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Doug Callaway: This looks a lot like an anti-stimulus plan

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Doug Callaway
My View

All indicators tell us that Florida's economy is still moving in the wrong direction. So it comes as a surprise that some in the Florida Legislature weren't taking extraordinary steps to boost the economy during this special session.

Government spending for the year that ends June 30 is being cut back. School districts, universities and social programs are suffering budget reductions. The pain is necessary to balance the budget, as required by our state constitution.

The Legislature is to be commended for making difficult reductions in mid-year. Of course, legislators did not create the recession. It's a national and global event. But it is hitting Florida especially hard, because home-building and tourism, both in sharp decline, are powerful forces in our economy.

While government costs must be trimmed, some cuts can negatively impact economic recovery and jobs in the private sector. The worst example of this short-sightedness was a House proposal to take \$200 million out of the Transportation Trust Fund that our Department of Transportation uses to pay for transportation projects and tens of thousands of private-sector jobs. This goes against the concept of stimulating our economy.

The Florida Senate opposed the raid, which did not appear — thankfully — in the final budget-reduction bill to be voted on this week. But in March, Legislators are coming back to cut more costs, so the issue is still simmering.

Not only would a raid on the State Transportation Trust Fund be precisely the wrong thing to do at exactly the wrong time, it would have resulted in a \$415 million hit to Florida DOT's Work Program. A \$200 million raid may not sound like the end of the world, but it comes on the heels of a reduction of \$7.2 billion to FDOT's Work Program since November 2006.

Hundreds of postponed transportation projects all across the state are waiting to be funded. And there is good news: Florida is in line for hundreds of millions in new transportation dollars from a federal economic stimulus package. So, the last thing we need is a reduction in state transportation funding at the very same time.

It is very likely that stealing \$200 million from this gas tax trust fund would:

- Jeopardize Florida's share of any new federal transportation funds.
- Send a mixed message to Congress — as well as the public.
- Leave hundreds of millions of dollars in unrealized economic stimulus potential on the table.

Now, more than ever, every single penny of state transportation dollars should be used to create jobs and stimulate Florida's economy, and to keep our people and goods moving as safely and efficiently as possible. Let's not send Washington a red-light signal when we need transportation dollars to get our economy running at full speed again.

Additional Facts

ABOUT THE AUTHOR

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