



## FLORIDA CENTER FOR FISCAL AND ECONOMIC POLICY

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### **Troubling Trends Threaten Florida's Well-Being**

TALLAHASSEE—Florida is experiencing disturbing economic trends that threaten the well-being of its people, according to the Florida Center for Fiscal and Economic Policy's (FCFEP) first annual examination of key economic indicators, released today.

Per person income growth in Florida has fallen far behind the rest of the nation, the report found. Also, the gap in income between the most affluent Floridians and those at the bottom rung of the economic ladder is among the biggest in the U.S. – and it is widening. And, in addition to having one of the nation's highest unemployment rates, a large share of Florida's jobs pay low wages, making it difficult for working families to get by.

"These key indicators point to a state in trouble," said John Hall, FCFEP executive director.

"As Florida makes decisions about how much to spend, what to spend it on and how to raise the needed revenues, the economic realities detailed in this report need to be kept uppermost in the minds of policymakers," Hall said.

"There can be robust debate over what to do as a result of these numbers, but the numbers themselves are indisputably clear. They show a state where big changes are needed," he said.

The report noted these signs of trouble:

- Florida's population growth, which has driven the state's economy since World War II, is stagnant.
- Florida's rate of income growth has fallen to 45<sup>th</sup> in the country.
- The real rate of growth in gross state product – the value of goods and services the state produces - has fallen to 47<sup>th</sup> in the nation.

- With a poverty rate of 12.5 percent, the number of people living in poverty in Florida has increased by 180,000 in one year.
- About one in 10 Florida residents now receive food stamps.
- The unemployment rate is among the nation's highest in the nation and foreclosures in Florida have quadrupled over the last three years.

Per capita state government spending is 44<sup>th</sup> in the nation, and Florida spends proportionately more of its budget on corrections than all but two states and a smaller share on education than most states, the report said.

As indicated by the following measures of progress, Florida is underperforming, the report said:

- Florida's high school graduation rate is 45<sup>th</sup> in the country.
- Tens of thousands of Florida residents languish on waiting lists for services for seniors, persons with disabilities, and those with mental health and substance abuse problems.

Improving these trends will require "wise choices on both the spending and revenue sides of the Florida budget," Hall said. "Florida needs to adopt a balanced approach that continues to eliminate duplication and inefficiency and also reform its tax structure to modernize it, make it fairer and produce revenues adequate to meet needs," he said.

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The full report can be read [here](#).