

To: Florida Recreation and Park Association

From: Allison S. Carvajal

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Re: Legislative Report – Special Sessions E and F

2026E Special Session on the Budget

The \$114.5 billion in spending in the budget for the coming fiscal year is now set to be sent to Gov. Ron DeSantis after lawmakers last Friday approved the spending plan just a little over a month ahead of the new fiscal year start. DeSantis has line item veto authority and is expected to exercise it. Lawmakers won't get long to enjoy having finally finished the requirement of passing a budget—or to get to campaigning and raising money for the upcoming November election. They returned to the Capitol this week for a special session on property taxes. The Senate passed the budget unanimously, but in the House six Democrats voted against the spending bill (HB 5001E), after the final details were worked out in an overtime conference committee special session. It was the second year in a row lawmakers weren't able to reach agreement on a budget during the regular legislative session. Republican legislative leaders touted the plan's lower level of spending than the current year budget, while some Democrats complained the measure doesn't go far enough to address people's needs and ability to deal with an inflationary economy. Democrats also criticized the budget's increased spending on taxpayer funded tuition to private schools as alternatives to public schools—\$4.5 billion this coming year, up more than a half a billion dollars from the current year.

Legislature Approves Annual Tax Cut Package

State lawmakers approved a sweeping tax package on Friday that includes sales tax breaks on firearms, outdoor recreation gear, back-to-school items and tickets to major Miami tennis tournaments. The measure (HB 7031E) passed the Senate 29-6 and the House 88-11 and is projected to reduce state and local revenues by \$272.2 million next fiscal year. Democrats criticized the proposal for not addressing broader affordability concerns, including housing, food and fuel costs. The package exempts admissions taxes on major Association of Tennis Professionals' ATP Masters 1000 and Women's Tennis Association's WTA 1000 tournaments at Hard Rock Stadium in Miami Gardens through July 1, 2029, and revives a hunting, fishing and camping sales tax holiday from Sept. 1 through Dec. 31. The tax holiday covers items including firearms, ammunition, camping equipment and fishing

gear. Additional provisions include property tax exemptions for deployed military members, expanded “Save Our Homes” portability rules for homesteads, and tax reductions for parimutuel facilities and slot machine operators in South Florida. It also provides a three-year sales tax exemption on impact-resistant windows and doors as part of a home-hardening initiative, shifts the annual back-to-school sales tax holiday to July 20 through Aug. 20, and increases tax credits for businesses donating to charities serving vulnerable children and families, among other provisions. Democrats also pushed unsuccessfully for a temporary suspension of Florida’s gas tax amid rising gas prices, mainly due to the conflict involving the U.S., Israel and Iran.

Budget Includes \$196M for Florida Citrus Industry

The state spending plan approved by lawmakers Friday includes \$196 million in funding aimed at supporting Florida’s struggling citrus industry, bringing total two-year investments tied to Senate President Ben Albritton’s “Make Citrus Great Again” initiative to more than \$320 million. The funding includes \$160 million for large scale field trials focused on combating citrus greening and improving grove production through disease-resistant trees, pest management and new growing practices. At least \$112 million of that funding is designated for growers to purchase new citrus trees, with priority initially given to smaller and mid-sized operations. The budget also sets aside \$20 million for the Florida Department of Agriculture and Consumer Services to provide cost-share funding for citrus nurseries and packinghouses to repair or upgrade equipment and infrastructure. In addition, the Citrus Research and Development Foundation will continue to hold quarterly public meetings to provide updates on citrus disease research and gather industry input. The funding comes as Florida’s citrus industry continues to struggle with citrus greening, hurricane damage, winter freezes, lack of demand, and land development pressures. Industry production has plummeted from more than 200 million boxes annually at the turn of the 21st century to projected totals next year of just over 10 million boxes of oranges, along with smaller grapefruit and specialty fruit harvests. The current fiscal year spending plan (SB 2500) included \$125 million for Albritton’s citrus agenda, including \$100 million for field trials and \$10 million for equipment.

After Everglades, Rural & Family Lands Funding, Less for Fla Forever

Although legislators passed a budget on Friday that includes \$2.46 billion for Department of Environmental Protection programs, the state’s premier land acquisition program, Florida Forever, was left without new, dedicated funds in the 2026-27 fiscal year spending plan. Earlier this year, Gov. Ron DeSantis proposed spending \$115 million on Florida Forever and the state Senate allocated \$35 million. But the budget approved by state lawmakers on Friday omits any new funding. Instead, the program will receive unspent funds from the current year that were allocated for land conservation inside parts of the Wildlife Corridor. Paul Owens, president of 1000 Friends of Florida, noted that because of the budget passed by lawmakers, “portions of the Florida Wildlife Corridor won’t be protected because the funding isn’t available” to acquire the lands if the governor

approves the spending plan. However, some of the Corridor's unprotected lands are agricultural so Florida's Rural and Family Lands Protection Program could help protect some of them. State law requires the Florida Forever program to be funded at \$100 million, but last year, it received just \$18 million. Meanwhile, lawmakers allocated \$638 million for Everglades Restoration, including the funds to complete Florida's obligation on the Everglades Agricultural Area Reservoir, resulting in accolades for legislative leaders and the governor from the Everglades advocacy groups. When lawmakers failed to pass a spending plan during the regular session, the governor threatened to veto the budget if it didn't include enough funding for Everglades restoration projects. An Everglades Trust statement heralded the budget that will "accelerate the process to create a healthy and restored Everglades," with fewer harmful discharges from Lake Okeechobee and more clean water. The funding is expected to help continue restoration of a natural flow of water south through the Everglades to Florida Bay. The Everglades Foundation echoed the sentiment, describing the Everglades as a critical \$1-trillion asset. The budget passed Friday also includes \$425 million for the Rural and Family Lands Protection Program, which purchases easements on agricultural lands so they remain free from commercial development.

Lawmakers Approve Higher Education Funding

With about a third of the annual PK-20 education budget, higher education allocations in the budget for the coming year are close to current spending. Florida's state colleges garnered \$1.6 billion in general revenue, a little less than the current year allocation, but the colleges will also see \$239.7 million from trust funds. The university system will see \$4 billion in general revenue, a little over this past year's allocation, along with \$617.6 million from trust funds. Colleges and universities also depend on tuition dollars, expected to be \$784.1 million in tuition and fees for colleges, and \$2.1 billion tuition and fees for universities, which when combined with general revenue and trust fund money represents an overall increase in funding for higher education institutions in the coming year. Key differences from this year include the loss of preeminence funding for Florida's top research universities and the addition of funds for the new postsecondary school Guardian Program. The Senate had initially budgeted \$100 million, while the House did not want to fund preeminence next year. Although the Senate reduced its proposal to \$50 million, ultimately the chambers were unable to reach an agreement in time. Sen. Jennifer Bradley, R-Fleming Island noted the program remains in state law and could be revisited next year. About \$1.1 billion was allocated to student scholarships, including \$10 million for Florida First Responder Scholarship Program and \$25 million for the Open-Door Grant Program. Additionally, about \$205.3 million in general revenue funds were approved by lawmakers on Friday for private colleges, including \$34.5 million for Historically Black Colleges and Universities while the Effective Access to Student Education (EASE) program was refunded at \$136.9 million. Additionally, the state's newest public university, Florida Polytechnic University, received \$19 million earmarked for the school's continued growth. Gov. Ron DeSantis could veto budget line items before it takes effect July 1.

2026F Special Session on Property Tax Relief

Yesterday lawmakers approved a sweeping tax cut for homestead property owners pushed by Gov. Ron DeSantis, sending it to the November ballot. The measure increases the existing \$50,000 exemption for homestead properties to \$150,000 starting in 2027, and it increases to \$250,000 in 2028. The exemption, though, doesn't apply to school taxes, after lawmakers changed DeSantis' plan on Monday to protect districts from drastic cuts.

The constitutional amendment (HJR 1F) needs 60 percent support from voters to take effect. If it passes into law, the measure is expected to cut local government revenue across the state by more than \$8.4 billion a year. "I'm proud of the opportunity that we are giving the voters by letting them decide if this is something that's going to come to fruition or not," House Speaker Daniel Perez, R-Miami, told reporters after the two-day special session. "And if it doesn't, I am still going to say that this was the right decision, that we produced a good product, and that I would do it all over again."

In votes that mostly followed party lines, the House voted 75-26 on the ballot measure, and the Senate voted 30-9. Three Democratic senators, Mack Bernard of West Palm Beach, Daryl Rouson of St. Petersburg, and Barbara Sharief of Miramar voted for the measure. Rep. Nathan Boyles, R-Baker, and Patt Maney, R-Shalimar, were the only Republicans voting against the constitutional amendment.

Some Republicans expressed angst over the vote amid concerns about cuts to local governments in their area but ultimately approved it. "This issue has created heartburn for me from day one, because I'm getting it from both sides," said Sen. Ed Hooper, R-Clearwater. Hooper, who is the chairman of the Senate Appropriations Committee and is retiring this year, said he received 27 text messages since debate began Tuesday morning. Local elected officials were against the proposal while other constituents told him to vote yes, Hooper said.

Most Democrats and local government officials argued the monumental changes to the state's tax structure will bankrupt some cities and counties, cripple water management districts and other special districts, shift tax burdens to renters and businesses, and regressively hit Floridians with fees for basic services.

"When the bill comes due, it won't be paid by Tallahassee," said Sen. Lavon Bracy Davis, D-Ocoee. "It will be paid by your city, your county, your neighborhood school, your library, your community. This proposal does not eliminate costs, it simply moves them. It is not tax relief, it is a tax shift."

Perez said he would have preferred the discussion to have occurred during the regular session, when the House settled on a measure in February that sought to eliminate most non-school homestead property taxes.

"We put up a select committee. We had the bills, the proposals run through the process. That was never reciprocated by our friends in the Senate, and it wasn't held in high regard by the governor," Perez said.

A little more than a year ago, Perez and DeSantis proposed competing tax restructuring plans, with the House plan favoring a lower state sales tax rate. The House later rolled out a series of potential property tax proposals. However, members of the Senate expressed concerns about the fiscal impacts to mostly rural, fiscally constrained counties.

In a released statement, Senate President Ben Albritton, R-Wauchula, expressed gratitude to DeSantis for "leading the conversation on cutting property taxes and putting forward this robust proposal."

On Monday Republicans in both chambers amended the proposal put forward by DeSantis to protect school districts and allow local governments to use property taxes to fund constitutional offices, such as supervisors of elections, tax collectors and property appraisers. Under the measure, cities and counties would be restricted to spending property tax revenues on "core services," including schools, police, firefighters, infrastructure and the environment. But constitutional offices were left out of the initial proposal. Republicans also removed the establishment of a fund that would purportedly assist local governments with lost revenue. But the initial proposal from DeSantis' office didn't include money for the fund or outline how it was to be distributed.

Lawmakers anticipate future legislators will have to address local government funding. Rep. Allison Tant, D-Tallahassee, said the change will result in cities and counties cutting back or consolidating public safety and other services. "They're worried about loss of autonomy, independence, and losing their identity," Tant said. "They are worried about becoming wards of the state and essentially be treated like welfare recipients."

For the second day, Democrats unsuccessfully tried to amend the bill to allow water management districts use property tax revenue, to use state dollars to cover lost revenue for senior programs, law enforcement, corrections and veterans' services, and to prohibit the use of public money to advertise the ballot initiative.

The measure would also lower the cap on annual assessment increases for non-homestead properties, which include vacation and investment homes and commercial properties, from 10 percent to 5 percent.

Starting after Jan. 1, 2027, first-time homeowners would have to display five years of residency to qualify for the new super exemption. Until they qualify, they would receive the current exemption that lifts local government and school district taxes on the first \$25,000 of the appraised values of their primary properties and from non-school taxes on the value between \$50,000 and \$75,000.

Public Education Exempted from Property Tax Proposal

Legislators moved Monday to spare public school districts from the potential loss of billions in local property tax revenue, voting in committees in both chambers to exempt school levies from the impact of a tax overhaul initiative moving toward the ballot. The initial proposed constitutional amendment drafted by the office of Gov. Ron DeSantis and the measures (HJR 1F, SJR 2F) moving toward floor votes as early as today originally treated school boards the same as other local governments in limiting their revenue through expanded homestead exemptions. However, the Senate Appropriations Committee and House State Affairs Committee voted Monday for the education carveout. An amendment from Rep. Sam Garrison, R-Fleming Island, sought to remove the impact on school taxes because of concerns over the significant loss of revenue to schools and because "schools cannot charge fees like local governments can." The Senate Appropriations Committee also approved the change offered by Sen. Jay Trumbull, R-Panama City. "It is clear to me that we need to make holistic changes in the way that we fund our education system," Trumbull said. "But I, for one, can't support removing billions of dollars from public education today." Both chambers made the change on voice votes. A House analysis revealed that without the carveout, Florida school districts could have lost \$3.4 billion by the 2027-28 fiscal year and \$5.6 billion the following year under the original DeSantis proposal for initial exemption increases. However, a Florida Policy Institute analysis placed that figure higher, at roughly \$5 billion for a \$250,000 exemption and up to \$8.6 billion with a phased-in, full elimination of property taxes. Neither proposal includes a fully spelled out mechanism for replacing the lost revenue beyond possible "back filling" with general revenue funding.