



CRIST TO VETO DOT FUND SHIFT, SIGN BUDGET FRIDAY

By JOHN KENNEDY
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THE CAPITAL, May 27, 2010...Already ridiculed by the Legislature's ruling Republicans, Gov. Charlie Crist is poised to further antagonize many of those in his former party when he signs Florida's \$70 billion budget Friday.

Crist is expected to veto the Legislature's shift of \$160 million out of the state's Department of Transportation trust fund into public school spending, a move that had been pushed by Republican leaders in the House but supported reluctantly by the Senate.

"I encouraged him to veto the sweep, because it could have a devastating effect on road projects in this state," Sen. Mike Fasano, R-New Port Richey, told the News Service of Florida on Thursday. "Fortunately, he agreed."

Bob Burleson, president of the Florida Transportation Builders Association, an industry group which mounted an e-mail and telephone campaign calling for Crist to veto the move, said the shift could result in about \$400 million in projects being delayed or cancelled outright in coming years.

"We had a lot of people in our industry who have begun to realize that maybe their jobs were on the line if this goes through," Burleson said.

The DOT fund shift was the largest portion of \$507 million in cash pulled from state trust funds to prop-up the budget, already bolstered by \$2.5 billion in federal stimulus money. The federal cash is the last installment of \$16 billion in Washington money that has flowed to Florida the past three years.

While Crist was urged by some Democrats to veto the entire \$70.4 billion spending plan approved last month, few expect that to happen. Crist has, however, waited until Friday – his last day by law – to act on the 2010-11 budget.

In trying to stave-off a potential Crist veto, lawmakers earmarked the trust fund shift for classroom spending. Even with that cash, Florida's 2.6 million public school students are each expected only to draw an average \$1.22 increase – bringing per-pupil spending to \$6,843 next year.

Crist's veto may trigger a legal challenge from lawmakers, if the governor attempts to maintain the level of public school spending currently set by the budget. Republican House members – who have been generally critical of the governor since he abandoned the GOP in April to run for U.S. Senate as an independent -- said they would set a path based on the governor's action.

But the Senate may not be as ready to take on Crist.

"The Senate was never eager to take money out of the transportation trust fund," said Senate Transportation Chairman Andy Gardiner, R-Orlando. "So I don't know how much support there is if the House wants to challenge this."

Sen. Dan Gelber, D-Miami Beach, said he spoke with Crist earlier this week about his approach to vetoes

and said last-minute items added in budget negotiations were likely endangered. House budget chairman David Rivera, R-Miami, managed to include spending on several Miami-Dade County projects in the district where he is a candidate for Congress, along with funding for programs at Florida International University, where Crist's U.S. Senate rival, Marco Rubio, teaches.

"I don't think it bodes well for some of those items," Gelber said.

In crafting the budget for the year beginning July 1, lawmakers helped offset a \$3.2 billion shortfall with the stimulus money, \$433 million from the new Seminole gambling compact, and \$270 million from an anticipated extension of federal Medicaid spending.

In his first year as the state's chief executive, Crist vetoed a record \$459 million in programs and projects. While he is likely to fall well short of that level with this year's leaner spending plan, whatever he cuts will fall into reserves as a cushion for next year.

In ending the legislative session last month, lawmakers didn't leave the cupboard completely empty. About \$1.8 billion in reserves remain – with the possibility that another \$600 million could be added if Congress approves enhanced Medicaid dollars for states.

But with a \$6 billion shortfall looming next year – and stimulus aid gone – some lawmakers fear the reserves will disappear fast down Florida's budget hole.

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