

Final FY 2020-21 Budget:

NATURAL RESOURCES / ENVIRONMENT / GROWTH MANAGEMENT / TRANSPORTATION (NREGMT)

July 2020

→ Current Landscape

In a disaster-prone state like Florida, investment in environmental conservation efforts and updated state infrastructure are of the utmost importance. Such investments are particularly important in South Florida, where climate equity and gentrification are growing issues of concern.¹ The rising sea levels have made higher elevation properties more desirable to investors and developers, putting low-income families who reside in these regions at risk of being displaced.²

A study by the Office of Economic and Demographic Research noted that "hurricanes, tropical storms and other shocks have a negative effect on the attractiveness of the state to visitors and state tax revenues. Depending on the magnitude of the shock, the state may need to spend additional dollars to restore the beaches while also experiencing reduced revenues." Not only do natural disasters impact tourism, they also cause economic and physical devastation within impacted communities.

The ASCE gave Florida an overall grade of "C" in its 2016 Infrastructure Report Card, with even lower grades on indicators like coastal areas, drinking water, schools, and stormwater. ⁴ Moreover, while the governor claims that "Florida has one of the best transportation systems in the country," the reality is that the state is in dire need of increased funding and long-term planning, especially with regard to public transportation. According to the ASCE scorecard, a nominal 2 percent of commutes to work in Florida were made via public transit, which points to low quality and availability.

Florida lawmakers have also siphoned trust fund monies meant for environmental protection since the Great Recession, even after voters approved a ballot measure in 2014 that required 33 percent of the net revenue collected from the excise tax on documents to be put into the Land Acquisition Trust Fund. Other ongoing issues in the state include toxic algae blooms like red tide and beach erosion. Another recent concern is the Department of Environmental Protection's decision to allow exploratory oil drilling into the Panhandle's Apalachicola River floodplain, one of the state's most vital freshwater sources for millions of Floridians.⁶

→ Budget

NATURAL RESOURCES/ENVIRONMENT/GROWTH MANAGEMENT/TRANSPORTATION BUDGET

| | | FY 2020-21 Budget | | | | | |
|--------------------------------------|----------------------|-------------------|------------------|------------------|-------------------------------|--|--|
| | FY 2019-20 Budget | House | Senate | GAA | Final Budget (Post-Vetoes) | | |
| Appropriation Amount | \$14,728,172,340 | \$14,395,033,601 | \$14,671,166,224 | \$14,801,367,235 | \$14,674,865,566 | | |
| Difference from FY 2019-20 Budget | | - \$333,138,739 | - \$57,006,116 | \$73,194,895 | - \$53,306,774 | | |

Transportation

The budget includes \$10.3 billion for the Department of Transportation (DOT), funded through the State Transportation Trust Fund.

Specifically, \$90 million is recommended for the Transportation Work Program that would fund the launching of DOT's Five-Year Work Program, which is budgeted at \$9.7 billion, and includes funding for the new Multi-Use Corridors of Regional Economic Significance (M-CORES). The previous fiscal year's budget allocated \$45 million in initial funds for this program. The Five-Year Work Program, M-CORES, is the result of SB 7068, a controversial bill that was heralded by former Senate President Bill Galvano. M-CORES is an aggressive plan to expand the highway system in rural areas of the state by creating three new toll roads and other transportation and economic initiatives. It also provides funding for other programs, including: the Small County Road Assistance and Small County Outreach Programs, which rehabilitate and repair roads and bridges in rural areas; and the Transportation Disadvantaged Program, which provides services for individuals with low income who are living with disabilities, especially seniors.

M-CORES has been critiqued by environmental and community advocates. The more than 330 miles of proposed toll roads would endanger over 52,800 acres of undeveloped land, which includes sensitive animal habitats as well as critical ecosystems such as wetlands, springs, and aquifer recharge areas. The economic benefit to rural communities is also in question, as the new roads would encourage more unsustainable sprawl development.⁷

Several advocacy organizations including FPI have asked the governor to re-appropriate the funds for M-CORES, particularly in light of the COVID-19 economic recession, but to no avail. That is because M-CORES is enshrined in state laws, and the Legislature's approval is needed to make an amendment. While funds for M-CORES remained unscathed, the governor aggressively vetoed money for various other transportation programs that amounted to \$40 million. This is important considering that Florida's existing infrastructure, including roads, public transit, and bridges, is already in need of maintenance and repair. The ACSE gives Florida a "C" grade in its Infrastructure Report Card.8 Funding the state's existing infrastructure and making meaningful investments in rural communities in areas such as education, health care, and conservation would have a much more significant economic impact and return for the state.

Disaster Planning & Recovery

The budget provides roughly \$1.47 billion in federal and state funding for Emergency Management (EM) to provide disaster relief and recovery, down from the current funding level of more than \$2 billion. This reflects vetoes made by Governor DeSantis, including \$2 million for a Statewide Comprehensive Flood Plan Model, \$550,000 for the City of South Bay's Emergency Shelter and Care Center, and \$3.5 million for the State Emergency Operations Center.

The previous fiscal year's budget included a 10-day tax-free holiday for disaster preparedness supplies, which covered purchases such as modestly priced self-powered radios and lights, tarps, tie-down kits, batteries, and generators. The final tax package (HB 7097) will provide a similar tax-free holiday in FY 2020-21.

In addition to EM funding, the budget allocates \$30 million for Affordable Housing Recovery, including \$20 million for the Hurricane Housing Recovery Program for Hurricane Michael and \$10 million to the Florida Housing Finance Corporation to assist Floridians with down payment and closing cost payments as part of its Homebuyer Loan Program for those purchasing a home to be used as a primary residence in the Hurricane Michael-impacted counties of Bay, Jackson, Gulf, Calhoun, Gadsden, Washington, Liberty, Franklin, Wakulla, Taylor, and Holmes.

D-SNAP

The budget passed by the Legislature earmarked \$250,000 for a pilot project in Bay and Walton Counties to modernize the delivery of Disaster Supplemental Nutrition Assistance program (D-SNAP)⁹ benefits through mobile technology. However, this appropriation was vetoed by Governor DeSantis.

D-SNAP, a program administered by DCF on the state level and the USDA on the federal level, helps people without adequate income and resources put food on the table after a disaster. Examining efficient ways to deliver D-SNAP after a disaster makes sense. However, if this pilot is proposed again next year, details¹⁰ of several unique factors must be considered, including fiber network outages that hinder delivery of broadband and mobile phone service to affected regions after a disaster, as well as individual service limitations or data caps that may frustrate use of smartphones to transact D-SNAP business.

Environment

Overall, the budget shows that environmental issues like Everglades restoration and the Florida Forever program remain priorities for state leaders. However, Governor DeSantis vetoed over 100 local water projects that municipalities had secured funding for in the Legislature's budget this March (e.g. drinkable water improvements, septic-to-sewer conversions for residents, flood mitigation, wetlands restoration). Investing fully in these areas is key to protecting the state's natural resources and unique ecosystem, mitigating the effects of climate change, and keeping the state's drinking water safe and plentiful for the growing number of Florida residents and visitors.

Florida Forever

The budget brings Florida Forever program funding to \$100 million, a major increase of \$67 million. Going forward, though, environmental advocates contend that \$100 million annually should serve as a funding floor, not a ceiling. Florida Forever is a critical program that allows the state to acquire and preserve ecologically important land and prevent future environmental problems. The Florida Forever Act was passed in 1999, authorizing \$300 million in bonds for 10 years to support conservation efforts. Funding was appropriated in full until 2008, when it was then significantly reduced or eliminated. The FY 2018-19 funding level of \$100.8 million was the largest amount of funding in a decade.

FLORIDA FOREVER PROGRAM BUDGET

| | | FY 2020-21 Budget Proposals | | | | | |
|---|----------------------|-----------------------------|---------------|---------------|-------------------------------|--|--|
| | FY 2019-20 Budget | House | Senate | GAA | Final Budget (Post-Vetoes) | | |
| Appropriation Amount | \$33,000,000 | \$20,000,000 | \$108,000,000 | \$100,000,000 | \$100,000,000 | | |
| Difference from Current Year Budget | | - \$13,000,000 | + 75,000,000 | + 67,000,00 | + 67,000,000 | | |

Fish and Wildlife Conservation Commission

The budget increases funding for the Fish and Wildlife Conservation Commission (FWC) by \$25 million. For the past 20 years, the FWC has coordinated the state's fish and wildlife research, enforced hunting and fishing laws, and addressed nuisance species and loss of animal habitat. The FWC is central to managing the rich array of Florida's natural species, including nearly 600 land animals and 700 native marine and freshwater fish.¹¹

Everglades

Everglades funding fell marginally below prior-year levels. The Everglades is one of the most endangered natural resources, yet nearly 1 in 3 Floridians rely on it for their water supply. The FY 2020-21 budget allocates a few million less to Everglades projects than last year, mostly shifting money away from restoration and bonds to fund an increase in protection endeavors. Governor DeSantis has made supporting the rich biodiversity of the region that makes it so unique and vital to the state a key priority; both current and FY 2019-20 allocations reflect this.

Local Water Projects

Funding for local water projects was cut by nearly \$21 million for FY 2020-21. While Governor DeSantis has voiced his support for water quality improvement and heralded this year's passage of the Clean Waterways Act, this dramatic reduction in local funding belies those promises. Moreover, as advocates contend, the Act as it was ultimately passed lacks the accountability measures necessary to combat the state's water problems, like pollution and outdated infrastructure. The Act also preempts local governments' ability to

pass their own waterway protection policies. This, coupled with drastic budget cuts, disempowers local communities and thwarts the intergovernmental cooperation necessary to truly preserve Florida's most precious resource.

Springs Restoration and Beaches

The prior fiscal year appropriations of \$50 million each for springs restoration and beach projects are maintained in this year's budget. Florida has more than 1,000 springs, ¹⁴ but development and pollution severely restrict their water quality and flow. Restoring the springs is pivotal to protecting Florida's marine life, as well as preserving the natural beauty that millions of state residents and visitors of the springs admire each year. Beach project funding supports DEP's work to address erosion of nearly 420 miles of the state's beaches, just over half of which have been restored since the state allocated designated funding in 1998. Continuing these efforts is pivotal to managing the damages of climate change and keeping Florida's coastal tourism industry thriving. Just a few years ago, Florida received a D+ from the ASCE for management of its coastal areas.¹⁵

¹ Phillip Stoddard, "As the Sea Rises, South Florida's Low-Income Residents Face the Most Risk," *The Invading Sea* (South Florida Sun Sentinel, Miami Herald, Palm Beach Post and WLRN Public Media collaboration), June 24, 2019.

² Stoddard, 2019.

³ Florida Office of Economic and Demographic Research, "Economic Evaluation of Florida's Investment in Beaches," revised January 2015, http://edr.state.fl.us/Content/returnoninvestment/BeachReport.pdf.

⁴ American Society of Civil Engineers, "2016 Florida Infrastructure Report Card," 2017, https://www.infrastructurereportcard.org/state-item/florida/.

⁵ Executive Office of the Governor, "Governor Ron DeSantis 2020-2021 Budget, Education," November 4, 2019, http://www.bolderbrighterbetterfuture.com/content/FY20/Education.htm.

⁶ Jeffrey Schweers, "DEP Issues Notice of Intent to Allow Exploratory Drilling in Apalachicola River Basin," *Tallahassee Democrat*, October 30, 2019, https://www.tallahassee.com/story/news/local/state/2019/10/30/dep-issues-notice-intent-allow-exploratory-drilling-apalachicola-river-basin/4095162002/.

⁷ Florida Conservation Voters, "No Roads to Ruin," https://www.fcvedfund.org/no-roads-to-ruin/.

⁸ American Society of Civil Engineers, 2017

⁹ Florida Department of Children and Families, "Florida Disaster Supplemental Nutrition Assistance Program (D-SNAP)," https://www.myflfamilies.com/service-programs/access/dsnap/learn.shtml.

¹⁰ Although funding for the D-SNAP modernization pilot project is earmarked for Inmar Government Services LLC, Florida Policy Institute does not endorse any particular contractor to carry out the pilot.

¹¹ Florida Fish and Wildlife Commission, "FWC Overview," 2018, https://myfwc.com/about/overview/.

¹² Everglades Foundation, "Restoration Projects," 2020, https://evergladesfoundation.org/the-everglades/restoration-projects/.

¹³ Florida Conservation Voters. April 2020. 2020 Legislative Report. https://fcvoters.org/wp-content/uploads/2020/04/2020-Legislative-Report ONLINE.pdf.

¹⁴ Florida Springs Institute, "Springs 101," 2020, https://floridasprings.org/springs-101/.

¹⁵ American Society of Civil Engineers, 2017