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## **Editorial: Renew commitment to affordable housing**

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The Florida Senate's proposed budget for 2016-17 would help restore some trust in the Legislature's use of funds dedicated to affordable housing.

What about the tentative budgets offered by the House of Representatives and Gov. Rick Scott? Not so much.

The Senate recently decided to allocate all available housing trust monies — some \$317 million — to housing in the next budget year.

Many Floridians may wonder: What's the big deal? Isn't the Legislature supposed to put a specific share of revenue from documentary stamps into housing funds?

The answer is: Yes.

But that hasn't stopped the House and Scott from raiding — or, in the parlance of Tallahassee, sweeping — millions of dollars from the so-called trust funds and diverting them to other purposes. So far during the annual session of the Legislature, the House and Scott both have proposed to take \$172 million out of the housing funds — in part to meet the governor's corporate tax-cut initiatives.

Sweeping the trust funds is an unnecessary sleight of hand — and it is counterproductive.

Although we opposed sweeps during the recession and its immediate aftermath, at least the diversion of trust-fund revenue could be framed as a difficult yet rational choice. That is not the case now: The Legislature entered this year's 60-day session with higher revenue projections and a "surplus."

Documentary stamps are paid on real estate and financial transactions. There is a strong connection between the real estate sales that generate doc stamp revenue and the need for affordable housing. When that revenue increases, the rise is usually due in part to higher home prices that put the squeeze on middle- and low-income individuals and families.

Housing trust funds were created in Florida to help ease that squeeze. The doc stamp tax on real estate was slightly increased in 1992 to generate revenue for the state's affordable housing trust funds. The hike was accepted by builders and real-estate interests, who recognized that the money would be plowed back into their industries to help create affordable housing — creating jobs and economic activity in the process.

The promise to use part of the revenue was kept for a few years. But then the Legislature began sweeping the revenue into the general fund. Since doc stamp revenue has increased substantially — the amount available through the trust funds rose by nearly \$70 million this year — there is no reason not to use it for the State Housing Initiatives Partnership and the State Apartment Incentive Loan programs, as well as services for homeless people.

Even the allocation of \$317 million toward affordable housing would barely put a dent in the demand, especially as market prices have risen substantially and working-class wages have stagnated or failed to keep up with higher costs.

Increases in jobs and reductions in unemployment have improved conditions for millions of Floridians. But too many people in our state work at jobs, often several jobs, that do not provide them with the money needed to afford modest homes or apartments.

In our region and throughout Florida, the social and economic impacts of the lack of affordable housing are significant. Legions of social-service providers, foundations and individual donors are doing their part to help people in their communities find and afford clean and safe housing. But there is only so much they can do.

Florida's leaders wisely decided more than two decades ago to dedicate a portion of doc stamp revenues to affordable housing. The Senate has agreed to resume that commitment; it's time for the House and governor to do the same.