



SOLIDARITY —

In The Sunshine

NEWSLETTER OF THE FLORIDA AFL-CIO

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The Florida AFL-CIO Takes on The Biggest Scam in Florida History

On Monday, July 9th the Florida AFL-CIO State Committee on Political Education voted to add the voice of Florida's labor movement to the hundreds of other voices across the state, collectively representing millions of Floridians, in opposition to the proposed constitutional amendment on property taxes that will appear on the ballot during the Presidential Preference Primary Elections on January 29th, 2008. This decision is based on several months of work and careful study by the Florida AFL-CIO and United Labor Lobby during both the 2007 Regular Session and 2007 Special Session "B" of the Florida Legislature. It was an incredibly important decision, but an easy one to make. The Florida AFL-CIO has always held promoting the lives and welfare of both our members and all working families as its primary mission and understands that many working people are struggling to keep their homes in an era of skyrocketing property insurance rates, rising taxes and stagnant wages. Something must be done to ease the tax burden of millions of hard working Floridians and retirees living on fixed incomes. Unfortunately, a select group of ideologues in the Legislature and the Governor are using this crisis and the constitutional amendatory process to push an incredibly radical anti-tax, anti-service agenda that will cause irreparable harm to our great state – while doing nothing to address the real problems with Florida's antiquated tax structure and out-of-control insurance industry, which are the real culprits for this problem.

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It is impossible to overstate the seriousness of the threat posed by this constitutional amendment. This fight will be a defining moment of our movement for this generation and generations to come. This struggle will be about the future. It is about our schools, our health care facilities, our public safety, our libraries, our parks and recreation programs – everything and anything that has to do with both essential and non-essential public services – services we rely on and deserve both for our basic survival and our overall quality of life. Supporters of this measure say it is about cutting taxes for working families...it is really about cutting taxes (yet again) for the wealthy and the elimination of government by those who don't need and don't want to pay for it.

The Florida AFL-CIO is already working with our Central Labor Councils, public sector unions and the National AFL-CIO to develop a plan to educate, organize and mobilize our members and their families for what is sure to be our biggest constitutional ballot fight in decades. In the weeks ahead, we will be providing a wealth of information and resources for all of our members on this issue so that they understand what is at stake and can credibly communicate to their friends, co-workers and neighbors about what could be the single biggest scam in the history of Florida. **In this issue of Solidarity in the Sunshine, we take our first look at the specifics of the amendment and some very basic points about why this amendment must be voted down in January.**

All This for \$174?!



This Constitutional amendment is the second component of a two-part tax reform plan designed to reduce property taxes which passed during the 2007 Special Session "B". The first component was a statutory change that implements mandatory roll-backs on property taxes to last fiscal year's level and places caps on local governments for future revenue growth. Much of Florida's property tax system is in the Constitution, so in order to make lasting changes and protect these new statutes from challenges in the courts, a Constitutional amendment must be approved by 60% of the voters.

- The amendment requires that the Legislature take power away from local governments by putting a cap on their revenue and banning them from increasing taxes (with the exception of school districts).
- The amendment creates a new "super exemption" for homesteaded property. The current exemption of \$25,000 will increase to 75% of the first \$200,000 in just value, plus 15% of the next \$300,000 in just value; adjusts the upper limit by growth in per capita Florida personal income and allows it to be increased by a 2/3 vote of the Legislature; provides a minimum exemption of \$50,000, which is increased to \$100,000 for low-income seniors;
- The amendment eliminates the "Save Our Homes" tax cap on new homesteads established after the effective date and places them under the new super exemption.
- Homeowners currently protected by "Save Our Homes" will have a one-time option to continue in that program or switch to the new "super exemption." This choice is irreversible regardless of whether or not the decision saves the homeowner money.
- The amendment will allow a new statutory exemption from ad valorem taxes for tangible personal property (business equipment) of no less than a value of \$25,000 (the wording indicates that businesses could get an even bigger tax cut later).
- The amendment will allow owners of affordable housing that is subject to rent restrictions imposed by a governmental agency to have the property value assessed differently to save the owner's money.
- The amendment will give the Legislature the ability to create "working waterfronts" that have their property values assessed differently.

This is a lengthy and complicated constitutional amendment; one that makes important changes to Articles VII and XII of Florida's Constitution in 5 different sections, because the Florida Legislature is not bound by the single subject requirement imposed on citizen initiatives. **When all is said and done, most estimates indicate that the average tax savings for Florida's homeowners will equal about \$174.** Businesses and those homeowners in extremely high value homes will fare much better. It is important to note that the \$174 tax savings is estimated to be less than the increases in property insurance rates for the next year, thanks in large part to the Legislature's disastrous failure to stand up to the insurance lobby during the special session on insurance reform. The bottom line is this – many people need and deserve a property tax break, but this one-size-fits-all approach does not get relief to the people who need it most and actually penalizes those same people through drastic service cuts and massive public sector job losses.

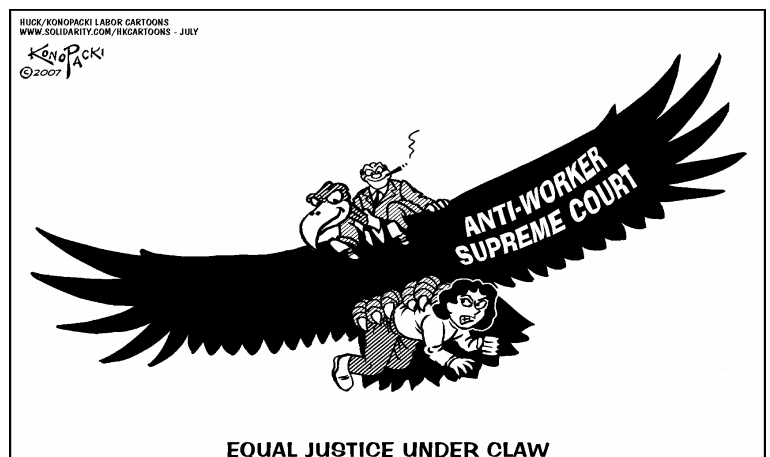
WORKING FAMILIES VOTE 2008



Working Families Vote 2008 is the online center for union members and all working women and men to get involved in selecting America's next president. The site has up to the minute posts, video and best of all the chance for you to weigh in on the issues that matter. Check out the site now:

<http://www.aflcio.org/issues/politics/>
and then

SPREAD THE WORD!



TABOR Rears Its Ugly Head in Florida!



While the property tax amendment is complicated, the most devastating portion is not. It involves a sordid tale of radical extremists and the fundamental belief that the wealthy don't use government services (except of course for no-bid contracts, private school vouchers and corporate welfare) so they shouldn't have to pay for it - a story that has been told in over 16 states across the nation. **It is the Tax Payer Bill of Rights, or TABOR, as it known by those who have refused to drink the kool aid of its Orwellian sounding lofty title.** TABOR is the brain child of anti-tax, anti-union, K-Street connected, George Bush confidant and all around wacko Grover Norquist and his wealthy pals around the country. Simply stated, TABOR involves mandated caps on government revenue and/or spending which supporters claim are good for taxpayers and the economy, but are really best explained by Norquist himself when he uttered the infamous quote that he wanted to "shrink government down to the size where we can drown it in a bathtub." In most cases, TABOR

has been pursued at the state level, forcing arbitrary caps on state revenue and/or spending, but in this case the caps will be on local governments. State TABOR caps have been pursued here in Florida with joint resolutions creating such caps offered in the Florida House of Representatives each year for the past 6 years, but TABOR's abysmal failures in other states kept it from ever being considered in any meaningful way. So, Senator Mike Haridopolos and Representative Dean Cannon, the two co-chairs of the special joint committee that drafted the amendment and both devotees of Norquist and his bunch, decided to slip TABOR-like caps in the mix for local governments. Norquist himself visited the Capitol during the Regular Legislative Session to preside over the birth of his little demon spawn child. In a letter to legislators in April, he endorsed any plan that, "includes the spending caps that are vital to achieving meaningful tax relief" while urging legislators to "add further spending benefits for taxpayers by restraining state spending growth as well."

The dubious histories of those pushing the current TABOR-like caps aside, why are arbitrary caps on local government spending such a bad thing? In order to answer that, it is first necessary to look at a couple of facts about Florida and how we are currently doing on several major indicators for social service spending.

- Florida is ranked **48th** in total education spending per capita income and **50th** in the nation for higher education spending as a percentage of the budget. Consequently, we are also at the bottom in most areas of student achievement, including **42nd** in the nation for high school diploma completion.
- We are **41st** in the nation for general health care delivery, **47th** in the nation in terms of people without access to primary health care and **44th** in the nation in terms of providing health care for children.

This trend holds true across the board for all of our major social service indicators. During Jeb's administration, **Florida enacted between \$14 and \$16 billion in dollars in tax cuts**...almost all aimed at big corporations and Florida's richest residents, which forced the state to slash public service spending in all quarters. These reckless tax cuts have wreaked havoc on Florida's already antiquated and inefficient tax structure. Consider these facts:

- Florida currently ranks **34th** in the nation for total tax revenue per capita, **43rd** in the nation for per capita expenditures (up from 50th in 2006). Due to our refusal to spend money on critical programs, we are also **48th** in the nation per capita for the amount of federal dollars we draw down under matching programs.
- Florida has consistently received the lowest rating by Congressional Quarterly and Governing Magazine in terms of revenue adequacy for programs and fairness to taxpayers.

The Florida's Legislature's refusal to adequately fund essential services, has meant that local governments have been forced both by directive and basic necessity to pick up the tab for essential services. One of the major reasons for the huge property tax increases!

Florida currently ranks 8th in the country for the state share of taxes for services meaning only 7 states in the nation expect their local governments to do as much as ours.

So, the Legislature has refused to pay its fair share, preferring to give the state budget away to the richest and most powerful, and now wants to place mandatory caps on what local governments can do. This amendment dooms Florida to stay at the bottom forever!

2007 Biennial Convention Update

The first notice and credentials for the Florida AFL-CIO 2007 Binennial Convention have been mailed to all affiliated unions, councils and CLCs. The Convention dates are October 1 - 3, 2007, with registration and executive board meeting beginning September 30th. Our location this year is the TradeWinds Resort in St. Petersburg Beach, Florida.

If your union has not received this mailing, or if no credentials were enclosed, please contact Kimberly Johnson in the Secretary-Treasurer's office at 850-224-6926 or kjohnson@flaflcio.org via email.

Along with the convention notice, a Hall of Fame Nomination form is included. This is your opportunity to nominate a true labor leader whose efforts have enhanced the lives of union members in Florida. The person chosen for this prestigious award will be honored at the Labor Hall of Fame Gala, Monday, October 1, 2007 at the TradeWinds Resort. If you would like to place someone in nomination, please do so by August 1. For up to the minute information such as confirmed speakers or other events, visit our convention page on the web at <http://www.flaflcio.org/main/page/ca>

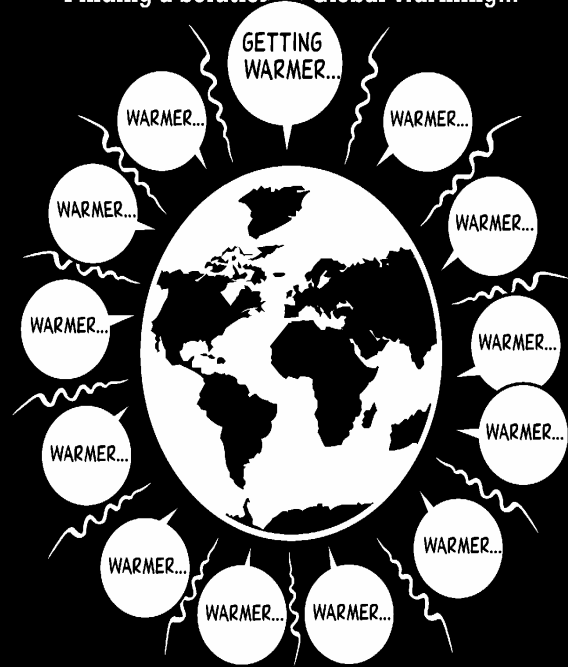
Have you Checked Out Our New Home on the Web?



We have finished our first round of major updates to the Florida AFL-CIO's new website. The site is designed to be a no-frills, easy to use, simply designed portal to help you stay informed about everything we are doing. The site has archives of our past newsletters and reports, news clips updated every 6 hours, links to help you communicate with us and stay involved and a wealth of information for non-union workers to find out about the benefits of union membership. This is a work in progress and we plan to keep updating the site with new features and new functionality – while keeping the site simple to use and easy on the eyes. Check it out and let us know what you think.

www.flaflcio.org

Finding a Solution to Global Warming...



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Cynthia Hall
Dwayne Sealy
President
Secretary-Treasurer



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SOLIDARITY



135 South Monroe Street
Tallahassee, FL 32301