



FLORIDA AFL-CIO UNITED LABOR LOBBY



LEGISLATIVE UPDATE

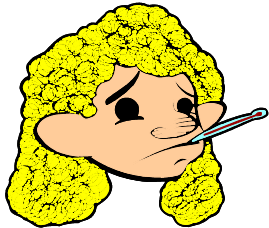
2008 FLORIDA LEGISLATURE

March 28th 2008

Issue 3

Sick Kids, Seniors and the Disadvantaged are on the Budget Chopping Block!

How come skybox seats, sports teams and Wal-Mart aren't?



Tax-cut fever has given many in the legislative leadership temperatures of 104 and up. Temperatures that high are often accompanied by delusions, delirium and, if left untreated, can lead to permanent brain damage. In light of the fact that Florida is currently in the midst of a \$3 to \$4 billion budget/revenue crisis, the call for even more draconian tax cuts, revenue caps and other schemes would seem to indicate that brain damage has, in fact, set in. Last year, the Florida AFL-CIO joined a loose knit, ad-hoc coalition of grassroots organizations, budget watchdogs, education and social service advocates to try to treat the disease.

The Coalition for Fair and Comprehensive Tax Reform includes Florida PTA, Florida Education Association, the Florida NAACP, Florida Alliance for Retired Americans, Florida ACORN, Florida PIRG, Florida Consumer Action Network, Florida Legal Services, Florida CHAIN, the Florida Center for Fiscal and Economic Policy and many others. On March 18th, the group held a very successful press conference at the Capitol to call on the Florida Legislature to focus its attention on special interest tax breaks and loopholes that allow big corporations to skirt their tax responsibilities when looking for places to cut Florida's budget. These programs represent an annual loss of billions of dollars in potential state revenue, but rather than examining these programs in any meaningful way, the Legislature is continuing to balance the budget on the backs of Florida's working families and retirees by pushing cuts to our public schools, health care and other vital social programs. The group challenged the Legislature, and the public, to take a good hard look at the budgets that are NOT being cut, such as the over \$400 million in special interest sales tax exemptions, the over \$21 million in subsidies to professional sports teams and the over \$400 million in lost revenues thanks to loopholes in Florida's corporate income tax policy.

Karen Woodall, who led the group Florida is Our Home against Amendment 1 has been coordinating the coalition. She said at the press conference, "We are in a revenue crisis. The budget needs to be cut, but why are the first places they always go for these cuts are those areas designed to help our state's most vulnerable residents? It is time for the Legislature to open its eyes and really look at the whole budget and revenue picture and stop considering these special interest hand-outs as sacrosanct."

The coalition has distributed detailed accounts of where vital revenue is being lost and how much money could be saved by eliminating some of these loopholes, exemptions and payouts, thus enabling budget cutters to minimize the damage done to our schools, our health care programs and other parts of Florida's crumbling social safety net.

Woodall continued at the press conference, "This dire situation could have a silver lining. If legislators and the public really look at the big picture, we could finally find the political will to end some of these needless taxpayer funded gifts and do something to reverse the decline in Florida's social services."

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In reality, Florida's problems aren't budget problems, they are revenue problems. When you consider that we rank dead last in education spending and other vital areas, it's clear that we are not spending too much money; we simply are not taking in enough revenue. The real problem is eight years of tax cuts for the richest residents, and specialized tax exemptions and subsidies for the biggest corporations. The coalition called on our elected leaders to look first at all of the taxpayer funded gifts to these groups when working to balance the budget, rather than critical funding cuts for vital social programs. Tallahassee politicians have made a big deal out of talking about "tightening our belts" and "cutting government spending," but how can they say that with a straight face when they continue to allow the World Golf Hall of Fame to get a \$2 million gift each year, or when giving millions in tax payer funded gifts to private sports teams and stadiums, or \$14 million in gifts for magazine insert advertisements? To pay for these wonderful gifts, they are willing to freeze Medicaid, deny our state's most vulnerable access to health care and cut education spending so that our kids can't get the best education possible to ensure a prosperous future for our state.

The bottom line expressed by the coalition was that our elected leaders can get us out of this budget mess without hurting our state's working families, but only if they show real leadership and stop the kowtowing to the rich, the powerful and the well-connected and stand up for their constituents. The Florida AFL-CIO will continue working with our allies in The Coalition for Fair and Comprehensive Tax Reform to ensure that these questions are part of the debate. Keep an eye out for legislative alerts and Get Active items on these issues as the Legislative Session progresses.



Some Examples from Florida's Budget Candy Store

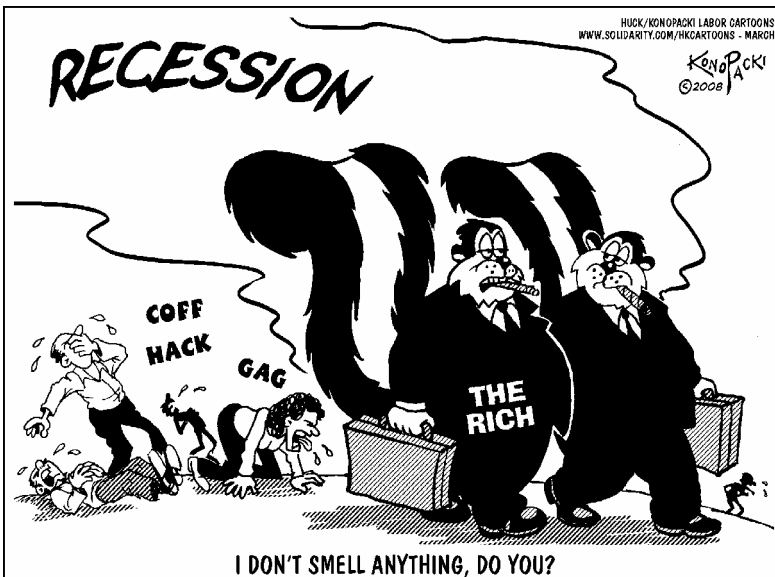
Instead of cutting out all of the good leafy-green vegetables and other healthy portions of the state budget, shouldn't we be looking to get rid of some of the candy? What would you do for your family?

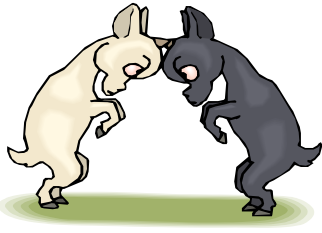
- Annual Subsidies for Professional Sports Teams - \$24 million
- Tax Exemptions for Charter Fishing Boats - \$63.5 million
- Tax Exemptions for Advertising - \$14.5 million
- Exemptions for Newspaper and Magazine Inserts - \$41 million
- Bottled Water - \$42 million
- Out of State Yachts Docked in Florida - \$5 million

Corporations Using Passive Investment Companies to Skirt Income Taxes in Florida

There are over 50 companies using a tax loophole in Florida to keep from paying taxes on their full income. Some of these include: Budget Rent-A-Car - Burger King - The Gap - Home Depot - KMart - Radio Shack - Sherwin Williams - Staples - Toys-R-Us - Tyson Foods...and many more!

Before freezing Medicaid, Kidcare, cutting education and stopping services for seniors, shouldn't some of these taxpayer funded gifts be carefully examined? They are not even under consideration.





Messages From the Front Lines

News from the Trenches of the Florida Legislature

Expanding Vouchers – OPPOSE

SB 1440 by Gaetz, Lawson, King, Storms, Baker, Crist, Posey, Oelrich, Saunders, Fasano, Peaden, Siplin, Wise, Bennett, Dockery, Haridopolos, Alexander

HB 653 by Traviesa, Carroll, Chestnut, Fields, Ford, Frishe, Holder, Homan, Hudson, Kreegel, Long, McKeel, Nehr, Peterman, Schenck, Snyder, Weatherford, Zapata

These bills should have never even been introduced during the current budget crisis, but the pro school privatization movement never sleeps. They are at it again, looking to give private corporations YOUR tax dollars so that they can turn around and give it to private schools. Meanwhile, our public schools are still on the chopping block. Currently, the maximum amount of money available for tax credits (vouchers) is \$88 million. These bills will increase that amount by \$30 million each year for the next five years. The legislation also increases the maximum amount for each scholarship (voucher) from \$3,750 to \$3,950 for the 2008-2009 school year, with annual increases managed through the State Board of Education. The increase in the maximum amounts for the program would be as follows:

\$118 million increase on July 1, 2008 - \$148 million on July 1, 2009 - \$178 million on July 1, 2010.

\$208 million on July 1, 2011 - \$238 million on July 1, 2012.

SB 1440 passed the Education Pre K – 12 Committee on March 19th with a party-line vote. HB 653 passed the House Policy and Budget Council and appears headed for the floor. There are still Democrats in both chambers saying they support this legislation. Contact your state Representative and Senator and make sure they know your opposition to giving away more public education money to private schools.

Regulating Contract Carriers for Rail Workers – SUPPORT

SB 2492 by Crist

HB 1123 by Gibson

The big railroad companies employ contract carriers to transport their workers around the state. Currently, these transportation service providers are not covered by any single regulatory agency. They are not considered transport drivers, so they are not required to have special licensing. They are not covered by any federal regulations for transport workers, so they are not subject to maximum work/ minimum rest requirements and are not even required to be tested for drugs or alcohol. Additionally, there are no minimum insurance or equipment safety standards, other than those which apply to basic passenger vehicles. This legislation will bring much needed oversight to this transportation practice, ensuring the safety of our railroad workers who have no choice but to rely on this company-provided transportation. **HB 1123 passed the House Committee on Infrastructure on March 20th. SB 2492 has been sent to the Senate Transportation Committee. If you live in Senate District 20, please contact Senator Baker, the Committee Chair and urge him to hear this important bill.**

Restoring the Career Service System – SUPPORT

SB 2202 by Dean

HB 887 by Coley

There was a time when serving as a career service employee with the state of Florida was a goal for thousands of Floridians. Working for the state promised hard working employees a lifetime career that was stable, secure and in an environment that was fair and work was respected. Florida is still fortunate to have thousands of employees dedicated to providing quality services for the people of Florida, but their work conditions have become much more difficult. Over the years, our once heralded career service system has been chipped away, and now many of our state workers find themselves in environments where career advancement is based on patronage rather than hard work. Discipline and workplace standards are unfair and inconsistent. This legislation will make non-economic changes to the career service system to help create an environment where quality work is rewarded and workers are treated more fairly. **This is a high priority for AF-SCME and the United Labor Lobby. SB 2202 passed the Senate Governmental Operations Committee on March 19th and is scheduled for the Judiciary Committee on April 1st. HB 887 is currently sitting in the House Committee on State Affairs.**

The Taxation and Budget Reform Commission – TABOR Watch

While most eyes are focused on the Florida Legislature, the 25 most powerful people in the state (at least for the time being) are considering a large number of proposed constitutional amendments to place directly on the November ballot. Here is a brief glimpse at where we are at with the process right now.

Proposal 02 “The Tax Swap” – This proposal eliminates the “Required Local Effort,” that part of your property taxes that funds your local public schools. In return, Florida’s sales taxes will increase by 1 penny. This still leaves an estimated \$9 billion shortfall in education funding, which the Legislature will have to make up...or will they? That \$9 billion will just be to keep us at the current insufficient levels. **This proposal has passed and is headed to the ballot.**

Proposal 20 “The Blaine Amendment” – This constitutional amendment would eliminate Florida’s long standing protection against tax dollars going to purely religious organizations. This was Florida’s separation of church and state provision. If this amendment is adopted by the voters, you can expect to see millions of taxpayer dollars funneled to churches and religious organizations whether it be for school vouchers (with no accountability) or other misguided privatization schemes. **This proposal has passed and is headed to the ballot.**

Proposal 40 – “Vouchers” – The Florida Supreme Court has ruled that many of the voucher schemes established by Jeb Bush are unconstitutional. This proposal would in essence change the Constitution so that they are constitutional. This proposal is all about expanding the privatization of our schools through vouchers. **The commission has discussed this proposal but has not yet taken a vote. A vote is expected as early as next week.**

Proposal 45 “TABOR” – By now everyone in the labor family is well aware of the devastating effects that the mandatory revenue caps on government would have on Florida. This proposal, now called the Taxpayer Protection Amendment was up for discussion in the Commission on March 26th. **A vote was not taken and rumor has it that this misguided proposal is in trouble, but we need to keep the pressure on.** Keep an eye out for alerts on this one. To find out more about the dangers of TABOR, check out the Florida Center for Fiscal and Economic Policy at www.FCFEP.org.

THANK YOU

A Note of Sincere Thanks From the Florida AFL-CIO to Floyd Suggs

Floyd Suggs, who provided years of exceptional leadership and service to the West Central Florida Federation of Labor,

has decided to step down from his post as President to focus on other areas of his work for Florida’s workers. Floyd’s vision and dedication was the backbone of this Central Labor Council and during his tenure the organization accomplished truly amazing things. Floyd is a true hero of this movement - his unique abilities, his unwavering dedication and his commitment to doing what is right for Florida’s workers will be missed. On behalf of all of Florida’s workers...thank you Floyd for all that you have done and for all that you will do in the future.

