



## LEGISLATIVE UPDATE

2011 FLORIDA LEGISLATURE

April 1, 2011

Issue 3

### Remember TABOR? It's Baaaaaack!

The activists of the Florida AFL-CIO have been fighting TABOR for several years both in the Legislature and during the Taxation and Budget Reform Commission process. Fortunately we have been able to keep this disaster off the ballot but this year is shaping up to be different.

Proposals that have been dubbed "TABOR" (Taxpayer Bill of Rights) either by supporters, opponents or both, all have similar components. They are rigid "revenue caps" placed in the constitution based on formulas that allow for some growth but not enough to keep up with rise in service costs. In Colorado, where the first TABOR amendment was adopted, the caps had a devastating impact on a wide variety of social services and provided ample evidence that the growth formula was insufficient to keep up with the needs of the people in the state. TABOR spending limits forced Colorado to consistently under-fund key public services. For example, funding for K-12 education plummeted, dropping Colorado to 49th in the nation in education funding; the proportion of low-income children who lack health insurance in Colorado doubled. At one point Colorado had to suspend the requirement that children had to be fully immunized before enrolling in school, because there were not enough state funds to buy vaccines! The situation in Colorado got so bad that in 2005, the voters suspended TABOR in their state after a campaign led by many of the same business groups that supported it 13 years earlier.

Florida already has a revenue cap in the constitution and our tax rate is one of the lowest in the nation. According to a House Finance and Tax Committee staff analysis "Florida is not a high-tax state." The report cites rankings from the nonpartisan Federation of Tax Administrators showing Florida's state tax revenue 43rd among the states per capita and 46th as a percentage of personal income. Unfortunately, only a select few benefit from our low tax rates. The Institute on Taxation and Economic Policy reported in 2009 that the poorest 20 percent of Floridians paid an average of 13.5 percent of their income in Florida taxes, while the wealthiest one percent paid 2.1 percent of their income on average. Corporations and the wealthy pay very little but the rest of us pay dearly in the form of inadequate programs and services.

Florida is ranked 48<sup>th</sup> in total education spending per capita income.

Florida is ranked 50<sup>th</sup> in the nation for higher education spending as a percentage of the budget.

We are 41<sup>st</sup> in the nation for general health care delivery.

We are 47<sup>th</sup> in the nation in terms of people without access to primary health care.

Florida is 44<sup>th</sup> in the nation in terms of providing health care for children.

This constitutional amendment will keep us at the bottom in these critical areas forever. TABOR like provisions have been introduced in 16 states with all but Ohio (which passed a much less restrictive form of TABOR than the one being considered in Florida) defeating the measure. Ballot initiatives in Kansas, Nebraska, and Oregon were defeated by 2 to 1 margins in 2007, but only after not-for profit health care advocates, good government groups and unions spent incredible amounts of their limited resources in a campaign against them. Florida does not have the time or resources to wage such a needless campaign right now.

This is a top priority for Senate President Mike Haridopolos who hopes this and his constitutional ban on health care reform, that he expects to be on the ballot in 2012, will compel him to a victory in his bid to unseat Senator Bill Nelson. SB 958 blew through the committee process during the interim committee weeks and was up in the full Senate during the first week of session. The bill passed the Senate with a 27-13 vote. The Senate President's power was unquestioned and even Democratic Senator Bill Montford broke with his party to support the bill.

The House was slow to get with the program but on Thursday, March 30<sup>th</sup> the House Finance and Tax Committee rolled out a committee bill identical to the SB 958. Tax experts and Republican lawmakers from Colorado showed up to warn the members about TABOR's folly but to no avail. The committee quickly passed the bill with a 16-6 vote. All Democrats voted against the bill. Since this is a brand new committee bill, its next references have not been assigned but we will be monitoring this legislation closely.



# The Empire Strikes Back

After months of testimonies and hearings, the campaign to tax public employees through radically changing their pensions took a vicious new turn this week with the throwing out of SB 1130 and the introduction of SB 7094. The new legislation, SB 7094 filed by the Senate Budget committee brings the Senate version of "pension reform" much closer to the destructive House version. SB 7094 incorporates the most sweeping changes to FRS of any of the retirement proposals that have been introduced this year. SB 7094 will do the following to working families' retirement security:

- Requires a 3 percent employee contribution for all members of the FRS pension plan.
- Closes DROP to new participant of FRS.
- Changes the vesting into the FRS from one year to five years.
- Ends the cost of living increase for service earned on or after July 1<sup>st</sup> 2011.

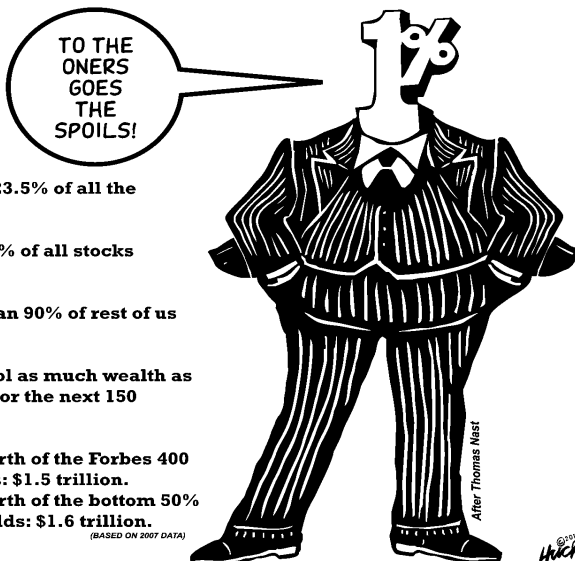
The budget committee met to discuss the newly created piece of legislation, and was greeted with a large delegation of Firefighters, Police Officers, and Working Families Lobby Corps members who testified against the destructive nature of the bill. The testimonies focused on public employees who cannot financially afford a 3% tax on their salaries, since many of the workers haven't had a raise in over 4 to 6 years. Glynda Linton who spoke about her members in the Federation of Public and Private employees said, "taxing employees that are working two to three jobs to make ends meet and sometimes cannot get to work because they cannot afford the gas is a crime!" Andy Ford, President of Florida Education Association stated that this legislation would guarantee teachers that they "will be poor until the day we die." The bill passed committee but had bipartisan support in opposition. The battle over FRS and taxing public employees is not over yet, and we will continue to fight against this destructive and inhumane piece of legislation. SB 7094 is uncharted territory in the pension fight; the politicians are making the rules up as they go. So it is unclear at this point what happens next with this legislation. We are monitoring it by the hour and will let you know of any updates when they occur.

## A More Perfect Union

My name is Edwin Enciso and I was just hired by Florida AFL-CIO to work on outreach, partnership development, and coalition building. I want to begin by celebrating a fine example of partnership development as a way of introducing myself. I like this story because it highlights values that people in Labor share.

Tuesday morning Sheena McCleary, our Zone 2 Coordinator, asked if there was any objection to her organizing area support for a local Immigration action. She explained how on the previous Friday, leaders of the immigration action had supported us in the March 25<sup>th</sup>-Fight Back Florida local event. Here we have an example of partnership development or one group helping another and then enjoying reciprocity from it. It's important to celebrate examples of partnership development. Of course, the extra bodies at each event are important, however let's look at the potential impact that the pictures and video create. First of all, for the TV audience two groups shows greater support for an idea than just one group. Consider the reaction from Spanish media outlets receiving a press release from labor that shows support for an issue that their community cares a great deal about. Also these partnerships offer a boost in morale to minority union members when they see their dues going to support their communities. If we go to Latino community leaders, we now have pictures of mutual support, friends who can introduce us to other Latino civic, faith, student, and business leaders. All of these things also increase the likelihood of future collaboration where there is a mutual benefit.

I look forward to continuing this conversation face to face. I know Labor has a long and rich history of this kind of work. I am here to help us further this tradition. Working separately, it is easier to keep individual interest groups down. When we unite in common cause, we are stronger. Please contact me if you have any questions, I can be reached at [eenciso@flaflcio.org](mailto:eenciso@flaflcio.org).



## Working Families Lobby Corps Reflections

For the first time in Florida AFL-CIO history we have a presence in Tallahassee unlike ever before that puts working families in an active role in fighting against the assault on the middle class. Each week, the Legislative Newsletter will share activists' thoughts on their time here at the capitol.

"This has been by far the most effective, in their face, Legislative Session I have attended. I think this change was long overdue and is being implemented with vigilance. Keep up the fight for Working Families of Florida."

Wally Ilczyszyn  
IUPAT District Council 78

# Let's Pull Together

On an overcast Tuesday in Tallahassee, buses from around the state brought workers to storm the Capitol and stage a rally of solidarity. The rally began after a jam packed prayer circle that took place inside of the Capitol rotunda. Workers stormed every level of the Capitol during the prayer circle and began to chant creating an echo that could be heard throughout the building. The image from inside made people take a second look. Tallahassee became Madison for an hour. The workers' engaged in the prayer circle then left the Capitol and ventured across the street where they were met with large numbers of AFSCME, ATU, TWU and other workers in a large demonstration of power and unity. The rally began and as speakers started to empower the crowd, a rumbling came from the distance. Over sixty FAMU students arms locked, chanting in unison joined the rally to cries of celebration from the crowd. A few minutes later, Florida State students armed with large banners came in solidarity.

The rally had numerous speakers including Florida AFL-CIO President Mike Williams, Congresswoman Debbie Wasserman-Schultz, Vice President of ATU Gary Rauen and President of AFSCME Council 79, Jeanette Wynn, who at the rally said, "Gov. Scott's anti-worker policy proposals are deeply unpopular with voters and they are the wrong priorities for our hard hit state. Floridians want politicians to work together to create jobs and strengthen the economy. Instead Gov. Scott is giving new tax breaks to millionaires and launching an all-out assault on the collective bargaining rights and economic security of hardworking teachers, nurses and firefighters." AFSCME Council 79 members organized the rally and lobby day to educate the public about these anti-worker measures and stop the Legislature from passing them.



## The Alternative

On Monday, March 28<sup>th</sup>, a coalition of organizations and students gathered outside of the House Chamber to question the budgetary decisions made by the current legislature. The press conference was in accordance with the release of the State of the State report by the Florida Center for Fiscal and Economic Policy. The report detailed how:

- Florida ranks 33<sup>rd</sup> in its' percentage of residents in poverty
- 2.7 million people, including 850,000 children live below poverty
- 4<sup>th</sup> worst in the percentage of uninsured – 3<sup>rd</sup> for children under 18
- 3<sup>rd</sup> highest in the nation in number of unemployed
- Highest in the nation in foreclosures and delinquent mortgages
- More than 3 million Floridians are on food stamps and 2.5 million are on Medicaid
- We are the 2<sup>nd</sup> lowest in the nation in the number of state employees per 10,000 population
- Lowest in state government employee payroll per resident
- 50<sup>th</sup> in per capita state government expenditures for all education
- Higher Education expenditures rank 41<sup>st</sup> in state and local government funding
- Florida's tax system is the second most regressive in the nation – low and moderate income people pay a higher share of their income than do wealthier Floridians



While Florida economically is in dire need of reform and a new perspective of how to deal with the current crisis, the legislature is like a broken record repeating the same policies of the last twelve years that brought us to the edge of the cliff of instability. Politicians are asking unemployed workers, Medicaid recipients (children, elderly and people with disabilities), teachers, firefighters, police officers, public employees and students to shoulder the burden of balancing the budget. The press conference highlighted how there are billions in tax revenues that the legislature has chosen not to collect and who they have chosen to exempt from paying their fair share, both of which make up Florida's revenue shortfall. Our budget woes are the direct result of a tax structure that is nothing more than a mish-mash of tax breaks, loopholes and handouts for the folks with the highest paid lobbyists. These proposals represent more of the same and will not create jobs or stimulate the economy, just increase the misery being experienced by too many of our working families.

The comments given in the press conference were critical of the Legislatures refusal to deal with the states antiquated tax structure and their denial of examining how and where the government needs to make sacrifices and policy changes. As Kathleen Oropez from FundEducationNow.org said "It is fiscally irresponsible and morally corrupt to impose deep budget cuts that harm our children, their schools and the citizens of Florida just so legislators can give \$5 billion dollars away every year in corporate exemptions and tax loopholes." Alisa Snow with Florida CHAIN pointed out that every cut to the Medicaid program costs the state more in the loss of federal dollars than it saves in state money. "We don't get to save those federal tax dollars to spend them on something else or return them to tax payers", she pointed out. "Asking medically needy recipients to give up their life saving medications and in-hospital treatment, a savings to the state of \$96.1 million and a loss of 126.2 million in federal dollars, instead of removing bloated corporate tax exemptions seems shortsighted." Students from FAMU and FSU spoke towards the cuts to higher education and the lack of opportunity in the state. Patrick Shepherd a student at Florida State stated at the press conference that he, "wanted to stay in Florida and teach, but due to the slashing of education, if I want to become a teacher, I will have to leave the state."



Have you visited [FightforFlorida.com](http://FightforFlorida.com)?  
 If the answer is "No" then what are you waiting for?  
 If you said "Of course I have" then have you shared it with others?



Fight For Florida is an online action hub for working Floridians fighting back against the assault on Florida's middle class by Gov. Scott and Tallahassee politicians. We work to organize people from all backgrounds and walks of life to take action in meaningful, effective ways that make a difference in the lives of all Floridians. Through online petitions, letter writing, call in campaigns, and other actions, we make the voices and interests of working people heard in the halls of power in Tallahassee and throughout the state. We are fighting for Florida's middle class, and we will be heard.

The website URL is [FightForFlorida.com](http://FightForFlorida.com) or find us on Facebook by searching "Fight For Florida"



SHARED SACRIFICE

**Working Families Lobby Corps is in full swing.**  
**Are you ready to be a freedom fighter for working families?**

The WFLC program is being hailed as a success by those who are participating every week. After three weeks of in your face opposition to the majorities' agenda the Representatives and Senators of the Florida Legislature know we are here to stay. This program puts you, the activist, at the forefront of all legislative issues: the broad issues that are affecting all Floridians and the issues that are specific to the individual unions. Slots are still available every week for you to come up and join the WFLC. Talk to your Union and CLC leadership or contact Phyllis Garrett at 850-224-6926 or [pgarrett@flaflcio.org](mailto:pgarrett@flaflcio.org) for more information.

IMPORTANT NOTE: The WFLC program is **cancelled** for the week of April 18-22. The Senate has announced they will be out the entire week and the House may be here for one day only, if at all. If you are scheduled for that week please make sure and change your plans.



PUBLISHED BY THE FLORIDA AFL-CIO  
 135 South Monroe Street  
 Tallahassee, FL 32301



Legislative Update