



'No' to Budgeting Through the Constitution

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Want a blatant example of fuzzy math? It's right here with ringing clarity in the outlandish proposed constitutional amendment known as Florida's Land and Legacy.

Some of the petition-signers who jumped on the Legacy bandwagon might want to jump off after they absorb an honest financial analysis of this misleading amendment. They've been duped.

Read on.

The [Florida Water and Land Conservation Amendment](#) (that's its real name) would embed in the Florida Constitution for 20 years 33 percent of net revenues from the existing excise tax on documents.

But, hey, no sweat. Eric Draper, executive director of Florida Audubon, [promises the people of Florida](#) the amendment will dedicate only 1 percent of the state budget to buying conservation land, no programs will get cut as a result, no one will get hurt, it's all tax free. And, oh yes, all it does is *replace* [the minimum \\$300 million](#) a year the Florida Forever program provided from 1990 through 2008. What's not to like?

As it happens, just about everything.

I asked the expert. As a matter of fact, so did Eric Draper. At different times we both approached [Mark Hendrickson](#), president of the Hendrickson Co., asking about the amendment. Draper phoned wanting his support; I wanted his analysis.

Hendrickson is only the state's top go-to guy on anything to do with doc stamps, on anything affordable housing, including finance and related legislative issues. Before he launched the Hendrickson Co., all he did is serve six governors as executive director of two different Florida housing finance agencies (HFAs). The man knows how state government works, he knows when Florida taxpayers are getting the shaft and best of all, *he knows how to add*.

"Eric wanted my support and I couldn't give it," said Hendrickson. "I took one look at the numbers ... He told me he came up with these numbers on the back of an envelope."

Hendrickson explained in steps why this amendment might sound pretty, but it has crushing ramifications:

1. "Doc stamp collection goes up and down," he said, "depending on real estate activity. But Legacy locks in 33 percent of revenues for environmental programs. That's not 1 percent of the budget. It will vary every year."
2. "To get their 33 percent, they took what has been fairly level environmental spending and divided it by one of the lowest doc stamp collection years, then they say, 'Oh, look, 33 percent only gives us our usual spending.'"
3. "They're locking in significantly more money than their historic averages. It's money that in the revenue projections going forward was heading into general revenue. It's going to put a big hole in the general revenue budget."
4. "To put real numbers on that 33 percent in this current fiscal year, it's \$425 million. Project out to 2015-2016, you're up to \$550 million; in 2021, well over \$700 million. They're acting like they're only getting their current fair share, but they're locking in significantly more than they ever had before."
5. "It's very clever the way they say they're just getting their share. They claim the debt service on their bonds comes from general revenue now. But between now and next year, the bond will be paid off and the debt service will drop massively. This year the budget has \$430 million in it to pay environmental lands debt service, but next year it will drop to \$173 million. The Legislature may think they're getting back \$257 million, but they won't."
6. "In the end, what happens is, when there's a shortfall in general revenue, as there will be, legislators will be forced to look for money somewhere else. That's when they start deepening their raids on trust funds. They have no choice."

Embedding in the Constitution payouts of vast percentages of revenue is no way to budget state priorities.

After 2001, the state lost a large chunk of its tourism income for months on end. In 2005, lawmakers plowed money into hurricane recovery. Disasters happen. Unforeseen circumstances arise. But the more things we treat like the Class Size Amendment -- and now, maybe, land acquisition -- the more it sews up taxpayer dollars and the fewer options it gives lawmakers to dig their way out of emergencies without assaulting other priorities.

How many more expenditures are we going to find to seal up in the Constitution? What will the next one be? Taxpayers need to mount an offensive of their own -- draft their own petition -- consider the legacy they're leaving from a perspective beyond the classrooms and the land and the next cause du jour.

No matter how much we appreciate the need for clean water and parks, if this petition turns into a ballot item that turns into a constitutional amendment, silly, silly us.