

FLORIDA LOCAL PUBLIC EMPLOYEE CHARITABLE CAMPAIGNS

Local public employers in Florida include counties and cities, school boards, sheriffs and police, water management districts, community colleges and universities, public hospitals and taxing districts, and more. Most of these employers provide their employees an opportunity each year to contribute to charity through payroll deduction. Because the United Way has a proven track record in administering the campaigns, most local public employers ask the United Way in their communities to conduct the campaigns for them. These campaigns do not "belong" to United Way; they "belong" to the local public employer and their employees and are conducted for their benefit.

Local public employers and their employees select the charities that participate in their annual employee campaigns.

Proposed legislation would create the Florida Public Employees' Charitable Campaign. It would mandate that local public employers include in their annual employee charitable campaigns any federation - or member agencies of a federation - that comply with the bills' requirements. (A federation is an umbrella organization representing at least 10 charities.) This would add potentially hundreds of additional charities - most of which do not provide "local" services - to each of these campaigns. The United Way of Florida strongly opposes this legislation for the following reasons:

- **The legislation is not necessary.** Local public employers are currently empowered to include any legitimate charity or federation they deem appropriate.
- **The needs of the local community - not the state - should determine which charities participate in a local employee campaign.** Local public employers have designed their campaigns to address the unique needs of their communities and their employees. A state formula mandating participation by charitable organizations flies in the face of local control, authority, and determination, and undermines the ability of local communities to address their unique needs.
- **The bill is anti-competitive.** Any federation or agency desiring to participate in a local charitable campaign should be required to show the local community it deserves to be in the campaign. This is what happens under current law. The legislation removes this element of competition and instead mandates participation by certain groups.
- **The bill will reduce funding for community health and human services.** Most local public employee campaigns include United Way and other local charities. Employee contributions are made primarily to these local charities to address serious local problems. Passage of the bill will result in less money for the critically important services these charities provide because the bill does not require participating agencies to provide local services. (The bill requires only that participating agencies have an office "in this state" and document "available services". Such services could include just a website or a billboard.)

The United Way of Florida urges policymakers at all levels to oppose legislation that removes control and authority from local public officials to determine which charities participate in their workplace campaigns.

For additional information, contact the United Way of Florida at (850)488-8276.

FLORIDA STATE EMPLOYEES' CHARITABLE CAMPAIGN

State government supporting its employees.

In 1993, the Florida State Employees' Charitable Campaign (FSECC) was placed into section 110.181, Florida Statutes. Pursuant to that law, the Florida Department of Management Services (DMS) provides staff support to the FSECC Steering Committee, which is comprised of state employees and charged with overseeing the Campaign. This support includes reviewing Campaign brochures and pledge cards, enforcing eligibility requirements, reviewing and recommending agencies for acceptance or rejection, ensuring participants are properly registered with appropriate state agencies, etc.

Before 1993, DMS funded this staff position. The 1993 statute, however, requires that if the Legislature does not fund the position, DMS must be reimbursed for it out of gross FSECC contributions, not to exceed one percent (about \$44,000) of the total campaign. From 1993-1997, DMS was reimbursed by FSECC fiscal agents about \$17,000 annually. Every year since 1993 – except 2003 – the Legislature has annually appropriated \$17,000 to fund the position, thereby negating the need to pay for it with state employee FSECC contributions.

State employee contributions to the FSECC are intended to be used for charitable purposes, to help people in need. Without a state appropriation, \$17,000 of those contributions could be used to offset the state's cost for conducting the Campaign - a cost that thousands of other large public and private employers absorb as a cost of supporting their employees and being good corporate citizens. This reduces the amount of money available to help people in need, and is contrary to the intent of state employees who contribute to the Campaign.

This minimal investment of \$17,000 yields more than \$4 million through the FSECC, reducing the need for at least that amount of state funding for hundreds of individual and family support services.

Because of the critical need for experienced staff, and recognizing the positive message state funding for the DMS staff position would be to state employees, the FSECC Steering Committee has voted to support this request for funding in the past.

**The United Way of Florida urges the 2010 Florida Legislature
to appropriate funds to provide staff support through
the Department of Management Services for the
Florida State Employees' Charitable Campaign.**

For additional information, contact the United Way of Florida offices at (850) 488-8276.

T.E.A.C.H.

Striving for quality in our School Readiness and afterschool programs

The Teacher Education and Compensation Helps (T.E.A.C.H.) program provides scholarships to child care practitioners/teachers to assist them improve their educational status so they are better prepared to address the developmental needs of the children in their care. Scholarships can be used only for training leading to staff and director credentials or an associate degree in early childhood or child development. T.E.A.C.H., the only state-level quality initiative for Florida's School Readiness programs, first received state funding in 1998. It is intended to improve the quality of care by: providing financial incentives to increase the education of teachers who earn on average only about \$9 an hour and to reduce turnover.

While it is fundamentally a scholarship, at its heart T.E.A.C.H. is a three-way public-private partnership contract between the teacher, the center owner/director, and the T.E.A.C.H. program, with each having certain responsibilities: The teacher "buys-in" to his/her professional development by paying 10 percent of the costs of books and tuition; the center owner/director commits to pay 20 percent of the costs and the T.E.A.C.H. program pays at least 70 percent plus a stipend for travel and expenses. The center owner/director commits to support the teacher by providing three hours of paid release time each week for the teacher to study, attend to family duties or attend class. Since participants in T.E.A.C.H. are typically non-traditional students, this is an important component in juggling the myriad of responsibilities. The teacher commits to stay employed at the center for a specified period of time after completion of the contract (usually one year) in exchange for the investment of the employer. Trained T.E.A.C.H. counselors commit to help teachers navigate educational options, mediate issues and potential conflicts, and offer encouragement and support to reach goals. Upon completion of the contract, the employer agrees to provide a raise or bonus for the teacher in recognition of accomplishment. The T.E.A.C.H. program also provides a bonus.

The program reduces turnover to less than nine percent, in a field that generally experiences high turnover (30-40 percent annual national average). Teacher training and education is increased which is directly correlated to higher quality and better child outcomes. More than 98 percent of employers and participants report they are very satisfied with the program.

The Legislature appropriated \$3 million to T.E.A.C.H. during the 2009-2010 fiscal year. This level of funding must be maintained if T.E.A.C.H. is to continue its good work as Florida's only statewide child care quality initiative. Additionally, the Florida Cabinet for Children & Youth adopted indicators of progress towards improving school readiness of children measured by the number of teachers with bachelor degrees in early childhood. To meet this standard, \$750,000 is needed to provide bachelor degree scholarships for teachers to continue their education beyond an associate degree. Further, \$250,000 targeting afterschool practitioners is needed to improve the skills and education of this underserved population. A total of \$4 million is requested for the 2010-2011 fiscal year.

The United Way of Florida urges the 2010 Florida Legislature to appropriate \$3 million to maintain TEACH excellence, plus an additional \$1 million to support BA degreed teachers and afterschool providers.

For additional information, please contact the United Way of Florida at (850) 488-8276.

REFUND ANTICIPATION LOANS

Refund Anticipation Loans (RALs) are short-term loans secured by taxpayers' expected federal income tax refunds. Instead of waiting to receive them, RAL customers borrow against all or part of their expected tax refunds.

There are some financially valid reasons for choosing a RAL: many low income taxpayers don't have the money to pay tax preparation fees up front; don't have access to bank accounts for direct deposits; are experiencing time-sensitive financial crisis (i.e., broken down car or imminent eviction); or don't believe their mailboxes are a safe means of receiving large checks.

The National Consumer Law Center estimates there were approximately 8.7 million RALs made in 2007. That year, the average tax refund was about \$2,700, and RAL loan fees for that amount were about \$104 - \$111, or an average of \$107.50. Thus, taxpayers paid somewhere in the neighborhood of \$833 million in RAL fees in 2007.

RALS are mostly marketed to low income taxpayers. According to IRS data, 85 percent of taxpayers who applied for RALs in 2007 had adjusted gross incomes of \$38,348 or less. While Earned Income Tax Credit (EITC) recipients made up only 17 percent of individual taxpayers in 2007, nearly two-thirds (63 percent) of RAL consumers were EITC recipients, or 5.4 million families. Thus, EITC recipients are vastly overrepresented among the ranks of RAL customers.

In addition, IRS data shows that 28.5 percent of EITC recipients applied for a RAL in 2007. Based on this data, the National Consumer Law Center estimates that about \$1.6 billion was drained out of the EITC program in 2006 by RALs: \$929 million in tax preparation fees (average \$163 fee); \$523 million in loan fees; and \$44 million in administrative/application fees.

Annual percentage rates (APRs) on RALs vary widely given the divergence in pricing between the industry players. They can be anywhere from about 50 percent (for a loan of \$10,000) to almost 500 percent (for a loan of \$300). For loans with documentary processing or application fees (not charged by some industry leaders) fees can translate into APRs of about 85 percent (\$10,000 loan) to nearly 1,300 percent (\$300 loan).

A consumer can expect to pay from \$62.14 to \$110.45 in order to get a RAL for a refund of about \$3,000. The effective APR for this RAL would be 77 percent to 140 percent.

Fourteen states regulate RALS: California, Connecticut, Illinois, Minnesota, Nevada, New Jersey, New York, North Carolina, Oregon, Tennessee, Texas, Virginia, Washington State, and Wisconsin.

There are a number of regulatory mechanisms that can be implemented in statute to protect consumers who utilize RALs, including instituting complaint processes, outlining duties to consumers, providing for private rights of action, and criminalizing fraudulent activity.

**The United Way of Florida supports legislation regulating
Refund Anticipation Loans.**

For additional information, please contact the United Way of Florida at (850) 488-8276.

HEALTHY FAMILIES FLORIDA FUNDING

Background: Every five days, a child dies from abuse or neglect in Florida. Nationally, the Healthy Families program has a 20+ year history of successfully preventing child abuse and neglect.

These two facts compelled the 1998 Florida Legislature to pass legislation and appropriate \$10 million to create the Healthy Families Florida program. Contracted by the Florida Department of Children and Families to the Ounce of Prevention Fund of Florida, Healthy Families Florida is a voluntary, community-based, intensive home visiting program that builds on family strengths, equipping parents to create and maintain safe and stable home environments for their children.

Because Healthy Families initiates services during pregnancy or at the birth of the baby, it prevents child abuse and neglect before it ever occurs, averting associated long-term consequences such as juvenile delinquency, teen pregnancy, substance abuse, and developmental delays requiring special education.

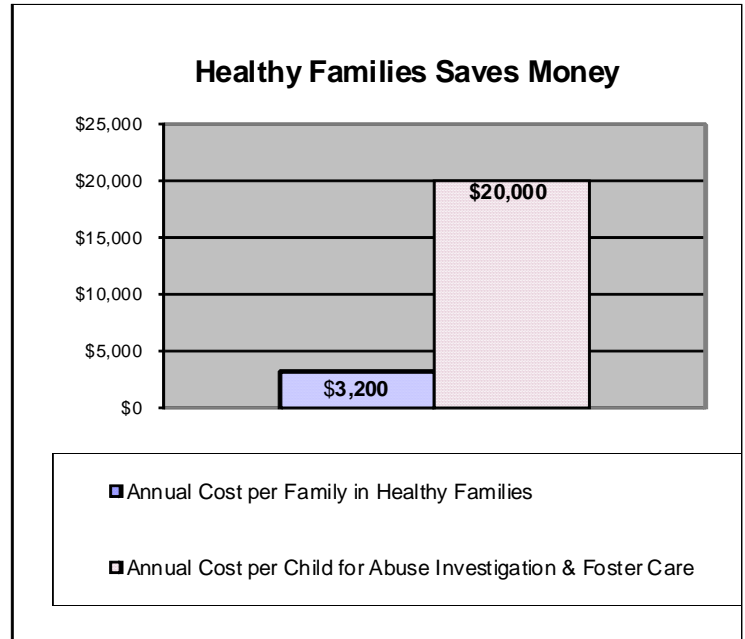
The U.S. Department of Health and Human Services reported in 2007 that 53,484 Florida children were abused or neglected. The largest age group of victims includes children under four-years-old, the same age group that Healthy Families Florida serves.

Base funding of \$28,098,178 for Healthy Families Florida has remained flat since 2003-2004. The lead entities that administer Healthy Families services are struggling with the increased cost of doing business, such as health insurance, workers compensation, rent, and other business-related expenses.

Most importantly, the turnover rate of the Healthy Families home visitors is more than 30 percent. The number one reason for leaving is “better pay.” The average salary of an HFF home visitor is \$21,585. Research shows the longer a family stays in the program, the more likely they will not abuse their children, so it is critical that lead entities have the ability to retain qualified staff that will keep families engaged in the program.

Families receiving Healthy Families Florida services experience 58 percent less child maltreatment than comparison families and, in 2008, 99 percent of the children whose families completed the program were free from abuse and neglect for the next 12 months.

Providing \$5,062,481 in General Revenue for Healthy Families Florida (HFF) to adjust the base funding for price level and workload/caseload increases will ensure that this proven program is able to maintain the extraordinary outcomes it has achieved in reducing child abuse and neglect.



The United Way of Florida urges the 2010 Florida Legislature to provide a price level and workload/ caseload increase to support Healthy Families Florida.

For additional information, please contact the United Way of Florida at (850) 488-8287.

PROTECT HOUSING TRUST FUNDS

In 1992, the Legislature adopted the William E. Sadowski Affordable Housing Act, establishing a dedicated revenue source for affordable housing by phasing in two 10 cent increases in the documentary stamp tax paid on the transfer of real estate, the first in August 1992 and the second in July 1995.

Sadowski Act monies are statutorily dedicated to state and local housing trust funds, with 70 percent of the revenue dedicated to local governments through the State Housing Initiatives Partnership program (SHIP) and 30 percent dedicated to the state to fund programs such as the State Apartment Incentives Loan Program (SAIL).

The 2005 Legislature placed a cap, effective July 1, 2007, of \$243 million on the amount of funds that can be distributed from documentary tax revenues into the housing trust funds (instead of the 20 cents per \$100 of real estate transactions committed in the Sadowski Act). This, combined with the legislature moving funds already in the housing trust funds to general revenue, resulted in \$928.4 million being diverted from affordable housing in the last six years. Last year alone, 80% of the housing trust funds (\$91.9 million) were swept into general revenue and not used for affordable housing.

Affordable housing is the single most powerful economic driver in the state and, as such, is key to Florida's economic recovery. Housing trust funds provide \$7.66 million of economic impact and 77 jobs for every \$1 million of state funding; they translate into revenue for the state and jobs for Floridians.

In many parts of Florida affordable housing shortages are reaching crisis proportions. The state's economy is in dire need of a jump start. The extent of these crises dictates that the cap be removed and all affordable housing funds be used for that purpose.

The SAIL and SHIP programs, already in place in statute, offer reliable, quick and accountable vehicles for targeting the funds to areas of the state that need them and can best use them.

The State of Florida needs to support and preserve affordable housing and provide the state an economic boost in 2010 by repealing the cap and spending the monies from the state and local housing trust funds on housing.

The United Way of Florida urges the Florida Legislature to:
1) spend Florida's housing trust fund monies solely on housing; and
2) repeal the cap on affordable housing trust funds.

For additional information, contact the United Way of Florida at (850)488-8276.

FLORIDA'S EARLY CARE AND EDUCATION: STREAMLINING ADMINISTRATION AND GOVERNANCE

Florida does not have a single agency whose mission focuses exclusively on early education or encompasses the broad objectives of the state's early education programs. Instead, the current governance structure splits primary program responsibilities relating to early education among three state agencies.

- The Agency for Workforce Innovation (AWI) administers the VPK and School Readiness programs, and the Childcare Resource and Referral Network. It is also responsible for coordinating 31 local Early Learning coalitions in their provision of school readiness services.
- The Department of Education (DOE) is primarily responsible for developing education standards and measuring program outcomes for the VPK program.
- The Department of Children and Families (DCF) is responsible for childcare licensing, training related to licensing and regulatory compliance.

The Office of Program Policy Analysis and Government Accountability (OPPAGA) has conducted at least three studies of Florida's early care and education system during the last 10 years. The most recent, in 2008, echoed previous findings: "While the division of program responsibilities among three agencies has several strengths, it has also resulted in some instances of inconsistent program direction, insufficient coordination, and duplication."

In the 2008 report, Early Learning Coalition executive directors and other local level stakeholders identified inconsistent program direction, duplication, and insufficient coordination among the state agencies involved in the current government structure. 77% of local stakeholders who responded to the OPPAGA survey believed that there is unnecessary duplication and overlap among the state agencies that administer the early learning programs. While offering various options for the Legislature to consider, OPPAGA concluded that centralizing all early education programs in one of the three state agencies has the "potential advantages of providing clearer policy direction, improved communication, better integrated data and reporting systems, and streamlined operations."

Florida's Early Learning Coalitions, responsible for on-the-ground implementation of Florida's school readiness programs, including VPK, agree. They believe that centralizing responsibilities in AWI could potentially reduce inspection costs, reduce state level administrative costs, increase accountability, result in a more coordinated and comprehensive system of early education and care, and reduce confusion and frustration among childcare providers and parents regarding the role of various regulatory entities and varying standards.

**The United Way of Florida urges the Florida Legislature to designate
AWI as the single state-level entity responsible for VPK and school
readiness programs**

For additional information, contact the United Way of Florida at (850)488-8276.