



THE FLORIDA SENATE
SENATOR BILL GALVANO
President

MEMORANDUM

TO: All Senators
FROM: Bill Galvano
SUBJECT: March General Revenue Collections Report and COVID 19 Updates
DATE: April 24, 2020

Thank you for your continued service to our constituents and communities impacted by COVID-19. I know many of you have spent a great deal of time over this last week monitoring the ongoing work of the Governor's Task Force on Reopening Florida. We all look forward to the task force recommendations being finalized in the coming days, so we can provide answers to constituents and businesses in our communities regarding best practices for safely reopening our state. In the meantime, I want to provide you with several other updates from the last few days.

To date, Florida has conducted more than 300,000 tests, raising our state to the top three for overall testing in the country. Per capita, Florida is testing 1 for every 71 people. In South Florida, which has seen more than 60% of Florida's COVID-19 cases and hospitalizations, we have tested 1 for every 48 people. This week the state contracted with two new labs to increase lab capacity by 18,000 samples per day, which will further increase our ability to gauge the success of social distancing as we work to flatten the curve. Thus far, the rate of new cases and the number of hospitalizations has remained steady for over two weeks, with hospital bed and ICU bed capacity in Florida increasing from the start of the pandemic.

While Florida communities are working hard to flatten the curve, the economic impact on families across our state is staggering. The Department of Economic Opportunity (DEO) has been working aggressively to address problems facing Florida's reemployment system, and from Sunday, March 15, to Thursday, April 23, DEO has made payments to 153,788 Floridians totaling \$157,507,046. As reminder, you can track this information [here](#). Families around our state are counting on these funds, as well as those made available through the federal CARES Act, and we must keep up the momentum in the critical weeks ahead.

This afternoon, the Legislature's Office of Economic and Demographic Research (EDR) released the final General Revenue Collection Report for March, which is attached for your reference. Sales Tax collections came in just slightly below (\$12.4 M or 0.58%) the monthly estimate adopted by the Revenue Estimating Conference. EDR staff advises that this Sales Tax report largely reflects activity that occurred in February, only one week of which was impacted by the loss of activity associated with the onset of the Coronavirus. The overall positive result is likely influenced by pre-buying activity that occurred as people began to take steps to prepare for potential illness and social distancing. Including the loss in Sales Tax, collections overall were \$61.3 million over estimate for the month and are \$202.4 million over estimate for the year-to-date. These dollars were unanticipated and not included in the prior estimate for General Revenue, but will help buffer against the significant revenue losses we are expecting in the April report.

Yesterday, I received a copy of a letter sent to Governor DeSantis on behalf of the Senate Democratic Caucus, which is attached for all Senators as a reference. In addition to outlining several concerns regarding the state's reemployment system, food resources, and COVID-19 testing, which I believe the Executive Branch is working to address, the letter outlines the viewpoint that Legislative action is needed to address concerns regarding the upcoming primary and general elections related to the impacts of COVID-19.

For your reference, I have attached a communication my office received earlier this month in which Florida's Supervisors of Elections outline a number of steps to address potential impacts to Florida's elections. I believe the steps outlined by Florida's Supervisors of Elections, which address their specific needs on the ground in Florida's communities, should be reviewed and considered prior to any action by the Legislature or the Governor through Executive Order.

Florida's Division of Bond Finance recently released a Voluntary Disclosure Regarding Impacts of COVID-19, which is attached for your reference. I encourage you to review this document, which I found very helpful and affirming the fiscal benchmarks and timelines our professional staff have advised, which I have shared with you in prior communications.

Finally, last Friday, \$4.1 billion of the \$4.6 billion allocated to Florida for state stabilization funds through the federal CARES Act were deposited into our state treasury. We expect to receive the remaining funds, approximately \$500 million, within the next few days. This specific allocation from the CARES Act is available to fund expenses incurred since March due to COVID-19. Additionally, we expect that the federal government will offer clarification that these funds can also be used to offset revenue losses in the upcoming 2020-21 Fiscal Year, meaning these federal funds would add to Florida's already robust reserve to fund appropriations made by the Legislature in the General Appropriations Act. Use of these funds to offset expected revenue

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losses would further reduce the possibility that the Legislature would need to return to Tallahassee to make significant adjustments to the 2020-21 General Appropriations Act.

As I have shared with you previously, if I believed there was any impact or problem associated with Coronavirus that required the Legislature's immediate return to Tallahassee, then I would not hesitate to utilize my constitutional authority to join with Speaker Oliva to call a special session. At this time, our role is to continue to partner with executive branch agencies to connect constituents with the services they need in our communities. I can assure you that we will be ready to act when, and if, circumstances necessitate our return to Tallahassee. In the meantime, I will continue to provide information and updates as they become available. Stay strong and stay safe.