policies, projects, publications and selecting the professional staff. As an independent research institute and taxpayer watchdog, the research findings, conclusions and recommendations do not necessarily reflect the view of its distinguished Board of Trustees.

This report was researched and written by Kurt R. Wenner, Michael Walsh and John Hall, Senior Research Analysts, and Doug Wager, Research Analyst, under the direction of Dr. Neil S. Crispo, Director, Research and Operations.

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Dominic M. Calabro
PRESIDENT
CHIEF EXECUTIVE OFFICER

Dr. Neil S. Crispo
DIRECTOR OF RESEARCH
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May 20, 1993

Dear Fellow Taxpayer:

The years 1991 and 1992 were legislative landmarks. These were the years when a combination of a severe economic downturn and Florida's repeated budget shortfalls prompted the Governor and legislators to take a "no turkey pledge," virtually eliminating turkeys from the state budget. This commitment was born of their recognition that taxpayers expect and deserve a more responsible, statesmanlike approach to spending decisions. For the first time in nearly a decade, taxpayers and lawmakers seemed to be of one mind: if the state is strapped for cash, all appropriations should be scrutinized especially carefully and their value assessed. Now, the recession, long and harsh as it was, seems to have waned. Revenues have begun an upswing. While Florida's economy is not booming, it is steadily improving. We are not out of the woods, but we have escaped the quicksand.


Florida TaxWatch found a total of 22 turkeys worth nearly \$34 million. Of the \$33.7 million, more than \$6 million was found in General Revenue, more than \$4 million was found in PECO and nearly \$23 million was found in various trust funds. This year's turkeys cost \$6.09 for each Florida household.


Most if not all of the measures discussed in the following pages contain various degrees of merit. Many of these appropriations are worthy. But all of them meet Florida TaxWatch's stringent budget turkey criteria. They are items that were placed in the state's \$35.2 billion budget without proper/full review, or which benefit a special interest or local area of the state or are low priority projects that get funded over higher priority needs that were legitimately determined.

This year's Turkey Watch report is a most discouraging vehicle, marking the end of a public spirited commitment and signalling a return to the more parochial agendas of the past. Will we see a return to 1990's excessive crop of 401 turkeys worth \$112 million? Although this year's \$33.7 million represents a small portion of the \$3.3 billion budget increase, taxpayer vigilance is essential to keeping the spending process accountable.

As long as lawmakers and voters accept these practices, placing more importance on local programs instead of considering statewide priorities, Florida TaxWatch will by necessity continue its budget turkey review. In short, this citizen vigilance keeps the spending process a little more open, honest and responsive.

Respectfully,


Buell G. Duncan, Jr.
Chairman


Dominic M. Calabro
President

1993 Turkey Watch

1993-94 State Budget Contained 22 Turkeys Worth \$33 Million

The turkey budgeting process has returned. After a two year absence, the 1993-94 General Appropriations Act contains 22 budget turkeys worth \$33.7 million. This return is disturbing because it appeared the Legislature was serious about eliminating budget turkeys. Two years ago, Florida TaxWatch reported the first "turkey-free" state budget. Last year, with the final budget not being passed until the first day of the fiscal year and then immediately being signed into law by the Governor, a thorough review was not undertaken. However, it too appeared to lack a significant number of turkeys.

This absence was due in part to a lack of available funds but steps instituted by the Legislature also helped. A concerted effort was made by the appropriations chairmen to eliminate turkeys.

This year's \$33 million in turkeys is a relatively small portion of the \$35.2 billion budget. But the reversal of the trend during a year when little new revenue was raised does not bode well for the next time there is a significant tax increase. Of the \$33 million, more than \$6 million was found in General Revenue, more than \$4 million was found in the Public Education Capital Outlay Fund (PECO) and nearly \$23 million was found in various trust funds.

The blame for turkeys does not fall only with Florida legislators. Florida voters who place greater importance on projects within their community, at the expense of clearly more important projects for the state community, must share in the responsibility. Legislators, however well-intentioned when first elected, learn very swiftly that petty parochialism pays off when voters tally the score of legislative sessions. Voters, businesses, editorial boards, special interest groups and campaign contributors who reward the turkey-prone lawmakers with re-election are no less guilty of abuse of the state's trust than are the lawmakers themselves. Floridians deserve the kind of leadership that places the good of the many over the good of the few.

What is a Turkey?

It must be noted that the "turkey" label is not a blanket condemnation of the worthiness of a particular project. But with vast needs and limited resources the question must be "is this the best use of Floridians' state tax dollars?" The priorities of all citizens must be considered. (*continued on next page*)

Special Note: The Governor's Vetoes

Florida TaxWatch's 1993 Turkey Watch was originally released on April 30, 1993. On May 4, Governor Lawton Chiles vetoed 14 items worth \$72.3 million from the budget. Most of this money (\$61.9 million) was the Legislature's prison funding and construction plan which the Governor opposed. He has called a session for May 24 to deal with that issue. The Governor's veto list included six of the items TaxWatch identified that are worth \$7.7 million. These are denoted in this report by a red "vetoed" stamp.

Turkeys are usually tacked onto the state budget during the legislative session, circumventing the normal planning and budgeting process which, by necessity, requires close scrutiny by state agencies, the Governor's Office of Planning and Budgeting and legislative committees and staff. Florida TaxWatch allows for legislative initiative and the definition of what constitutes sufficient budgetary review includes passages of substantive legislation regarding budget items and substantial review at legislative committee hearings.

Criteria

Turkeys fall under one or more of the following categories.

1. Projects or programs that did not go through any review process allowing for proper evaluation: agency budget requests, Governor's recommended budget, or legislative committee hearings.
2. Subsidies to private organizations, councils or committees which can and should obtain funding from private sources.
3. Local government projects benefitting local area residents but lacking significant local funding support and/or overall benefit to the state as a whole.
4. Projects having no empirically demonstrated public benefit but instead benefit some special interest.
5. Low priority projects that get funded over higher priority items.
6. Fiscally offensive appropriations - e.g., only partially funded with a large annualized cost in subsequent years, funded from inappropriate sources, duplicative of existing program, etc.

WHAT ELSE COULD A TURKEY BUY?

For illustrative purposes, Florida TaxWatch investigated other funding opportunities for the revenue appropriated to this year's turkey crop. The priorities chosen were child care, children's mental health, elementary and secondary education, alternatives to prison beds such as residential drug treatment services and public assistance eligibility staff. Listed below are the estimated number of additional resources in these areas that \$33.7 million could buy with the taxpayers' hard-earned money.

Child care - 8,641 twelve-month slots

Children's Crisis Stabilization Unit beds - 338 beds

Public School Teachers - 842 teachers

Residential Drug Treatment Services - 2,885 beds

Public Assistance Eligibility Staff - 1,404 positions

1993-94 Florida TaxWatch Turkey List

Department of Agriculture and Consumer Services



37A - International Market Ornamental Horticulture. This aid was supposed to help fund international promotion and marketing studies for Florida's ornamental horticulture industry. This is the fourth time this has made the turkey list, popping up even after proviso language in the 1991-92 appropriations act stated, "It is the intent of the Legislature that this be the last year of general revenue funding for this item." Sound public policy suggests that the industry should assume the expense of its promotion and marketing. This item was not recommended by the Governor.

\$250,000



1848A - Fanning Springs Farmers' Market. The repairs to this farmers' market were not requested by the Department of Agriculture and Consumer Services in time to be in the agency final request of the Capital Improvements Plan. This was not in either the final House or Senate budget. Although this may be a good project, it should be prioritized before it is funded.

\$135,000



1848B - Fort Pierce State Farmers' Market. On March 2, the Division of Marketing and Development requested additional funds to pay impact fees to Fort Pierce for connecting the farmers' market to the city water supply. The original request for \$35,000 was increased an additional \$19,393 to install "water system elements as required to deliver the water to the tenant facilities." This was not in either the final House or

Senate budget. This item lacked evidence of prioritization and a timely agency request.

\$54,393

Department of Education



330A - Bethune Cookman Security. This would address security issues on campus because of recent student killings. This is a private school. It was in the original House bill, not in Senate or Governor's recommendations and not requested by the agency. This is a local issue and should be addressed by the College, the City of Daytona Beach and Volusia County.

\$125,000



382A - College Preparedness Incentive Program. This appropriation was contingent upon Senate Bill 1514 which failed.

\$1,000,000



424 - FAU Integrative Community Development Strategy. Proviso directs Florida Atlantic University's Urban and Regional Planning Department to hold workshops to develop a plan to address the needs of the I-95 corridor in areas of housing, transportation and economic development. This was a Senate issue, not in the Governor's recommendations or in the agency request. It is also a local issue, more appropriately funded from local government and private sources.

\$100,000



424 - Graduate Engineering Research Center/University of West Florida (UWF).

The Florida Board of Regents requested additional funding and positions for the Eglin Air Force Base Graduate engineering program run by the University of Florida. UWF does not have a Graduate Engineering Center. Also, this seems to contradict legislative intent of redirecting funds back to the classroom (\$7,982,411 redirect proviso). This item was not in the original House or Senate bills, not recommended by the Governor and not requested by the agency.

\$100,000



1940 - Community Instruction Center - Pensacola Community College.

This was not recommended by the Department of Education as required by s. 235.435, Florida Statutes. The project includes an auditorium but no classrooms and will cost approximately \$4.5 million.

\$426,656



1940 - Adjacent land acquisition - Pensacola Community College.

This was not recommended by the Department of Education as required by s. 235.435, Florida Statutes.

\$1,985,000



424A - In-State Undergraduate Fee Waiver.

Generally, fee waivers reduce out-of-state tuition to the in-state level. This would allow Florida A&M University to waive in-state undergraduate tuition. No other institution can waive in-state undergraduate fees. The justification given for this is FAMU's large number of non-resident National Achievement Scholars who receive fee waivers. This will allow FAMU to attract highly qualified Florida students. It was not in the original House and Senate bills, recommended by the Governor or requested by DOE. Although this has merit, to be equitable, all Florida universities should be allowed to waive resident undergraduate fees to attract highly qualified students.

\$100,000



1940 - Data Processing Building Addition and Equipment - Palm Beach Community College.

The major portion of this is associated with a mainframe computer purchase. The House bill contained \$600,000 for the data processing building; the Senate did not have this but did fund \$750,000 in operations for a computer purchase. This seems to be a "back door" method of purchasing Operating Capital Outlay (OCO) equipment via Fixed Capital Outlay/PECO funds. It is inappropriate to purchase computer equipment that may become obsolete and need replacement in a relatively short period of time (five to 10 years) from proceeds of long-term bonds (30 years). Generally, major OCO purchases are made under installment purchase agreements (approximately three to five years) funded via OCO funds.

\$2,200,000



431 - Survey.

Proviso for a survey to determine the factors which influence the educational and career choices for students in secondary and postsecondary education. The need for this survey is questionable. This item was not in the Senate or House bills, not recommended by the Governor or requested by the agency.

\$20,000



2010A - Public Broadcasting Station Equipment.

This provides funds to purchase equipment for WPBT-TV in Miami. Students from FIU are trained at the station (FIU does not have a station). Last year, the station requested \$2.5 million and received \$1.0 million. The state funds four types of Public Broadcasting

stations: School Board (Dade), Community College, University and Non-profit Community Corporations (WPBT is one). Currently, five non-profit community corporations receive funding under the Commissioner's budget (#300) on an equal amount basis (WPBT is not funded). In addition, the state is funding public broadcasting in three separate line-items -- totalling \$13.4 million. This item was in the original Senate bill at \$500,000 but not in the House bill or Governor's budget and not requested by the agency.

\$1,200,000

the agency request and the Governor's recommendation include the supplemental funding.

However, the extra \$250,000 for the three counties named above is a different matter. Special interests were served through the Conference Committee process that violates previously established fair and equitable allocation formulae.

\$250,000



2010B - Edward Waters College building restoration. The College received an appropriation in 1990-91 of \$500,000 for this purpose. If it is to be funded, it should be funded from the Secretary of State's office as an historic preservation project. It was in the original Senate bill, not in the House bill or Governor's budget and not requested by the agency.

\$500,000

Department of Environmental Regulations



481 - Waste Tire Abatement Program. A proviso in this appropriation sets aside \$2 million to "request requests for proposals for waste tire collection and processing. . ." A 50/50 match with private industry is also stipulated in the language. This proviso did not appear until the Conference Committee Report and does not identify a legitimate public purpose. The department did not request it and the Governor did not recommend it.

Although this project did not enter the budget through the proper process, and is thus a turkey, the state should dedicate funds for further study and implementation of waste tire recycling programs that would help the state meet the requirements of the Solid Waste Management Act and the legislative requirement of the Department of Transportation to use waste tire rubber in highway construction.

\$2,000,000

Department of Elder Affairs



460 - Local Services Programs. Proviso related to this item sets aside an appropriation of \$250,000 for Pinellas, Pasco and Broward counties that circumvents the allocation formula established to compensate for previous judicially sanctioned changes in funding. The appropriation line item (\$3,395,479) exists due to legislative adjustments of the department's allocation formulae for the Older American's Act and Community Care for the Elderly funds. Additional dollars are provided for service areas 5, 6, 10, and 11. This special category appropriation (\$3,145,479) is not new to this legislative session and reflects the general revenue dollar amounts in the current year's approved operating budget. Both

"Nothing is easier than spending public money. It does not appear to belong to anybody; the temptation is overwhelming to bestow it on somebody"

Calvin Coolidge

Department of Health and Rehabilitative Services



550 - Emergency Medical Technician Certification. Proviso requires the department to continue contracting for the certification examination program for Emergency Medical Technicians (EMTs) and Paramedics with "a qualified private professional testing service." The current contract is with a Florida firm called the National Assessment Institute funded with \$362,000 for two years.

Both the department and the Governor's Office recommend the use of an alternative testing service called the National Registry. Thirty-three other states use the National Registry. The National Registry does not require any state funding. The cost is absorbed by the educational institution providing the EMT or Paramedic training curriculum and a \$25 application fee. Further, the certification procedure includes both a written and practical exam that is, in the view of HRS, a more effective examination. In addition, certification by the National Registry qualifies the individual to practice in all states, whereas the certification provided by the National Assessment Institute is only effective in the state of Florida. So why not give the taxpayers a break? A better testing service that does not cost the state any money makes good sense.

\$180,000 (estimated)



653A - Local Services Programs. This special category appropriates \$1 million to the Dade County League Against Cancer. The issue was not requested by HRS or recommended by the Governor. Although the program had a contract with HRS a few years ago, it was reduced and finally terminated during the revenue shortfalls of recent years.

This appears to be a meritorious program. The League provides free medical care to needy cancer patients. In 1992, 519 clients received services subsidized either through volunteer health practitioner efforts or agency funds.

However, this is clearly a local program that is not based on statewide priorities and funding strategies. The program is reportedly well perceived by the Miami community. An indication of the local support for the League is evidenced by the more than \$2 million pledged last year in its annual telethon.

The amount of this appropriation grew throughout the legislative process. First \$250,000, then \$500,000. Finally it climbed to a full million dollars in the conference committee deliberations.

\$1,000,000



2015 - Community-based Services. This item appropriates capital outlay grants and aid to community-based services initiatives that offer services to HRS clients. The majority of the funds are subject to a competitive awards process. However, proviso language is included with the item directing the department to fund three particular programs with specified dollar amounts. Only one of the programs listed was included in the agency request and Governor's recommendations. The other two programs -- the Washington County Association for Retarded Citizens (\$350,000) and the Children's Home Society of Florida (\$500,000) - - are not included in the department's prioritized listing of capital outlay projects. Although these may be meritorious projects, they did not meet the criteria specified for fixed capital outlay grants and aid.

\$850,000

"The same prudence which in private life would forbid our paying our own money for unexplained projects, forbids it in the dispensation of the public moneys."

Thomas Jefferson

Department of Highway Safety and Motor Vehicles



732 - Shoe and Uniform Allowance for Florida Highway Patrol. This increases the allowance from \$275 to \$500 per year.

Excluded from this increase were the more than 11,000 security and correctional employees in other agencies (DOT, FDLE, Game and Fish and Corrections) who are eligible for a uniform and shoe allowance but did not receive an increase. This sets a bad precedent of granting benefit increases to employees who are covered by collective bargaining units, when the benefit was not part of a collective bargaining agreement. This is true especially in light of the recent Florida Supreme Court ruling that upheld the unique and special nature of collective bargaining agreements between the state and its employees. The item was not in the original House or Senate bills or requested by the Governor or the agency.

\$435,825

Department of Management Services



1954B - City of Plantation Regional Service Center/Sony Building. The need for the Regional Service Center is not disputed. The Department of Management Services (DMS) included it as a first-year priority in its budget request. However, the department plans to explore all options in the area, build or buy, and choose the most cost effective option. This issue was not included in either the final House or Senate budget, but surfaced in the Conference Report with the Sony Building attached to it. The Sony Building is not even in Plantation -- it is in Fort Lauderdale. The concern is that this appropriation may mandate or prejudice the choice of a particular building before DMS can fully evaluate all options to get the best deal for the taxpayers. To remove any cloud,

this appropriation should wait until that determination is made.

\$19,287,500

Department of Natural Resources



1909B - Development of Railroad Right-of-Way. A proviso dedicates \$35,000 to be used to fund a private feasibility study of

converting an abandoned railroad right-of-way into a walking/exercise trail from Tallahassee to Panacea. DNR officials are not sure who will be hired to conduct the study. A program called "Rails to Trails" is already in place to develop and implement projects like this one, but the Tallahassee to Panacea study is not on the program's list. Neither the department nor the Governor requested this item. In fact, it did not appear until the Conference Committee Report.

\$35,000



2018A - Duplicate Item. Port and Soil Mitigation funding shows up in two places in the budget: items 1710A and 2018A.

TaxWatch brought this matter to the attention of officials at the Governor's Office of Planning and Budgeting, but the General Appropriations Act and Summary Supplement of Intent does not reflect any special attention being given to the matter. 1710A is the "correct" item. 2018A should be eliminated.

\$1,660,390

"A turkey is an unnecessary, costly, special interest project..in someone else's district."

Anonymous