

MADISON OP-ED SERIES

The James Madison Institute

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FOR IMMEDIATE RELEASE
May 1996

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(EDITOR: Please consider this Madison Op-Ed for the Commentary page or for broadcast as a guest editorial. Reprint permission is granted.)

LEGISLATURE SLOWS SPENDING MACHINE

by John R. Smith

Florida taxpayers owe a measure of thanks to the legislature. That's because the \$39.8 billion budget it adopted for fiscal year 1996-97 is the second in a row with no new taxes and relatively small increases in aggregate state spending.

The accompanying table puts this in perspective. Beginning in 1983, state spending increases over a 12-year period averaged \$2.4 billion—a rate of increase that, in most of those years, put Florida first among the 10 largest states in average yearly spending growth. By contrast, spending increases in the two most recent budgets averaged just \$500 million.

And perhaps just as significantly, for the first time in many years state lawmakers revised spending priorities to put noticeably more dollars into education and law enforcement and relatively fewer dollars into welfare programs.

What's behind this slowdown in spending and shift in funding

priorities? My opinion is that two major events of 1994 are responsible: (a) the elections—both state and national—in which fiscal conservatives defeated many tax-and-spend proponents, and (b) passage by voters of an amendment to the Florida constitution that capped revenues (popularly known as the "spending cap amendment").

Do these developments mean Florida is at the beginning of an era of smaller government? If the 1994 election results represented a voting trend, perhaps so. If 1994 was a fluke, which we'll learn on the first Tuesday of November, next year could see the return of a spendthrift legislature. Let's hope that doesn't happen.

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John R. Smith is vice president of the James Madison Institute.

"Do these developments mean Florida is at the beginning of an era of smaller government?"

**"Florida
workers,
consumers
and taxpayers
are the real
'third-party'
that will
pay for this
truly bad for
business law."**

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