Governor Rick Scott's "KEEP FLORIDA WORKING" Recommended Budget Highlights

Introduction from Governor Rick Scott

Our "KEEP FLORIDA WORKING" budget builds on the foundation laid during the last four years of cutting taxes, investing record amounts in education, lowering the cost of higher education, and improving workforce development. We will continue to stay focused on these goals in order to become the global leader in jobs by 2020. Since 2010, we've cut taxes over 40 times, eliminated over 3,100 burdensome regulations and Florida job creators have now added over 728,000 private-sector jobs. Florida's debt has been reduced by $7.5 billion since 2010. Make no mistake about it, debt is a tax burden on our children and grandchildren and we've worked to have less debt per capita than New York, Illinois and California. In fact, California and Illinois have more than double the debt per capita of Florida, and New York has more than triple the debt per capita of Florida.

We know our workers and leaders of tomorrow are in our classrooms today — and that is why this year we will increase per-student K-12 education funding to the highest level in Florida history, $50 above Florida's previous record in 2007-2008. We will also keep higher education affordable by continuing to hold the line on undergraduate tuition as well as tuition on graduate and professional programs. My wife Ann and I had the opportunity to get great educations that allowed us to live our dreams. A great education changes lives, and we will continue to work so every Florida student can afford to pursue a higher education.

Our "KEEP FLORIDA WORKING" budget also proposes to put more money back into the pockets of Florida families and businesses this year by cutting $673 million in taxes. Families can spend their money better than the government can. That's why we will eliminate the taxes college students pay when they buy textbooks; cut the state sales tax that families and businesses pay on their cell phone, cable and satellite TV bills; further roll back the business tax; and permanently eliminate the taxes that Florida manufacturers pay when they buy new equipment. These targeted tax cuts will work to strengthen our growing economy and provide more opportunity for families in our state, so we can continue to "KEEP FLORIDA WORKING."

Texas is our number one competitor for jobs, but Florida will soon unseat Texas for this top spot if we stay focused on our goal of being a low tax, pro-growth state. The
important investments and tax cuts in our "KEEP FLORIDA WORKING" budget will help Florida become the global destination for not just tourists – but jobs.

Sincerely,

Rick Scott
Governor
KEEP FLORIDA WORKING BUDGET

Governor Rick Scott’s “KEEP FLORIDA WORKING” FY 2015-2016 Recommended Budget Highlights

The Governor’s total recommendation in the “KEEP FLORIDA WORKING” budget for Fiscal Year 2015-2016 is $77 billion. The general revenue portion is $28.3 billion. The general revenue funds available for the FY 2015-2016 budget year increased $1.1 billion from the previous fiscal year, a 4 percent increase. This increase, mostly attributable to increased sales tax collection, is an indication that Florida’s economy continues to improve.

The “KEEP FLORIDA WORKING” Budget is focused on four main components:
1) $673 million in tax cuts for Florida families and businesses
2) The highest per-student K-12 funding in Florida history
3) Making Florida a global destination for jobs
4) Strengthening Florida’s communities by enhancing our workforce training, protecting our environment, and keeping families and communities safe and healthy

Our “KEEP FLORIDA WORKING” budget continues the Governor’s mission of making Florida a global destination for jobs, cutting taxes, investing in education, lowering the cost of higher education, and improving workforce development. The highlights of the budget include:

**Tax Cuts Totaling $673 Million for Florida Families**

The Governor proposes ongoing tax cuts of an estimated $673 million per year, providing savings to both families and businesses. The impact of these tax cuts will reduce general revenue funds by $640 million. Specifically, the “KEEP FLORIDA WORKING” budget proposes the following tax cuts:

**Cut the Cellphone, Cable and Satellite TV Tax by 3.6 Percent -** At a statewide average of 14.17 percent, Florida’s tax on communications services is too high. Governor Scott proposes to reduce the tax by 3.6 percent, saving virtually every household and every business a combined $470.9 million annually. An average family spending $100 a month on cell phone, cable and satellite television services will save about $43 annually.
Eliminate Sales Taxes on College Textbooks - The "KEEP FLORIDA WORKING" budget reduces the cost of a college education by eliminating the sales tax on the purchase of college textbooks. The prices of college textbooks have increased significantly over the years, often exceeding $100 per book. Exempting college textbooks from the sales tax is expected to save Florida's students $41.4 million per year. It is estimated that a student taking five courses per semester will save about $60 per year and over $240 for four years.

Permanently Eliminate the Tax On Manufacturing Machinery And Equipment - Governor Scott eliminated the sales tax that manufacturers pay when they buy machinery and equipment until 2017. The "KEEP FLORIDA WORKING" budget permanently eliminates the tax that businesses pay for their purchase of machinery and equipment used in the manufacturing process. This proposal is estimated to reduce the tax liability of Florida's manufacturing businesses by $142.5 million annually beginning in 2017. This exemption will increase Florida's competitive position in providing incentives for the startup and expansion of manufacturing businesses and lead to the creation of additional jobs in Florida.

Further Cut the Business Tax - The "KEEP FLORIDA WORKING" budget proposes to exempt another 2,189 job creators from having to pay the business tax by increasing the corporate income tax exemption from $50,000 to $75,000. This exemption was increased from $5,000 to $25,000 in 2011 and to $50,000 in 2013. The tax cut will save Florida businesses $18.4 million annually. The "KEEP FLORIDA WORKING" budget continues the goal to exempt more small businesses from paying this tax. Eliminating this tax will ensure more small businesses can hire additional workers, providing more Florida families with jobs.

Saving Florida Families Money

The Governor's recommended budget contains a host of cost saving initiatives that will save Florida families money. Some highlights include:

Administrative and Operational Efficiencies - The "KEEP FLORIDA WORKING" budget recommends $267 million in savings and a decrease of 1,353 positions as a result of state agencies' continued efforts to live within their means.

Contract and Lease Renegotiations - Savings resulting from contract and lease renegotiations have generated a statewide savings of $44 million since Fiscal Year 2012-2013. This includes savings in the recommended budget of $2.8 million. Savings will continue to grow as additional contracts are identified and renegotiated.
MyFlorida Market Place Fee Savings - The "KEEP FLORIDA WORKING" budget recommends reducing the MyFloridaMarketPlace purchasing transaction fee from 1 percent to 0.75 percent. This reduced fee is estimated to save businesses providing goods and services to the state approximately $6.7 million annually.

Real Estate Optimization Plan - The "KEEP FLORIDA WORKING" budget recommends continued utilization of the Real Estate Optimization Plan, which calls for the centralization of the operations and maintenance responsibilities of facilities that are now maintained by other state agencies located in the northeast region of the state. As a result of this initiative, the state will begin to realize efficiencies beginning in Fiscal Year 2016-2017, which will total $3.8 million annually in Fiscal Year 2017-2018.

Reduction in Debt Service - The "KEEP FLORIDA WORKING" budget recommends a reduction of $28 million due to reduced debt service obligations and State Board of Administration fees associated with the issuance of bonds for public schools, Florida colleges, state universities, and correctional facilities. Florida’s debt has dropped by $7.5 billion since 2010. Florida has less debt per capita than New York, Illinois and California; in fact, California and Illinois have more than double the debt per capita of Florida, and New York has more than triple the debt per capita of Florida. Refinancing activity has generated gross debt service savings of approximately $1.25 billion.

State Employee Health Coverage Savings - As part of the Governor’s philosophy to promote fair treatment of state employees, the "KEEP FLORIDA WORKING" budget includes a saving of $24.8 million so that all employees pay the same amount for health insurance coverage - $50 per month for individual coverage and $180 per month for family coverage. This will reduce the employer contribution for health insurance coverage for employees in the Senior Management Service and Selected Exempt Service systems.

Elimination of Earmarks - As part of the Governor's efforts to give money back to Floridians, or redirect funding to provide more efficient services, recurring funding was reviewed for earmarks and as a result the budget includes the elimination of $12.2 million in projects.

Pension Unfunded Liability - The unfunded actuarial liability (UAL) of the Florida Retirement System (FRS) Defined Benefit Program amounted to $21.5 billion on July 1, 2014. Based on an actuarial liability of $160.1 billion and an actuarial value of assets of $138.6 billion, the program is 86.6 percent funded as of July 1, 2014. As of November 30, 2014, the market value of the plan’s assets amounted to $148.2 billion.
The "KEEP FLORIDA WORKING" budget implements the recommendations of the independent actuary and proposes to fully fund the recommended contributions to the UAL.

**World-Class Education for Florida Students**

A great education allowed Governor Scott and First Lady Ann Scott to live their dreams. Florida’s K-12 system is focused on preparing every student for college or a career when they graduate. The current year’s $18.9 billion budget for Florida public schools is the highest level of funding in Florida history. The Governor also worked to secure pay raises for Florida teachers in Fiscal Year 2013-2014. In order to build on these achievements, the “KEEP FLORIDA WORKING” budget continues the Governor’s commitment to education by again making historic investments to ensure every Florida student has the tools needed to succeed in the classroom, because the workers and leaders of tomorrow are in the classroom today.

<table>
<thead>
<tr>
<th>Historic Level of Funding</th>
<th>Funding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-12 Public Schools – Total Funding</td>
<td>$19.75 billion</td>
</tr>
<tr>
<td>K-12 Public Schools – State Funding</td>
<td>$11 billion</td>
</tr>
<tr>
<td>K-12 Public Schools – Per-Student Funding</td>
<td>$7.176</td>
</tr>
<tr>
<td>Florida College System – Total Funding</td>
<td>$2 billion</td>
</tr>
<tr>
<td>Florida College System – State Operating Funding</td>
<td>$1.17 billion</td>
</tr>
<tr>
<td>State University System – Total Funding</td>
<td>$4.5 billion</td>
</tr>
<tr>
<td>State University System – State Operating Funding</td>
<td>$2.10 billion</td>
</tr>
</tbody>
</table>

**Florida is a National Leader in Education**

- Florida ranks 7th for academic achievement according to the Quality Counts report.
- Florida’s graduation rates are at an 11-year high – increasing nearly 17 percentage points since 2003-2004.
- A NAEP report released in May showed Florida’s 12th grade Hispanic students’ average scores in reading were significantly higher than the nation.
- The National Council on Teacher Quality has twice ranked Florida’s teacher quality policies best in the nation.
- In the past five years, Florida has increased enrollment in accelerated STEM courses by 46 percent.
- Florida is ranked 1st for 21st century teaching force (B+).
- Florida is ranked 1st for technology (A).
Florida is 2nd on percentage of students who passed an AP World Languages Exam (5.23 percent).

A recent Blueprint for College Readiness report says Florida has nine of 10 policies in place that will improve college readiness.

**Highest Per-Student Funding in Florida History** - The “KEEP FLORIDA WORKING” budget includes historic total and per-student funding for K-12 public schools:

- $7,176 per-student in funding, which is the highest ever in Florida’s history. This is $50 higher than the previous record of $7,126 in Fiscal Year 2007-2008.
- $19.75 billion in total funding for K-12 public schools, which is the highest level for the second year in a row, exceeding the $18.9 billion that was provided in Fiscal Year 2014-2015.
- A total increase of $842.5 million in funding for K-12 public schools, of which 390.7 million is state funding.
- $11.04 billion in state contributions for K-12 public schools – the highest ever, for the third year in a row.

**Increase in state education funding of $390.7 million includes:**

- A $40 million increase, for a total of $80 million, in funding for the Digital Classroom Initiative.
- A $30.8 million increase, for a total of $3 billion, in funding for Class Size to account for enrollment growth.
- A $6.9 million increase, for a total of $55.2 million, in funding for the Sparsity Supplement which provides funding to assist rural districts with sparse student populations (24,000 or fewer FTE students).
- A $14.3 million increase, for a total of $78.7 million, in funding for school safety initiatives.
- A $123.4 million increase to fully fund new student growth of 17,846.
- A $175.3 million increase in funding for other education initiatives such as transportation and instructional materials.

**Principal Training Support and STEM Business Residency Program** - Governor Scott believes supporting principals and teachers is essential to helping students realize better educational outcomes. Governor Scott proposes $8.4 million in funding to support principal training and $1 million to establish the STEM Business Partnership Summer Residency Program for teachers.
Teacher of the Year Program - The "KEEP FLORIDA WORKING" budget recommends increasing the financial awards our highest performing teachers receive through the Teacher of the Year Program. The award amounts will increase to $10,000 for district participants, $15,000 for the finalists and $20,000 for the Teacher of the Year. Current year award amounts are estimated to increase by $8,500 for district participants, more than $9,000 for finalists and more than $8,600 for the Teacher of the Year.

Enhanced School Choice Options for Students with Disabilities - The "KEEP FLORIDA WORKING" budget continues the expansion of school choice programs by providing an increase of $5 million in funding for a total of $23.4 million for the Personal Learning Scholarship Account (PLSA) Program. The program provides eligible K-12 students with a scholarship that can be used for approved services or products, such as tuition and fees for enrollment in a private school that is eligible to participate in the McKay Scholarship Program, private tutoring, curriculum, behavioral analysis services, speech-language pathology, occupational therapy, and physical therapy.

Increased Early Learning Funding - The "KEEP FLORIDA WORKING" budget provides a $33.5 million increase in early learning funding. The total early learning budget is $1.1 billion for Fiscal Year 2015-2016. The budget highlights include:

- A one-time $30 million appropriation to serve additional children in Florida's school readiness program.
- Restoration of $11.5 million for School Readiness Development Programs including a pre and post assessment to improve instructor quality.
- $1.5 million for early childhood teacher scholarships through T.E.A.C.H. (Teacher Education and Compensation Helps).
- $500,000 for the CLASS Video Library, an observation-based program assessment instrument that measures teacher-child interactions in three broad domains: emotional support, classroom organization and instructional support.

Higher Education Investment - After high school and before going on to receive his law degree, Governor Scott attended junior college where he continued his education and pursued his dreams. The "KEEP FLORIDA WORKING" budget includes historic total and state operating funding for the State College System:

- $2 billion in total funding
- $1.17 billion in state operating funding, which is an increase of $30.2 million over Fiscal Year 2014-2015
Governor Scott's "KEEP FLORIDA WORKING" budget includes historic total and state operating funding for the State University System:

- $4.5 billion in total funding
- $2.1 billion in state operating funding, which is an increase of $97.2 million over Fiscal Year 2014-2015

Expand Bright Futures - The "KEEP FLORIDA WORKING" budget recommends $23.5 million to expand Bright Futures Scholarships to cover credit hours taken during the summer term. This funding will allow students to graduate faster with less student debt.

$10,000 Degrees – The "KEEP FLORIDA WORKING" budget includes $5 million for state colleges to develop or expand STEM bachelor's degrees that cost students $10,000 or less in tuition and fees.

Holding the Line On Tuition - The average annual tuition and fees in the State University System has risen 93 percent over the past ten years, increasing from $3,074 in Fiscal Year 2004-2005 to $5,934 in Fiscal Year 2014-2015. At this rate, it is almost impossible for a family to save and plan for college. These increased tuition costs place a heavy burden on Florida's families.

The Governor is committed to keeping higher education affordable and accessible to Florida's students and therefore proposes no tuition increases in the "KEEP FLORIDA WORKING" budget. There were no increases in the Fiscal Year 2014-2015 budget.

Performance Funding - Governor Scott is committed to rewarding Florida's educational institutions that demonstrate excellence or improvement in student success:

- **Workforce** – Maintains $4.98 million for performance funding, based on students earning industry certifications in high-demand occupational areas.
- **State Colleges** - $60 million for performance funding ($30 million new and $30 million from the state college's recurring budget), based on a performance funding methodology approved by the State Board of Education that will include, but not be limited to the following metrics: job placement rates, cost per degree, graduation rates, and retention rates.
- **State Universities** - $400 million for performance funding ($100 million of which is new money, $100 million in recurring funds and $200 million
in redirected funds from the university's recurring budget), based on 10 metrics including: average cost per graduate, percent of graduates employed or continuing education, average wages of employed graduates and graduation rates.

As a result of the $200 million Florida invested in performance funding in Fiscal Year 2014-2015, universities have hired more than 150 new faculty members, particularly in STEM and other high-demand workforce areas. In addition, universities have hired at least 50 new academic advisors, counselors, and internship coordinators, all working to form connections with the state workforce and help students get jobs. At least six universities have purchased new software programs to help with course scheduling and to identify students who are struggling so counselors and professors can reach out to them. At least five universities have revamped their career resource centers and placed a renewed emphasis on building learning opportunities for students through internships and mentorships.

**Technical Center Rapid Response Grant** – Governor Scott's "KEEP FLORIDA WORKING" budget recommends $20 million in new funding to assist Florida’s technical centers with providing programs in areas that are directly linked to workforce demands. The funds will be used to develop or enhance programs that are critical to Florida’s economy.

**Education Infrastructure** - In order to maintain and ensure our educational facilities are up-to-date with the technology required to guarantee our students’ competitiveness and success, the Governor's "KEEP FLORIDA WORKING" budget includes $264.6 million of new funding for fixed capital outlay in the K-12 public schools – $60 million for K-12 public school maintenance, $100 million for the fixed capital outlay needs of charter schools, $96.9 million for critical infrastructure needs in Dixie, Washington, Madison, Levy, Calhoun, Holmes, Glades, Hamilton, Jefferson and Taylor counties, $5.1 million for lab schools, and $2.6 million for the Florida School for the Deaf and the Blind. Charter schools and lab schools do not have the access to discretionary local millage and are reliant on state funds to meet capital needs.

The "KEEP FLORIDA WORKING" budget also includes $212.1 million in fixed capital outlay funding for state universities and colleges, including $50 million in new funding for Florida universities and $40 million for Florida colleges to expand STEM education through necessary facility construction and renovation, with a required dollar for dollar match.

The Governor recommends $50 million to be used for prioritized maintenance projects at state-owned facilities in the State University System. This is an increase of $12.4
million over the current year. Additionally, in order for universities to complete student-approved projects, $32.1 million in budget authority is provided to spend student fees that have been collected for facility projects.

The "KEEP FLORIDA WORKING" budget also recommends $40 million to be used for prioritized maintenance projects at state-owned facilities in the Florida College System. This is an increase of $35 million over the current year.

<table>
<thead>
<tr>
<th>Education</th>
<th>Fixed Capital Outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-12 Public Schools</td>
<td>$60 million Maintenance/Repair/Renovation/Remodel</td>
</tr>
<tr>
<td>Charter Schools</td>
<td>$100 million Maintenance/Repair/Renovation/Remodel</td>
</tr>
<tr>
<td>Special Facilities Construction</td>
<td>$96.9 million Special Facility Construction Projects in 10 small school districts</td>
</tr>
<tr>
<td>Florida Colleges</td>
<td>$40 million Capital Projects</td>
</tr>
<tr>
<td>Florida Colleges</td>
<td>$40 million Maintenance/Repair/Renovation/Remodel</td>
</tr>
<tr>
<td>State Universities</td>
<td>$50 million Capital Projects</td>
</tr>
<tr>
<td>State Universities</td>
<td>$50 million Maintenance/Repair/Renovation/Remodel</td>
</tr>
<tr>
<td>Florida School for the Deaf and Blind</td>
<td>$2.6 million Preventative maintenance projects</td>
</tr>
<tr>
<td>Division of Blind Services</td>
<td>$400,000 Maintenance/Repair/Renovation/Remodel</td>
</tr>
</tbody>
</table>

**Making Florida a Global Destination for Jobs**

Florida's goal is to be the number one destination for jobs in the world. Today, Texas is our number one competitor for jobs – but Governor Scott has set the goal of unseating Texas by 2020 and taking this top spot. Because of Florida's low tax environment, smart regulatory structure, and educated workforce, Florida is well positioned for growth in science, technology, engineering and math fields such as advanced manufacturing, medical research, and other high-tech research and development.

**Attracting and Retaining Florida Businesses** – The "KEEP FLORIDA WORKING" budget provides approximately $122.4 million for Florida's economic development public-private partnerships. The Department of Economic Opportunity's public-private partnerships include but are not limited to:

- Enterprise Florida Inc.;
- VISIT Florida; and
- Space Florida.
In addition, $85 million is provided for economic development incentives such as the Quick Action Closing Fund, the Qualified Targeted Industry Tax Refund, and the Innovation Incentive Program. A key component of this funding is the flexibility to react quickly to economic opportunities, which will enhance business retention and job creation.

**Quick Response Training** - To help maintain the level of economic competitiveness Florida has achieved under Governor Scott, the Governor’s Recommended Budget includes keeping the existing Quick Response Training (QRT) Program at its current year funding level of $12.1 million. The QRT Program provides businesses in targeted industries with matching funds related to specific training activities for workers who will be moving into new jobs that the businesses create in Florida.

**Making Florida the World’s Top Tourist Destination** – The “KEEP FLORIDA WORKING” budget includes $17.5 million in additional funding for VISIT Florida to build on their success in attracting more tourists to the Sunshine State. The Governor’s recommended budget will provide VISIT Florida with total funding of $85 million. For every dollar invested in VISIT Florida, the state saw a return of $3.20, and VISIT FLORIDA raised more than $120 million in private matching funds. In 2013, 94.7 million visitors came to the state, an increase of 3.5 percent over 2012, and spent $76.1 billion.

**Florida Export Diversification and Expansion** - Governor Scott’s budget recommends $1 million to continue two highly successful export diversification and expansion programs, which support Florida’s efforts at expanding its international economic base via increased trade and exports through Target Sector Trade Grants and Export Marketing Plan assistance.

Enterprise Florida is offering target sector trade grants to help Florida companies grow their export sales through international trade events. In 2014, EFI provided 116 target sector trade grants. Eligible small and medium-sized companies can apply for a target sector trade grant to help offset costs and enable them to participate in Enterprise Florida trade shows and select U.S. certified trade exhibitions in target sectors.

In partnership with the Small Business Development Center Networks of Florida and the U.S. Commercial Service, Enterprise Florida offers qualified “new-to-export” Florida manufacturers the development of a customized Export Marketing Plan to identify overseas growth strategies for the company. In 2014, 29 businesses completed export marketing plans. Upon completion of the Export Marketing Plan, the company is offered a Gold Key or other similar overseas matchmaking service in one of the markets identified in the Export Marketing Plan.
Improving Florida's Transportation System – Over the last 20 years, millions of people have escaped from states with climbing tax rates to move to states with lower taxes like Florida. People left states like New York, which lost $71 billion in adjusted gross income from 1992 to 2011, and Illinois, which lost $31 billion in adjusted gross income over that same period. During that time, Florida inherited 1.7 million residents, and in 2014, became the nation's third largest state. Governor Scott recognizes the need to invest in Florida's transportation systems to continue to keep pace with the state's population and economic growth. The Governor's recommended budget of $9.1 billion for the Department of Transportation's Work Program provides for the construction and maintenance of Florida's roads, bridges, seaports, and other public transportation systems that are critical to the growth of Florida's economy and improving the quality of life for Florida's families. Recommended funding for our transportation systems includes the following investments:

- $3.6 billion to expand transportation system capacity, which includes adding 245 new lane miles.
- $901.5 million for maintenance and operation.
- $657.5 million for resurfacing more than 2,510 lane miles.
- $350 million for aviation improvements.
- $492 million for transit program improvements.
- $242.6 million for scheduled repairs of 92 bridges and replacement of 16 bridges.
- $168.3 million for safety initiatives.
- $109.6 million in seaport infrastructure improvements.
- $38.3 million for bike and pedestrian trails

Workforce Training for High Wage Careers – As a new initiative under the Quick Response Training Program, the "KEEP FLORIDA WORKING" budget recommends $30 million to provide more Floridians with the training required for successful careers. The High-Skill/High-Wage Workforce Training Program will provide flexible funding to businesses seeking to train employees and individuals seeking training in science, technology, engineering, and math as well as other specialized high skill/high wage occupations. This includes providing scholarships for attendance at Florida state colleges and post-secondary vocational centers to students seeking training in such occupations.

Investing in Florida's Workforce System – The Florida workforce system helped place more than 470,000 Floridians in jobs during 2014. More than 23,000 Florida veterans have found jobs with the help of the state’s workforce system in the last year. The "KEEP FLORIDA WORKING" budget recommends approximately $283.4 million for Florida's 24 Regional Workforce Boards, responsible for providing workforce
services directly linked to job seekers and businesses including job placement, recruitment assistance, and skills training.

**Business Information Portal** - The Governor recommends $1.46 million in funding for the development of the business information portal. The portal will allow businesses to go to one state government website to obtain information regarding the licensing, registration, and permitting requirements of state agencies so they can be up and running faster.

## Strengthening Florida Communities

### Protecting Florida’s Natural Resources

Over the last four years, historic strides have been made on restoring the Everglades, protecting Florida’s valuable citrus industry, funding springs restoration, and protecting our Areas of Critical State Concern.

The “KEEP FLORIDA WORKING” budget builds on these investments by providing **more than $3 billion dollars to protect our agricultural and natural resources**. The Governor's proposed "KEEP FLORIDA WORKING" budget fully complies with Amendment 1 by including over $757 million for land and water programs funded from documentary stamp tax revenues, and goes beyond the requirements of the amendment by providing an additional $82.5 million to fully fund the environmental commitments made by Governor Scott's Keep Florida Beautiful Plan.

### Permanently Funding Everglades and Springs Restoration

The “KEEP FLORIDA WORKING” budget provides $150 million in Fiscal Year 2015-2016, and more than $5 billion over 20 years, for the restoration of our Everglades and estuaries. The Governor believes Florida cannot take its eye off the goal of restoring Lake Okeechobee and the Everglades; the harm of pausing projects or being delayed by litigation is too great for Florida’s families. By creating a dedicated source of funding for Everglades restoration, and by finishing projects that began long ago, the families of Florida will know that the future of healthy estuaries, clean water, and a restored Everglades is near.

That is why the "KEEP FLORIDA WORKING” budget creates a dedicated source of revenue for Everglades restoration that provides almost $670 million for ecosystem restoration over the next four years and more than $5 billion by 2034. This means that during the Governor’s second term, south Florida’s families will know the state has the
ability to fund its share of the restoration of the Kissimmee River and the construction of the C-43 and C-44 reservoirs – projects that will provide almost 100 billion gallons of water storage to protect our estuaries. These projects build on the success of the Governor’s $880 million water quality plan that ensures clean water for the Everglades, and continues the focus on funding projects instead of litigation.

The Governor’s proposed budget includes $50 million in Fiscal Year 2015-2016, and more than $1.6 billion over 20 years for springs restoration. Over the last two years, the Governor championed record funding for Florida’s springs, partnering with local communities to leverage $35 million in grants into $106 million of projects. Last year alone, projects were funded to provide 36 million gallons of water per day back to aquifers and eliminate 2.7 million pounds per year of nutrient pollution from entering springs. The Governor believes Florida cannot afford to lose this momentum, which is why the "KEEP FLORIDA WORKING" budget recommends creating a dedicated source of funding for Florida Springs that will provide more than $220 million over the next four years. When leveraged with local funds, this will create a total investment of half a billion dollars by the end of the Governor’s second term.

**Ensuring a Sustainable Water Supply for the Future of Florida** - The “KEEP FLORIDA WORKING” budget proposes funding the first year ($50 million) of a 10 year, $500 million program to provide more than 250 million additional gallons of water a day to Floridians to ensure the sustainable growth of Florida’s economy and environment, and also assist those economically challenged communities in Florida where funding for drinking water facilities represents a limiting factor to a growing economy. While other states struggle to ensure a sustainable supply of water, Florida continues to be committed to the future water needs of business, growth, and the environment.

**Protecting Florida’s Coral Reefs** - The “KEEP FLORIDA WORKING” budget proposes $50 million to protect the coral reefs of the Florida Keys by upgrading water facilities to improve the area’s water quality. This brings the Governor’s total investment in grants for Keys’ wastewater upgrades to $150 million – more than any other administration. This is a commitment not only to the health of the only coral reef system in the continental United States, but to the health of Florida’s economy.

**Conserving Key Lands to Save the Florida Panther and Florida Springs, and Fully Funding the Stewardship of Lands We Currently Own** - The “KEEP FLORIDA WORKING” budget recommends $150 million for land acquisition and management, with a focus on protecting the spaces needed for the Florida panther, and to buffer Florida’s springs and other threatened water bodies. The Florida Panther is a symbol of the state’s natural beauty as well as a reminder of the wild lands from which Florida was developed. Preserving the natural corridors that panthers need to travel through.
Florida's wilderness is key to their survival and to preserving the heritage of this state. In addition to new acquisitions, the Governor's proposed budget fully funds the management of lands currently owned by the state—recognizing that we should only purchase lands that we are prepared to carefully steward. Specifically, $100 million is distributed pursuant to the Florida Forever statute, which supports land acquisition and improved recreational opportunities, $20 million is provided to restore the Kissimmee River, and an additional $30 million is provided to fully fund the care of the public's lands.

**Protecting Florida's Beaches** - The "KEEP FLORIDA WORKING" budget recommends $25 million of financial assistance to local and state governments and special taxing authorities for beach and dune restoration, beach renourishment, inlet sand bypassing, regional sediment management, and innovative projects. These projects include:

- $1,100,911 for Venice Beach Nourishment/ Sarasota County Shore Protection
- $726,848 for Duval County Shore Protection Project
- $10,520,990 for Walton County Hurricane and Storm Damage Reduction Project
- $100,000 for Ft. Pierce Shore Protection Project
- $39,262 for Brevard County Shore Protection Project/ North & South Reaches
- $496,486 for Broward County Shore
- $60,000 for Blind Pass Ecozone Restoration in Lee County
- $117,630 for South Amelia Island Beach Nourishment
- $4,566,500 for Upham Beach Groin Replacement
- $1,599,463 for Longboat Key Beach Nourishment (funds will be divided with Inlet project)
- $2,684,976 for Statewide Post-Construction Monitoring
- $160,500 for Port Canaveral IMP Implementation
- $46,500 for Lake Worth IMP Implementation
- $4,963,900 for Longboat Pass IMP Implementation (funds will be divided with beach restoration project)

**Investing in Florida State Parks** - In addition to 161 state parks, the Florida Park Service manages the state’s greenways and trails. The goal of the Florida Park Service is to show park visitors the best of Florida's diverse natural and cultural sites. Between 2010 and 2014, over 98 million people visited Florida State Parks. Governor Scott’s proposed budget provides the following funding for state parks and coastal aquatic managed areas:

- State park facility improvements - $19 million
- National recreation trail/facility grants - $3 million
- Resource management & historic structure repairs - $8 million
- Partnership in parks program - $2 million
- Maintenance and repairs for coastal and aquatic managed areas - $590,000

**Florida Agriculture Investment** - Florida agriculture supports over two million jobs and contributes more than $104 billion annually to the state's economy. Florida has 47,500 commercial farms, occupying a total of 9.25 million acres, and ranks second in the value of vegetable production. Additionally, Florida ranks first in cash receipts for oranges, grapefruit, fresh snap beans, sweet corn, watermelons, fresh cucumbers, squash and sugarcane, and ranks second in the production of greenhouse and nursery products. Florida accounts for 65 percent of the total U.S. citrus production. Nationally, Florida ranks 12th in beef cows and seventh in agricultural exports, shipping more than $3.1 billion in goods out of the state. The Governor's $1.5 billion proposed agriculture budget includes the following funding to ensure Florida's citrus industry continues to lead the nation:

- **Protecting Florida’s Citrus Industry through Research** - Governor Scott's proposed budget provides $8 million in funding for short-term research projects on how to stop the spread of citrus greening, a bacterial disease, which greatly reduces citrus production and kills citrus trees. The citrus industry provides an economic impact of $10.68 billion annually, accounts for 62,313 jobs, represents about two-thirds of the U.S. citrus market, and accounts for 40 percent of the world's orange juice supply.

- **Citrus Health Response Program** - Governor Scott’s proposed budget provides $7.36 million in funding to help protect the economic well being of the citrus industry, by surveying groves for pests and diseases and ensuring growers are taking appropriate measures to suppress disease incidence, minimize spread, and preserve citrus acreage through coordinated efforts.

**Building Stronger Florida Communities**

As a father and a grandfather, Governor Scott understands how important it is to ensure everyone can live a healthy and safe life in Florida. During his first term in office, the Governor focused on meeting the needs of the most vulnerable in Florida. He implemented reforms to increase the quality of life for children in foster care, invested in better safety measures to protect children facing harmful situations at home, and reformed government agencies to provide for those with disabilities. This year, Governor Scott also announced that juvenile arrests in Florida have dropped 36 percent over the past five years – a 30-year low.
The "KEEP FLORIDA WORKING" budget continues to build on these important investments as Governor Scott works to make Florida the best state in the nation to live, work and raise a family.

By supporting vulnerable youth, the "KEEP FLORIDA WORKING" budget invests in programs that provide support to children that need it most.

Guardian ad Litem – Governor Scott's "KEEP FLORIDA WORKING" budget protects vulnerable youth by providing $4.4 million for the Guardian ad Litem Program to hire additional staff to recruit and supervise 2,945 new volunteers. These volunteers and staff will serve an additional 5,000 children, reaching the final stage of a three-year plan to ensure that 100 percent of the children who need state services are served.

At Risk Youth Programs and Prevention Services – Under the Governor's leadership, Florida has become a national leader in applying effective intervention strategies for at-risk youth. The "KEEP FLORIDA WORKING" budget continues efforts to reduce juvenile crime through effective investments in preventative programs, intervention, and treatment care for children at risk of criminal behavior. Over the past four years, the decreases in costly juvenile detention and residential commitment programs have added up to a savings of more than $87 million. Some of the investments to benefit Florida's at-risk youth include

- **About Face Program** – $1.25 million to provide summer and after-school life preparation programs.
- **PACE Program for At-Risk Girls** - $850,000 for 50 additional slots.
- **Counseling for Troubled Youth** - $780,952 for interview and counseling services for troubled elementary and middle school aged youth and their families.
- **Forward March Program** – $750,000 to provide job readiness services at selected Florida armories for work and gain economic self sufficiency recipients and other qualifying young adults.
- **Juvenile Assessment Centers** - $735,840 to continue juvenile assessment centers in Bay and Escambia counties.
- **Youth Challenge Program** – $536,610 to support the Youth Challenge program at Camp Blanding by providing additional replacement equipment.
- **Getting Youth Back in the Classroom** - $291,741 for staff to work with the Department of Education on transitioning youth from a juvenile residential program back to their local school.
Juvenile Domestic Violence Respite Bed Days - $202,500 for additional juvenile respite bed days for youth charged with domestic violence that can be diverted from secure detention to a respite bed.

Affordable Housing – The “KEEP FLORIDA WORKING” budget recommends $100.8 million for affordable housing - $70.8 million for the State Apartment Incentive Loan (SAIL) program and $30 million for the State Housing Initiative (SHIP) program. SAIL provides low interest loans to developers who build or rehabilitate affordable housing projects. The Governor is recommending special consideration be given to properties that target demographics such as the elderly and those with special needs. SHIP funding will be focused on providing first-time home buyer down payment assistance for very low to low and moderate income families.

Small Community Development Block Grants – The “KEEP FLORIDA WORKING” budget recommends $36.5 million in small community development block grants to fund a series of programs focusing on low and moderate income persons, improving housing and supporting infrastructure improvements that lead to job growth.

Technical Assistance to Local Governments – The “KEEP FLORIDA WORKING” budget recommends $3.6 million for Technical Assistance to Local Governments for innovative planning and development strategies to promote a diverse economy and vibrant communities. Funds provide technical assistance to Florida communities related to growth management, changes in coastal vulnerability and economic development initiatives.

Competitive Florida – The “KEEP FLORIDA WORKING” budget recommends $1.6 million for community based asset inventories – “Competitive Florida.” These funds will build upon an existing pilot program for selected communities.

Florida Military Presence and Families – The “KEEP FLORIDA WORKING” budget recommends $4.6 million for Florida’s Military Presence and Families, which funds the state’s support of in military research and development and assists defense-dependent communities in the diversification of their economies. The Governor’s recommended budget includes $2 million for the Florida Defense Support Task Force, $1.6 million for the Defense Infrastructure Program, and $1 million for military base protection.

Keeping Florida Families Healthy

Boosting Brain Disorder Research - The “KEEP FLORIDA WORKING” budget recommends $8 million in funding, which more than doubles the state’s investment in
research for diseases of the central nervous system. The budget establishes a consistent source of state funding to assist Florida's elite neurological research and treatment centers in earning prestigious national designations from the National Institutes of Health. The budget also expands funding for competitive grants awarded to promising research project proposals for various neurodegenerative and neurobehavioral disorders including Alzheimer’s disease, autism, Parkinson’s disease, Lou Gehrig’s disease, and mental illnesses.

Diseases of the central nervous system have recently become the focus of the greatest number of start-ups, mergers and acquisitions for companies attracting early stage investment in biotechnology. Because of Florida’s public health needs and unique demographics, building up the state’s brain disorder research enterprise offers great potential to improve the quality of life for Floridians, contribute to the state’s economic competitiveness, and support the creation of more jobs in science, technology, engineering, and math.

**Investing in Mental Health and Substance Abuse Services** - The “KEEP FLORIDA WORKING” budget increases funding for mental health and substance abuse services by more than $22 million, and establishes the Florida Community Behavioral Health Program at the Department of Children and Families (DCF) to maximize capacity for, responsiveness to, and coordination of the behavioral health needs of Florida’s most vulnerable residents.

The “KEEP FLORIDA WORKING” budget recommends $2.4 million for the Department of Corrections to expand community residential treatment and mental health beds to ensure offenders on community supervision that are court ordered into a program have access to critical substance abuse treatment. In addition, $2.5 million is provided to establish mental health and case management services for offenders completing their prison term that have an identified mental illness.

**Investing in Child Welfare** - The “KEEP FLORIDA WORKING” budget increases and reforms core services funding for community-based care lead agencies tasked with administering Florida’s foster care system. In addition to the more than $15 million in new funds, the “KEEP FLORIDA WORKING” budget allocates funding based on the number of children served and the outcomes they experience. The new methodology will directly reward providers that create a safer environment and increased permanency for children, which are the fundamental goals behind Florida’s child welfare system. The “KEEP FLORIDA WORKING” budget also provides an additional $5 million for a risk pool that lead agencies can access for financial emergencies, and reforms the process by which lead agencies are allowed to carry forward funds from one year to the next in order to allow for more innovation and financial certainty.
Enhancing the Child Welfare Workforce - The "KEEP FLORIDA WORKING" budget provides funding for DCF to respond more rapidly and more effectively to the needs of the children and families served. More than $14 million in funding is added to ensure that all child welfare workers for DCF, local County Sheriff's Offices, and community based care lead agencies have the training necessary to effectively identify risky situations and develop intervention strategies to protect the safety of vulnerable children.

Another $8.5 million in funding is included for information technology upgrades that will give child protective investigators, case managers, court officials, service providers, Guardians ad Litem, and other community partners greater ability to track and share readily available information on client needs, service effectiveness, and judicial proceedings.

Finally, the "KEEP FLORIDA WORKING" budget gives DCF new flexibility to transfer child protective investigation responsibilities to any local County Sheriff's Office volunteering to take on these responsibilities and apply innovative local strategies.

Preventing Child Maltreatment - The "KEEP FLORIDA WORKING" budget recommends $5 million in funding for the Healthy Families Florida Program, so that statewide efforts to protect Florida’s children can start prevention methods with the most proven results. This new funding will help this nationally accredited, evidence-based home visiting program to reach statewide capacity for the first time in six years.

Three New State Veterans Nursing Homes - The "KEEP FLORIDA WORKING" budget proposes $7.4 million and the use of revenue from existing state veteran nursing homes to create three new state veterans nursing homes. This plan will dramatically increase capacity and will serve hundreds more veterans. One of the new nursing homes has been announced for St. Lucie County. The location for the other two new homes would be considered by the Florida Cabinet in the coming months. Florida has the third largest population of veterans in the nation, with 1.6 million (12 percent) of the Sunshine State’s adult population. Most of Florida’s veterans are from the World War II era, while another 490,000 (about 1 in 4) are Vietnam veterans.

Caring for Seniors - The "KEEP FLORIDA WORKING" budget recommends $2 million in new funding to enroll 200 additional individuals into the Alzheimer's Disease Initiative program, and another $2.7 million is provided to enroll 400 additional individuals into the Community Care for the Elderly Program at the Department of Elder Affairs.
Statewide Public Guardianship Program – The "KEEP FLORIDA WORKING" budget also continues $3 million for the Statewide Public Guardianship Program to operate on a statewide basis. This program provides guardianship services to persons who do not have adequate income or assets to afford a private guardian.

Supporting People with Developmental Disabilities - The "KEEP FLORIDA WORKING" budget recommends $8 million in additional funding to enroll all individuals with critical needs from the waiting list onto the Developmental Disabilities Waiver Program at the Agency for Persons with Disabilities. This is the second year in a row that funding is provided to enroll all individuals with critical needs. The program provides home and community based services to assist people with developmental disabilities in living, learning, and working in their communities.

The "KEEP FLORIDA WORKING" budget also provides $2 million for supported employment and supported internship services to help individuals to participate in and contribute to Florida’s continuing job growth.

Beginning Quality-Based Payment in Medicaid - The "KEEP FLORIDA WORKING" budget builds on recent major reforms to Florida’s Medicaid program, with the first ever statewide initiative to tie payments directly to quality outcomes. The successful implementation of statewide managed care and prospective payment in Medicaid have been used to tie a portion of managed care plan payments to performance based on reducing potentially preventable readmissions and complications in hospitals for their Medicaid enrollees. Like the major reforms it is built on, this new patient-centered initiative will further reward the delivery of high-value, quality-driven health care services in an efficient manner, to the benefit of both Medicaid recipients and Florida taxpayers.

Expanding Graduate Medical Education - The "KEEP FLORIDA WORKING" budget expands the $80 million statewide Medical Residency Program with more than $7 million in new funds to further improve access to and quality of care for Florida patients, expand graduate medical education on an equitable basis, and increase the supply of highly trained physicians statewide.

Keeping Florida Families Safe

Over the past four years, Governor Scott, along with law enforcement, has worked to ensure our communities are safe for Florida families and visitors. Safer communities mean that more families and businesses will move to Florida and bring jobs and investment. The crime rate is at its lowest level in 43 years, even as Florida’s population
continues to grow. Additionally, Florida’s recidivism rate continues to decline, dropping 6.2 percent in the past four years. Public safety remains a top priority, and this budget includes continued investments that provide law enforcement the resources they need to reduce crime in Florida through investigation, prevention and effective rehabilitation. Governor Scott believes a key role of government is to provide the utmost security for the citizens of the state.

The Department of Corrections Reforms - As the Department of Corrections (DOC) pursues reforms of enhanced accountability, transparency, mental health services, and community involvement, the “KEEP FLORIDA WORKING” budget supplements ongoing reform efforts that make facilities safer for Corrections Officers, and the offenders DOC houses.

The Governor’s budget invests $51.2 million over the current budget. The budget includes $17.5 million to fill more than 300 critical vacancies ranging from corrections officers who keep facilities and personnel safe, to programmatic staff who work to reform offenders, so that upon conclusion of their sentence they can safely reenter society.

These positions will also enhance DOC efforts at further creating a culture of safety and reform, while holding those accountable who fail to live up to the standards that so many corrections officers honor. Moreover, as the Department tackles the challenges of a growing population of offenders that suffer from mental health matters, additional personnel will provide the DOC with greater tools and support as policies and procedures are improved to address this population’s needs.

The Governor’s budget also invests $15 million for critical upgrades to correctional facilities. These long-term investments in infrastructure will enhance the safety and security of facilities, and allow facilities to optimize bed space. For health care services, the budget reflects an increase of $7.9 million.

The budget also includes $1.7 million to add additional security cameras throughout facilities across the state. The DOC is adding audio capabilities to cameras that will provide a critical tool to those investigating claims by offenders regarding use of force incidents and offender-on-offender crimes. Additional cameras will enhance the DOC’s efforts regarding accountability and safety for corrections officers and offenders in facilities. The budget also invests $1 million for enhancing prisoner transport operations. This funding will allow the DOC to replace equipment, and enhance the safety and security of prison operations on Florida roads.
Statewide Law Enforcement Radio System - The "KEEP FLORIDA WORKING" budget recommends $1.1 million to continue enhancing the Statewide Law Enforcement Radio System, by expanding mobile radio coverage in areas currently without service.

FDLE Law Enforcement Training - The "KEEP FLORIDA WORKING" budget recommends $4.8 million for the Florida Department of Law Enforcement (FDLE) to continue funding levels for the 40 criminal justice training centers to help ensure local and state law enforcement officers receive advanced and specialized training.

Law Enforcement Technology - The "KEEP FLORIDA WORKING" budget funds crime fighting and crime lab technology in the Florida Department of Law Enforcement that supports state and local law enforcement and enhances public safety.

Specifically, $3.8 million is provided to continue replacement of the computerized criminal history system, providing enhanced functions and response times that are critical to the officer on the street, and $2.2 million to enhance crime lab services and to preserve the security and integrity of Florida's crime labs.

State Attorneys to Prosecute Sexually Violent Predators - The "KEEP FLORIDA WORKING" budget recommends $2.2 million to have state attorneys hold sexually violent predators accountable and meet increased staff workload. This increased workload results from legislation that allows a person in county jail to be eligible for referral for civil commitment by a state attorney's office.

Human Trafficking – The "KEEP FLORIDA WORKING" budget continues $3 million in funding safe houses through the Department of Children and Families where victims are treated in safe facilities. Also, the Department of Juvenile Justice is establishing identification screening procedures where victims of human trafficking are identified, and put on a path where they receive treatment.

Disaster Preparedness Response, Recovery, and Mitigation – The Governor's recommended budget for FY 2015-2016 includes $254.4 million in financial assistance to state and local governments for emergency public awareness, outreach programs, and disaster mitigation programs.