

JEFF ATWATER



FLORIDA'S CHIEF FINANCIAL OFFICER

# FLORIDA'S BOTTOM LINE

*Inside Track on Florida's Financial Health*

FALL  
EDITION 2015

A nighttime photograph of a lighthouse with a bright light at the top, situated on a small island. A bridge with lights spans the water in the foreground, and the lights are reflected in the water. The scene is dark, with the lighthouse and bridge lights providing the main illumination.

FLORIDA  
*A Beacon of Liberty & Prosperity*

# MISSION

To provide a one-stop shop for the latest news and valuable insight on Florida's economy and financial health.

## RESOURCES

Chief Financial Officer Jeff Atwater is committed to making Florida more consumer and business friendly by ensuring consumer rights and protections, reducing regulatory burdens, and fighting fraud.



Chief Financial Officer Jeff Atwater's Your Money Matters website offers a variety of financial tools and resources including credit and debit, saving and spending, life events, small business, games and calculators.



Transparency ensures accountability, and Floridians can see how money they send to their government is spent through state budgets, contracts, and more resources.



The Division of Insurance Fraud is responsible for investigating criminal acts of suspected insurance fraud. You can help by reporting suspected insurance fraud through our online referral application or by calling the DFS Fraud Hotline (1-800-378-0445).



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*Florida Department of Financial Services*

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The Division of Consumer Services helps consumers make informed insurance and financial decisions. Our dedicated and experienced staff are trained in the 26 different categories of insurance. Consumer assistance and protection is our mission.

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# CFO LETTER

Dear Fellow Floridians:

Creating the conditions for success is necessary to the progress and growth of our economy. I believe that government should not stand in the way of entrepreneurs, families, or communities, but instead provide the framework for success so that they can thrive. By reducing regulations, cutting taxes, and paying off debt, Florida ensures that businesses have the ability to expand and flourish. After all, businesses create jobs in our communities and grow our state's economy. By recognizing the opportunities that effective public policy can play in our economy, Florida provides the crucial structure and support that is essential for prosperity.

This edition of *Florida's Bottom Line* highlights how Florida has been able to create the conditions for success for businesses, families, and communities around the state. Inside you will find stories from leaders around Florida who have seen the opportunities that our state offers and the resulting outcomes.

I invite you to read about the opportunities that Florida has created through fiscal discipline and limited government. I'm proud of what our state has done to foster these opportunities, and I am excited to share these achievements.

Sincerely,

Jeff Atwater  
Chief Financial Officer  
State of Florida

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# Florida: A Beacon of Liberty & Prosperity

By Dr. J. Robert McClure, III

*President & CEO of The James Madison Institute*



There is a little known fact that to this day makes me shake my head. When Florida became the 27th state in 1845, our first state flag had three words emblazoned on it: "Let Us Alone." I feel it's still one of the single most ironic pieces of Florida history. Fast-forward 170 years and our great state is one of the most visited places in the entire world (nearly 100 million visitors a year), a hub of global trade (15 ports and \$158 billion in trade), has the 4th largest economy in the U.S., and if Florida were a nation, our economy would be the 18th largest (\$748 billion) on the planet.

We've come quite a ways from "Let Us Alone," but it all didn't just happen by accident.

Looking just within our borders, over the past 20 years, Florida has become a beacon of liberty and prosperity. We have, for the most part, taken a deliberate and consistent policy route to promote free markets, less government intrusion, and fewer regulatory burdens. And the result is clear – between 1992 and 2014, more than \$127 billion in income has migrated from high tax/high regulation states to Florida. Facts don't lie: \$23.8 billion from New York, \$14.8 billion from New Jersey, \$10.3 billion from Illinois, and \$8.6 billion from Pennsylvania lead the way.

But numbers can have an unintended consequence of masking the remarkable journey behind them. The reality is that Florida's path to prosperity is a unique and glorious story.

It's the story of the medical device manufacturer that won the U.S. Chamber's small business of the year award in 2013 – a company that is innovating healthcare delivery every day for tens of millions of Americans. It's the passion of a husband and wife team who started a craft brewery in Tallahassee and now employ 10 people. It's the vision of a young Cuban immigrant who worked to build an equity firm now worth more than \$1 billion. It's the drive of the single mom from Tampa who went from cutting hair to owning three salons. In short, the Florida dream is the American dream.

There is no secret behind the incredible success of one of my favorite shows on television. Since its inception in 2009, Shark Tank has captivated our love of ingenuity, progress, innovation and the beauty of the free enterprise system. It is the only system of economic governance that has had the effect of lifting more than 2 billion people out of poverty worldwide over the past 50 years.

And the Sunshine State has shown the way.



**Dr. Bob McClure is the President & CEO of The James Madison Institute.**



Florida has illustrated first hand that a favorable business tax structure encourages our economic progress. Repealing burdensome, unnecessary and duplicative regulations promotes expansive job growth. Promoting innovation and investment transforms lives, families and communities into economic engines of prosperity. State leaders have cut taxes 50 times since 2010 and more than 70 percent of all businesses currently do not pay the business tax. It's no surprise that, Florida continues to be ranked among the best states for business presently and in future projections.

Our success is the best advertisement of the path we must continue and the policy solutions we must pursue. Continuing our course means we must put our foot on the gas and move ahead with sound policy that embraces the free market, unleashes entrepreneurs to innovate without fear of overburdensome government regulation, and promotes economic opportunity and upward mobility for all Floridians.

Now is the time to secure a future for our children and grandchildren that promises the opportunity for prosperity through hard work, innovation and personal responsibility.

I'm proud to lead The James Madison Institute. We have seen firsthand that free market principles provide the best hope for Florida and the nation to succeed, thrive and prosper. My family has lived in this great state for five generations, and both my great-grandfather and my uncle had the pleasure and distinction of serving in the state Senate. I would like to think that if they were with us now they would see both our incredible progress as a state and our need to continue advancing economic freedom to the benefit of all right here in Florida.

FOR MORE INFORMATION, PLEASE VISIT [WWW.JAMESMADISON.ORG](http://WWW.JAMESMADISON.ORG)



# Florida's Strong Fiscal Conditions

By Dominic Calabro

*President & CEO of Florida TaxWatch*



Florida's economy is in a slow, but steady, recovery. This recovery has state government revenues increasing again, and the budget deficits of the Great Recession are hopefully a thing of the past. Sound structural provisions in Florida law and the fiscal discipline shown by our elected officials allowed us to weather that storm, and the state fiscal position remains strong.

Florida has one of the best balanced budget requirements in the nation, meaning Florida can only spend money that is currently available. This requirement is in the Florida Constitution, so it cannot be circumvented. During the recession, as state revenues declined rapidly, the Legislature was able to pass balanced budgets and address any deficit that arose. As the bond rating agency Fitch stated when it announced Florida's "AAA" rating in 2013: "the legislature consistently and promptly addressed numerous large negative revenue estimate revisions during the downturn, maintaining budget balance and an adequate reserve position." This was accomplished with relatively few tax increases, instead focusing on budget reductions and cost saving measures.

## Budget Reserves

While revenues are on the rise again, the state has some protection if the economy turns sour or it faces an emergency. Since the economic recovery began, the Legislature has consistently not spent all the money that it had available. This year, the budget left \$1.2 billion in available GR unspent (increased revenue estimates since the budget was passed has boosted that reserve to \$1.7 billion). In each of the previous two years these cash reserves exceeded \$1.6 billion.

In addition, the state has a constitutionally mandated Budget Stabilization Fund which can only be used in the case of budget shortfalls or certain emergencies. After borrowing from the fund in 2009 to meet a budget deficit, the fund is now fully repaid and is at its required balance of 5 percent of GR (\$1.35 billion). Florida currently has total reserves of \$3.7 billion, or 12.9 percent of estimated General Revenue (GR) collections.

## Tax Burden

Florida now ranks 50th in per capita state tax collections, meaning it has the lowest state tax burden in the nation. However, Florida relies more heavily than any other state on local governments to fund government operations. More than half of all revenue is raised at the local level and Florida's local tax ranking (25th) is higher than its state ranking. Still, Florida's combined state and local tax burden is well below the national average.



**Dominic Calabro is the President & CEO of Florida TaxWatch.**



## State Debt

In recent years, Florida has reversed a trend that saw state debt rising steadily. Outstanding debt had more than tripled from 1992 to 2010, but it has *decreased* in each of the last four years. Florida has been paying off debt faster than it has issued new bonds, leading to a four-year decrease of \$4 billion. Florida has issued an average of \$302 million annually in new tax-supported debt over this period, which contrasts to an average of \$2.32 billion the prior four years. Florida has also actively pursued bond refinancing opportunities to take advantage of historically low interest rates, resulting in debt service savings of \$1.25 billion.

## Financial Accountability

Florida CFO Jeff Atwater's office also provides taxpayers with a valuable online tool to keep tabs on how their governments spend money. Transparency Florida "allows Floridians to scrutinize state budgets, payments and contracts and hold their government accountable for how every dollar is spent." It has searchable databases for state payments and contracts. It also allows taxpayers access to local government data, allowing them to compare how their local revenue and spending stacks up to other localities.

Florida's fiscal condition still has its challenges, particularly at the local level, where rising pension and debt costs will put a strain on the budgets of cities and counties. Florida's tax burden is relatively low, but history has shown that when property values rise, local tax burdens can increase rapidly. And Florida TaxWatch will continue to highlight instances where the Legislature appropriates funds without the scrutiny and debate that the spending of taxpayer dollars deserves. However, with the economy slowly recovering, it appears the Florida's fiscal house is in good order, and the state is well positioned for sustained growth and development, and is better prepared to weather future economic downturns.

FOR MORE INFORMATION, PLEASE VISIT [WWW.FLORIDATAXWATCH.ORG](http://WWW.FLORIDATAXWATCH.ORG)

# Florida: Creating the Opportunities for Success

By Randy Berridge

*President of Florida High Tech Corridor Council*

While Florida may still be known to some as the state with oranges, palm trees and the mouse, rapid growth of high tech industry over the past 20 years may prove to alter that mindset in the future.

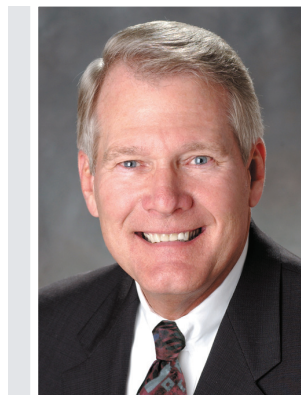
Florida has unique clusters of high tech industry and innovation ranging from modeling, simulation and training to aerospace, medical technology and life sciences. Collectively, high tech industry contributes to more than \$9 billion of R&D expenditures which drive innovation in the state.

Within the **Florida High Tech Corridor**, a 23-county region throughout the center of the state, nearly 20,000 high tech companies research chemotherapy alternatives, how to get humans into space safely, the nuances of making sensors smaller and more efficient, best methods to train soldiers virtually, and more. Since the inception of The Corridor by the Florida Legislature in 1996, companies have thrived and new ones continue to emerge in a region focused on collaboration, partnership, workforce programs and entrepreneurial support.

A partnership of three state universities that are among the most respected research institutions – the University of Central Florida in Orlando, the University of South Florida in Tampa and the University of Florida in Gainesville – The Corridor is a unique economic development initiative that has powered applied research through a matching grants program that has industry working side-by-side with faculty and graduate students to move technologies to market.

That Matching Grants Research Program has used more than \$62 million in legislative appropriations over two decades to attract \$180 million in matches from participating companies, and ongoing analysis shows the downstream economic impact of the program has exceeded \$1 billion from patents, contracts and additional grants.

However, high tech growth is not exclusive to The Corridor.



Randy Berridge is President of the Florida High Tech Corridor Council.



- **Miami** has had a surge in high tech industry in the past five years. The city is a perfect fit to connect to growing technology markets in Latin America and has taken steps to leverage its assets in doing so.
- **Jacksonville** is helping boost the state's funding opportunities for entrepreneurs with One Spark, a six-day festival centered on crowdfunding new ideas. The event has been a clear success, drawing more than 300,000 people in 2015, and is putting a spotlight on Florida and its focus on entrepreneurial support.
- The **Panhandle** has a gem in the Florida Institute for Human & Machine Cognition (IHMC): researchers recently created a semi-autonomous robot that placed second in a global competition in California, and TIME magazine featured its robot on the June 2015 cover. It's safe to say, the accolades for IHMC will keep coming.

Florida's growth has been phenomenal ... in population as well as in high tech. We have a bright future and an enormous opportunity as the nation's third-largest state to build an innovation economy that continues to bring high-wage, high-value jobs that strengthen the state's economy and provide opportunity for future generations.

FOR MORE INFORMATION, PLEASE VISIT [WWW.FLORIDAHIGHTECH.COM](http://WWW.FLORIDAHIGHTECH.COM)



# Florida's Advanced Manufacturing

By Al Stimac

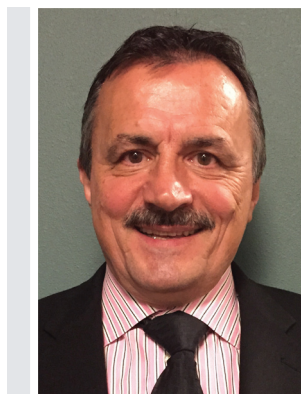
*President of Metal Essence and the  
Manufacturers Association of Florida*

The requirements of business growth are simple and few: tax incentives, reduced regulatory red tape, a skilled workforce and consumer demand. Advanced manufacturing is high tech and it is booming in Florida. This is due in large part to the focus our policy leaders are placing on the manufacturing industry. In every region of the state, roadblocks are being removed, technology is flourishing, students are being introduced to advanced manufacturing skill sets, manufacturers are purchasing more advanced machinery and equipment because of the favorable sales tax exemption, and collaboration is occurring that is taking manufacturing to new heights.

In 2014, the Manufacturers Association of Florida (MAF) was successful in advocating for a three-year sales tax exemption on manufacturing machinery and equipment. This incentive has allowed business owners the opportunity to buy new high tech equipment, hire more skilled workers and open new facilities. The Manufacturers Association of Florida is on a mission to make this temporary tax exemption permanent and secure the future for a booming manufacturing industry in Florida. The past 15 months have shown what a positive impact this tax exemption has had on our state and our industry.

Florida's manufacturers are taking advantage of the emphasis on STEM education and advanced manufacturing in high schools, colleges and universities to fuel their workforces. MAF has partnered with the Florida TRADE Consortium, a group of 14 Florida colleges which offer courses in advanced manufacturing and targeted industry skilled trades. The programs offer certifications and hands on learning that allow students to complete their training quickly and enter Florida's manufacturing workforce as valued employees. For 56 consecutive months, Florida's manufacturing industry has added new jobs, now with more than 19,000 manufacturers employing over 338,000 Floridians.

In addition to the TRADE partnership, Florida's Higher Education Coordinating Council (HECC) is identifying industry needs and making adjustments at the college and university level to ensure graduates have the skills needed to serve Florida's job market. Serving on HECC is an honor because it gives me an



**Al Stimac is the President  
of Metal Essence and the  
Manufacturers Association  
of Florida.**



opportunity to connect manufacturing to education, identify gaps and work to solve those concerns. Teaching skills needed by Florida manufacturers, offering opportunities for internships, externships, and apprenticeships, promoting training opportunities for incumbent workers and connecting students with real-world experiences allows manufacturers to grow. Florida leaders are laser focused on providing the workforce that Florida employers need.

With Florida's ports, export assistance programs and thriving resources to capital, such as the Small Business Development Center (SBDC), Enterprise Florida (EFI), Florida Department of Transportation, the Florida Ports Council, Florida First Capital Finance Corporation and Florida Export Finance Corporation, Florida manufacturers have a wealth of transportation, finance, and export assistance resources at their disposal. Florida's manufacturers are primarily small businesses, giving them flexibility to meet changing market, and new technology, demands. Consumers, worldwide, are looking to manufacturing for innovative new technology and smarter and safer products at a competitive price.

Advanced manufacturing is growing in our rich business environment and Florida's resources for business growth are abundant. Now is the time to relocate, start or expand a manufacturing business and benefit from Florida's nurturing manufacturing business environment.

FOR MORE INFORMATION, PLEASE VISIT [WWW.MAFMFG.COM](http://WWW.MAFMFG.COM)

# Innovation, Entrepreneurship, and Florida

By Dr. Thomas O'Neal

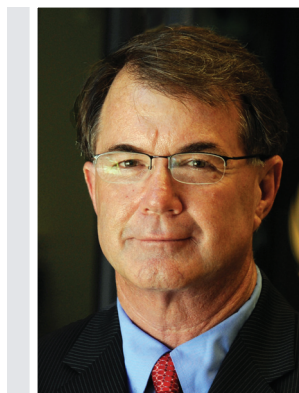
*Associate Vice President for Research & Commercialization at UCF*

Florida has a world class tourism and hospitality industry, one that is the envy of the hospitality and leisure world. According to the U.S. Bureau of Labor Statistics, as of 2015 almost 14 percent of Florida's non-farm workers are employed in the leisure and hospitality sector. While that is impressive, that also means that 86 percent work in other industries.

Innovation and entrepreneurship are what has made this country great and something that Florida continues to champion and improve. Evidence of this can be found in recent national rankings. For the fourth year in a row, Chief Executive Magazine named Florida the second best state in the nation for business in the U.S., and The Small Business & Entrepreneurship Council ranked Florida among the nation's top five most entrepreneur-friendly states.

Our universities are excellent sources for the raw materials necessary to excel in an innovation based economy. The National Science Foundation stated that Florida universities earned top national rankings for doctorate degree graduates in fields like Life Sciences (#3), Engineering (#5), Social Sciences (#7), and Education (#9). Further, and according to Florida Technology Journal, Florida ranks 10th nationally for innovation support.

The evidence and national recognitions demonstrate that Florida has created a fertile environment for entrepreneurs to flourish. This can be called an innovation or entrepreneurial ecosystem. Consider an innovative ecosystem to be similar to the Great Barrier Reef or rain forest, in which all parts of that system are interconnected. Unlike the Sahara Desert ecosystem, the Great Barrier Reef



**Dr. Thomas O'Neal is the  
Associate Vice President for  
Research & Commercialization  
at UCF**



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**RESEARCH & COMMERCIALIZATION**

and the rain forests have the resources and interdependencies to thrive. Florida's ecosystem has developed the resources and network needed to help entrepreneurs grow and evolve.

This is important because research shows that the higher percentage of growth oriented, entrepreneurial firms you have in a region, the wealthier everyone is as measured by Gross Domestic Product (GDP) per capita in a region. By developing an innovation ecosystem, Florida is positioned to create a wealthier state for its entrepreneurs and all of its citizens.

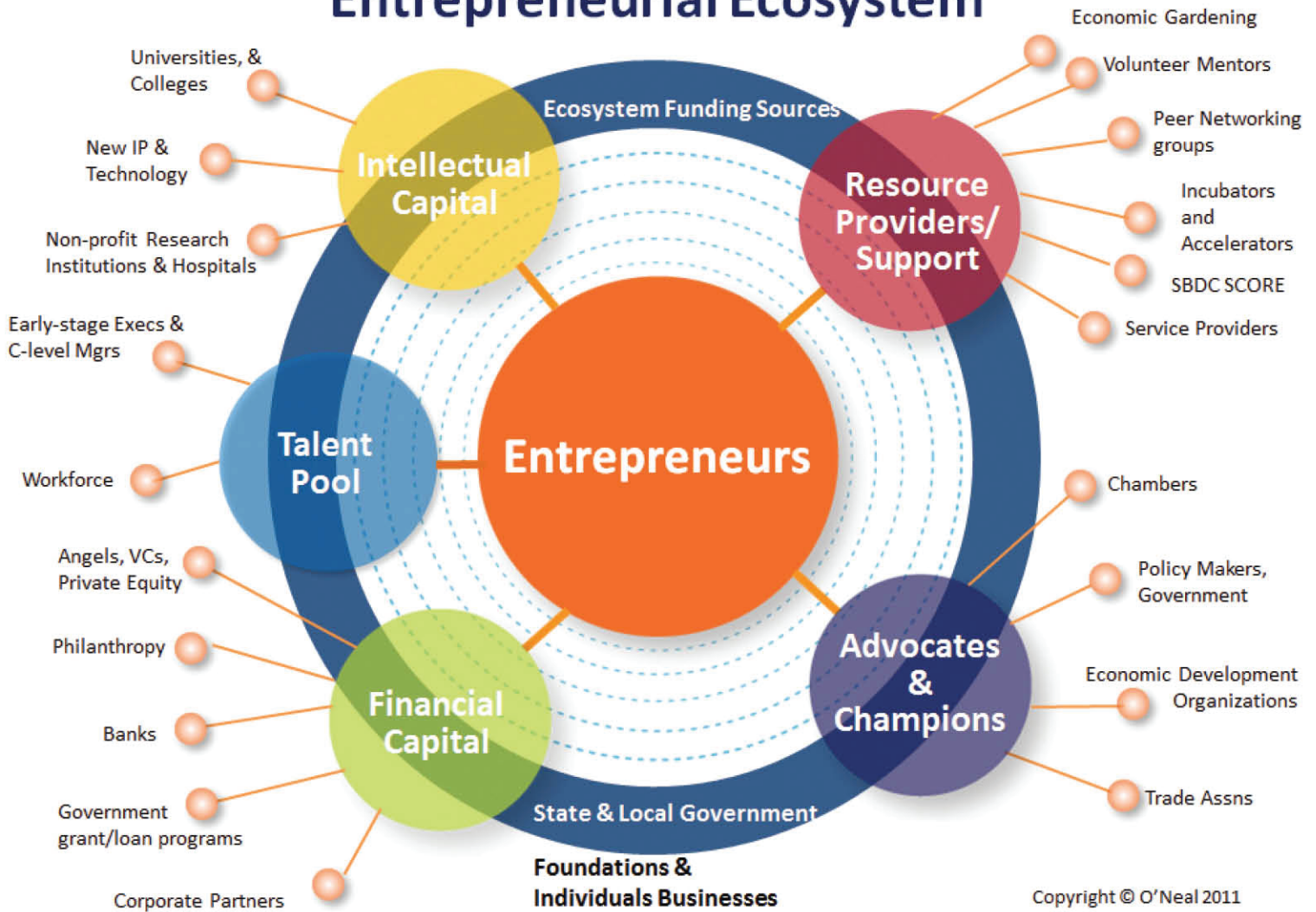
People frequently use the term entrepreneur to refer to small businesses. However, entrepreneurship encompasses a broad spectrum — and there's a chasm between "small-business" and "growth-oriented" entrepreneurship. Thus, properly identifying what a true entrepreneurial venture could ultimately determine the success of an entrepreneurial ecosystem.

Florida has a wealth of resources available to support

**CONTINUED ON PAGE 6**



# Entrepreneurial Ecosystem



innovation and entrepreneurship. We have a university system that conducts research in the billions of dollars annually, which enables it to produce top-tier graduates that can fill the talent pipeline for our diverse and growing companies. We have quality incubators across the state to nurture and mentor new companies. We have dedicated organizations like the Florida Institute for the Commercialization of Public Research committed to commercializing university technology. We have the National Entrepreneur Center, which is a one stop shop for entrepreneurs and is considered a national model for serving the needs of entrepreneurs. We have the nationally-recognized GrowFL program that focuses on second stage companies to get them to the next level.

We have new initiatives that focus on capital. The Florida Angel Nexus is tackling the issue of funding for new ventures, which helps us meet our goal of keeping our best opportunities in Florida rather than have them leave the state in an attempt to obtain funding for their venture.

We also have enlightened advocates for creating this environment. From the very top of Florida government to the smallest chambers of commerce, they understand the criticality of creating an evolving, state-wide ecosystem. They support these efforts and initiatives in earnest to create the compelling stories that are necessary to move Florida's economic needle.

Despite all of the initiatives taken by the State, we haven't sacrificed the quality of life that native Floridians like me, and those that now call Florida home, enjoy every day.

I encourage us to celebrate entrepreneurs. They are at the center of the bubble diagram for a reason. They are the often uncelebrated rock stars of our economy, as they create the majority of net new jobs, they take the risks, and they make people's lives better while building strong communities. They are one of the most precious resources a community has, and the best part is they are truly a sustainable resource for the future.

FOR MORE INFORMATION, PLEASE VISIT [WWW.RESEARCH.UCF.EDU](http://WWW.RESEARCH.UCF.EDU)

# The Role of Infrastructure in Florida's Competitiveness

Dr. Jerry D. Parrish

*Chief Economist and Director of Research  
at the Florida Chamber Foundation*

With six million more residents expected to call Florida home by 2030, a long-term, sustainable infrastructure plan is vital to Florida's future economy. Having strong infrastructure systems in place will help businesses compete globally, and help improve the quality of life for all Floridians.

Maintaining and developing efficient roads, bridges, ports, and airports is important for Floridians to travel safely, quickly, and cost-effectively, and it keeps the cost of doing business and the cost of living low. And these infrastructure systems are only a portion of the overall infrastructure grid. For example, water infrastructure is increasingly important, not only for the health of the environment, but also for agriculture and the health of Floridians. Broadband infrastructure has become increasingly important as an economic development tool. It provides high-speed internet service for individuals, as well as the components of Florida's growing innovation economy – such as Florida's developing Modeling, Simulation, and Training industry cluster.

Florida currently has more than 500,000 people employed in the transportation, trade, and logistics sectors, which pay 30 percent more than the statewide average. Our roads accommodate more than 100 billion miles of vehicle travel annually – with people going to work, freight moving through Florida, visitors enjoying vacations and conferences, and Floridians driving their kids, parents, friends, and themselves to enjoy both indoor and outdoor activities all over our state. Florida's ports move more than 100 million tons of cargo annually, and Florida airports account for 10 percent of the nation's air passengers.

The Florida Chamber Foundation has played a leading role in Florida's transportation infrastructure planning by bringing together stakeholders from all facets of the industry, as well as business and government leaders. This effort resulted in the Florida Chamber Foundation's *Florida Trade and Logistics Study* – a report highlighting the substantial positive impact of transportation on Florida's future economy. An extensive update, commonly known as *Florida Trade & Logistics 2* followed in 2013. Both of these widely-read studies included recommendations for Florida to keep investing in its infrastructure in order to capture more trade and put more Floridians to work.

What we know is that by expanding trade in Florida, and by improving our trade and logistics components, we put Floridians to work. In fact, recent research shows that expanding Florida's logistics sector by 10,000 jobs would result in the creation of an additional 11,000 indirect and induced private non-farm jobs.



**Dr. Jerry D. Parrish is the  
Chief Economist and Director  
of Research at the Florida  
Chamber Foundation.**



These 11,000 additional jobs would be created in diverse industries, with nearly 20 percent of these jobs being created in manufacturing – an estimated 2,162 new jobs in this high-wage category. Importantly, many of these jobs would be filled by Floridians and cannot be outsourced.

A key element of this type of expansion is that by improving Florida's logistics infrastructure, the direct, indirect, and induced jobs expected to be created would provide more than \$70,755 per job created in additional personal income as it expands through the economy. Not only does expanding personal income benefit Florida families who work in the businesses created or expanded, it will also help improve tax receipts for Florida. Florida depends on sales and use taxes for 74 percent of its general revenue, so these investments lead to further expansion of the tax base and lowers the probability of tax increases in the future. Additionally, improving our infrastructure substantially benefits Florida's local governments. Infrastructure that is efficient and well-planned has a substantial positive effect on property values, translating directly to higher local government receipts of ad valorem taxes which fund government services, especially schools.

However, the future of Florida's transportation infrastructure is being threatened as Congress lags behind by not passing a long-term transportation bill. Although Florida has invested in innovative transportation infrastructure, including the record-breaking \$2.3 billion I-4 Ultimate project in central Florida, which was developed as a public-private partnership, all states are dependent upon the federal government for their major transportation projects.

To secure Florida's future, investing in transportation infrastructure will strengthen Florida's productivity and make our state more competitive.

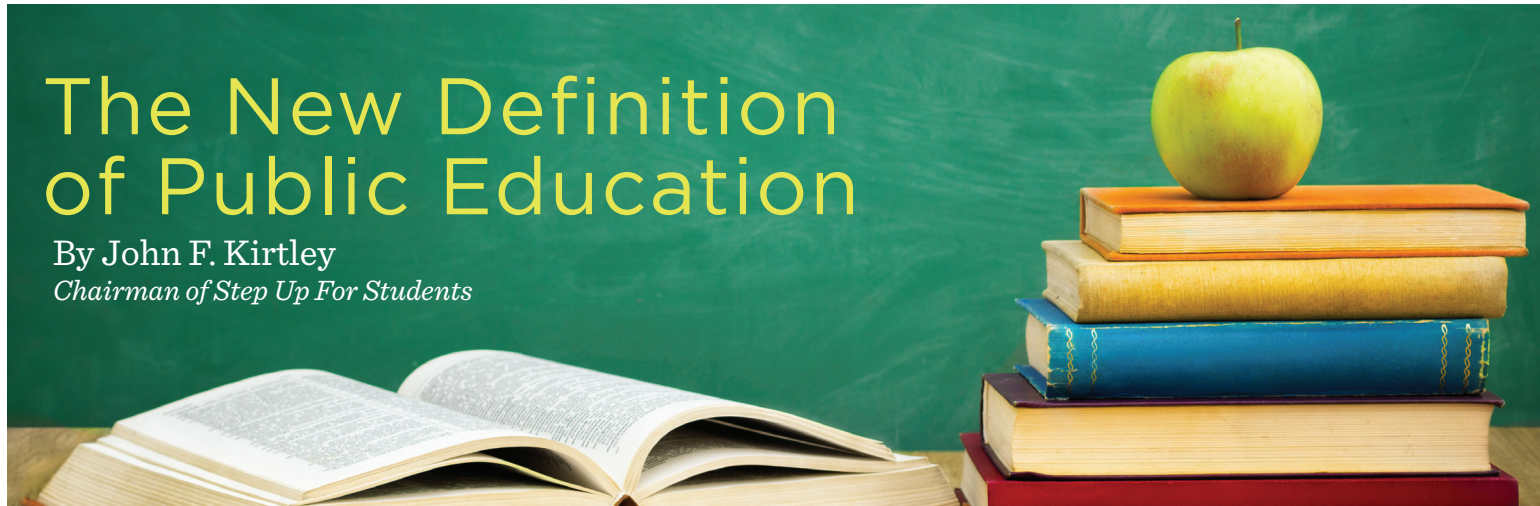
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# The New Definition of Public Education

By John F. Kirtley

*Chairman of Step Up For Students*



The quality of a state's K-12 education system is obviously crucial to its long-term economic health. Companies looking to relocate to Florida always inquire about this issue as they think about attracting quality talent and growth potential in the state. Likewise, homegrown Florida companies need well-educated employees to grow. For these reasons, Florida business leaders should be interested in the state of our K-12 education system.

What they might be surprised to learn is that the rapid changes affecting their own businesses—increased customization, proliferating choices, more technology—are also affecting K-12 education. Indeed, the very definition of “public education” is changing right before our eyes—and Florida is leading the way.

Twenty years ago, the definition of public education was pretty simple: the state raised taxpayer dollars to educate children, and handed all that money over to the public school districts. The districts operated all the schools in a fairly uniform manner, and assigned children to schools by their zip code.

However, times are changing – just think about the diversity we currently see in Florida. Over one hundred languages are spoken in the Miami-Dade County public schools alone! Drive fifteen minutes (obviously not during rush hour) and you go from the wealth of Coral Gables to the poverty of Liberty City. Given this incredible ethnic and economic diversity, is it reasonable to expect a one size fits all model for K-12 to work for every child? No.

Fortunately, Florida is moving toward a new definition of public education. Under this new model, we still raise taxpayer dollars to educate children, but now we empower parents to direct those dollars to different providers—and even different delivery methods—that best suit their children's unique educational needs.

As a result, Florida is considered a national leader in school choice, leading in the creation of magnet and charter schools as well as providing extensive “virtual” education to thousands of students. Additionally, many Florida high schoolers are able to take advantage of “dual enrollment”—taking classes at a local college or community college while they attend their chosen high school. This



**John F. Kirtley is a co-cofounder of two Florida based private equity firms, and also the Chairman of Step Up For Students.**



route is a great way for students to get a jump on higher education, and save money in the process.

We now even have programs where low income and special needs children can get financial assistance to attend a private school of their parents' choice, if they need a different environment to thrive. Florida's Tax Credit Scholarship Program now serves almost 80,000 children, who come from families with incomes of \$24,000 a year on average. Studies of their test scores show that they were the worst performers in their public schools when they left, and now are making solid gains. These studies show that the program has improved the academic performance of the public schools as well.

Florida taxpayers now pay for the education of 2.8 million K-12 children, over thirty percent of which do not attend their zoned public school—and that figure is over fifty percent in Miami-Dade County! Some parents are also beginning to combine providers and delivery methods at the same time. Is this a good thing? I believe it is.

Over the past fifteen years, as our transition to this new definition has been taking place, Florida has seen more improvement in the performance of its low-income children than any other state in the country. This improvement is not solely due to this new customization—the sweeping reforms begun under Governor Jeb Bush deserve most of the credit—but it is certainly an important factor. Some may fear or lament our transition away from the old definition, but they should not. This increased customization will continue to provide better solutions for Florida's students, and will help create a better business environment in our state.

FOR MORE INFORMATION, PLEASE VISIT [WWW.STEPUFORSTUDENTS.ORG](http://WWW.STEPUFORSTUDENTS.ORG)

# SUNSHINE STATE'S SUCCESS



**HIGHEST PRIVATE JOB GROWTH**  
**AMONG PEER STATES**

**2ND BEST**  
**INFRASTRUCTURE**

**FL 3.4%**

**CA 3.0%**

**U.S. 2.2%**

**TX 2.1%**

**NY 1.6%**

**IL 0.5%**

**5TH BEST**  
**FISCAL CONDITIONS**

**2ND BEST STATE**  
**FOR BUSINESS**

Sources: Bureau of Labor Statistics, September 2015 | Mercatus Center  
John Locke Foundation | Chief Executive Magazine | U.S. Chamber | PIRG | Tax Foundation

**JEFF ATWATER**  
CHIEF FINANCIAL OFFICER

For more information about Florida's economy, please visit  
[www.MyFloridaCFO.com/FloridasBottomLine/](http://www.MyFloridaCFO.com/FloridasBottomLine/)