

## Governor's budget reads like a wish list for schools but legislators leery of projections

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It's a school district's dream.

Or it's a pipe dream.

Those seem to be the reactions to Gov. Charlie Crist's budget for education, which was released last week.

By state statute, the governor had to release his budget in January, but Crist asked for a one-month extension because of the stimulus package, said Vern Crawford, the Collier County School District's lobbyist.

Even with the extension, it is still too early to know what the funding picture holds for the state, said Bob Cerra, the Lee County School District's lobbyist in Tallahassee.

"It's based on the current official revenue estimates," Cerra said of Crist's budget. "Most people believe those estimates are going to be lowered in several weeks — and the amount they're going to be lowered is significant."

Crawford said Crist based his budget on the November revenue estimates. The state's next revenue estimate will be released March 13 and he said the Florida House and Senate appropriations committees should have their budgets drafted by the first week of April.

Collier County School Board member Steve Donovan, who is the board's legislative liaison, said he will look for those budgets as a model for the district.

"The governor's budget is a recommendation," he said. "There's usually not a lot to talk about until the two houses get together and present their budget."

Crawford said the governor's budget is considered to be the "high water mark" for education funding, with a 2 percent increase over the previous year. The Florida Department of Education, on the other hand, estimated there could be as much as a 15 percent cut from the past year's budget, he said.

"Going from two percent in the black to 15 percent in the red is a large range," he said.

Crawford said that the stimulus, if Florida gets it for education, should leave the state with a \$5 billion shortfall in the general fund. The shortfall is the difference between projected revenues and the cost of continuing current-year programs, Crawford said.

The state is in danger of losing some \$6 billion in education funding because of a clause in the federal stimulus bill that requires states to fund education at or above 2005-06 levels. With the last round of cuts this year, Florida fell below those levels.

Crawford said he believes Florida will receive a waiver for education funding from the stimulus package.

California and Nevada are the only other states with funding levels below 2005-06 levels.

"A lot of his budget and the balance in his budget is based upon the stimulus package, and I gave up on believing in Santa Claus a long time ago," said state Senator Mike Bennett, R-Bradenton, on Wednesday.

The budget Crist released Feb. 20 is based on a \$2.5 billion deficit, including a \$400 million reduction in local property taxes designated for school funding, Cerra said.

Legislators say they are preparing for a more grim picture.

"Right now, the projections are in flux," said state Sen. Dave Aronberg, D-Greenacres. "No one wants to be a pessimist, but we have to be realistic about the amount of money the state is going to collect in this down economic climate."

Cerra said rumor has it that the local property tax reduction across the state could jump to \$600 million or even \$1 billion.

"The Legislature is left with a choice in looking at his recommendation," Cerra said. "Either this is a spending proposal where (Crist) has outlined the spending needs of the state, or it's a revenue recommendation."

Crawford said the danger for a district like Collier County is the property rolls. The Legislature requires school districts to levy a minimum property tax rate — this year about \$5 per \$1,000 of taxable value — to qualify for state funding. Collier is one of a handful of counties in the state considered to be a donor county, which means it gives more in property tax money to the state for education than it receives in funding.

Crawford warned that with foreclosures and home devaluation, state funding for education through property tax collection could drop by as much as 8 percent.

"It's the joker in the deck," he said. "We're not sure what it's going to do to education funding."

To the Lee County School District, the governor's budget does read something like a spending wish-list. When the Lee County School Board was briefed Tuesday on the governor's budget, they learned that funding according to Crist's numbers would leave the district with a shortfall of \$600,000 next year, compared to the current budget. That is a marked departure from the \$69 million shortfall Lee projected for 2009-10 earlier this month, based on numbers generated by the legislature in a January special session.

"I'm praying for the governor's budget. And, I hope that this is, in fact, a real budget — not just a way to start and we'll figure it out as we get downstream," Lee County Schools Superintendent James Browder told the board Tuesday.

Many legislators are skeptical of Crist's reliance on stimulus money, some because of concern over potentially wasteful social programs, and others because the funds are non-recurring, and will not be there to plug budget holes in four years.

At Tuesday's Lee County School Board meeting, Browder warned that the district could be thrown "against a wall" in the future when the stimulus funding runs out. The governor's budget allocated \$26 million in federal stimulus funding to the Lee County schools for 2009-10. If the governor's budget

numbers are preserved, but the stimulus funding falls through, the district will be faced with a deficit of roughly \$26.5 million.

If January's events are any indication, Crist's budget numbers are going to be a tough sell where education funding is concerned. Before the Legislature met in a special session to discuss the budget, Crist recommended about \$370 million in education cuts. Legislators instead drew up about \$650 million in cuts.

But there are a lot of other reasons Crist's numbers are too good to believe, said Bennett.

"Even if we pass the cigarette tax — and somebody said we're going to pass another new property tax — it would not take effect until the governor signs the bill," Bennett said. "They would take effect too late for them to meet the current budget. I think people believe that if we raise the cigarette tax and we will collect \$1 billion on it, they think we will collect \$1 billion next week, and that's not the case."

Bennett said the legislature has a duty to present the state's residents with a "more realistic, honest, up-front, agreeably-painful budget," and warned that it would mean cuts to valued services, such as education and health care.

"That's what you have to do," Bennett said. "That's where all the money is."

But Aronberg drew a different line.

"Education should be our state's foremost priority, and should be held harmless during all budget cuts," he said. "We should never cut public education, especially when Florida is toward the bottom (of U.S. states) in terms of investing in education."