



October 14, 2021

The Honorable Ron DeSantis  
Governor of the State of Florida  
The Florida Capitol  
400 S. Monroe Street  
Tallahassee, Florida 32399-0001

Dear Governor DeSantis:

Recently, the Council's Economic Competitiveness Committee met to discuss the use of the Federal stimulus money available under the American Rescue Plan Act of 2021. We felt that you and the legislature once again showed great leadership in protecting Floridians and providing for the needs of our state.

We are aware that there is a significant share of the original \$8.8 billion that is still yet to be allocated in this next legislative session, and we wanted to be thoughtful in considering ways that the monies could be best utilized to further improve the lives of all Floridians and to continue to make Florida the best state in the nation in which to live, raise a family, and run a business.

In the process of our review, it became readily apparent that process is as important as is the identification of specific funding categories. For that reason, we are presenting our recommendations in two parts: process and funding which includes two separate categories ranked in priority order.

## PROCESS

---

- Establish clear criteria, including meeting federal guidelines and identified milestones, for the timely use of funds to avoid reversion of funds to the federal government. The process should provide for continuing oversight to identify any slippage in meeting the milestones, requirements for immediate correction or recapture of the funds for another use. Further, the state could consider hiring expertise to ensure accountability for compliance.
- Be consistent in messaging on the use of federal funds. One idea advanced was that a common messaging theme be created to package the use of the money.
- Avoid creating recurring costs for the non-recurring federal funds. We know that that you and legislative leaders understand this principle very well but with multiple year nature of encumbering the funds, there is often an assumption made that the tap will be slow to end.
- Require governmental agencies to expedite the permitting process so that they do not create artificial barriers in meeting deadlines for the use of the federal funds.
- Consider engaging local agencies (e.g., Community Redevelopment Agencies) with established processes to determine the best use and prioritization of funding for each region of the state. For instance—an affordable housing solution for one region of the state may not address the specific needs of another.

- Find creative uses of the funding to have a compound effect on improving the post-COVID economy. Example: ensure that your affordable housing, transportation, and small business recovery efforts have a direct impact on recovery for low-income communities and minority business owners.
- Maximize the use of federal funds to encourage funding from other sources, e.g., Public-Private Partnerships, matching funds or grants, etc. We are aware that the federal guidelines prohibit the creative leveraging of funds that would support debt and borrowing mechanisms or supplant state or local funding used to draw down monies from other federally funded programs.
- Use funds in a way to further diversify the economy and build additional sectors in our economy.

FUNDING – We have provided a rank order for the prioritization of eight projects which fit into two categories: Building Economic Resiliency (projects 1-3) and, Strengthening Recovering Communities (projects 4-8).

### Building Economic Resiliency

1. The enhancement of transportation (roads, bridges, affordable transportation hubs, seaports, airports) including the reinstatement or advancement of FDOT projects that are pay-go ready per federal guidelines. We are aware that there may be additional federal dollars coming in the form of an infrastructure bill. That said, regardless of the actions of Congress, business leaders in every region of the state have made it clear that this issue should remain a top priority.
2. The advancement of housing that is affordable through both state and local housing authorities and trust funds. A distinction was made, however, that this should not be limited to advancing traditional low-income housing, but also to support making housing affordable for workers needed to restart and bolster COVID recovery efforts.
3. Long-term worker training/retraining to build up talent needed to grow sectors of the economy. This can be linked to directly provide displaced workers and the unemployed with employable skills that are economically resilient.

### Strengthening Recovering Communities

4. The support and advancement of water projects to include clean drinking water, improving wastewater and stormwater management, and those projects which mitigate the effects of sea-level rise as authorized in the federal guidelines.
5. The modernization of cybersecurity to protect critical infrastructure.
6. The modernization of broadband and/or improving the innovation and resiliency of utility infrastructure for segments authorized under the federal guidelines.
7. The funding of programs/issues that provide support to negatively impacted businesses and not-for-profit sectors, in addition to those traditionally disrupted such as tourism, travel and hospitality. Specific entities that should be included are small businesses, and not-for-profits. Not-for-profits have a dual impact on the economy of a state as they both support tourism efforts (museums, art districts, historical sites) and impact relief efforts (American Red Cross, food banks, community health centers, etc.).
8. The expansion of health services and other health care infrastructure that will also provide long-term economic benefits.

We discussed marketing efforts to recruit businesses and workforce but are aware that the federal government specifically restricts us from using this funding source for traditional economic development efforts unless a state can prove a direct linkage to COVID recovery—relieving unemployment for instance. While there is clearly an indirect linkage to relieving unemployment, it might make sense for appropriators and their staff to consider as many innovative approaches as are available. Under paragraph C of the guidelines, there is a provision that a state can utilize funds to support government services negatively impacted due to the loss of state revenue. There might be a logical nexus here to a short-term marketing effort for worker recruitment.

We hope that this provides you with support for your efforts to lead our great state moving forward. The Florida Council of 100 stands ready to serve you in any capacity.

Sincerely,



Syd Kitson  
Chair, Florida Council of 100



Eric Silagy  
Vice Chair, Florida Council of 100



Rhea Law  
Chair, Economic Competitiveness Committee



Senator George LeMieux  
V. Chair, Economic Competitiveness Committee