



**STATE ISSUE:** **Proposed Constitutional Amendment 1: Florida Water and Land Legacy**

**POSITION:** FNGLA opposes Amendment 1 on the November 2014 statewide ballot due to its significant obligation of trust fund dollars; overly broad use of funds for land acquisition at the possible expense of land management, water quantity and quality projects; and, because it handcuffs the flexibility of elected state officials to meet their sole constitutional duty -- balancing the State of Florida's budget.

**BACKGROUND:** For each of the next 20 years, passage of Amendment 1 will mandate 33% of all net revenues from Florida's excise tax on documents shall be used to fund the Land Acquisition Trust Fund.

Amendment 1's purpose is to "acquire, restore, improve, and manage conservation lands including wetlands and forests; fish and wildlife habitat; lands protecting water resources and drinking water sources, including the Everglades; and the water quality of rivers, lakes, and streams; beaches and shores; outdoor recreational lands; working farms and ranches; and, historic or geologic sites."

It is estimated the tax dollars redirected by Amendment 1 will be \$648 million in its 1<sup>st</sup> year and grow to \$1.26 Billion in its 20<sup>th</sup> year. While proponents insist the funds can be used for myriad purposes, such will likely become subject to litigation whenever any group asserts Amendment 1's spirit or intent is being ignored.

Historically, Florida has made substantial investments in land protection and acquisition. In 1992, the Legislature passed the first dedicated land acquisition program "Preservation 2000" (P2000) which earmarked \$300 million each year for 10 years to purchase environmentally sensitive lands. In 2000, the Legislature established P2000's successor program -- the Florida Forever Program (FFP) which was authorized for 10 additional years at \$300 million per year.

These investments in conserving Florida's natural areas are significant, yet such have created a scenario whereby the state, even with specific legislative direction to inventory and surplus unneeded lands, still doesn't have an accurate acre by acre account of lands owned. Moreover, the focus of both the P2000 and FFP programs was on land acquisition -- not land management. As a result, many of these lands have become overgrown with invasive vegetation and do not serve conservation purposes.

When the State of Florida buys land through "fee simple" purchases (acquisitions), the

land is removed from county tax rolls resulting in lost revenues. To maintain land tax collections, some counties may find they must bank on robust real estate markets to increase home values or some may be forced to consider raising millage rates to offset lost revenue. In the end, many property owners will pay more local taxes. Agricultural land owners will likely see a renewed focus on purchasing entire farms or pieces thereof in the name of preserving/ conserving Florida's natural resources.

Florida is facing critical water quality and quantity issues which will require significant financial resources and unconventional allies to avoid "water wars" in the near future. Amendment 1's critical shortcoming is its lack of clarity in using obligated funds for water supply projects. To the contrary, history has taught us to expect funds from Amendment 1 will be used largely to acquire land and achieve water quality goals rather than implement innovative approaches to increase Florida's stressed water pie.

Lastly, any state constitutional amendment which arbitrarily impedes or handicaps elected officials from exercising their state constitutional duty to balance the state budget deserves rejection. As long as Florida's economy grows and remains strong, this mandatory earmark may not be noticed. However, if Florida's construction market slows, tourism cools, or other unforeseen circumstances pressure Florida's economy, the mandate to meet Amendment 1's intent will reverberate throughout many important areas of the budget.