

# THE JOURNAL

Fall 2025 | Number 67



*The* **JAMES  
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Trusted Solutions for a Better Florida

# The James Madison Institute

Trusted Solutions for a Better Florida

*Founded in 1987 by Dr. J. Stanley Marshall, the mission of The James Madison is to tether the Sunshine State to the wisdom of free-market capitalism, limited government, the rule of law, economic liberty, and the principles that have made our nation great.*

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The Journal is provided to select members of The James Madison Institute, to members of the Legislature, and to others who affect public policy in Florida. The Journal is intended to keep Floridians informed about their government, to advance practical policy solutions, to stimulate civil discussion of major issues, and to recognize individuals who exemplify civic responsibility, character, and service to others. Opinions expressed in The Journal are those of the authors and do not necessarily reflect the views of The James Madison Institute, its staff, or its Board of Directors. All rights reserved. ©Fall 2025

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# Florida's Rural Renaissance

## Senate President Ben Albritton

I'm a proud son of rural Florida, Florida's Heartland, six generations deep. Our small, tight-knit, legacy communities are filled with some of the nicest, hardworking people you will ever meet. Rural communities look after one another and would give their last dollar and even the shirt off their own back to help a neighbor in need. This way of life is foundational to our nation, and it's worth preserving.

As I begin my last session as Senate President, I'm renewing my focus on a rural renaissance in the State of Florida.

Our rural communities are full of opportunity, and that doesn't just mean development. We need to update our laws to reflect what a rural community can look like in modern Florida, and we need to diversify our view of what economic development looks like in our state's rural areas.

Gone are the days of setting our sights primarily on luring large companies or anchor businesses with massive capital investments that can deliver on the promise of high-wage, high-value jobs but economically devastate a local community when they close or relocate. We need to focus on infrastructure improvements that support existing businesses as they grow and evolve to meet the needs of our economy. This includes our legacy farm and citrus operations, which will be well served by improvements to farm-to-market roads essential to keeping fresh food within reach of Florida families.

We made great progress last year with the passage of the Senate's Make Citrus Great Again and Farmers Feeding Florida initiatives.

Florida citrus is making a comeback, one tree at a time. The current balanced budget includes \$100 million for large-scale field trials that combine grove management, therapeutic tools, and disease-resistant varieties for new plantings and rehabilitation of existing trees. Citrus has been a pillar of our state since the 1500s and remains a key part of Florida's rural renaissance. Research and new technologies offer renewed hope for the future of citrus in our state. As we plan for the 2026 Legislation Session, I'm keeping my foot on the gas – Florida Citrus is not going down on my watch.

Across rural Florida, our farm families have deep connections to our state and its people. In partnership with Agriculture Commissioner Wilton Simpson, our Farmers Feeding Florida initiative is connecting hungry families with farmers who produce fresh, wholesome food – a much-needed

hand-up for families when it matters most. Linking Florida farmers in rural areas with our urban food bank distribution channels and expanding our food bank and pantry infrastructure statewide enhances rural economies by preventing food waste and supporting farm families who are producing important commodities.

In just the first quarter of operations, the Farmers Feeding Florida Program has recovered over 4.6 million pounds of fresh, Florida-grown food and distributed 3.8 million pounds to families across the state. This includes 5.4 million servings of milk, 1.6 million pounds of produce, 126,840 jars of peanut butter, and 15,000 pounds of seafood. Connecting Florida's farmers and ranchers directly with local distribution channels contributes to Florida's rural renaissance by supporting farm families, preventing food waste, and creating the coordination and infrastructure needed to ensure surplus food reaches communities in need.

We know agriculture is and will continue to be a key employer across rural Florida. While advances in technology help shore up our vital agriculture supply chain, expansions to our broadband infrastructure will also drastically expand opportunities for education, commerce, and health care in rural Florida. The number of remote workers has nearly doubled since the pandemic. Just like remote work offered people the chance to flee high tax, lockdown states and head south to the Free State of Florida, improvements in broadband capacity and high-speed internet access will allow folks living in rural communities to capitalize on workforce changes, placing big city

employment options at the fingertips of our rural residents.

The build-out of broadband access in our rural communities will also open doors for residents to access training, certification, education, and health care. I believe we can combine enhancements to the traditional infrastructure for schools and hospitals with innovations that expand and strengthen access to these public services. A strong transportation infrastructure and access to robust public services naturally attract community, maintaining the modest population levels small businesses (restaurants, shops, childcare centers, etc.) need to thrive. Larger businesses are naturally attracted to thriving communities, without the need for massive taxpayer-funded economic incentives. Attraction of mid and large-scale corporations should be the effect, not the cause, of development in our rural areas.

We can also build on and modernize some of our longstanding economic development programs with a focus on building infrastructure, not incentive packages, providing opportunities for rural communities to grow as they see fit, based on decisions made by local families and businesses who call rural Florida home.

This comprehensive approach will create opportunities to improve Florida's rural quality of life, while preserving the time-honored way of life that has been deeply cherished generation after generation. Rural communities are strong and proud. I can tell you the last place they'll look for guidance is the government, but this legislation outlines some things we can do to help, so Floridians who call our rural

communities home have access to the opportunities the rest of Florida has to offer.

Earlier this year, President Trump's Administration, specifically Secretary Brooke Rollins of the U.S. Department of Agriculture (USDA) and T.W. Shannon, USDA Senior Advisor for Rural Prosperity (a former Speaker of the Oklahoma House of Representatives), shared their support for the Senate's Rural Renaissance legislation. Over the summer, Senator Simon and I had the opportunity to discuss with Secretary Rollins plans to make Florida's legislation a national model for creating a rural renaissance whereby local communities across the nation can grow and prosper as they see fit.

As we prepare to embark on a nationwide celebration of America's 250<sup>th</sup> Anniversary, there is no better time to celebrate and renew our focus on heritage farming communities across our state and nation. Their hard work and patriotism not only helped win our independence but also created and maintained a robust agriculture supply chain vital to our national security.

We have seen tremendous economic growth in urban areas of Florida; it's rural Florida's turn.

*Ben Albritton is the President of the Florida Senate. A citrus grower and agribusiness owner from Wauchula, he represents Senate District 27, which includes Charlotte, DeSoto, and Hardee counties and parts of Lee, Polk counties.*



# Cutting Through the Red Tape — Bringing Personal Accountability Back to Florida

State Representative Toby Overdorf

In his opening address for the 2025 legislative session, Speaker Daniel Perez challenged members to take a hard look inward — to identify areas where our own government has grown beyond its original intent. It was a call not for partisan posturing, but for accountability and restraint. Since then, Florida has embarked on a mission to lift regulatory and economic burdens on its citizens.

According to Florida's 2024 Joint Administrative Procedures Committee (JAPC) Annual Report, Florida's state agencies have proposed **16,419 rules** since 2015. To put that in perspective: that's over sixteen

thousand layers of regulations — each with ripple effects across Florida's communities, businesses, and families. The **Department of Health** leads the list with **2,597 rules**, followed by the **Department of Financial Services** with **1,642**.

Each of these rules often comes bundled with hundreds of thousands of pages of guidance documents, forms, and procedures — many of which may never have reflected the true legislative intent, were not specifically approved by the legislative branch and have largely gone unchallenged by the judiciary. Over time, this creates a thicket of bureaucracy that confuses

citizens, burdens businesses, increases costs, and stifles innovation.

## Reclaiming Legislative Oversight

That's why the Administrative Procedures bill of 2025 was a cornerstone reform and a line in the sand. Although the title suggests more red tape, it requires every agency in the state to **re-examine every single rule and guidance document** on its books. This is not just a cleanup effort; it's a reaffirmation of legislative intent.

Under this bill, agencies must ensure that their rules accomplish what the Legislature actually intended. The process will be systematic, transparent, and grounded in the principle that government should serve Floridians, not frustrate them or cause undue economic harm.

When a bill is created or significantly updated in Florida, our agencies are required to review its potential financial impact on Floridians. That process, known as the **Statement of Estimated Regulatory Costs (SERC)**, has become outdated, inconsistent, and often devoid of public input.

This bill modernizes it — setting a **new framework of criteria** for how assessing costs and requiring this information to be **made public**. In an age where transparency is the best safeguard against government overreach, this reform ensures that citizens and businesses can see exactly how proposed rules will affect their wallets.

Good governance isn't about more rules — it's about the right rules, applied wisely. This initiative doesn't strip away essential protections; it restores balance and intent. It asks every agency to pause, reflect, and realign with the people's representatives.

In the second half of 2025, Florida embarked upon the journey that would affect every business, landowner, and resident within the state: property taxes. These taxes are collected by local governments and are imposed upon the owners of private property throughout the state.

Over the last three years, property tax revenue has increased by \$18 billion. Left unchecked, the 67 counties and 411 municipalities will soon reach an annual collection of \$60 billion. This is a staggering number considering two items. Property taxes are, on average, less than 40% of a typical municipal budget, and the entire legislative budget is roughly \$112 billion. The rapid growth in revenue is far outpacing population growth and inflation, thus causing an undue financial burden on Florida's residents.

As fiscal conservatives who believe in the rights of property owners, enough is enough. It is time to lift the yoke of tax oppression and create permanent tax relief. In Florida, this requires a constitutional amendment passed by 60% of our citizens. While the exact ballot language has not yet been completed, the initiative must not shift the burden entirely onto our growing business community. It must keep local government revenue collection in check.

This is what responsible government looks like — one willing to look at itself in the mirror and make changes for the better.

*Representative Toby Overdorf is a member of the Florida House of Representatives representing the 85th House district, which includes parts of Martin and St. Lucie counties.*



# Leading the DOGE Effort at the State Level, Florida Continues to Exemplify Effective Governance

Eric Soskin

## Why DOGE?

You've all heard Gov. Ron DeSantis tick off Florida's accomplishments: paying down the state debt; maintaining the lowest ratio of state government workers to population; consecutive year- over-year reductions in budgeted spending. That track record has made many wonder why Gov. DeSantis so readily embraced the idea of creating a state version of the federal Department of Government Efficiency (DOGE) here in Florida.

The answer is that one of the things that makes America great – our federal system

of multiple spheres of sovereignty – can also be a weakness, as when irresponsible or abusive behavior at the federal level spills over to the states. During the four years of the Biden administration, Florida cemented its position as the leading exemplar of freedom, effective governance, and responsible democracy. But that doesn't mean Florida was immune from the effects of disastrous national governance.

Federal DOGE arose as a direct reaction to the policies of those four years, during which Americans witnessed trillions of dollars in inflationary federal spending

inspired by the fanciful “Modern Monetary Theory” embraced by the left. That fiscal irresponsibility was reinforced by easy monetary policies that further weakened the value of a dollar. After serial entrepreneur Elon Musk created a plan to create DOGE to target wasteful spending across government, President Trump promoted DOGE during the 2024 presidential campaign and established a “United States DOGE Service” out of the former U.S. Digital Service upon taking office.

 Department of Government Ef...   @DOGE

The last time a comprehensive review of the federal government was completed in 1984, the budget was \$848 billion, national debt was \$1.6 trillion & debt to GDP ratio was 38%. The budget is now \$7 trillion, the national debt is \$35.3 trillion & the debt to GDP ratio is 121.6%.

There is more than just wasteful spending to be unwound. Americans were subjected to four years of convoluted new rules and regulations on households, businesses, and state and local governments, released from Biden bureaucrats as if they were throwing a ticker tape parade. We saw the open embrace by the nation’s elites of divisive, discriminatory, and anti-American policies under the acronyms “DEI” and “ESG” and a related “open borders” policy rooted in a refusal to prioritize the interests of Americans over those of foreign nationals. Amidst these badly misguided policies, we experienced a failure to deliver on achieving everything from the basics of national security (e.g., the haphazard

withdrawal of American support from Afghanistan) to highly-touted political priorities (like broadband infrastructure projects that yielded zero connected households and EV charger grants that led to a mere handful of operating chargers).

 Elon Musk   @elonmusk

Competence MUST prevail over racism and sexism because it is both morally right and essential to a better future

Layered atop all this were unprecedented efforts, both covert and overt, to deprive Americans of their natural liberties and constitutional entitlements. The federal government suppressed the freedom of speech through the creation of an Orwellian “Disinformation Governance Board,” cooperation with the censorship units of foreign governments such as the United Kingdom’s Counter Disinformation Unit, and even direct White House pressure on social media companies to “deplatform” everyone from critics to comedians to Gov. DeSantis himself.

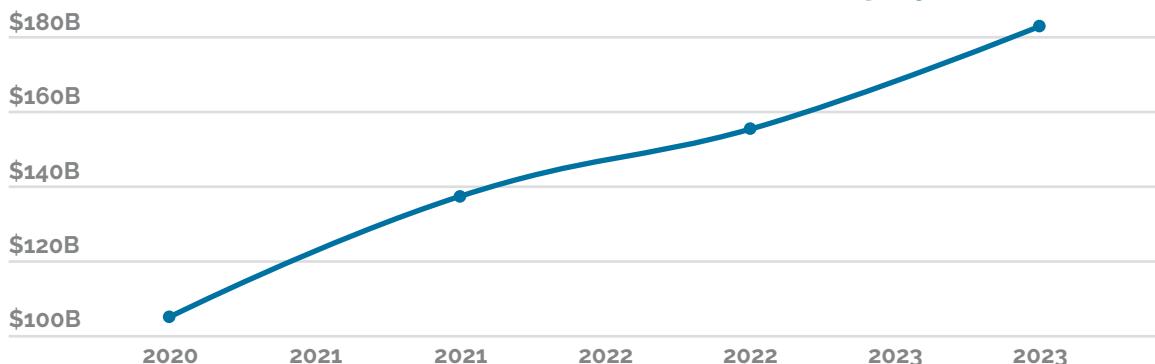
 Alex Berenson  @AlexBerenson · Aug 22, 2024

Just wait until you hear about what @jack - and @vijaya! - said about this tweet and Twitter's decision to ban me for it.

The true story behind my **censorship** is even more amazing than anyone knows. Part 2 of the Pfizer/White House files coming soon.

All of these animated the need for federal DOGE, and they undergird Florida DOGE as well. Because while Gov. DeSantis and other patriotic Floridians worked hard to mitigate the effects of bad national

## Total Florida Local Government Spending by Year



*Source: Data reported to Department of Financial Services through LOGERx System*

government, some consequences could not be avoided. It is the need to unwind the effects of four years of federal government that, alongside basic good government principles and the desire to build on Florida's recent achievements, define the Florida DOGE effort.

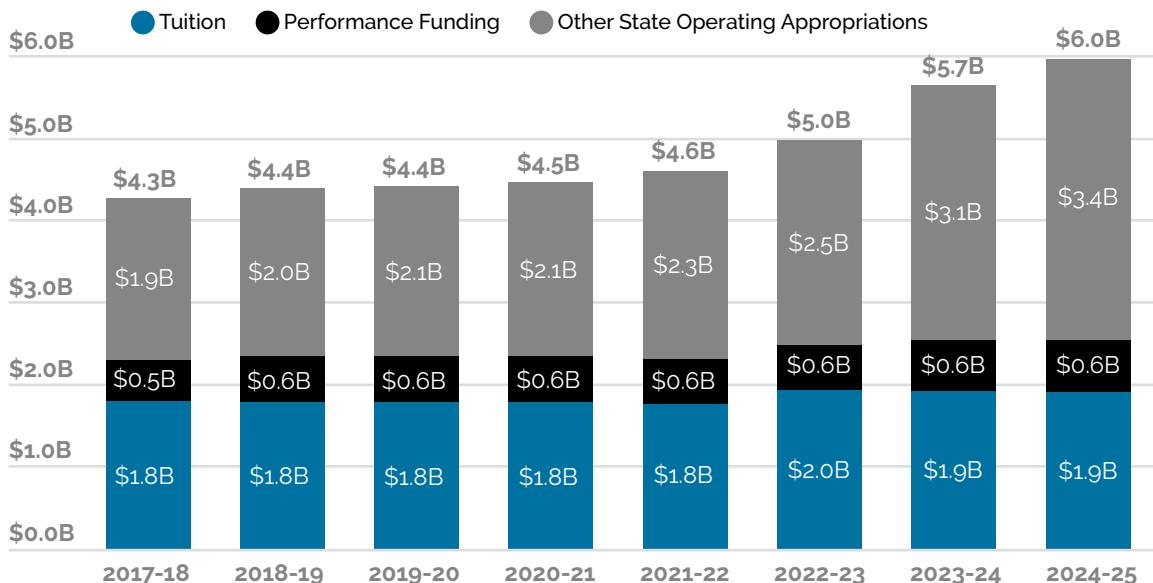
### What is Florida DOGE Looking at and Why?

The source of direction for Florida DOGE is primarily Executive Order 25-44, under which Gov. DeSantis established our effort, along with Ch. 2025-199 of the Laws of Florida, enacted at the end of the last legislative session, which granted additional authority and provided further direction to Florida's DOGE effort. These authorities direct Florida DOGE to concentrate on spending within county and municipal governments, unnecessary spending and inefficiencies within Florida's universities and colleges, and to continue ongoing efforts to streamline Florida's state agencies.

The need to address municipal governments exists because they were particularly

vulnerable to the federal maladministration described above. Many of the Biden administration's massive spending programs directed funds straight into the coffers of local governments, bypassing traditional state-level review and oversight. The combination of inflationary policies with the arrival to Florida of Americans "fleeing to freedom" drove steep increases in property values in much of the state. With property taxes forming a core pillar of local budgets, this increase in revenues gave local governments still more money to spend.

Pressured by federal policies and a media monoculture – and unaware of the deliberate suppression of competing voices – local government officials also embraced the DEI and ESG ideologies, leading to the waste and ineffective use of taxpayer dollars. The federal government imposes immense taxes on Floridians, and left-wing ideologues in Washington systematically conditioned the repatriation of those tax dollars to our state on everything from the purchase of electric vehicles to the establishment of race-based training programs.



Source: Division of Bond Finance Analysis of State University System Data

to berate city employees for their so-called “privilege.” In many cases, such programs were explicitly encouraged to be “permanently transformational,” *i.e.*, embedded in such a way that future elected officials would be unable to undo them.

DOGE’s focus on higher education is similarly tied to what came before. Over the last four years, federal grants funding much of our academic research came with “strings attached,” undercutting the State of Florida’s efforts to eliminate “Discrimination, Exclusion, and Indoctrination” from the curriculum. This reinforced the existing, deeply established commitment in the academic world to left-wing principles that devalue merit, excellence, and even basic courtesy. While Florida has kept tuition steady throughout the last decade, making public higher education a better value in Florida than anywhere else, this has come at the price of rising state subsidies, as

illustrated for the State University System below.

This makes it imperative to understand whether Florida’s universities are succeeding in reestablishing the primacy of scientific inquiry, merit, and color-blindness, and whether they are delivering results efficiently.

## How is Florida DOGE Carrying Out its Work?

The legal authorities mentioned above also provided a “how-to” for Florida DOGE. Executive Order 25-44 directed Florida DOGE to maximize its usage of advanced technology, such as data analytics and artificial intelligence, to achieve results using existing staff and funding as well as publicly available data when possible. The end-of-session statutory authority encouraged the use of on-site visits and direct access to local government data systems, while

establishing penalties for non-cooperation by local governments.

While these provide significant authority to Florida DOGE, Florida's local governments are not mere dependencies of the state, and key decisions must be made by their own democratically elected officials. For that reason, Florida DOGE is focused on bringing transparency to wasteful spending and on making recommendations to state elected officials. In this way, Florida DOGE is in a fundamentally different position from the federal DOGE, where the Constitution places executive power in the hands of the President, who may delegate directly to the federal DOGE the authority to cancel contracts, rescind grants, terminate programs, and reduce headcount.

Two more elements of DOGE's structure bear note. First, since the appointment of new Chief Financial Officer Blaise Ingoglia in July of 2025, the CFO has served as an important partner for Florida DOGE. CFO Ingoglia has long had a passion for pursuing wasteful spending, with longstanding renown for his "Government Gone Wild" town halls (and @GovGoneWild handle on X). Of equal import is that the CFO has statutory authorities to provide oversight to all state dollars, whomever the recipients may be – and to investigate noncompliance with those oversight efforts. That authority has already been exercised, when Florida county officials behaved oddly during interviews with Florida DOGE team members and information emerged suggesting they were seeking to conceal their use of race and ethnicity in the administration of public programs.

As with Federal DOGE, Florida DOGE



*Gov. DeSantis and CFO Ingoglia announce issuance of subpoenas in support of DOGE site visits*

has a sunset date. This is important – it heeds Ronald Reagan's 1964 warning that new government "programs, once launched, never disappear . . . [and become] the nearest thing to eternal life we'll ever see on this earth." The partnership between Florida DOGE and the CFO takes advantage of the fact that the CFO's office is already empowered to continue the effort of identifying and calling out wasteful spending after the "era of DOGE" comes to a close.

## Florida DOGE's Activities So Far

### LOCAL GOVERNMENTS

At the municipal level, Florida DOGE began by reviewing publicly available information about the growth in ad valorem tax revenues and budgets across the state in recent years. These efforts helped the DOGE team identify an initial set of cities and counties for further review.

This review came in the form of on-site visits by teams of auditors and analysts drawn from across state government, making use of the new statutory authority to access local government premises. During August of 2025, these teams visited a dozen cities and counties, reviewing data and interviewing staff. During their visits, they

identified numerous examples of excessive spending, ill-advised judgment, and inappropriate DEI in these communities – examples that are often astonishing. Orlando is literally spending taxpayer dollars to oppose state immigration enforcement efforts, funneling money to a non-profit that helps illegal immigrants evade deportation. St. Petersburg pays for “affirmative action” software used to develop race- and gender-based hiring quotas for the vast majority of city jobs. Jacksonville funded a one-mile stretch of sidewalk at a cost of \$7.5 million – more than 8x what the Florida Department of Transportation estimates is typical for such a project. Pensacola hired a professional management company for the historic Saenger Theatre. These supposed “professionals” chose to schedule a “drag show” at the same time that the city is scheduled to bring children downtown, just

a block away, to line up for pictures with Santa Claus.

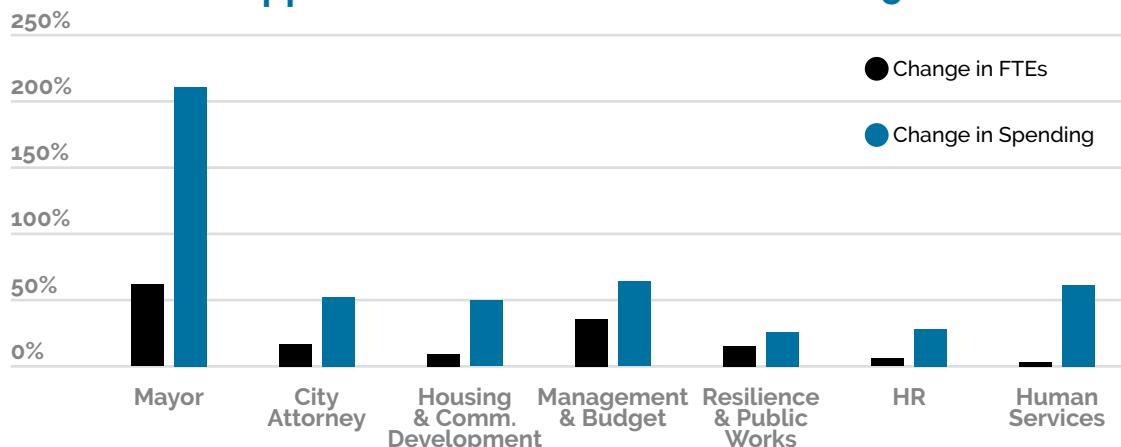
These examples just scratch the surface of the irresponsible local spending that the Florida DOGE team has identified. The bulk of local government funds are spent on personnel costs, and cities and counties across the state have been raising salaries at a profligate rate, and occasionally, rapidly expanding workforce size. Municipalities are employing highly paid executives in questionable roles such as “Action Center Director” (St. Petersburg), and “Assistant County Administrator for Equity and Community Impact” (Hillsborough County). The pay for local officials routinely outstrips that of federal and state counterparts, not to mention the median pay levels of local residents. And city and county budgets are being inflated by major pay increases made across the board, regardless of merit, unreasonable amounts of overtime amounting to 40%, 70%, or even 100% of base pay, and excessive leave payouts on separation. These compensation decisions have long-term consequences: by raising the baseline from which retirement benefits are calculated, they can increase the burden on taxpayers for decades to come. For example, the City of Miami has reported to the state that it already spends nearly 1 in 6 city dollars on pension benefits.

The DOGE team’s work on city and county spending has been compiled into an interim report, which makes a wide array of initial findings ranging from city spending patterns to individual examples of wasteful spending available to the Governor and the CFO for their use in policy development.



*The City of Gainesville spent time and money indoctrinating its staff in concepts like the “Wheel of Power/ Privilege” pictured above.*

## Growth in Personnel Spending for the City of Miami Outstripped Growth in Staff Over the Last 5 Years



Source: DOGE Analysis of City Budgets, FY 20-25

### HIGHER EDUCATION

Florida DOGE's initial undertaking regarding the state's colleges and universities involved reviewing federal grants made to universities to identify discriminatory grants that reflected racial preference, gender ideology, or other similar ideological underpinnings. Florida DOGE worked initially with Federal DOGE to review grants for cancellation by the federal government and then worked with individual universities and the State University System to repurpose other grants to remove objectionable components. At a minimum, these efforts resulted in the repurposing or cancellation of \$18.4 million in federal grants (probably more, but attribution of federal actions to cancel and revise grants is sometimes difficult). Florida DOGE is also looking at millions of dollars in other grants of concern to state universities, as well as more than

\$20 million in troubling grants to institutions in the Florida College System.

Florida DOGE is continuing to review other aspects of college and university operations and governance and expects that there will be additional recommendations to help Florida build on the leading status of its universities.

### RESETTING EXPECTATIONS ABOUT GOVERNMENT

With ongoing state agency DOGE efforts helping to deliver Florida's second consecutive state budget reduction, the State of Florida helped demonstrate to Floridians that they can expect more fiscal responsibility at all levels. Floridians have responded with remarkable enthusiasm, with more than half of Florida's counties and over three dozen municipalities issuing statements of support for DOGE, passing supporting resolutions, or requesting assistance from the Florida DOGE team. In several places, commissioners and interested citizens established local DOGE committees. The Lee County Clerk even modified "DOGE"

into “COGE” -- appointing a Chief of Government Efficiency. Florida DOGE also received an outpouring of supportive communications, recommendations, and tips on excessive spending from citizens, local officials, and even tourists visiting the state.

Recognizing that efforts by knowledgeable local officials to control spending at their level hold the greatest promise for long-term benefits for Florida taxpayers, Florida DOGE has worked hard to support local government efforts. With the assistance of the Florida Association of Counties and the Florida League of Cities, Florida DOGE provided a guide in “How to DOGE Yourself” to assist localities in good government and is working on developing aids for local governments to use in adopting zero-based budgeting in the future. Taking

a page from the federal DOGE’s efforts to identify excessive spending through the use of artificial intelligence, Florida DOGE has also been working to identify opportunities to pilot AI-based reviews of municipal spending as well. These are not well-trod paths, but the Florida DOGE team is optimistic about their promise.

As the process of establishing fiscal year 2025-26 budgets unfolded across the state, in many communities, these commitments translated into action benefiting taxpayers. Counties such as Pinellas, Lee, Polk, and Brevard lowered their countywide millage rates. In Miami-Dade County, an engaged County Commission pressed the county mayor and her staff on numerous budgetary line items, extending debate in two consecutive budget meetings nearly until

# COMMITTED

<b>COUNTIES</b>	<b>MUNICIPALITIES</b>
<ul style="list-style-type: none"> <li>• BAY</li> <li>• CHARLOTTE</li> <li>• CITRUS</li> <li>• CLAY</li> <li>• COLLIER</li> <li>• COLUMBIA</li> <li>• DESOTO</li> <li>• DUVAL</li> <li>• ESCAMBIA</li> <li>• FLAGLER</li> <li>• GAOSDEN</li> <li>• GILCHRIST</li> <li>• HAMILTON</li> <li>• HERNANDO</li> <li>• HILLSBOROUGH</li> <li>• HOLMES</li> <li>• INDIAN RIVER</li> <li>• JACKSON</li> <li>• JEFFERSON</li> <li>• LAKE</li> </ul>	<ul style="list-style-type: none"> <li>• LEVY</li> <li>• LIBERTY</li> <li>• MANATEE</li> <li>• MARION</li> <li>• NASSAU</li> <li>• PINELLAS</li> <li>• PUTNAM</li> <li>• SANTA ROSA</li> <li>• SARASOTA</li> <li>• SUWANNEE</li> <li>• TAYLOR</li> <li>• UNION</li> <li>• WAKULLA</li> <li>• WALTON</li> <li>• WASHINGTON</li> </ul> <ul style="list-style-type: none"> <li>• CLERMONT</li> <li>• COCOA BEACH</li> <li>• COCONUT CREEK</li> <li>• DEFUNIAK SPRINGS</li> <li>• EL PORTAL</li> <li>• ESTERO</li> <li>• FLAGLER BEACH</li> <li>• FORT MYERS</li> <li>• FREEPORT</li> <li>• GREEN COVE SPRINGS</li> <li>• GREENVILLE</li> <li>• GROVELAND</li> <li>• HAWANA</li> <li>• HIALEAH</li> <li>• HOMESTEAD</li> <li>• JACKSONVILLE</li> <li>• LAKE MARY</li> <li>• LAKE WORTH BEACH</li> <li>• LYNN HAVEN</li> <li>• MADEIRA BEACH</li> <li>• MELBOURNE BEACH</li> </ul>



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dawn. Although a resolution to lower county millage rates failed, these all-night efforts spearheaded by taxpayer-minded Commissioner Roberto Gonzalez yielded real savings in the Miami-Dade budget. In Hillsborough County, commissioners led by Joshua Wostal began the process of reforming a grant-making system bloated by non-profits drinking deeply from the taxpayers' trough. Tampa dissolved its DEI-oriented "racial reconciliation committee," while Palm Beach County suspended its own DEI programs.

### **A Look to the Future**

By the time this article is published, Florida DOGE expects to unveil further accomplishments across the state's colleges, universities, cities, counties, and state agencies. Florida DOGE plans to continue utilizing technology to develop insights

and assist in making recommendations for reining in spending. And, Florida DOGE is coordinating with counterparts in other states to exchange ideas and best practices as well as synchronizing efforts to influence how Federal DOGE efforts can best support successful conservative state governance. While DOGE is not intended to last forever, its leaders are optimistic that this cycle of state and federal government reform will shore up the underpinnings of American government and help our great country embark on its next 250 years.

*Eric Soskin is senior advisor to Governor Ron DeSantis and the team leader for Florida's DOGE initiative.*



# Securing America's Digital Future: A Vision for Communications Policy at a Crossroads

Olivia Britt Trusty

## I. Where I've Been: Building the Foundation

When I first entered the telecommunications industry, the landscape was undergoing a quiet but powerful transformation. The era of the Baby Bells was ending, and in its place, a new digital age was dawning, marked by the early expansion of fiber infrastructure, the rise of wireless mobility,

and the nascent development of technologies that are now integral to American life. My time in the private sector gave me a front-row seat to this technological pivot, offering practical insight into how public policy and industry innovation must align to deliver results.

Later, during my time on Capitol Hill, I had the privilege of working across a wide

spectrum of technology and telecommunications policy issues. I focused on bridging the digital divide in rural America, an issue as much about economic opportunity as it is about dignity. I worked on spectrum allocation strategies to support the explosive growth of 4G LTE, and laid the groundwork for the emergence of 5G and next-generation connectivity.

As Big Tech platforms grew rapidly in power and influence, I grappled with the implications of new technologies, IoT devices, autonomous vehicles, and data-driven services on consumer safety and market fairness. I also confronted some of the most pressing challenges of our time: protecting personal data in an era of Big Data, responding to cyber threats targeting our critical infrastructure, and ensuring spectrum availability for both commercial innovation and national security.

These roles weren't just jobs; they were preparation. They built my belief in the promise of American innovation and also shaped a realism that guides my current work at the Federal Communications Commission (FCC). Our leadership in global communications is not a birthright. It must be defended, adapted, and constantly renewed.

## **II. What I've Seen: Progress Worth Celebrating, Warnings Worth Heeding**

Over the past decade, the United States has achieved remarkable gains in communications technology. Private investment and smart policy helped propel the rollout of 5G networks, increasing broadband capacity and unlocking new applications

in healthcare, manufacturing, and logistics. Satellite broadband has moved from a speculative technology to a viable option for many Americans in remote and underserved regions. Connected vehicles and smart infrastructure are no longer futuristic concepts; they're active parts of our economy.

In short, we've seen the kind of innovation that only free markets and democratic institutions can truly enable.

Despite all the progress, the threats to our communications future are real and mounting. Cyberattacks, like the Salt Typhoon operation, reveal just how vulnerable our critical networks remain. Ransomware and data breaches threaten not just financial loss, but public trust. Infrastructure challenges, from copper theft to undersea cable sabotage, are becoming more than just fringe concerns; they are tangible threats to the resilience of our networks.

Supply chain security has emerged as a new frontier in national defense. Our networks are only as secure as the components that build them. That's why the presence of foreign adversary-backed vendors like Huawei and ZTE in U.S. infrastructure raises red flags beyond economic competition; it's a question of sovereignty and safety.

Meanwhile, on the global stage, we've seen a worrying retreat of U.S. leadership in international spectrum and standards-setting bodies. The World Radiocommunication Conference (WRC-23) should have been an opportunity to project strength and clarity on spectrum policy. Instead, it exposed our need to reassert influence in multilateral forums where the rules of the global digital economy are being written.

Even our GPS systems, so foundational to daily life and national operations, are under threat from spoofing and jamming. These are not abstract or future risks. They're here, now, and demand action.

### III. Lessons Learned and a Vision for What's Next

The core lesson I've learned over my years in public service and industry is this: *our technological leadership is inseparable from the reliability, resilience, and security of our communications networks.* National security today extends far beyond tanks and troops. It is about defending the invisible infrastructure that powers our economy, enables our freedoms, and keeps our people safe.

When adversaries target undersea cables or exploit untrusted equipment in American networks, they're not simply causing disruptions; they're testing our resolve. When they push disinformation through digital platforms or attempt to dominate international telecom bodies, they're challenging the rules-based order that has defined postwar prosperity.

Our response must be multi-pronged and resolute. We must support spectrum policies that allow both commercial growth and public safety missions to thrive. We must ensure the "rip and replace" program, designed to remove untrusted equipment from our networks, gets the funding and urgency it deserves. We must take ORAN (Open Radio Access Network) development seriously to diversify vendors and strengthen supply chains.

At the same time, we can't retreat into protectionism. American leadership means

engaging, assertively and skillfully, in global venues. It means shaping the future of artificial intelligence, satellite communications, and quantum networks through democratic values, technical excellence, and policy foresight.

And most importantly, it means building a regulatory culture that doesn't just keep up with innovation but anticipates and supports it.

Another critical dimension of modern communications policy is the rapid advancement of artificial intelligence (AI). Building on recent federal AI initiatives and action plans, the FCC recognizes that the future of AI depends fundamentally on secure, resilient communications infrastructure capable of handling the vast data flows and computational demands that AI requires. Our networks must provide a robust foundation that fosters innovation while safeguarding against misuse and protecting consumer trust.

To achieve this, the regulatory environment must support spectrum policies and network architectures designed to accommodate AI-driven applications. Additionally, collaboration with other federal agencies is essential to secure data and communications pathways integral to AI's safe and responsible deployment. International engagement is also necessary to shape AI standards and governance in ways that reflect U.S. values and strategic interests.

### IV. What I Plan to Do at the FCC

As a Commissioner at the FCC, I see our mission as one of stewardship and forward-looking leadership. Working in collaboration with my fellow Commissioners

and the expert staff across the agency, I plan to focus on the following priorities:

- **Spectrum Leadership:** We must ensure that America continues to lead the world in next-generation wireless technologies. That means conducting efficient and forward-looking spectrum auctions, accommodating a variety of users, from mobile broadband to satellite operators to critical government functions, and creating policies that enable experimentation and innovation.

**Reasserting Global Influence:** Our presence in international telecommunications organizations like the International Telecommunications Union (ITU) must be revitalized. U.S. representatives should be leading the conversation, shaping the standards, and setting the norms, not watching from the sidelines as adversaries fill the vacuum.

**Enhancing Supply Chain Security:** Programs like ORAN development are essential to ensure we're not overly dependent on any one supplier or nation. We need to prioritize transparency, interoperability, and security in every layer of our network supply chains.

**Infrastructure Resilience:** From undersea cables to GPS, the physical and digital arteries of our communications networks require more attention and more protection. Whether through improved threat monitoring, public-private coordination, or targeted investment, we must shore up these critical assets.

### **GPS Integrity and Critical Timing**

**Infrastructure:** The FCC should continue to work closely with other agencies to monitor, deter, and prevent GPS interference. Backup systems and more robust authentication technologies will be vital in an age where timing is everything, from financial transactions to energy grids to emergency response.

### **Supporting AI-Ready Infrastructure:**

In alignment with national AI strategies, the FCC will prioritize policies that enable networks capable of supporting growth and development in AI technologies. This includes ensuring sufficient spectrum availability, encouraging the deployment of robust broadband networks everywhere they are needed, and partnering with federal and private stakeholders to secure the data and communications infrastructure integral to AI's safe and responsible use.

## **V. Conclusion: The Stakes Are National, And Generational**

America's communications infrastructure is the silent engine behind our global leadership. It empowers our economy, defends our security, and connects our people. But like any engine, it requires maintenance, foresight, and the occasional overhaul.

At this inflection point, we cannot afford complacency. We must act with the urgency of innovators and the discipline of stewards. That means reinforcing our networks against tomorrow's threats while unlocking the possibilities of technologies not yet imagined. It means reaffirming our presence on the world stage, defending our

values, and ensuring that the free and open model of the internet doesn't yield to centralized control or authoritarian ambition.

I believe deeply in the promise of American innovation, and in the role smart policy can play to unleash it. The path forward is not easy, but it is clear: lead in spectrum, secure our infrastructure, outpace our adversaries, and do it all with the confidence that comes from a free people driving progress through ideas, not fear.

With these priorities, and with the continued collaboration of public servants, industry leaders, and civil society, I believe

we can build not only a stronger communications framework but a more secure and prosperous future for generations.

This moment matters. The decisions we make today will affect not only the strength of our country now, but the shape of our society for decades to come.

*Olivia Britt Trusty serves as an FCC Commissioner.*



# **Powering Florida's Economy: A Modernized Workforce Development System to Sustain Growth**

Katie Adams & Mukta Pandit

**F**lorida's economic trajectory tells a story of dynamism and possibility. Over the past decade, the state has outpaced the nation in population growth, business formation, and GDP expansion. New residents arrive at a rate of more than 1,000 per day, motivated to move to the Sunshine State by economic freedom, favorable taxes, and quality of life. Yet beneath this

prosperity lies a growing tension: Florida's labor market is tightening, skills gaps are widening, and the trifecta of AI, automation, and global economic shifts is accelerating the need for industry-informed educational pathways and workforce training able to produce the "future-ready" workers required to sustain the state's growth.

The question facing Florida

policymakers is not whether the state can continue to grow, but whether that growth is moving in the most competitive and sustainable direction. Strategic investments toward preparing more Floridians for the high-demand jobs emerging across manufacturing, healthcare, logistics, and technology need to be accelerated to avoid ceding ground to other similarly competitive states.

## **Florida's Labor Market: Strength at the Surface, Friction Below**

On paper, Florida's labor market appears remarkably strong. The state's unemployment rate is hovering near 3.8 percent, below the national average. Non-agricultural employment has exceeded 10 million jobs this year, and private-sector job growth continued to outpace the U.S. overall.<sup>1</sup>

However, headlines can obscure a more complex and longer-term challenge. Employers in nearly every region report persistent difficulty finding qualified workers. According to the Florida Department of Commerce, more than half a million jobs remain open statewide, concentrated in sectors that require advanced technical, healthcare, or digital skills.<sup>2</sup>

Meanwhile, labor market participation has plateaued even as population growth continues. Florida's labor-force participation rate, at roughly 59 percent, lags the national average, a reflection of both an aging population and a growing number of working-age adults who lack post-secondary credentials or relevant training.<sup>3</sup>

The result is a mismatch between economic opportunity and workforce capacity. Businesses continue to expand, but employers in the state's top industries are

having difficulty filling jobs efficiently while too many Floridians are unaware or unprepared to fill those roles.

The economic consequences of these disconnects can be substantial. Industry analysts such as CEB Gartner estimate job vacancies cost employers on average \$500 per open role per day, with surveys indicating more than \$800,000 in annual lost productivity costs shouldered by employers struggling with prolonged vacancies in the tech sector alone.<sup>4</sup> For individuals, the costs are equally high. According to the Florida College Access Network's 2024 "State of College Access and Success in Florida" report, slightly less than half of all Florida residents (45.5%) aged 25–64 lack a post-secondary credential.<sup>5</sup> Individuals without postsecondary training or credentials are often underemployed, working in roles below their potential earnings capacity and not fully contributing to local economic strength. Without accessible, flexible pathways to upskill, and clarity around career pathways for in-demand jobs and industry-valued credentials, they face declining opportunity in a labor market that increasingly rewards specialized knowledge and technical proficiency.

## **REACHing for a More Aligned Future, Producing a Future-Ready Workforce**

Florida has long recognized the importance of linking education to work. However, producing a strong, skilled, and work-ready talent pipeline depends on a large and often disconnected web of stakeholders across what is broadly defined as the workforce development system – namely

postsecondary education providers, local workforce boards, economic development agencies, human services providers, private training providers, and employers. Recognizing this, the state made a structurally significant investment towards improving alignment across the entire workforce development system through passage of the REACH Act in 2021. By establishing the REACH office within the Executive Office of the Governor, system leaders are strongly incentivized to collaborate across a fragmented architecture.

Today the initiative is utilizing a combination of approaches and tools to dramatically increase transparency, collaboration, accountability, and agility aimed at building a future-proof and work-ready talent pipeline for Florida employers. Three highlighted aspects of that work include:

- **“No Wrong Door”** – Students, career seekers, parents, employers and even providers face a maze of choices about where to begin interacting with the workforce development system. Through the “no wrong door” approach, agencies are mandated to ensure that those customers don’t have to visit multiple agencies to get immediately connected to the right service. Using a “one intake, one case management” framework saves people time, but also increases visibility and accountability across service providers to ensure no duplication of services and that taxpayer resources are being fully optimized to get people the best, most appropriate training and to ensure that employers have a motivated pool of employees.

- **REACH Online Data/Dashboard** – To maximize federal and state investments in workforce development and more quickly and efficiently produce the workforce employers need, the REACH Act established a requirement for an online data dashboard that clearly visualizes labor market, training, credential and program outcome information. While the state is building toward a truly unified, comprehensive publicly-accessible dashboard, the state’s workforce system – CareerSource Florida – is significantly increasing transparency by providing information via their Analytics site such as:

- Letter grades – each local workforce board is given a letter grade based on performance metrics tied to the REACH Act;
- Board performance dashboard – showing each local board’s outcomes relative to REACH goals which are also aligned with their federal Workforce Innovation Opportunity Act (WIOA) performance metrics;
- Funding dashboard – showing funding by source for each board;
- Business and workforce dashboard – tracking how the state’s boards and partners serve business (through producing needed talent supply) as well as individuals (through job placements) aligned with in-demand occupations;
- Barriers to Employment dashboard – highlighting the most common hurdles cited by jobseekers across

- all local workforce boards as compared to the state average;
- CLIFF (“Career Ladder Identifier and Financial Forecaster”) tool – to help individuals receiving or eligible for public assistance understand how age changes, job changes, and training affects benefit eligibility and budget planning.
- **Credentials Review Committee** – The mandated committee is not only ensuring a common, easily understood definition of “value” for both academic and non-academic credentials, but is also providing a highly visible “Master Credentials List”<sup>6</sup> of credentials that align with in-demand jobs and meet wage criteria. This is critically important for educators, students, parents, and even employers. Educators need to know what credentials matter to hiring employers and their students. Students and their parents want to know which pathways will move them from the classroom into a career. This list provides that clarity.

This work also means that the state’s accredited Title IV providers will be well-positioned to access the new federally approved Workforce Pell Grant set to launch in July 2026. The new program extends the Federal Pell Grant to shorter term workforce-aligned training programs. Eligible programs must be between eight and 15 weeks long and provide enrolled students with 155 - 600 hours of instruction.” These programs must be approved by the Governor as being aligned to high-skill/in-demand sectors,

meeting employer hiring requirements, leading to recognized, stackable credentials and counting for academic credit.

## **Building a Modern, Market-Aligned System**

The state has made significant investments toward building a modern workforce development system that can move to meet market demands, ensuring state economic competitiveness and growing opportunities for Floridians. However, that work needs to be sustained and accelerated. The goal is not to centralize control, but for stakeholders to collectively determine and work collaboratively toward core “north star” imperatives driving forward-looking education and workforce development planning.

### **1. AUTHENTICALLY ENGAGING EMPLOYERS AS CO-PRODUCERS OF TALENT**

Ensuring economic growth and growing individual opportunity requires viewing employers not as consumers of the educational system “product” (e.g., high school or college graduates) but as invested partners in educating and skill-building their future workforce who are sitting in today’s classrooms. Florida’s commitment to Registered Apprenticeship expansion is a clear and promising model. Registered Apprenticeship programs combine classroom instruction with paid on-the-job learning in high-demand occupations. The “earn and learn” model allows apprentices to gain critical skills, industry-valued certifications and often academic credit or even degrees while simultaneously providing employers with a model of talent development that

DOL has cited as delivering 44.3% return on investment for apprentice productivity, or \$144.30 in total benefits for every \$100 invested by an employer.<sup>7</sup>

The state has exponentially grown its apprenticeship opportunities since 2022 alone:

- The number of **new apprentices has grown by 67.03%** from 5,823 in FY 2022 to 9,726 in FY 2025.
- The number of **active apprentices has grown by 51.39%** from 13,043 in FY 2022 to 19,746 in FY 2025.
- The number of **completed apprentices has grown by 57.71%** from 2,100 in FY 2022 to 3,312 in FY 2025

In fact, the state was one of the first in the U.S. to develop a sustained apprenticeship grant program. The Florida Department of Education (FL DOE) Pathways to Career Opportunities Grant (PCOG) program has benefitted 263 grantees who have invested in standing up and expanding pre-apprenticeship and apprenticeship programs since PCOG program inception in 2019-20.<sup>8</sup>

However, there are still critical apprenticeship and workforce development system gaps, in particular for Floridians being served by local workforce boards through WIOA Title I funded services. For the rolling four quarters ending March 31, 2025, of the 15,807 Floridians served through the Title I Adult, Dislocated Worker, or Youth programs, only 838 of those individuals, or 5.30%, were supported into paid training through apprenticeship programs. The state's numbers, as reported through local

workforce boards to the state and DOL are, however, moving in the right direction – from 3.87% in program year (PY) 22 to 4.93% in PY 23 and, most recently, 5.30%.

Policymakers should continue collaborative work with the apprenticeship and workforce systems, as well as key postsecondary apprenticeship program sponsors and related training instructors operating programs who are working with employers such as Miami Dade College, to identify areas for further alignment. Areas such as streamlining program approval processes, increasing financial incentives for small businesses to sponsor or participate in the program, and utilizing WIOA set-aside funds to pilot models for increasing apprenticeship in key sectors for the state economy recognizes and leverages private investment to produce significant, tangible public good.

## 2. MODULARIZE, STACK AND ARTICULATE CREDENTIALS

While Florida's state college system largely operates on traditional degree pathways, it can accelerate work being done by individual colleges to grow industry partnerships to inform and increase development of modular credentials. These shorter-term programs result in immediately recognized industry certifications and often "stack" toward higher certifications and/or degrees.

For example, Florida State College of Jacksonville offers 17 non-credit Career Certificates (CCs) as well as 66 Technical Certificates (TCs) supporting mobility into in-demand roles such as Radiation Therapy Specialists, Aviation Airframe Mechanics,

and Data Science Technicians. These TCs also result in college credit toward an academic degree. Miami Dade College runs a full stackable system of 72 College Credit Certificates (CCCs) and 35 Career Technical Certificates (CTCs) that integrate 49 industry-valued certifications and are mapped to 65 associate's in science degrees or 17 bachelor's degree pathways.

Colleges should coordinate across regional economies and convene industry consortiums to focus development of complementary stackable certificate programs and avoid unnecessary duplication, particularly for programs that can utilize entirely virtual instructional delivery.

Another approach to accelerating students' time from classroom to career is transparent articulation frameworks for industry certifications. Broward College uses clear credit for prior learning standards to help students convert micro-credentials or industry certifications into college credit which can be applied toward Technical Certificates and Associates degrees. This approach values time invested by students or current workers toward career mobility, reduces duplicative in-classroom time and lowers the cost of pursuing additional training and certificate or degree attainment.

Enabling students to earn credentials in a shorter timeframe supports both individual responsibility and market mobility. Workers can improve their skills without leaving the labor force and employers build a stronger, more sustainable talent pipeline more quickly. The FL DOE's Florida Education and Training Placement Information Program (FETPIP)'s "Workforce Education Reports" provides the data infrastructure

to support this approach, linking program completions with employment and wage outcomes.<sup>9</sup>

### **3. INCENTIVIZE EMPLOYER AND INDIVIDUAL FLORIDIAN ENGAGEMENT IN TALENT DEVELOPMENT**

Florida can expand its use of proven tools to stimulate both employer and individual career seeker participation in the state's workforce development strategies. Tools should include expansion of targeted tax incentives, focused competitive grants, workforce system Incumbent Worker Training, use of Individual Training Accounts and On-the-Job Training contracts, and supportive services. Incentives should be outcome-based and primarily focused on sectors with clear occupational demands to ensure the highest return for the funds and time invested by the state and Floridians. Several industries merit particular focus:

- Advanced Manufacturing and Logistics - Florida has added more than 36,000 manufacturing jobs since 2019, representing roughly ten percent sector growth.<sup>10</sup> The state's location, infrastructure, and tax climate position it as a logistics hub for the Southeast, but automation and advanced manufacturing technologies require a technically skilled workforce. Modern apprenticeships, short-term certificate programs for key occupations, and allocating more funding toward employer-sponsored upskilling programs could close this gap more quickly.

- Healthcare and Life Sciences - Healthcare remains Florida's largest industry sector, projected to grow by nearly 14 percent through 2032 in the Capital Region alone (Gadsden, Leon, and Wakulla counties).<sup>11</sup> Yet shortages persist in nursing, allied health, and clinical support roles. Expanding dual-enrollment programs, competency-based credentials, and apprenticeship models in healthcare could alleviate shortages while providing residents with pathways to high-wage, high-demand careers.
- Technology and Professional Services - As remote-enabled firms relocate to Florida, digital skills are emerging as the new baseline. Expanding credential programs in cybersecurity, data analytics, and digital business services—often delivered in partnership with industry—will ensure Florida's workforce can compete in a technology-driven economy without expanding government programs or subsidies.

## **Florida's Competitive Advantage—and the Risk of Complacency**

Florida's economic competitiveness can only be sustained by a shared understanding across industry, education, and workforce that local, regional, state and even global economic strength rises and falls on the ability to adapt quickly to technological

and demographic change. States that fail to understand and invest in agile and well-aligned workforce development system-building will find that businesses and jobs move elsewhere. Florida's business-friendly climate will be insufficient to sustain long-term growth in the face of fragmented educational and workforce systems.

The good news is that the state has all the raw ingredients for success: a diverse economy, strong employer networks, innovative educational institutions, and a culture that prizes entrepreneurship. Key stakeholders have already begun important work toward market-aligned innovation. Continued focus on coordinating and optimizing state investments and approaches under a coherent, industry-engaged framework will support the state's goal of becoming the model for sustainable workforce development.

The state's prosperity is real, but its continuation depends on whether its education and workforce systems can continue evolving to meet the demands of a changing economy. A modern, aligned workforce development system that coordinates all stakeholders, works with industry, grounds itself in data-driven decision-making, emphasizes transparency, and ensures accessibility will not only close the skills gap but also strengthen Florida's economy and growing opportunity for generations to come.

The path forward does not require centralizing control but, using the REACH Act model, intentional coordination across stakeholders. That work will ultimately

empower individuals and employers to act, invest their own resources, reap results, and continually grow both personal economic mobility and business competitive advantage for decades to come.

*Katie Adams is the managing director at Safal Partners. Mukta Pandit is the CEO at Safal Partners. Safal Partners is a mission-driven small business partnering with clients to effectively strengthen America's workforce, classrooms, and communities.*

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## More options, better options ... but still not enough options.

Ron Matus

If you want to know where education freedom in America is headed, look to Florida. Half the students in Florida are enrolled in something other than their zoned schools.<sup>1</sup> One million are learning outside of district schools entirely. More than 500,000 are using state choice scholarships to access private schools or do “a la carte learning.”<sup>2</sup>

Meanwhile, the number of private schools in Florida grew 31% between 2012-13 and 2022-23, the last year for which state data is available. That’s a net gain of 706 schools. For context, Florida produced more new private schools in 10 years than 39 states each have private schools, period.

School choice is not happening on this scale anywhere else in America.

And yet, when it comes to demand, it's still not enough.

Last year, 41,000 students awarded private school choice scholarships from Florida's two main programs never used them. To find out why, Step Up For Students surveyed their parents. What they told us forms the basis of our recent report, "Going With Plan B."<sup>3</sup>

The biggest reason parents didn't use the scholarships: There weren't any available seats at the private schools they wanted. A third of the respondents (34.7%) selected this option.

The second biggest reason: 19.7% indicated the scholarship amount wasn't enough to make the school affordable, including 21.7% of low-income parents.

These findings conjure a tweak on those famous lines from "The Rime of the Ancient Mariner": Florida parents see schools, schools everywhere. But thousands can't enroll their kids in the ones they want.

That's a challenge for Florida – and, as choice accelerates across the country, for other states as well.

For decades, the education freedom movement has worked hard to create, defend, and expand programs that give more families more options – and nobody has done it better than Florida. Of 1.3 million students nationwide participating in private school choice and education savings accounts programs, 40% are in the Sunshine State.<sup>4</sup> But now that those programs are unleashing demand, it's time the supply side got a little more attention, too.

Here, though, it's important to note some other things the parents told us.

At the time they applied for the

scholarships, more of them were satisfied than dissatisfied (55.0% to 30.2%) with the schools their children attended. And even without the scholarships, many found options they liked. In fact, satisfaction as a whole shifted *higher* with the schools the parents ultimately selected.

You read that right.

It doesn't seem out of bounds to speculate that this is what happens when school choice becomes the new normal. As much as charter schools, choice scholarships, and education savings accounts have consumed the spotlight, Florida school districts have become massive generators of learning options, too. In the Miami-Dade district, more than 70% of students now attend choice schools, including more than 100 magnet schools, some of which rank among the best public schools in America.

In other words, Florida families have more and better options all over the place.

And that, in turn, may have led to higher expectations. Parents in Florida are no longer satisfied with a school that's *meh* or merely better. They want a school that's just right.

That may explain the final takeaway from our survey.

Two-thirds of the parents said they'd apply for the scholarships again, including 63.0% of those who switched school types, and 55.5% of those who were satisfied after doing so.

So yes, they found something better. But better enough?

For decades, choice supporters have made the case that parental choice will drive educational quality better from the bottom up than regulations can from the top down.

I think the survey responses offer more evidence of that happening.

This brings us back to supply-side challenges.

It's not hard to find schools in Florida that have been hamstrung by zoning and building codes that were built for last century's education system. This is particularly true with newer models like microschools and hybrid homeschools that are popping up all over – or trying to<sup>5</sup> – because more families want them.

In Sarasota, a microschool called Star Lab set up in the recreation center of a public housing complex so it could serve students who live there. As reported by education researcher Mike McShane, local authorities told the founder – an accomplished former public school teacher – that the facility would need a \$97,000 sprinkler system to support an educational use.<sup>6</sup> This, even though Star Lab would be serving fewer than 20 students in a single room with multiple exits straight outside.

In Vero Beach, the founders of Keystone Education Center, an alternative tutoring center for students with special needs, found themselves in a similar pickle. (Two of the four Keystone founders are also former public school teachers.) The church they rented met fire codes for parishioners. But local officials initially determined it did *not* meet the codes for educational use, even though the center would be serving far fewer students than the church was serving parishioners.

Fortunately, both of these cases had happy endings. And thankfully, Florida lawmakers have been chipping away at these problems. In 2023, they passed HB

443, which offered more zoning flexibility for tutoring operations. In 2024, they passed HB 1285, which gave private schools the power to set up “by right” in certain facilities, such as churches, instead of going through the process of getting a zoning change or special exception.

But challenges remain. Earlier this year, Teach Florida released an eye-opening report that documented double standards with local zoning for schools.<sup>7</sup> Private schools are often forced to jump through expensive, time-consuming, and subjective hoops while public schools get a pass.

Thoughtful solutions for these barriers are within reach, even as policymakers rightly prioritize other pressing issues, such as better tracking and funding of students as they shift between education sectors.

On a related note, Stand Together Trust and Building Hope recently launched a national program to provide low-interest loans to qualified microschool founders. A similar, state-specific program would do wonders for Florida's education entrepreneurs, many of whom are former public school teachers. It could be especially helpful to families if it were structured to spur even more high-quality, low-cost options.

No state in America has done more than Florida to try to deliver the full promise of education freedom to every family. Removing the barriers still blocking that full promise is fast becoming a vital next step.

*Ron Matus is director, research and special projects, at Step Up For Students, the nonprofit that administers Florida's choice scholarship programs.*

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# Zoning by Design, Exclusion by Accident: How Local Ordinances Block New Nonpublic Schools in Florida

Danny Aqua

Florida is widely recognized as a national leader in expanding school choice, with nonpublic schools as central players in our K-12 ecosystem. Through scholarship programs and education savings accounts, thousands of families have been empowered to select learning environments that best meet their children's needs. Fueled by expanding scholarship

programs and shifting parental preferences, nonpublic school enrollment now exceeds 415,000 students, a rise of about 24 percent over five years.

Yet even as state policy encourages the growth of nonpublic education, another level of government quietly undermines it: local municipalities. Across Florida, zoning codes and land-use ordinances are creating

major, unintended impediments to opening or expanding nonpublic schools.

A 2024 Teach Coalition study found that nearly 90% of municipalities surveyed severely restrict where nonpublic schools can operate. Of the 35 cities examined, only four allowed nonpublic schools to open “by right,” without lengthy discretionary approvals. While public schools are often permitted freely across multiple districts, private and faith-based schools must navigate special hearings, ambiguous “compatibility” tests, or limitations to scarce, high-cost parcels.

While state policymakers have embraced school choice, local governments frequently—and often unknowingly—put up roadblocks that make it harder, more expensive, or even impossible to open new private and faith-based schools. This discrepancy may not stem from deliberate discrimination, yet its effects are clear: a patchwork of local barriers that throttle growth, drive up costs, and discourage innovation.

## The Invisible Net of Zoning

Local zoning codes were never meant to suppress education. They exist to manage growth, mitigate negative externalities (traffic, noise, compatibility), and preserve neighborhood character. In some Florida cities, public schools can be located in virtually every zoning district, while nonpublic schools must obtain a special use permit, appear before planning boards, and survive a gauntlet of public hearings. The process often takes over a year and can cost more than \$150,000 in legal, engineering, and consultant fees before construction even begins. The uncertainty alone is enough to

deter many would-be operators from pursuing projects at all. The result is an arbitrary system that penalizes educational entrepreneurship and limits parental choice.

The Teach Coalition report highlights several municipalities where local ordinances have become especially restrictive.

- **Coral Springs, Coconut Creek, Delray Beach, Hialeah, Miami Gardens, North Miami:** Public schools may locate “by right” in certain districts, but nonpublic schools must apply for a special exception.
- **Margate:** Requires schools to be located on minimum lot sizes of 12 acres for elementary school, 20 acres for middle school and 45 acres for high school.
- **Palm Beach Gardens, Margate, Miramar, Pembroke Pines:** These cities lack any zoning districts where a nonpublic school can open without a special-use process. Every new school must engage in a multi-step application review under discretionary standards.

## How Did We Get Here?

The motivations behind these local barriers are often not malevolent, but they are powerful.

- **NIMBY concerns:** Not In My Backyard! Homeowners frequently object to increased traffic, drop-off chaos, or noise.
- **Public school protectionism:** Some municipalities resist nonpublic growth out of fear it will reduce public school enrollment and local influence.
- **Code inertia:** Most zoning codes adopt

“special use” frameworks that allow discretionary review without having to rethink the baseline.

- **Disguised discretion:** Terms like “compatibility,” “scale,” and “neighborhood character” are subjective. They give planners and elected bodies cover to reject proposals without articulating clear, principled reasons.
- **Lack of legislative check:** Because local governments enjoy broad “home rule” authority, there is minimal state oversight concerning how they treat nonpublic educational uses.

Ultimately, these barriers emerge not necessarily from explicit hostility to private schooling, but from a default posture: that nonpublic education must be managed, not permitted. The consequence is that educational entrepreneurs invest resources navigating complex processes rather than in curriculum, staffing, or community outreach.

### **The Consequences for Florida Families**

The impact of these local ordinances extends far beyond the developers who must navigate them. Parents searching for smaller class sizes, faith-based instruction, or specialized learning environments often find no openings nearby—not because communities lack interest, but because local codes have throttled school development. The cumulative effect is inequitable: families in high-demand suburban zones may find no proximate nonpublic option, be forced to travel long distances or forgo the choice altogether. Educators who wish to open new

campuses see too much upfront risk resulting in a stifled ability to serve. And for the state, it is an ironic contradiction: Florida invests heavily in education choice at the policy level, yet local ordinances quietly neutralize those investments by keeping potential schools off the map.

### **A Legislative Path Forward: Let Schools Build**

The Florida Legislature has already acknowledged this tension in part. In 2024, House Bill 1285 sought to preempt some zoning barriers by allowing schools to open in existing community spaces such as churches and libraries. However, implementation has been inconsistent. Some municipalities narrowly interpret the statute, and others raise new objections under the guise of building or fire codes. The lesson is clear: partial measures are not enough.

What Florida needs now is a comprehensive legislative fix—one that protects local interests while ensuring statewide consistency. The Legislature should explicitly preempt local zoning codes that discriminate between public and nonpublic schools. Nonpublic schools should be deemed permissible “by right” in any district that allows other institutional or educational uses.

The law should also establish uniform procedural protections. Nonpublic schools should have access to the same streamlined permitting process as public schools. For smaller schools or start-ups under a certain size—where there are no legitimate traffic or noise concerns—an expedited administrative approval track would help remove needless delays. The state could also set baseline standards for parking, traffic, and

noise mitigation, preventing cities from imposing arbitrary local requirements that function as de facto bans.

Finally, the statute must include meaningful enforcement mechanisms. Schools that are improperly denied should have access to a clear, affordable path of appeal, with the right to recover legal costs if municipalities violate the preemption. These measures would not eliminate local input or safety oversight—they would simply prevent cities from using zoning as a tool to deny educational opportunity.

Zoning is a legitimate tool of local government for managing growth and preserving neighborhood character, but it was never meant to serve as a barrier to learning. Florida's commitment to school choice is a model for the nation. But choice without access is an illusion. The state's scholarship programs cannot succeed if local ordinances prevent schools from opening their doors. Families should not have to wait years—or move across county lines—to find a school that meets their needs.

Nonpublic schools are not intruders—they are partners in educating Florida's children. New schools create jobs, attract families, and strengthen communities. Removing unnecessary barriers is not just good education policy—it's good economic policy. Florida cannot proclaim itself a leader in school choice while allowing hundreds of local ordinances to cut off the very institutions that make that choice real. To put it plainly: if a public school can go somewhere, a nonpublic school should be able to under the same basic regulations. The lesson is clear: we need a broader, clearer, enforceable statutory regime.

*Danny Aqua is the Southern States Political Director at Teach Coalition. Jenna Collins, intern at The James Madison Institute, assisted with this article.*



# Safeguarding Computational Liberty in America

Taylor Barkley

State governments are moving at break-neck speed crafting policy on artificial intelligence. In just two years, lawmakers have passed dozens of bills targeting deepfakes in campaigns, shielding citizens from abusive synthetic media, creating rules for high-risk applications. In 2025 alone, over 1,000 AI-related bills<sup>1</sup> were introduced across the states.

For most Americans, it is assumed that

the freedom to access and use computing power, the very foundation of modern innovation, is secure. Yet in practice, that freedom is under threat. From California to New York, legislatures and governors are chipping away at this liberty, treating computation itself as something the public must be shielded from rather than empowered by. This is not a small matter: it strikes at a core pillar of the American experiment—our

ability to think, invent, and build with the tools of the age.

Montana charted a different course. In spring 2025, it became the first jurisdiction in the world to enact a right to compute<sup>2</sup>: a statutory guarantee that individuals and organizations can own and use computational resources unless the government can demonstrate that restrictions are narrowly tailored to achieve a compelling interest. This simple but profound step filled a glaring gap in state, and even global, AI lawmaking.

Montana's Right to Compute Act<sup>3</sup>, signed in April 2025 after strong bipartisan votes, creates a clear default of freedom for its citizens: government actions that would restrict lawful use or ownership of "computational resources"—hardware, software, algorithms, cryptography, machine learning, networks, even quantum applications—must be *narrowly tailored* and *demonstrably necessary* to serve a *compelling* government interest. That language is not rhetoric; it's the operative standard, and the statute provides practical definitions that will help agencies, courts, and businesses apply it.

Montana pairs this rights-affirming law with targeted safety measures for critical infrastructure. If an AI system helps operate a critical facility, the *deployer* must maintain a reasonable risk-management policy that references widely recognized standards—explicitly including the NIST AI Risk Management Framework (AI RMF) or comparable international frameworks. This is governance that adapts as best practices evolve, instead of freezing technology in statute.

## Why Government Should Protect Computational Liberty

This raises the question: why is explicit legal protection for computational rights necessary now? Americans have, after all, been using computers for decades without a specific "right to compute" enshrined in law. The answer lies in the changing global and domestic regulatory landscape. A computer, like the abacus and slide rule before it, is simply a technological amplification of human cognition. In the 21st century, access to computational resources increasingly determines who can participate fully in economic, civic, and intellectual life. Computers enable economic growth and an improved quality of life that benefits all Americans. Most of all, the computer represents opportunity.

As computers become more intertwined in daily life, computational resources and access are increasingly subject to government restrictions. This is often based on how much processing power they use, what tasks they perform, or who is using them. Montana's approach is rooted in a deeper philosophical principle: computational freedom is not a privilege to be *granted* by the government but a natural extension of rights we already possess that should be *protected* by the government.

This isn't merely abstract philosophy. We've already seen how governments can abuse control over computational resources. In the UK the government is requiring identification before citizens can access the internet and is now implementing a digital ID system. China's government imposes even stricter requirements on its citizens' ability to access the internet. Similar ideas

have been proposed in the US that would require verification before citizens can access app stores or even purchase a smartphone. President Biden's Executive Order 14110 imposed regulations on AI development based on arbitrary computational thresholds, modeled on the European Union's AI Act. Fortunately, President Trump nullified that executive order. All these approaches, and similar ones that could easily be proposed in the future, give regulatory agencies sweeping discretion to determine who may access computational power and under what conditions. A right to compute law provides a firewall against this kind of creeping technocratic control.

### **Why other states should adopt a Right to Compute**

First, it **keeps the focus on bad conduct, not tools**. State laws already prohibit almost all harmful uses of AI without outlawing general-purpose computing. A right to compute complements current law by clarifying that open-ended innovation remains presumptively lawful, while fraud, deception, and harassment remain illegal. It is a freedom-preserving measure for all citizens of the state, providing individuals with a defensive mechanism against government overreach.

Second, it **opens the door** for builders. Entrepreneurs, universities, and small firms need assurance that new code, chips, and models won't be preemptively banned just because they're new or particularly powerful. A clear statutory presumption in favor of lawful compute lowers the "unknown unknowns" that can chase investment away from emerging tech hubs and university

research corridors.

Third, it **strengthens economic competitiveness**. AI has unleashed a race to expand computing capacity and the infrastructure behind it—power, fiber, data centers, cooling, and skilled labor. States sending a stable, pro-innovation signal will compete better for the projects, jobs, and grid upgrades that come with this build-out.

### **Who's moving next?**

Montana won't be alone for long. Ohio legislators introduced the Ohio Right to Compute Act<sup>4</sup> this summer, signaling widespread interest in transplanting the same framework—affirm the right, define the terms, and pair it with risk management for AI in critical infrastructure. New Hampshire is considering<sup>5</sup> right to compute constitutional amendment. The American Legislative Exchange Council adopted and released a right compute model bill<sup>6</sup> that closely tracks Montana's structure, giving states a starting point to adapt to local law.

Despite all the benefits, there are some common critiques of this bold approach.

*"Isn't a right to compute a hands-off approach to AI?"* No. It merely forbids broad, preemptive bans on tools while preserving enforcement against deception, fraud, harassment, IP infringement, and safety risks. Montana's law even enumerates compelling interests to make that point unmistakable. And where AI touches critical infrastructure, it requires documented risk management tied to national standards. It shifts the burden onto the government to demonstrate that regulation is required.

*"Won't this tie regulators' hands as AI evolves?"* No. It merely puts an additional

barrier between government regulation and an individual's right to use their property. As the Montana bill and model bills stipulate, there needs to be compelling government interest, so regulation is still possible if the reason fits that qualification. The core rule—punish harmful conduct, not generalized capability—ages better than technical mandates that hard-code today's assumptions. Americans currently have broad access rights to computers, and that has not prevented law enforcement from prosecuting bad actors who use computers to break the law.

*“Isn’t it premature to enshrine legal protections for technology we don’t yet fully understand?”* This objection gets the question backwards. The right to compute doesn’t create a new right; it affirms an existing one. Just as the First Amendment protected speech before anyone imagined the internet, and the Fourth Amendment protected privacy before digital communications existed, the right to compute simply legally enshrines the notion that fundamental rights apply to new technologies. The alternative—waiting until we “fully understand”

all forms of future computing before protecting access to it—would mean years or decades of regulatory uncertainty that could crush innovation and leave citizens vulnerable to government overreach.

## A practical, bipartisan win

Every state wants the jobs, research, and productivity gains unlocked by AI and advanced computing. At the same time, policymakers hear concerns about deception, discrimination, and infrastructure strain. A right to compute resolves that tension with a simple principle: default to freedom for lawful computation, create targeted safeguards when harms are known, and keep enforcement aimed only at bad actors.

Montana’s statute shows it can be done in a few pages. For legislatures that want to compete for entrepreneurs and new technologies in the global marketplace, the right to compute is a natural next step. It tells people everywhere the same thing: build here.

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# A Win for Accountability: Why North Carolina Needed the REINS Act

State Representative Allen Chesson

July 29th, the North Carolina General Assembly successfully overrode Governor Stein's veto of House Bill 402, the REINS Act. This wasn't just another legislative battle—it was about restoring a basic principle: that the people, through their elected representatives, should have a say in the rules that significantly impact their lives and wallets.

When my team started researching this issue, we uncovered something troubling. North Carolina had roughly 110,000+ regulations on the books, and according to the North Carolina Office of State Budget Management, many had "Unknown" baseline costs. Think about that—rules affecting businesses, families, and communities with costs that nobody had bothered to calculate

or track. For too long, unelected bureaucrats in state agencies have imposed regulations with major financial consequences while bypassing meaningful oversight from the people's elected representatives. Under the old system, agencies could implement rules costing citizens millions of dollars with minimal legislative input, effectively sidestepping the democratic process our founders designed. This was never about partisan politics. When I introduced this legislation with my colleagues, we weren't targeting any particular party or administration. We were addressing a fundamental question that cuts to the heart of representative government: which branch has the authority to levy taxes on our citizens—the legislative branch (that voters elect), or the executive branch (which they don't)?

The NC REINS Act establishes a clear principle: any new state regulation with an economic impact exceeding \$20 million over a five-year period must receive approval from the General Assembly before taking effect. This threshold ensures that major regulatory decisions receive proper legislative scrutiny while allowing agencies to continue their essential day-to-day functions. Let's be clear, this reform doesn't halt necessary regulations—we include reasonable exceptions for emergencies and regulatory changes that would be required to keep programs federally compliant. Instead, it creates a transparent process where major rules face the same democratic deliberation as other significant policy decisions. If a regulation truly benefits the People of North Carolina, it should be able to survive legislative review.

The journey wasn't easy. After the House

passed the bill 68-44 in April with solid bipartisan support, and the Senate approved it, after several revisions, Governor Stein vetoed the legislation on June 27th. He argued it would "hamstring" state agencies and make it harder to protect public health and safety. I respectfully disagree. The REINS Act doesn't prevent agencies from protecting North Carolinians—it ensures that the People of North Carolina have a voice at the table, through their elected representatives, when decisions are made that will have a direct and significant impact on their lives and livelihood.

The veto override on July 29th required careful coalition-building, but it demonstrated the broad bipartisan support this particular reform has garnered. We secured 73 votes in the House, and the Senate voted 30-19 to override. The override succeeded because legislators from both sides of the aisle recognized that regulatory accountability benefits all North Carolinians, regardless of which party controls the executive agencies.

With the REINS Act now law, North Carolina becomes the fifth state to pass this type of legislation in 2025. This reform should continue to make our state attractive to businesses as it provides some regulatory predictability, while ensuring necessary protections remain in place through a transparent, accountable process. The REINS Act maintains the flexibility government requires to respond to genuine emergencies and maintain federal compliance, while ensuring that major policy decisions receive the level of scrutiny our system of government demands, and transparency our citizens expect.

The passage of the REINS Act represents a practical victory for representative government. This isn't about stopping "good" or "bad" regulations—it's about ensuring that significant regulations undergo proper democratic review. By requiring major regulations to pass legislative scrutiny, we're protecting the fundamental principle that in North Carolina, the people's elected representatives should have the final say on rules that substantially impact citizens' lives and livelihoods. This allows the People the ability to hold accountable, by way of the ballot box, those responsible for financial burdens placed on their lives by

the state government. The REINS Act also proves that when legislators work together across party lines, meaningful reform is achievable. This victory does not belong to elected officials alone, but to every citizen of North Carolina who believes that democracy works best when transparency, accountability, and a respect for the voice of the people are the focal point of policy and government decisions.

*Representative Allen Chesser represents North Carolina House District 9 (Nash County) and served as a primary sponsor of the NC REINS Act.*



# The Online Safety Discussion Fractures the Constitution, Censors Dissent, And Lets Criminals Roam Free

Maureen Flatley

Concerned Members of Congress and state legislators around the country are grappling with how to make the internet a safer place for kids, but too many have overlooked an integral element of any successful strategy: getting individual predators and global organized crime networks out of the equation. This failure of vision begins with a myopic vilification of online

platforms and a steadfast disregarding of the reality that underfunded, poorly co-ordinated law enforcement has barely made a dent in a global crime problem.

By turning the discussion of online safety into a shortsighted jihad against tech companies, these policy makers have ignored the fact that virtually every successful criminal prosecution for online child

exploitation begins with a cybertip reported by tech companies. Instead of amplifying these potentially powerful partnerships, policy makers have turned against the best resource they have when it comes to fighting crime online, these mandated reporters that provide millions of leads every year, which are the backbone of any criminal investigation of online child exploitation.

Worse yet, only a fraction of cybertips reported to the authorities are investigated by law enforcement agencies, which are under-resourced and stretched to the limit. The result is this: While the tech companies spend millions of dollars collecting, analyzing and conveying this data to the authorities, much of that work is ignored by the very agencies tasked with carrying out a meaningful law-enforcement response to these persistent reports of online predation.

This means that, while outrage is expressed against platforms for a range of perceived issues, the investigation, indictment, prosecution and conviction of the criminals who have done violence to children is effectively foregone. This flawed approach has ensured that bad actors online can operate with almost complete impunity. Missing in this discussion is the key point that largely “administrative” recommendations in bills like the Kids Online Safety Act (KOSA) misdirect attention and pull focus away from the real problem – criminals who are victimizing children.<sup>1</sup>

The status quo is equal parts intellectually confused and ineffectual at apprehending criminals. This is the predicament tech platforms face in today’s world: private companies cannot issue arrest warrants, execute search warrants or prosecute crimes.

However, de facto, that is precisely the expectation federal and state legislators have when it comes to solving a growing number of complex criminal acts in cyberspace.

Imagine for a moment that you are the president of a large bank. You call law enforcement millions of times a year to report attempted bank robberies. But those 911 calls are only answered a minute percentage of the time. You then learn that federal and state officials expect you to catch your own bank robbers; and if you don’t ... you will be sued.

If you are a convenience store owner and your manager is shot and killed in a robbery, you will be expected to catch the murderer ... or you will be sued.

If you are a large chain store like CVS, already an attractive target for gangs of shoplifters, you cannot call the police to root out these criminal enterprises; you must do it yourself...or you will be sued.

Many legislators seem oblivious to the fact that tech giants – the overwhelming majority of which are US incorporated – are required by US law to report instances of child sexual abuse material [CSAM] to the National Center for Missing and Exploited Children (NCMEC), a task they have dutifully carried out for years.

Still fewer seem to be aware that when a report is made, “geographic indicators related to the upload location of the CSAM are used to make the report available to appropriate law enforcement.” In practice, this means, for instance, that there were 178,648 UK cyber tips made in 2023, almost entirely the product of mandated reporting by Big Tech. However, the UK government indicates that there were only 39,640 CSAM

image offenses in the UK and Wales during that reporting period, representing a small fraction of CSAM reports made by tech.

The international crime element of this problem is no small consideration, as roughly 94% of cybertips are referred to foreign governments where the US has little or no ability to force those jurisdictions to pursue successful criminal investigations.

More importantly, it is common knowledge that some of the most intractable and serious victimization of kids is being perpetrated by well known, highly organized international crime rings like the Nigerian based Yahoo Boys, a collective of thousands of criminals operating in more than 20 countries around the world. Thinly veiled censorship or unconstitutional mandates are not going to stop these clever and well-organized predators.<sup>2</sup> Nothing but taking them off the digital streets – an effort that will require significant law-enforcement engagement and coordination – will put an end to the vicious cycle of victimization they have set in motion.

Bills like KOSA and other proposed, largely technical, “remedies” do nothing to address rampant crime online. They fail completely to acknowledge the limitations private companies face when it comes to effective prosecution. And they certainly ignore to an almost comical extent the degree to which the information that is gathered and made available about internet child exploitation comes directly from the entities – i.e., the social media platforms – they now seek to sanction. This concept is a fool’s errand if there ever were one.

So, what is to be done about this pernicious, seemingly intractable problem?

Policy makers could start by investing in child safety, a concept beautifully laid out in the one bill that does get to real solutions, the Invest in Child Safety Act.<sup>3</sup> This bill has been sponsored in Congress by Sen. Ron Wyden and others and would cost only a small fraction of proposed budget requests for the Department of Homeland Security (DHS). The Invest in Child Safety Act would go a long way toward right-sizing the federal commitment to fund everything from cybercrime investigators to Internet Crimes Against Children Taskforces to training investigators, helping prosecutors and expanding judicial capacity in order to successfully prosecute these crimes.<sup>4</sup> Though some have questioned the bill’s cost estimate, implementation would require a minuscule percentage of current budget requests for agencies like DHS.

Unfortunately, however, these exigencies arise at a time when fiscal concerns are pressing and budget requests for agencies like the Department of Justice and the Federal Bureau of Investigation are being reduced. Criminal investigators at agencies like the Department of Homeland Security, whose superb cybercrime unit is doing superb work on cybercrimes and child exploitation, are being moved into other areas like border security and current efforts to combat urban crime with National Guard deployments. This is not a problem, though, that we can solve by expecting the private sector to perform law enforcement tasks, which only the public sector can legally – or appropriately – execute.

Politicians who engage in misdirection and partake in ill-informed magical thinking have to face facts. At the moment, that

means hiring and supporting trained investigators, prosecutors and judges at the federal, state and local level to bust child predators – not engage in ad hominem attacks on tech firms who actively seek law enforcement cover every time they make a report to the NCMEC.

Of almost equal importance is the project to bolster and expand existing public-private partnerships like the Department of Homeland Security's Know2Protect Program, an invaluable public education and awareness resource for families struggling to understand the risks their families may

face if they are not vigilant enough.<sup>5</sup>

The bottom line is that a small proportion of child exploitation crimes are being investigated by law enforcement, despite tech companies having reported them. If those crimes are not being investigated, the criminals responsible will never be charged, let alone prosecuted, convicted, or imprisoned. And that is a huge problem that no amount of age verification or backdoor online censorship will ever fix.

*Maureen Flatley is the president of Stop Child Predators.*

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# A Nation Worth the Struggle: Celebrating 250 Years

Sebastian Girstl

A nation to live in where life may be hard, but it's fair and where opportunity is worth every challenge. That sentence has always felt like the most appropriate description of the American Dream. It is not a country that promises success; rather, a country that promises a chance. A place where success is not handed to you, but earned, through persistence

and hard work. To live in such a nation is to accept that struggle is not failure, but proof of freedom.

When I say life may be hard but fair, I am not talking about a perfect system. I am talking about the kind of fairness that comes from the idea that no matter where you begin, you can choose your direction. Fairness is not about equal outcomes; it is

about equal opportunities. It is knowing that the system will not crush you for trying, and that if you fall, you can rise again. That is the foundation of our capitalist system when practiced rightly and when the government does not interfere.

My introduction to the United States was neither easy nor comfortable, and neither was my childhood. Growing up in a single-parent, immigrant household meant learning that if I aimed to achieve anything it would only be through hard work and grit. Every opportunity had to be earned and used to its extreme. I learned that the only thing promised to you is failure, unless you change that, because success isn't a given; it's built through persistence, late nights, and the refusal to give up when things get difficult. Those struggles are what defined me, and they are what define the glory of our country.

A direct contrast to the American way of life was seen and tried extensively within the Soviet Union and imposed onto all the countries that fell east of the Iron Curtain. The majority of my family grew up in that part of the world during that time. I have had the opportunity to hear first-hand what people were subjected to under a centralized, socialist government.

People lived under constant surveillance and censorship. Speaking freely or criticizing the government could cost you your job. Religious expression was restricted, Western books and music were banned, and education was tightly controlled. When the Warsaw Pact invasion of 1968 crushed the Prague Spring reforms, tanks rolled through the streets of Bratislava and Prague, ending the brief hope for liberation.

It was not just a way of life or system of government that set us apart; it was the results. While nations behind the Iron Curtain were promised equality, what they received was hindrance. In the 1980s, the average income in the Soviet Union was roughly one-fifth that of the United States, and consumer goods were scarce. In 1985, an estimated one in three Soviet households lacked indoor plumbing, and nearly 40% of rural homes had no running water at all. Food shortages were common, with citizens waiting hours in line for basic necessities like bread and milk. Meanwhile, across the Atlantic, the United States was producing over 25% of the world's total GDP with less than 5% of the world's population. All while American families owned cars, televisions, and homes at rates that were unimaginable to those living under centralized economies.

This contrast represents more than just basic economics; it highlights the human toll that socialism took on people. While freedom created innovation, control created dependency. The system that told citizens what to think and buy could never compete with one that trusted individuals to create, compete, and choose for themselves.

It serves as a stark reminder as we celebrate America's 250th birthday that those lessons, both from history and personal experience, should shape the kind of nation we want to build and maintain. Lessons of freedom, fairness, and responsibility must guide us as we confront the alarming statistics showing how many young people now question capitalism, patriotism, and even the idea of the American Dream. To some extent, we should not be surprised. Our nation has departed far from the ideals it

was founded upon and from the morals it fought hard to protect.

My family's story and my own experiences remind me that these values are not outdated; they are timeless. Freedom and hard work remain the foundation of who we are, and who we should seek to be. Looking around today, following the terrible assassination of Charlie Kirk, we are reminded how fragile our system can be, but we also see something deeper: through the grief and division, the majority of Americans still believe in the fundamental concept of this nation, the belief that liberty and opportunity are worth defending. These are sacred values. Their form may evolve with each generation, but they should never disappear from the core of who we are as a country.

President Ronald Reagan said it best in his famous line, "Freedom is never more than one generation away from extinction." Yet many do not know the rest of that quote, where he goes on to say, "We didn't pass it to our children in the bloodstream. It must be fought for, protected, and handed on for them to do the same." So, let's use our nation's 250th birthday as a time of celebration, but also of reflection, and let's continue to pass down an America that not only stands the tests of time, but one that we can be proud of.

*Sebastian Girstl is a first-year student at Florida State University majoring in Criminal Justice and a policy intern at The James Madison Institute.*



# Why High-Earning Households are Moving to Florida and not Michigan: High Taxes, Increasingly Hostile Business Climate Have Squandered Michigan's Advantages

David Guenthner

**T**here's an adage that whatever you tax more, you get less of. Michigan is learning this lesson the hard way as strong income earners flee the state.

Last year, financial information website SmartAsset published the results of its study, "Where High-Earning Households Are Moving!" Spoiler alert: they're not moving to Michigan.

Based on IRS data, high-income households are leaving Michigan at the 12th-highest rate in the nation.

A new website from Unleash Prosperity, [www.VoteWithYourFeet.net](http://www.VoteWithYourFeet.net)<sup>2</sup>, allows users to track the migration of people and income between any two states. Between 2012 and 2022, Michigan lost a net of nearly 66,000 residents and almost \$6.9 billion

in adjusted gross income to Florida. This represents roughly 60% of Michigan's total domestic out-migration and almost 90% of Michigan's lost gross income.

This trend raises red flags regarding the state's economic climate and its tax policies.

A closer look highlights something the Mackinac Center has pointed out repeatedly: Tax rates and structure matter a lot in where people want to live and work<sup>3</sup>. Of the states gaining the most high-income households, almost all have lower tax rates than Michigan. (Several have no income tax at all.)

While almost half of states reduced their personal income tax rates, the Whitmer administration negated a statutory cut to Michigan's income tax rate, effectively raising taxes – a move endorsed by the Democratic majority on Michigan's Supreme Court<sup>4</sup>. States with lower rates or no state income tax at all are becoming increasingly attractive.

The Mackinac Center's 2024 summer Policy Forum series, "How to Get Michigan Growing Again," brought in national experts to identify the states that are eating Michigan's lunch and the policies they're pursuing to do it. Among Michigan's competitor states, only Ohio is losing high-income households faster than Michigan. All others except Indiana are gaining such households.

Florida and Texas, the two largest and most prominent states with no income tax, have become magnets for high-income earners. Their lack of a state income tax means that individuals can keep a larger share of their earnings, making these states particularly appealing for high-income individuals. States like Nevada and Wyoming, which

also don't have a state income tax, have seen an influx of high-income residents.

Importantly, even states with lower income tax rates than Michigan, such as Indiana, which has a flat rate of 3%<sup>5</sup>, or North Carolina, which will undercut Michigan's 4.25% rate in 2026<sup>6</sup>, are experiencing growth in high-income households.

And the competitiveness gap will widen in the coming years. In October, as part of a bipartisan agreement on the FY 2026 Michigan state budget, Gov. Whitmer and legislators made Michigan the first state to decouple its tax code from several pro-growth provisions in the federal One Big Beautiful Bill Act.

Michigan businesses will no longer benefit from the following:

- 100% depreciation for qualified production property (QPP) to spur capital investments through new or expanded construction;
- Immediate or two-year 100% deduction for domestic research and development, and allowance for small- and mid-size businesses to use the provision for research and development deductions retroactively starting in 2022 by filing amended returns;
- Interest deductions restored to the pre-Earnings Before Interest, Taxes, Depreciation, and Amortization (EBIDTA) calculation (30% limit);
- Bonus depreciation, allowing full deduction of qualifying assets in the year they were placed in service; and
- Immediate deduction up to \$2.5 million of small and mid-size business purchases – double the old limit<sup>7</sup>.

According to the Michigan Chamber of Commerce, “lawmakers have effectively imposed a \$2 billion tax hike over the next five years and created a far more complex, confusing and less competitive tax environment for Michigan employers.”

Tax policy is not the only area in which Michigan has made itself unattractive in recent years. Michigan had the longest, broadest and most arbitrary COVID lockdowns in the country<sup>8</sup>. Two years ago, a temporary Democrat trifecta, among other unwise decisions:

- Repealed Michigan’s right-to-work law<sup>9</sup>;
- Restored prevailing wage on government<sup>10</sup> and imposed it on energy construction<sup>11</sup>;
- Enacted a “net zero” law that will make Michigan’s electricity even more expensive and unstable<sup>12</sup>;
- Repealed K-12 school accountability<sup>13</sup>;
- and
- Allocated half of the state’s cash balance toward corporate welfare for unpopular manufacturing projects that are already being scaled back or imploding<sup>14</sup>.

While all that is daunting, Michigan has its merits. Having lived previously in several other states, I say the overall quality of life is excellent. The summer weather is glorious. Grand Rapids is vibrant, northern Michigan is charming, and downtown Detroit has rebounded since its bankruptcy. Michigan has great land for agriculture and

an abundance of high-quality, inexpensive golf courses – both explained by our state’s access to one-fifth of the world’s supply of fresh water. With a smart and forward-looking policy approach, Michigan could and should be the Florida of the North. Put simply, there is no non-policy-related reason why Idaho should be growing much faster than Michigan.

But Michigan policymakers have thus far squandered these advantages and made our state unappealing through decades of short-sighted and unwise actions. Michigan sits 49th in U.S. population growth so far this century. Thank God for West Virginia.

The implications of Michigan’s long-term population, business, and wealth declines are numerous. Households with high income contribute a significant amount to state revenues by way of a few different taxes. High-income households pay a lot of income tax, plus a lot of property tax, and they tend to pay a lot of sales tax because they spend more. And when high-income people leave a state, it does not just affect the immediate situation; it has a long-term effect on the public service infrastructure, philanthropic environment<sup>15</sup>, and overall economic vitality of the state.

Michigan politicians should see and understand this as a warning sign. State leaders need to understand that tax and economic policy are connected to growth and take more lessons from thriving states like Florida to attract the kinds of people who can pay taxes and help fund the state's future.

*David Guenthner is Executive Director of Workers for Opportunity at the Mackinac Center for Public Policy, a free-market research institute headquartered in Midland, Michigan.*

## ENDNOTES

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# Three Ways Public Schools Can Embrace Florida's New Normal

Marissa Hess

Over the past fifteen years, education in Florida and across the nation has undergone rapid and transformative change. For some, these shifts have been disorienting or even disruptive; for others, they represent a long-awaited era of innovation and parental empowerment. For much of this period, however, many school districts and boards treated

these developments as temporary trends—something to be endured until the system returned to “normal.”

The data now tell a different story. Participation in U.S. educational choice has reached unprecedented levels more than doubling since 2020<sup>1</sup> reflecting a lasting cultural and policy shift. In the 2001–2002 school year, 86% of Florida students

attended a traditional public school. By 2024, that share had fallen dramatically to just 51%. For Florida, the evidence points to a clear reality—school choice has become a defining feature of the educational landscape. Stakeholders at every level—teachers, administrators, district leaders, and policymakers—must now decide whether to treat this shift as a challenge to resist or as an opportunity to collaborate. While methods may differ, the shared objective remains constant: ensuring that all children have access to high-quality education in environments best suited to their needs.

Moreover, public schools continue to serve the majority of Florida students. They also retain the most significant budgets, staff capacity, and state support. As such, they have the greatest potential to shape the future of Florida's education system. To thrive in this new environment, public schools can embrace Florida's new normal through three key strategies: people, places, and partnerships.

## People: Professional Education

Continuing education keeps teachers current with best practices and fulfills recertification requirements. Yet in most districts, these trainings are restricted to district employees. This exclusivity not only wastes taxpayer-funded training seats but also shuts out teachers in microschools, tutoring centers, and other innovative settings who could benefit (and contribute) from the same learning.

Opening these trainings has multiple benefits:

- Teachers from nontraditional environments gain valuable professional development.
- Public school teachers are enriched by collaboration with peers from diverse contexts.
- Districts could recover some training costs by charging a modest fee for outside participants.

Cross-sector collaboration fosters innovation, stretches public dollars further, and ultimately enhances learning outcomes for more students. Districts could also partner with universities, professional associations, or nonprofit organizations to offer credentialing programs that are accessible to educators in all learning environments. This type of collaboration reflects a growing recognition that teacher quality and innovation are shared responsibilities across the broader education ecosystem—not confined to any single sector.

## Places: Facilities and Space

Declining enrollment has left many districts with half-empty buildings and expensive real estate portfolios to maintain. Rather than closing schools outright, districts could lease unused space to educational entrepreneurs. This isn't a radical idea. Public/private partnerships are already common in infrastructure, transportation, and even defense. Education has already seen this succeed through charter schools.

By leasing underused classrooms or facilities, districts can generate income to

sustain operations, innovators gain access to student-ready spaces, and families benefit from expanded educational options in their own neighborhoods.

## **Partnerships: Shared Leadership and Ideas**

Finally, perhaps the lowest-cost and highest-impact step is simply building a culture of dialogue. Roundtable workshops that bring together leaders from district schools, charters, microschools, private schools, and homeschool centers could go a long way toward breaking down silos. These conversations would allow leaders to share what's working, troubleshoot challenges, and set higher standards across the board. Joint discussions could also inform state and local policymakers by identifying innovative models worth replicating.

Florida is building a true model of school choice, where the public neighborhood school is one strong option among many. This moment offers a tremendous opportunity for districts to embrace innovation and collaboration, creating a system that benefits public schools, private schools, and the growing number of new educational options.

Shared leadership encourages accountability, transparency, and a more unified vision for education in Florida—one grounded in collaboration rather than competition.

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Behind the data are real families whose lives are transformed when they find the right educational fit. One family from Tampa, FL, had a child so anxious about school that he was terrified to even walk through the doors each morning. The traditional setting left him overwhelmed and withdrawn, to the point of being diagnosed with Selective Mutism. When his parents were able to use scholarship funds to enroll him in a smaller, more nurturing environment, everything began to change. Supported by teachers who met him where he was, he slowly gained confidence—first walking in on his own, then engaging with friends and lessons that once felt out of reach.

Within months, the child who once communicated only in whispers began speaking in full sentences. Over time, his newfound confidence allowed him to transition successfully to a full-time school that fit his family's evolving needs. His story is just one example of how educational choice is not an abstract policy debate—it is about children and families finding places where they can truly thrive.

*Marissa Hess is the founder of The Urban Cottage Educational Collaborative in Tampa.*

## **ENDNOTES**

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# Preserving Fair Access: Why the Fight Against Debanning Demands National Reform

David Ibsen

In the United States, sovereignty rests with the people. Our political institutions function best when they respond to the needs of Americans. The American economy rests on a similar principle; markets thrive when businesses answer to customers, not to regulators or political pressure. Economic freedom as a pathway to prosperity is not only a hallmark of free market principles, but also a core tenet of

political liberty itself.

Unfortunately, a troubling practice has recently threatened these foundations: government-driven debanking.

This summer, President Trump took an important step to address the problem. His administration order<sup>1</sup> directing the U.S. Treasury Department to root out the regulatory overreach and outdated banking policies that fuel politically motivated account closures.

Now, it's time we call on Congress to take the power away from bureaucrats and place it back in the hands of American consumers, small businesses and communities.

## What Is Debanking?

Debanking occurs when a financial institution denies a service to a customer or business. Sometimes, the reasons can be completely appropriate: when the bank detects fraud or scams occurring to the customer or by the customer, when there are suspicious activities that could signal illicit finance, or simply when a customer is delinquent payments. But other times, the reasons are completely inappropriate, driven by overzealous regulators or by bad policies that end up shutting out lawful customers. This is called government-driven debanking, and it is the result of politicized oversight of our financial system or the unintended consequence of bad and outdated policy.

The precedent of regulatory overreach in financial services traces back to Operation Choke Point under the Obama administration. Regulators exploited the ambiguous concept of "reputation risk" to pressure banks into denying services to entire categories of lawful businesses—from firearms retailers to small-dollar lenders.

This practice grew under the Biden administration, extending to cryptocurrency firms and conservative nonprofit organizations. In each case, financially sound, legally compliant entities were cut off from financial services, often without explanation, crippling their operations.

## A Needed Corrective

The Trump Administration's executive order aims to restore fairness through prohibiting the use of "reputation risk" in bank supervision, directing the Treasury to modernize outdated rules that fuel unnecessary account closures and ensuring that regulators follow objective, reasonable, and apolitical assessments.

As the executive order itself makes clear: "It is the policy of the United States that no American should be denied access to financial services because of their constitutionally or statutorily protected beliefs, affiliations, or political views, and to ensure that politicized or unlawful debanking is not used as a tool to inhibit such beliefs, affiliations, or political views. Banking decisions must instead be made on the basis of individualized, objective, and risk-based analyses."

These measures build on recent steps by the Federal Reserve, OCC and FDIC to remove "reputation risk" from guidance documents. Yet executive action on "reputation risk" alone is not enough. It establishes precedent but remains vulnerable to reversal by future Presidential administrations.

## Why Congress Must Act

For lasting reform, legislative action is essential. Chairman Tim Scott's Financial Integrity and Regulation Management (FIRM) Act<sup>2</sup> provides precisely that by codifying the removal of "reputation risk" from supervisory tools and erecting permanent guardrails that keep regulators focused on sound financial criteria, not political considerations.

Congress should move quickly to

approve the FIRM Act. Without statutory reform, the door remains open for politicized banking policy to return under a future administration.

Congress has an unprecedented opportunity to ensure accountability, transparency, and fairness in financial supervision with the FIRM Act. But ending the practice of government-driven debanking requires additional action.

## **The State Regulation Patchwork**

Several states – including Florida – have tried to curb politically motivated debanking through state-level bans. While well-intentioned, these efforts result in a patchwork of rules that complicate the responsibilities of both bank compliance and regulatory oversight. Our banking system is fundamentally national in scope and conflicting state mandates impose new costs, reduce efficiency and limit consumer access.

Most recently, the state proposed an expansion of a well intended law designed to stop inappropriate account closures and protect Floridians. Unfortunately, in practice, the proposal would harm Florida's banks, consumers and economy if enacted. At the same time, the proposal has the unintended consequence of expanding the administrative state, a precedent that impacts all job creators and economic drives, and will over time erode Florida's pro-business climate. This state intervention also undermines the progress made to end government driven debanking under President Trump.

As Congress and the Administration develop a strategy to address debanking head on – for Floridians and all Americans

– a national fair access standard that prohibits banks from closing accounts based on politics would help address the undue influence of federal regulators and hold financial institutions accountable.

Only a uniform federal solution can preserve free enterprise and consumer choice for all Americans.

## **Updating Antiquated Rules**

Action to stop politically-driven closures is not the only reform needed to help ensure fair access. Outdated compliance mandates often encourage banks to put lawful customers and their financial data under scrutiny. Currency Transaction Reports (CTR), for instance, are still triggered by cash transactions over \$10,000—a threshold that has remained frozen for decades, despite inflation.

Likewise, suspicious activity reports (SARs) are written so broadly that banks often flag transactions and close certain accounts out of an abundance of caution, but are legally constrained from disclosing the reason to the account holder, resulting in confusion and frustration for customers.

Reform means modernizing CTR and SAR standards to eliminate unnecessary reporting, enhance transparency, and leverage new technology to precisely target illicit activity without ensnaring ordinary Americans in a regulatory dragnet.

## **Protecting Free Markets, Not Mandating Them**

As reform proceeds, one caution is essential: banks must not be converted into government-controlled utilities. They must retain the freedom to choose customers on

legitimate economic grounds. While reform is necessary to increase transparency and eliminate political coercion, it must not inhibit the expert industry judgment that has built the American financial industry into the envy of the world.

As Federal Reserve Governor Michelle Bowman<sup>3</sup> explained when the board announced its removal of reputation risk: “This change does not alter the Board’s expectation that banks maintain strong risk management to ensure safety and soundness and compliance with law and regulation nor is it intended to impact whether and how Board-supervised banks use the concept of reputational risk in their own risk management practices.”

The America First Policy Institute echoed this sentiment in a recent research report,<sup>4</sup> noting that we must “establish a federal fair access standard that puts banks—not bureaucrats—in charge of running their business... This standard would ensure banks make decisions based on independent business judgements, and not because of pressure from federal regulators.”

## Conclusion

A free and resilient financial system is one that serves customers, not the whims of politicians and regulators. The Trump Administration’s executive order marks critical progress in this respect. But lasting reform requires congressional action—through legislation such as the FIRM Act, modernized compliance standards, and a uniform federal Fair Access framework.

Economic liberty cannot hinge on the political priorities of whichever party holds power in Washington. Lawful American enterprises and individuals must never fear financial exclusion for their beliefs or political views. The era of government-driven debanking must end.

At Americans for Free Markets,<sup>5</sup> we know that this is a crucial opportunity to show our commitment to free-market alternatives and limited government overreach. We must all work together to ensure our financial institutions can operate freely, fairly and without fear of overregulation from power-hungry government bureaucrats.

*David Ibsen is the executive director of Americans for Free Markets.*

## ENDNOTES

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# How Florida is Challenging Higher Ed's Accrediting 'Cartel'

Jason Jewell

In some ways, university accreditors are like the Federal Reserve: they exercise significant influence over the institutions they regulate, and they usually prefer to do so out of the spotlight, in as boring a way as possible. When lawmakers and the public take notice, much less voice public criticism, something has gone very wrong for them. Thus, it was big news in the world of higher education when Governor Ron DeSantis, citing several longstanding

complaints against the accrediting “cartel,” announced on June 26 the creation of a new institutional accreditor, the Commission for Public Higher Education (CPHE).

Institutional accreditors act as gate-keepers for federal financial aid and for student access to transfer credit and graduate programs. So long as their standards simply encourage financial soundness, academic rigor, and healthy student outcomes, this arrangement makes sense. Accreditation,

properly structured, is a form of consumer protection for students, parents, and taxpayers making significant investments in higher education.

Unfortunately, the trend over the past few decades has been for some accreditors to engage in micromanagement of campus policies and political gamesmanship, at times even pressuring schools to violate their states' laws in areas like the prohibition of spending on DEI. And, too often, they allowed themselves to be leveraged by bad actors on campuses who can submit anonymous complaints against their own schools as part of institutional power plays.

Up until a few years ago, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) was the monopoly regional accreditor for the Southeast, and its leadership was notorious for butting heads with elected officials and senior administrators in several states. Frustration with SACSCOC finally reached a crisis point in Florida and North Carolina. Taking advantage of a 2020 federal reform that removed the regional accreditors' geographic monopolies, legislatures in both states passed bills requiring their public colleges and universities to leave SACSCOC for a different accreditor.

Since then, Florida's and North Carolina's schools have started moving into the Higher Learning Commission (HLC), the only other accreditor that expressed a willingness to accept them. However, leaders in several southeastern states recognized two problems: HLC's current openness might not last forever, and the overall accreditation environment still desperately needed reform. This recognition eventually led to a

collaboration across several states to form CPHE as a welcome alternative for public institutions seeking a smarter approach to accreditation.

The federal government prohibits a state from accrediting its own universities, which is why CPHE has been formed by a consortium of six state university systems and functions as an independent nonprofit. Although each founding system has a seat on the Board of Directors, any particular state's director will likely be recused when the Board votes on whether to accredit an institution from that state.

CPHE has important opportunities to improve on the legacy accreditors' business model. In conversations with accreditation experts both within and outside its six founding systems, CPHE staff and Board members have heard about common pain points in the traditional accreditation process along with suggestions for productive reforms.

For example, CPHE plans to accredit only public colleges and universities, allowing it to assume certain practices and capabilities among those institutions. Familiarity with existing, state-mandated practices in the founding systems' states will enable CPHE to streamline the reporting process for member institutions and prevent needless duplication of efforts on their part. Exclusively accrediting public institutions also means that those institutions will experience a more authentic process of peer review. A persistent complaint from many public universities is that the review teams assigned by the legacy accreditors include employees of private schools who lack a decent understanding of the dynamics of a

public institution. This lack of appreciation for the unique mission and governance of public institutions sometimes leads to contentious site visits and unfair findings in final reports.

Similarly, the frequent absence of a true peer relationship among the legacy accreditors' members can distort the standards those accreditors adopt to assess their members. Their boards are often dominated by representatives of small, private universities and community colleges who are tempted to vote for standards that will force their institutions to adopt policies and practices that they favor, but that their home institutions would normally reject. Over time, the standards at several legacy accreditors have become lengthier and more prescriptive as a result, with guidance documents that can run to hundreds of pages. CPHE aims for the restoration of a simpler and more streamlined assessment process that focuses on the fundamentals of academic quality and student success. Its standards will satisfy federal requirements in the ten areas that all accreditors are mandated to assess. Beyond that, it aims to add only those requirements that are manifestly needed to ensure meaningful student outcomes and maintain public confidence.

Where older accreditors tend to suffer from administrative bloat, CPHE will maintain a lean operation. It currently has a small full-time staff and contracts out several administrative functions. Similarly, its Board of Directors is limited to eleven members, allowing it to hold frequent and efficient meetings electronically. By comparison, the legacy accreditors' boards typically have dozens of members; one has

more than seventy! These boards might meet just once or twice per year, creating a significant backlog of action items, lengthy delays for institutions awaiting decisions, and challenges for meaningful board oversight of day-to-day operations.

Shortly after the announcement of CPHE's creation, some defenders of accreditation's *status quo* denounced it as a rightwing assault on higher education that would end academic freedom and faculty's role in the "shared governance" of institutions. The August release for public comment of CPHE's draft standards gave objective observers reason to conclude that those claims are without merit. A fundamental principle stated in CPHE's business plan is that it should not attempt to impose divisive ideological content on the institutions it accredits. To the contrary, CPHE seeks to promote through its standards the academic freedom of faculty, openness to the intellectual diversity at its member schools, and institutional guarantees of free speech and other safeguards appropriate to public institutions. In this commitment, it differs from some of the legacy accreditors, several of which have attempted to mandate ideologically charged policies as a condition of receiving federal funds.

Among public colleges and universities in the six founding states and beyond, the response to CPHE has been enthusiastic. The number of requests to enter the initial cohort of schools applying for accreditation this fall has exceeded the nascent organization's capacity to process, and a waiting list is already growing. This fact is all the more remarkable when one considers that CPHE is not yet eligible to administer

federal financial aid and will not have that eligibility under current federal regulations until late 2027 at the very earliest. (Joining institutions will remain authorized by their current accreditor until CPHE is federally recognized.)

Just as significantly, legacy accreditors are taking notice of CPHE's appeal and are beginning to signal imminent reforms to their own practices in an effort to reduce the incentives for their members to decamp for greener pastures. If this trend continues,

it could be the best possible outcome for everyone. CPHE need not accredit all or even most public universities to bring long-overdue reform to higher education. If it induces the legacy accreditors to mend themselves, CPHE will have helped students, taxpayers, and universities everywhere.

*Jason Jewell represents the State University System of Florida on the Commission for Public Higher Education's Board of Directors.*



# What's in a Name?

*Why Our Florida-Based Think Tank  
is Named for James Madison*

William Mattox

**A**merica will celebrate its 250<sup>th</sup> birthday next July 4. With the founding spirit very much in the air, now seems like a good time to tackle a question people at The James Madison Institute (JMI) get asked a lot – but rarely have a chance to answer as fully as we'd like:

*Why would a state-based think tank – in Tallahassee, Florida of all places! – be named for James Madison?*

It's a good question – that's probably best broken down into three parts:

- Why Madison?
- Why a State (rather than a National) Organization?
- Why Florida (and not Virginia)?

Let's look at each of these one at a time.

## Why Madison?

The answer to the first sub-question may seem obvious – but it's not quite as easy as one might think. I mean, James Madison hardly stands out among his peers ... if you're judging by appearances. Madison stood almost a foot shorter than his fellow Virginians, George Washington and Thomas Jefferson. And he holds the dubious distinction of being our nation's SPOAT (Shortest President Of All Time).

Madison's opponents claimed he was barely 5'2." His supporters boasted he was all of 5'6." And most historians put his height at 5'4." By any of these measures, Madison is still the shortest in the Hall of Presidents. And he's also the LPOAT (Lightest President Of All Time). In fact, someone once said Madison would've needed to fill his hat with rocks to reach 100 pounds. So, he weighed in at barely half the weight of the average POTUS. And three men of Madison's size would still weigh less than one William Howard Taft (who tipped the scales at 350+ pounds during his time in the Oval Office).

Not only was Madison a lightweight, figuratively speaking, but he wasn't exactly the most impressive politician. Historians give Madison's presidency mostly "middling" grades – nowhere near the lowly James Buchanan (thankfully) but not in Mount Rushmore territory either.

Moreover, Madison had a curious habit of associating with some people now regarded as somewhat "sketchy." For example, Elbridge Gerry, the man who made "gerrymandering" infamous, served as Madison's running mate in the 1812 election. And the even-more-notorious Aaron

Burr introduced Madison, a longtime bachelor, to his future bride, Dolley.

It's a good thing Burr did. Madison's opponent in the 1808 presidential election, Charles Coatesworth Pinckney, said he could've easily beaten James in a head-to-head race. But Pinckney said he was no match for the one-two-punch of "Mr. and Mrs. Madison."

Dolley had a vivacious personality that perfectly complemented James' more reserved manner. But James came by his perspicacious nature honestly – and he cultivated it daily during a sickly childhood when he spent much of his time indoors reading and reading and reading some more.

In short, James Madison was the consummate nerd.

But, oh, what a nerd he was!

During the Constitutional Convention, Madison easily distinguished himself as the greatest political philosopher of the founding era. And he arguably possessed the most brilliant mind of the founders (although Jefferson and Ben Franklin could also stake a claim to that title).

Madison is justifiably celebrated as the Architect of the U.S. Constitution, the longest-running charter of its kind in world history. He is revered for masquerading as "Publius" in the Federalist Papers to encourage ratification of the Constitution (along with Broadway stage stealer, Alexander Hamilton). And Madison also gets props for penning the Bill of Rights, the first ten amendments to the Constitution (which he initially considered superfluous – but added to placate George Mason, Patrick Henry, and other anti-Federalist critics).

So, it's easy to see why a public policy

think tank would want to take Madison's name. Just as it's easy to understand why 23 States have a city or county named for Madison. Interestingly it's not just states near Virginia, or among the original thirteen, that honor Madison in this way. Wisconsin's capital city is named for the fourth president. And Iowa's "Bridges of Madison County" are so famous, they made a Hollywood film by that same name.

## Why a State (rather than a National) Organization?

The second sub-question is somewhat tougher than the first. Madison, after all, made his mark mostly on the national stage. He held many offices at the federal level -- including U.S. president, Secretary of State, Member of the U.S. House of Representatives, and Delegate to the Constitutional Convention.

A building near the U.S. Capitol is named for him. (Fittingly, it's part of the Library of Congress.) And a ceremonial seat inside the U.S. Capitol's House Chamber was set aside, after his death, for Dolley – an extraordinary gesture given that women at that time had not yet earned the right to vote.

So, at first blush, it might seem that a think tank named for Madison would belong in Washington, D.C. – not in a state capital.

But a careful reading of Madison's thoughts helps to explain why a state-focused organization like ours would be named for Mr. Madison.

Madison believed deeply in the importance of states. He perceived that the state

level of government is often best positioned to guard against dangers from on high (too much power vested in a distant national authority) as well as dangers from down low ("mob rule" at the local level that runs roughshod over minority interests).

Accordingly, Madison authored the Tenth Amendment, securing for the states all powers not enumerated in the Constitution for the federal government. And he warned against direct democracy, arguing for a democratic republic (or representative democracy) instead.

To be sure, Madison recognized there are certain functions best carried out by levels of government other than the states. Still, he not only believed in checks and balances in a horizontal sense (between the legislative, executive, and judicial branches of the federal government) but also in a vertical sense (with the states having a far larger sphere of responsibility than the national government).

Of all the many words Madison penned in his day, the most famous three are those that begin the Preamble to the U.S. Constitution: "We the people." But the next four words – "of the United States" – are more notable than they might seem. Our nation is the *United States* of America, not the *United Counties* of America or the *United Cities* of America. Moreover, we are the not the *National Republic* of America or the *Democratic Republic* of America, but the *United States* of America.

States matter. Madison keenly understood this. So, naming a state think tank after Madison actually makes a lot of sense.

## Why Florida (and not Virginia)?

The last sub-question almost seems ridiculous, on its face. I mean, Madison spent most of his life in Virginia. He was born there. He died there. He's buried there. Madison ran a plantation there. Madison represented Virginia at the Constitutional Convention – and in the U.S. House of Representatives.

So, Madison is a Virginian, through and through.

Nevertheless, if one were to insist on naming a think tank from another state after Madison, I suppose you could make a decent case for New Jersey (since he was educated there at what is now Princeton) or Pennsylvania (since Dolley was from Philadelphia, the city where Madison did his best work) or perhaps even Vermont (since its state capital, Montpelier, has the same name as Madison's plantation).

But Florida? Florida?

Surely you jest. (Or so it would seem from the raised eyebrows JMI staffers often elicit when we tell folks our think tank is based in Tallahassee.)

Yet, people who question why The James Madison Institute would be based in Florida fail to appreciate this: Florida is the “New Virginia.”

That's right, the Sunshine State now occupies the same position that Virginia held at our nation's founding. Florida is now the most influential “big state” in the country.

I see this all the time in my work in education. Florida consistently holds the #1 position in various K-12 state rankings for education freedom. The Sunshine State's university system has been ranked #1 for the last ten years running by U.S. News and

World Report. And Florida is increasingly viewed as a national leader in civics education – a fact that no doubt would please JMI's founder, Stan Marshall, who started our organization in 1987, during the bicentennial celebration for the U.S. Constitution.

Florida's leadership in many other areas of public policy can be seen as well. For example, we've become a national model for election integrity (consistently offering clear results on the night of an election, unlike some states that take days and sometimes weeks to count all votes). And Florida is a national leader in government efficiency. We have roughly the same population as New York, yet only half the state budget and half the state workforce as the Empire State.

So, Florida is the “New Virginia,” the most influential big state in America today. (And it really isn't even close – at least in my mind.)

Still, I'm sure our friends in the Lone Star State would like to claim this title. And those tall Texans would no doubt boast that just as Virginia produced more presidents (seven) than any other state during our nation's first 60 years, Texas has produced more presidents (three) than any other state during our last 60 years.

Now, if Texans really want to stand proudly behind LBJ, I suppose they can make that argument. And while I don't fault Lone Star loyalists for claiming Bush 41 or Bush 43, any fair-minded observer would have to admit that the GBOAT (Greatest Bush Of All Time) is the one who served as Governor of Florida – Jeb!

Moreover, the current occupant of the White House loves Florida so much that he wants to claim it as his home state (even

though he still acts like a New Yorker). And Trump has filled many key positions in his administration with Floridians – Pam Bondi, Marco Rubio, Susie Wiles, etc.

Of course, if Texans really want to get into a spitting match over state supremacy, it should be noted that in the most important comparison of them all, the state of Florida has brought home 11 college football national championships over the last half-century while the state of Texas has claimed a measly one.

So, no matter what the arena – classrooms, governing halls, playing fields – Florida shines brightly, like the “New Virginia.” Texas, conversely, seems more like the “Old Massachusetts,” a quaint second fiddle.

### **A Madisonian Spirit**

Finally, it needs to be noted that Florida very much has a Madisonian Spirit. That is, much like James Madison, the Sunshine State is often underestimated or overlooked or taken lightly. And much like Dolley, Florida possesses a warm, convivial, sunshine-y outlook.

Indeed, Dolley’s White House parties were often called “squeezes” because they were so popular, guests had to “squeeze” in to join the fun. Similarly, Florida’s hospitable spirit and good governance have made our state so popular that Florida’s Welcome Centers should now greet newcomers with a glass of orange juice and this message, “You can squeeze in so long as you leave behind all of your former state’s bad ideas about governing.”

In sum, then, it’s easy to see why a state-based think tank in Tallahassee, Florida is named for James Madison: Madison was a great thinker; Madison believed in the power of the states; and Florida, the “New Virginia,” has a warm, hospitable Madisonian spirit!

*William Mattox is the senior director of the J. Stanley Marshall Center for Education Freedom at The James Madison Institute.*



# The Free Digital World: In Danger, But Not Yet Lost.

David B. McGarry

In recent decades, we have created a new zone of liberty: the digital world. Indeed, it might be said that the internet was conceived in liberty, free of the regulation that has bound and hampered the industries of the physical world, industries ranging from finance to healthcare to energy to transportation; even some legacy communications industries, such as

broadcasters, work within the confines of a complex regulatory code. In a certain sense, the light-touch regulatory regime which has thus far obtained in America echoes the benign neglect practiced by the British Empire toward its American colonies in the 17th and 18th centuries. Left alone, American innovators have thrived, evidenced by the fact that the six largest companies in the

world by market cap all belong to the technology sector, and all are American.<sup>1</sup>

The period of benign neglect seems likely to be slipping away, however, as lawmakers in Washington, D.C., and in state capitals fret about the social effects of new technologies. Social media and artificial intelligence (AI) have become two special objects of disapprobation. The worries that attach to each technology vary, but both implicate the same cornerstone of American liberty: free speech.

Digital technologies have made it possible, for the first time, “to organize the world’s information and make it universally accessible and useful.”<sup>2</sup> The compact rectangles on our desks and in our pockets allow us to learn almost anything about anything, and to converse and debate with others across the country and across the world — and to do so freely, without the interference of the state.

Recent proposals for social media and AI threaten to constrain, to close, and to suffocate the free and open internet that has thus far flourished in America. Of particular concern are recent proposals in the states, which, for better and for worse, have not succumbed to the torpor that afflicts Congress; to the contrary, the states have proven themselves hyperactive. For instance, in 2025 alone, state legislatures entertained more than 1,000 proposals to regulate AI.<sup>3</sup> “In the 2025 legislative session, all 50 states, Puerto Rico, the Virgin Islands, and Washington, D.C., have introduced legislation on this topic this year,” National Conference of State Legislatures noted in July.<sup>4</sup> “Thirty-eight states adopted or enacted around 100 measures this year.”

Regrettably, in too many cases, lawmakers seem to understand neither the technology they hope to regulate nor the far-reaching second- and third-order effects of their proposals. Indeed, they very often seem unaware that the freedom of Americans to think, learn, and speak freely is in danger, likely to be stifled by well-meaning, though misguided, bids to control the dissemination of information online.

A better conception of the issues at hand must be discovered and made manifest in policy.

Human beings do not perceive information, form opinions, or converse in isolation. From the beginning, children’s consciousnesses are contoured by the upbringing they receive from their families. As we grow, our thoughts and beliefs develop in conversation, as it were, with our friends, our teachers, our communities. Our investigations of the world and our quests for knowledge and understanding are mediated by the ideas we are taught, the books we read, the media we consume, the little platoons in which we live, and an array of other inputs and institutions. In short, human understanding is inexorably enmeshed in an astoundingly rich and complicated context. The fact that the pursuit of knowledge and truth is a collaborative and communal endeavor cannot be avoided, and it is not to be regretted.

Social media and AI tools are just two — albeit novel — species of mediating institutions which inform human understanding and the creation and conveyance of information. Indeed, the intellectual life of humanity has always carried on within the context and constraints of such mediators.

Before X and Facebook, the news was selected, filtered, and molded by legacy newspapers and television reporters; before Google and ChatGPT, the products of research were limited by the interpretations of encyclopedia editors; before Americans made themselves sick over cycles of online outrage and hysteria and “misinformation,” worrywarts vituperated the “confusing and harmful”<sup>5</sup> wash of information unleashed by the printing press and the “dangerous and injurious” effects of reading novels;<sup>6</sup> before social media was supposed<sup>7</sup> to have corrupted the youth, the pager was the Socrates of the day;<sup>8</sup> and before online echo chambers fomented partisan outrage and superstition, insular small-town life produced the same effects.

Online platforms differ from their predecessors in that, for all the distortion of information and understanding they are said to cause, they allow individuals to venture beyond narrow ideological siloes and to discover something different. If Twitter is not to your liking, Bluesky awaits. If ChatGPT seems inordinately sanitized for your taste, Grok will supply quite another set of answers to your queries. Put differently, the phenomenon of bubbles and bad information, of confirmation bias and partisanship, is a very old thing, endemic to the human condition. The chance to escape, to get more information, to weigh competing claims and uncover other facts is one of the revolutionary characteristics of the internet age. It is to be celebrated, not destroyed.

A question remains: Who is to decide? Will the government determine what sorts of speech are fit to be put before the American people,<sup>9</sup> managing the content

moderation of social media platforms<sup>10</sup> and the outputs of AI?<sup>11</sup> Will it condition Americans’ access to online platforms on a show-your-papers regime,<sup>12</sup> placing a policeman at the door of every social media platform<sup>13</sup> and AI chatbot<sup>14</sup> and eviscerating the privacy and data security of American adults, children, and families?<sup>15</sup>

Or will private businesses, subject to market forces and the values of their users, be left free to innovate and experiment, to create digital products that promote the good of individuals and of the nation? This, it must be admitted, requires a certain degree of trust; but that trust is not unfounded. Just this year, dissatisfaction with Facebook’s too-tight content moderation prompted Meta to reform the platform’s policies.<sup>16</sup> In 2022, driven by the same dissatisfaction among Americans, Elon Musk acquired Twitter and subsequently renamed it X. Those who disliked X’s new sensibilities flooded to Bluesky, and those who had become tired of politics-dominated social media altogether found refuge in Meta’s Threads. The journey toward a more perfect digital information ecosystem has proved fraught, circuitous, and iterative, but it seems far better suited to yield something approaching “good” than the blunt-force, unresponsive mechanism of legislation and central planning.

America has hitherto believed that disputes about the truth must, in the main, be settled by debate and civil society, not the prescriptions of the state. “Conscience is the most sacred of all property,” James Madison wrote.<sup>17</sup> The right to a free conscience must be accompanied by what John Stuart Mill termed its cognate right to free speech.

That faith — that heritage — ought not to be abandoned now.

“You do not defend a world that is already lost,” wrote Garet Garrett in 1938, after the shadow of the New Deal had fallen across the land. “When was it lost? That you cannot say precisely. It is a point for the revolutionary historian to ponder. We know only that it was surrendered peacefully, without a struggle, almost unawares.”

The free and open internet is not yet lost, but one senses that it might soon be. With each session undertaken by state legislatures, it seems ever likelier that a patchwork regulatory morass will dull the vital innovative force of the technology sector and fetter the constitutional — and, more importantly, the natural — rights of Americans. Digital technologies transcend

borders, and the effects of their regulation often cannot be contained within the state or jurisdiction in which a regulation originates.<sup>18</sup> In far too many cases, this is being done, indeed, “without a struggle, almost unawares,” with little regard for the freedom which is being dismantled.

A better understanding of the purpose of digital platforms, a more careful reading of history, and close attention to the unintended — though not unwarned-of — consequences of a regulatory revolution underway can conserve the freedom of the digital world.

*David B. McGarry is the research director at the Taxpayers Protection Alliance.*

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# Portable Benefits: A Market-Based Approach to Florida's Flexible Workforce

Liya Palagashvili

Florida's workforce is undergoing a significant transformation. Across the state, more than 3 million people earn income—either as their main or secondary source—through freelancing, contracting, or self-employment.<sup>1</sup> These independent earners include truck drivers, freelance creatives, childcare providers, rideshare and delivery drivers, healthcare professionals, and consultants. Together, they generate

nearly \$170 billion in annual revenue or sales, according to Census Bureau data.<sup>2</sup>

This dynamic workforce reflects Florida's long-standing spirit of entrepreneurship and economic opportunity. Yet, the state's labor and benefits systems have not kept pace with this changing reality. Most benefits—such as health coverage and retirement contributions—remain locked within traditional employer-employee

relationships. For those working independently, access to these protections depends on navigating complex, fragmented, and often expensive private options.

Florida has an opportunity to lead with a solution that matches the modern workforce: portable benefits.

### What Are Portable Benefits?

Portable benefits are benefits that belong to the worker—not to any single employer. Under a portable system, multiple businesses or clients could voluntarily contribute to a worker's benefit account without triggering employment classification or liability. The funds would follow the worker from project to project, job to job, or platform to platform, ensuring continued access to benefits regardless of where or how they work.

This model would bring benefits policy into alignment with how Floridians actually earn a living today. Rather than attempting to reclassify legitimate independent contractors as employees—a move that has shown to limit work opportunities<sup>3</sup>—portable benefits offer a flexible, voluntary, and market-oriented alternative.

According to the Bureau of Labor Statistics, about 80 percent of independent workers prefer to remain self-employed rather than transition to traditional employment.<sup>4</sup> At the same time, surveys show that 81 percent of self-employed workers want access to portable benefits options that provide greater security without changing how they work.<sup>5</sup> In Florida, where independent work is embedded across major sectors of the economy, such reforms would have broad relevance.

### A Growing Share of Florida's Economy

Whether as a primary source of income or a supplemental one, self-employment has become a core part of Florida's economy.

Over the past decade, the number of Floridians earning income outside traditional employment has surged, driven by advances in technology, changing worker preferences, and the needs of local industries.

Florida's independent workforce now extends far beyond app-based or gig platforms. Independent work in the state is rooted in traditional industries like construction, transportation, and health care, but it also thrives in real estate, professional and technical services, retail, and the arts. From construction contractors and logistics operators to freelance designers and financial consultants, independent earners play a central role across nearly every sector of Florida's economy.

Together, these workers make up a key segment of Florida's labor market, supporting growth in both urban centers and local communities across the state.

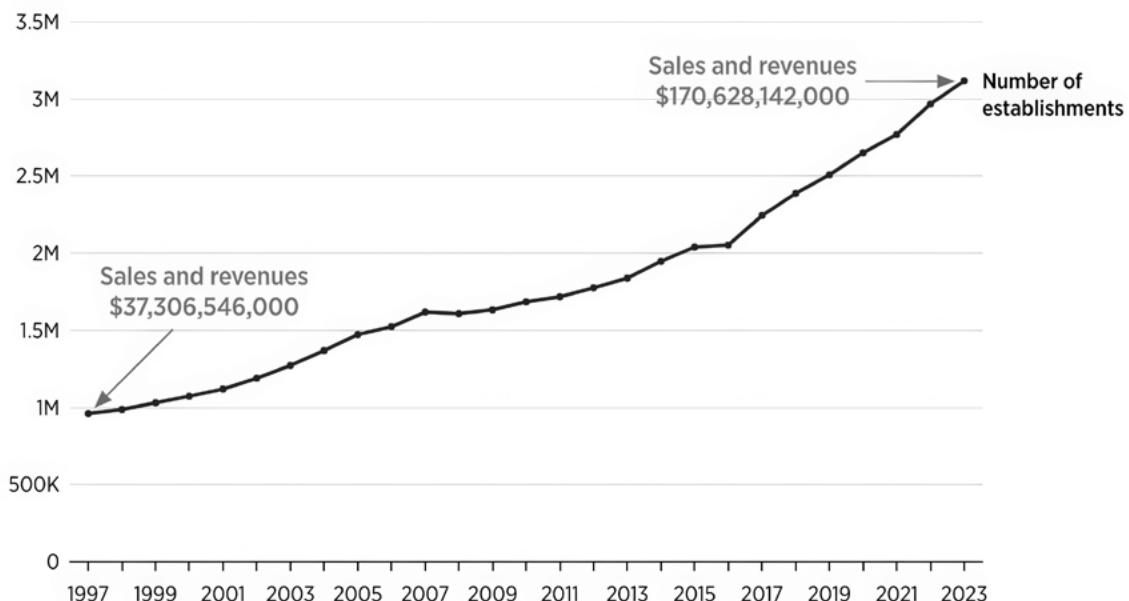
### The Problem: Legal Barriers to Voluntary Benefits

The greatest challenge is not economic—it's legal.

Under current rules, Florida businesses that want to voluntarily offer benefits to contractors risk triggering a reclassification dispute. If a company provides health insurance or retirement contributions to an independent contractor, that action can be used as evidence that the individual is really an "employee" under state laws.<sup>6</sup> This

**FIGURE 1. Growth in self-employment in Florida, 1997 to 2023**

Number of establishments



Source: US Census Bureau, *Nonemployer Statistics (NES)*, last modified May 9, 2024, <https://www.census.gov/programs-surveys/nonemployer-statistics.html>.



discourages many businesses from offering benefits altogether.

As a result, even well-intentioned companies stay on the sidelines, and independent workers are left without basic benefit structures that would help them better plan for the future.

State-level portable benefits reforms would fix this problem. A portable benefits safe harbor law would explicitly state that offering benefits to contractors should not be used to determine a worker's employment status. It would invite businesses, nonprofits, clients, and buyers to voluntarily contribute to benefits accounts without fear of misclassification.

A Florida portable benefits law would include:

- **Voluntary participation:** No mandates—companies or clients simply opt in.
- **Neutrality on worker status:** Benefit contributions cannot be used to determine employment classification.
- **Worker ownership:** Accounts belong to individuals and follow them across projects and jobs.
- **Competition among providers:** Insurers, fintech firms, and associations could offer a range of portable benefit options.

**FIGURE 2. Top Ten Industries for Independent Workers in Florida**

1. Transportation & Warehousing
2. Professional
3. Real Estate & Rental Leasing
4. Administrative & Support Services
5. Other Services (e.g.
6. Construction
7. Retail Trade
8. Health Care & Social Assistance
9. Arts
10. Finance & Insurance

Source: US Census Bureau, Nonemployer Statistics (NES), last modified May 9, 2024,  
<https://www.census.gov/programs-surveys/nonemployer-statistics.html>.



This model, which builds on frameworks explored in states like Alabama, Tennessee, and Utah, could be easily tailored to Florida's economy—especially its reliance on seasonal, contract-based, and tourism-driven work.

The success of voluntary approaches in other states offers a clear roadmap. In 2023, Utah enacted a portable benefits pilot that clarified benefit contributions cannot be used to determine a worker's employment status. This small but meaningful reform gave businesses the confidence to test new benefit models without fear of litigation. Companies such as Lyft and Target's *Shipt* have since launched portable benefits programs in the state.

Tennessee and Alabama have advanced similar proposals, while governors

in Pennsylvania, Georgia, and Maryland have supported private-sector pilots such as DoorDash's portable benefits programs. These efforts show that independent workers want access to benefits that enhance financial security without requiring a change in how they work.

Florida can follow in these footsteps by adopting its own portable benefits law that provides the same legal clarity and room for innovation.

### **Florida's Opportunity to Lead**

Florida already leads the nation in attracting new businesses and entrepreneurs. The state's pro-growth climate, light regulatory burden, and strong culture of self-employment make it a natural testbed for portable benefits innovation.

By establishing a portable benefits framework, Florida could:

- Strengthen the state's small business and contract economy.
- Give independent workers access to benefits and resources that provide greater stability.
- Encourage innovation among benefit providers and insurers.
- Demonstrate that flexibility and security can go hand in hand.

This is not about government expansion—it's about government restraint. It's about clearing legal barriers so that private initiative can thrive.

## Conclusion: A Florida Model for the Future of Work

Florida's workforce is already leading the way in defining the future of work. Now its policies need to catch up.

Creating a voluntary, safe-harbor framework for portable benefits would empower millions of Floridians to build

security without giving up independence. It would allow businesses and clients to support the workers they depend on—without fear of legal consequences. And it would position Florida as the national model for labor-market innovation grounded in freedom, flexibility, and opportunity.

Portable benefits can help Florida strengthen its entrepreneurial spirit by ensuring that flexibility and security go hand in hand. Together, they can position Florida as a model for how independence and economic security can reinforce one another.

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# Building Fiscal Foundations for the Next Generation

Ian J. Parry

**L**earning that Governor Ron DeSantis signed a financial literacy bill to help prepare students for the real world?<sup>1</sup> Exciting. Realizing that you graduate high school in 2022, and the bill wouldn't take effect until the 2023-24 school year? Not as exciting.

While I might be a lost cause, other young people certainly shouldn't be. And while Florida's new requirement of a half-credit course in financial literacy

to graduate high school is a genuine step in the right direction, additional policies around the United States serve as examples of how Florida can do even more to protect American financial futures.

Now more than ever, student loan debts are soaring<sup>2</sup> in an economy that few feel safe in,<sup>3</sup> with a crummy-at-best job market that proves daunting for entry-level professionals<sup>4</sup>. In August 2025, the unemployment rate for young people aged 16-24 was 10.5%.

And even if the average person triumphs as David against the job market that is Goliath, things hardly get better. The general rising cost of living is alarming, but many in Generation Z (born 1997-2012) are also feeling the weight of financial pressures like credit card debt. 52% of Gen Z respondents in a March 2025 *Newsweek* poll said that this debt is a concern “most or all of the time.<sup>5</sup>” There has never been a greater impetus for policy and K-12 curriculum that teaches our country’s youth how to navigate fluctuating interest rates, avoid living beyond their means, and build an emergency fund—let alone invest beyond that.

That’s why the *Dorothy L. Hukill Financial Literacy Act* was a welcome addition to high school curriculum. The bill was named to honor former State Senator Hukill for her career-long advocacy for financial literacy education in schools. Personal financial literacy courses in Florida will cover types of bank accounts, credit scores, taxes, and managing debt. Nonetheless, concerns about financial preparedness and tutelage remain as Americans feel insecure. Fortunately, our 50-state federalist society offers a few case studies for what to do and what not to do in preparing students for their economic futures.

## What Seems to be Working?

Let’s start with the personal finance course requirements themselves. Make no mistake, Florida was absolutely in the right to join the now 35 states<sup>6</sup> that require students to take some kind of course in personal finance to graduate. And there’s evidence that these requirements are helping young adults feel, at the very least, *somewhat* more

prepared to tackle topics like budgeting and saving.<sup>7</sup> The National Endowment for Financial Education reports that personal finance course requirements are improving student credit behaviors, as well as informing financing decisions for postsecondary education.

Beyond the simple requirement of a course, states like Utah deserve even higher marks for their work to improve the quality of their financial literacy curriculum.<sup>8</sup> In Utah, educators can become eligible for a General Financial Literacy Endorsement, which demonstrates that teachers have completed advanced training and are well-versed in key financial concepts before leading the class. This teacher preparation on a subject that, if misinformed, could easily set students up for failure is essential to promoting sound futures. Utah goes further by requiring students to pass an End-of-Course (EOC) exam with a cutoff score of 74%. Despite my reservations about the dominance of standardized testing across subjects, I’d argue that a financial literacy EOC with attainable scoring requirements like Utah’s truly motivates students to become more knowledgeable about personal finances to pass and graduate. Any exam that involves application, rather than simple repetition, of this knowledge is worth keeping in my book.

Rhode Island is particularly unique in that it requires some demonstration of financial literacy for students to graduate high school, but such can be demonstrated through various methods.<sup>9</sup> Unlike Utah, while high schools in Rhode Island must offer a stand-alone financial literacy course, there is no requirement for this course to be completed. In 2021, the Council on

Elementary and Secondary Education decided that students can do one of four things. They can complete the stand-alone financial literacy course, complete a project demonstrating financial literacy, pass a Council-approved assessment, or demonstrate proficiency in an alternative manner that must be approved by the council. This requirement deserves high marks because it allows for different students to apply and demonstrate the same skills in different ways. This is essential for students who themselves learn in different ways and allows various channels for success.

## Where Should We Hit the Books Harder?

While 35 states feature some form of economic and personal finance education across our union, 15 remain with no requirements whatsoever. 30% of our states are offering little to nothing of a fiscal foundation for their students. That means millions of students will leave high school with little to no formal education on the understanding of their personal finances, leading many to join the statistical pool of Americans who neither feel financially literate nor confident about how to navigate economic uncertainty. This spells trouble for maintaining economic security among Americans in an age of rising wealth inequality and diminishing purchasing power.

Investments in financial literacy curriculum can be made earlier, too. Requirements in middle and elementary schools for curriculum allowing students to learn and apply principles of financial literacy are essentially absent nationwide. Yes, high schoolers may better understand these

complex concepts, but that doesn't mean that there aren't ways to practice things like needs vs. wants, frugality, and non-instant gratification for the lower grade levels. When educating students to understand their finances is an afterthought, young Americans may be only beginning to understand the principles of credit and interest just before, or even after, they sign binding, life-changing agreements like student loans. Florida would be wise to pioneer an investment in its younger students' financial education—so when they come into the world, they're making informed decisions.

Additionally, investments in the quality of the educators and financial literacy curriculum would be a welcome change for Florida. Its Department of Education does not offer any educator certificates in financial literacy. This absence of credentialing ultimately weakens the integrity of the subject, especially without consistency in standards. Equally important is the promotion of engagement among students, so that they may tangibly apply the financial skills taught in the classroom. One such application is demonstrated through varying state bankers' associations' participation in *Teach Children to Save Day in April*<sup>10</sup>. The day features thousands of bankers across the country engaging with students in classrooms, raising financial awareness, and providing resources like activity sheets for students to take part in the principles they are teaching. Without engaging activities and applications of knowledge engrained in curriculum requirements, however, there is little assurance that students in all areas of a state will receive the same quality or standard of a fiscal education.

## Conclusion

Financial literacy goes beyond dollars and cents for the education system. At the end of the day, students of the next generation may no longer need to balance a physical checkbook—but they must understand how to balance a budget, plan for uncertainty, and steward resources wisely. These lessons cultivate responsibility, foresight, and independence in our age, which is far from economically certain.

If Florida and other states across the country are serious about building durable economic foundations for the future, then ensuring the quality and consistency of a financial education must be a top priority for policymakers. That entails investments not only in curriculum, but in the educators

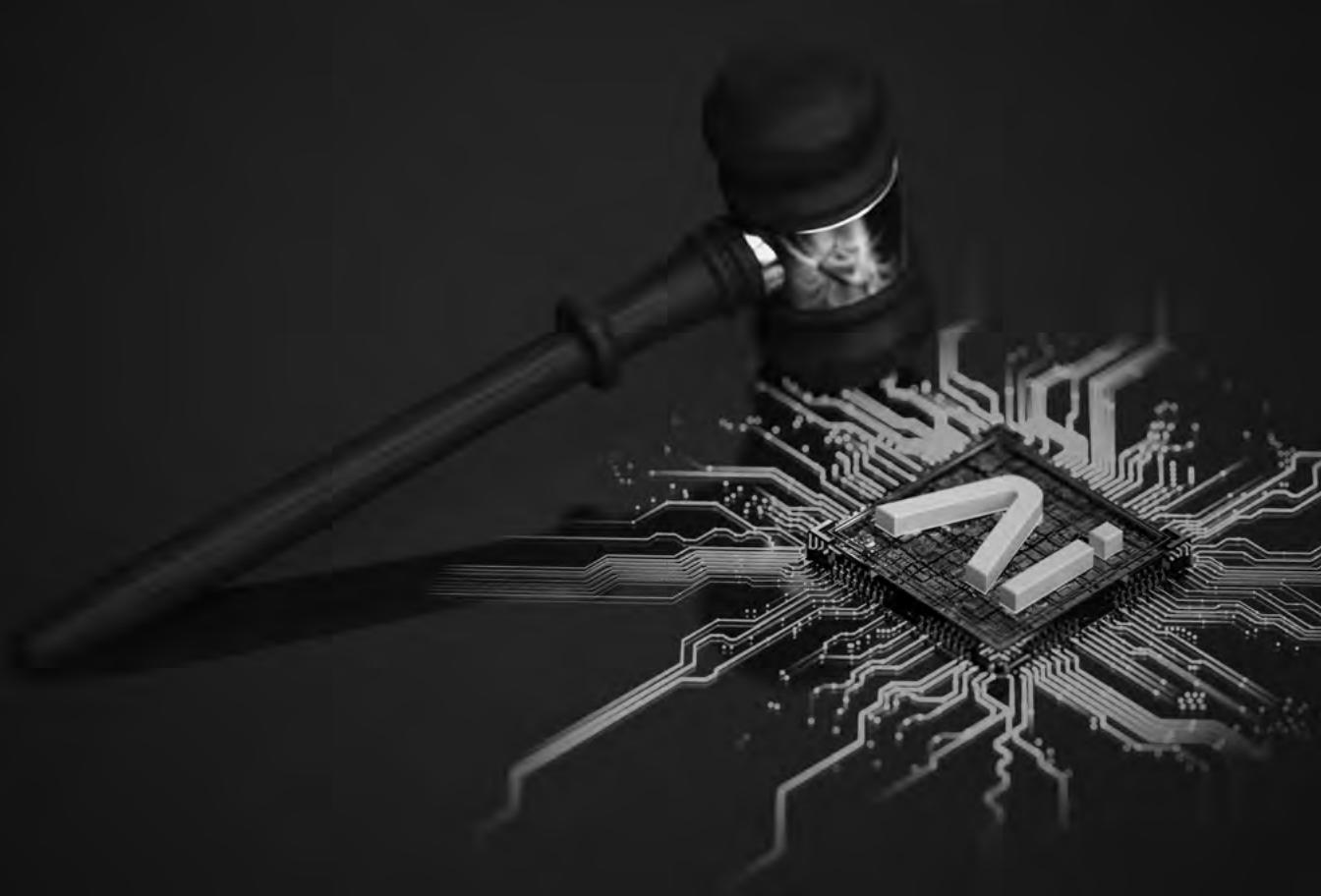
who teach it and the young students who stand to benefit from an earlier exposure to its principles. The returns on these investments compound far beyond an individual. Financial literacy in Florida and beyond means stronger, self-sufficient communities that secure the vitality of our economy as a whole.

When the Sunshine State makes those quality investments, its students will not only understand how to manage money. Young people entering the workforce and the real world will understand how to manage their futures—and they'll shine brighter for it.

*Ian J. Parry is the Advancement Manager at The James Madison Institute.*

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# AI, Free Speech, and Fitting LLMs Into Existing Law

Spence Purnell

## Introduction

Generative artificial intelligence has forced a reconsideration of how speech rules apply when the “speaker” is a large language model (LLM) that synthesizes text in response to a user’s prompt. LLMs now draft emails, summarize research, write code, and answer questions in ordinary language—activities that look and feel like speech and are produced through a series of design choices by engineers and product teams. Those choices—what data to

train on, how to fine-tune behavior, which guardrails to impose—are themselves expressive speech decisions. Yet the internet’s statutory and constitutional architecture still reflects an earlier era built around message boards, social media, and search engines. The question is not whether to rip up that architecture or design entirely new regulatory regimes for AI, but how to interpret and apply it in a way that preserves core free speech protections while addressing genuine harms and illegal activity.

## A Speech-First Baseline

Two baseline propositions help situate LLMs. First, model outputs are, in substance<sup>1</sup>, speech. They are words arranged for meaning, conveyed to an audience, and shaped by a chain of human decisions—training sets, objective functions, safety policies, system prompts, interface design. Even though software produces the final text, the expressive input is human all the way down. Treating those outputs as speech allows courts to apply familiar First Amendment tools, including the strong protection for editorial discretion and the caution against compelled or prohibited viewpoints.

The Trump Administration’s Executive Order (EO) on AI erroneously<sup>2</sup> orders that AI systems be “free” from ideological bias, but this violates the very spirit of the First Amendment in designing speech technologies. These technologies may not appeal to consumers or society’s tastes, but it remains well within an LLMs creator’s First Amendment right to design them to have an ideological bias. The government should play no role in regulating how LLMs systems are designed but instead should try to redress harms as they occur.

As a second baseline proposition, most providers of LLMs operate in roles that resemble interactive computer services under Section 230, not information content providers. Interactive computer services are defined as, “any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server.” Whereas information content providers are, “responsible, in whole or in part, for the creation or

development of information.”

By these definitions, it appears LLMs in general fall under the definition of interactive computer services. Users pose questions, paste text, or upload documents; models transform that input and typically draw on, summarize, or echo third-party information available elsewhere. In this posture, LLMs look much like other services that host or transmit content created by someone else.

It is true that humans also remix letters and words of others and that doesn’t create an absolute protection of speech, but the spirit of Section 230 recognizes that the internet and the digital world operate at a scale that makes analogy to human behavior break down. If LLMs are to be responsible as the publishers of everything they create, this risks destroying the entire technology, the same way that if media platforms were responsible for all third-party speech, it would likely preclude the use of that technology. This is in part why Section 230 was created—to allow new speech technologies to thrive without the threat of being liable for any speech on the platform.

That rule is not absolute—there are circumstances where a service can be responsible for what it creates—but, in general, it appears that LLMs remixing and predicting speech would likely fall under the computer services definition, not information content provider.

Accepting the above two premises does not mean ignoring the hard questions. It simply sets a starting point. LLM providers, like newspapers and platforms, have a general right to design how they speak and what they choose to publish or refuse. Users

and competitors can reward or punish those choices in the market. Governments should be cautious about direct content mandates or liability regimes that operate as de facto prior restraint. Within that zone, however, existing tort law still matters—especially defamation, which targets provably false statements of fact about identifiable people that cause real harm. And unlike previous technologies, LLMs possess the capability of being the material contributors to original, unattributable, unlawful speech, likely invoking them as information content providers under Section 230. However, the cases where this may be true are narrow and do not condemn the entirety of LLM activity.

## A Possible, Narrow Lane for Hallucinated Defamation

The most difficult category involves a specific, confident falsehood about a real person that appears to be invented by the model—not quoted, not summarized, not attributed to any existing source. Imagine an answer that flatly states that a particular doctor committed malpractice at a certain hospital on a certain date, when no such event ever occurred. Because there is no upstream human accuser to sue, the usual “sue the original speaker” remedy runs out of road. If the model is the sole origin, the law needs a way to sort true injuries from noisy complaints without transforming providers into general-purpose insurers for every wrong answer.

One way to contour this problem, much of which is suggested in this law article by Eugene Volokh, is to treat such outputs as falling outside the ordinary intermediary shield when five conditions are met:

1. **Original fabrication.** The challenged statement is a concrete factual allegation that cannot reasonably be traced to any underlying record or source. If the model is repeating or summarizing an existing claim, the remedy should generally run toward the original human speaker.
2. **No user inducement.** The fabrication is not solicited or seeded by the user. If the user’s prompt expressly requests, supplies, or steers toward the defamatory claim—e.g., “Invent a scandal about [Name],” or “Write a fake news story saying [Name] embezzled funds,” or the user embeds the accusation in the prompt—then the platform’s liability should be released. In those circumstances, the user is the originating “speaker,” and the provider remains in its ordinary intermediary posture, notwithstanding that the model should ideally refuse such prompts.
3. **Sufficient notice.** The service receives particularized notice identifying the exact prompt and output and explaining why the claim is false and defamatory, with enough context to verify the fabrication.
4. **Actual harm.** The claimant demonstrates concrete injury—reputational or economic consequences reasonably tied to the statement.
5. **Unreasonable inaction after notice.** After receiving adequate notice, the provider fails to remove, correct, or

otherwise mitigate the defamatory hallucination within a reasonable time, taking into account scale and technical feasibility.

These conditions would create a unique aspect to Section 230 where LLMs would only be considered information content providers if all the conditions are met. They prevent all hallucinations from triggering the information provider designation, while also allowing for implementation of current libel law, holding LLMs to the current legal standard without creating additional regulation. As with any new technology, policy should be looking for avenues to enforce current laws to address real harms rather than creating new regulatory regimes to prevent potential harms. This law allows for enforcement of libel law when the LLM meets several narrow conditions with the opportunity for correction.

It also guards against baiting and trolling. A user-inducement element helps prevent engineered prompts designed to manufacture liability, a dynamic that would predictably chill speech and product experimentation. The test tries to distinguish the rare, verifiable fabrication from the much larger universe of messy summaries, contested opinions, and clumsy paraphrases that pervade human and machine speech alike.

The notice and takedown period has the benefits of allowing providers to experiment with products, to correct potentially unlawful speech, and hopefully to use this process to re-train and improve the LLM. If users could bring suit directly without notice, this would certainly open an avenue

for abuse. The notice and takedown period allows platforms to correct errors and make improvements without a legal proceeding.

There are advantages and trade-offs. The criteria are administrable—fabrication, no user inducement, notice, harm, and unreasonable inaction—yet each term will demand case-by-case calibration. “No user inducement” will require line-drawing: general queries like “What is known about [Name]?” differ from directives that ask the model to invent wrongdoing. “Reasonableness” will vary by provider size and deployment. And the fabrication question can be hard where models blend knowledge with inference. For these reasons, this lane is best viewed as a possible fit with current doctrine, not a fixed prescription.

### **Errors, Bad Advice, and the Outer Boundary of Speech Liability**

Not all harmful outcomes arise from defamatory falsehoods. Some stem from bad ideas: an answer suggesting nonsense health advice, or a tongue-in-cheek response that a literal-minded reader misapplies. These episodes draw headlines and cause frustration, but they usually sit outside the target zone of tort law and are protected<sup>3</sup> by the First Amendment. For decades, courts have been reluctant to impose liability simply because speech conveyed dangerous or erroneous advice. With narrow exceptions for incitement, threats, or fraud, the rule has been that publishers are not strict-liability guarantors of reader behavior. That logic translates cleanly to LLMs. Disagreeable or foolish content is not illegal content, and the law should not punish innovation

because someone treated an obviously unserious suggestion as a directive.

Satire underscores the point. Much of what people value in creative expression like irony and parody depends on context and shared cues. If providers were forced to anticipate the most humorless possible reading of any answer, the predictable result would be risk-averse blandness. The better remedy for these non-defamation harms is product improvement: clearer disclaimers, stronger refusal patterns for high-risk topics, retrieval tools that surface reliable sources, and user experience cues that encourage skepticism for medical, legal, and other consequential questions. These design choices are compatible with both free speech and consumer protection goals without enlisting tort law to referee taste or common sense.

## Implementation Questions

Even a narrow defamation pathway raises practical questions. How should a provider accept notices, authenticate claimants, and verify that a statement is truly fabricated? What counts as timely action: immediate removal, a correction appended to the answer, or a model-level fix that prevents recurrence? How should providers communicate outcomes to complainants without divulging proprietary details? And how do these processes scale across consumer, enterprise, and open-source deployments?

These are not purely legal questions; they are institutional ones. Providers will differ in size, architecture, and risk tolerance. What is “reasonable” for a small research lab may be impossible for a platform

serving hundreds of millions of queries each day. Even a liability regime will have to account for these practical challenges. The goal should be to encourage transparent pathways for correction without freezing product design or privileging incumbents who can afford heavy compliance.

Furthermore, leaving the question on a “case-by-case” isn’t really an ideal scenario, as there could still be lengthy and costly legal proceedings on certain difficult cases. Ideally, the final prescription would avoid a way to adjudicate case by case and instead provide a doctrine which statute can handle without constant judicial review.

There is also the challenge of incentives. A too-easy path to liability invites defensive over-censorship and reduces diversity in model behavior. Conversely, a rule so protective that it forecloses any recourse for fabricated accusations undermines public trust and invites pressure for broad statutory fixes. The plausible middle is a standard that keeps the bar high with specific fabrication, no user inducement, clear notice, and demonstrable harm while making space for targeted remedies when those elements are satisfied.

Technology may even make the question moot in a few years, as hallucinations themselves appear to be declining<sup>4</sup> as providers improve training data, deploy retrieval augmentation, and design inference-time checks that reduce unsupported claims. Tool use and verification steps can now force models to consult authoritative sources rather than guessing. Enterprise deployments increasingly combine models with curated knowledge bases, narrowing the space in which confabulation can occur.

None of this eliminates error, but the direction of travel suggests fewer, not more, pure fabrications over time.

That trend matters for policy design. Building heavy liability regimes around a shrinking problem risks ossifying markets just as engineering improvements are taking hold. A lighter-touch approach that preserves broad speech protections while acknowledging a narrow, targeted remedy for the hardest cases can evolve as the technology does, tightening or relaxing as evidence warrants.

A related dynamic is attribution. As the mix of outputs shifts from free-form generation to synthesis anchored in citations or internal documents, questions of who said what become easier to answer. Where a model accurately repeats a third party's claim, the traditional remedy points to the human author. Where it draws from an employer's corpus, internal governance and contractual remedies can address errors more effectively than public tort law. The narrow lane described above is primarily for the residue: when the model appears to be the original and only source of a defamatory claim, and the user did not ask for or plant it.

## Conclusion

The legal system does not need to reinvent free speech principles to accommodate generative AI. A sensible starting point recognizes LLM outputs as speech and treats providers, in the ordinary case, as intermediaries entitled to the same broad protections that have enabled the modern internet. Within that baseline, traditional

defamation doctrine can still do work. One plausible route, outlined here as a possibility rather than a prescription, is to reserve a narrow, carefully defined lane for the exceptional case where a model appears to invent a specific defamatory falsehood, the user did not ask for or seed the claim, the provider receives particularized notice, the claimant demonstrates actual harm, and the provider fails to act with reasonable promptness.

That pathway fits the existing architecture without collapsing it. It offers a remedy for real injuries without imposing generalized duties that chill lawful speech and entrench incumbents. It leaves room for markets to reduce error rates through better training, retrieval, verification, and user design. And it acknowledges the outer boundary: non-defamation harms stemming from bad ideas, satire, or user misinterpretation typically remain outside tort's reach and are better addressed through product improvements and consumer choice.

There will be hard cases, and courts will need to calibrate standards with care. But complexity is not an argument for abandoning first principles. The combination of strong speech protection, targeted liability for clearly provable harms, a user-inducement safeguard, and deference to iterative improvement has served the broader internet reasonably well. With cautious adaptation, it can do the same for AI.

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# A Prescription for Waste: The 340B Drug Discount Program Offers an Opportunity for Reform

Thomas Schatz

Much like other federal healthcare programs, the 340B Drug Discount program is a well-intentioned program that has gone off the rails and has become ripe with waste, fraud, and abuse. It was designed to help low-income patients receive greater access to the medicines that they need at a cheaper price, but those patients rarely see the benefits and the program is used by hospitals and

pharmacies to inflate their profits. The program is ripe for reform, including developing a clear definition of an eligible patient, and increasing transparency.

The 340B program was created in 1992 and requires that drug manufacturers participating in Medicaid to sell drugs at a discount of between 20 to 50 percent to covered entities (CEs), including federally funded facilities like community health

centers, black lung clinics, tuberculosis clinics, and hemophilia treatment centers.<sup>1</sup> 340B also includes disproportionate share hospitals, which receive supplemental federal funds related to the number of low-income Medicare, Medicaid, and uninsured indigent patients they serve.

In 1992, after 340B was created, the House of Representatives passed legislation that would have clarified that savings from the discounted drugs should be used to stretch scarce federal resources in order to reach more eligible patients and provide greater services. However, this bill was never taken up by the Senate, so CEs are not required to pass the savings on to patients. The lack of a mandate to pass on savings and no clear definition of an eligible patient has allowed 340B eligibility to be broadly interpreted and has allowed the program to be used as a way to inflate hospital and pharmacy profits.<sup>2</sup>

340B has continued to grow exponentially in recent years. According to the Health Resources and Services Administration (HRSA), which runs the 340B program, in 2005 340B CEs purchased \$2.4 billion in drugs, and in 2023 purchases had increased by 2,500 percent to \$66.3 billion.<sup>3</sup> This make 340B the second largest federal prescription drug program after Medicare. A September 9, 2025, report by the Congressional Budget Office (CBO) found a 19 percent increase in annual average spending by 340B on pharmaceutical drugs, while spending on brand-name drugs nationwide increased an average of 4 percent annually.<sup>4</sup> The CBO report also found that 340B purchases more expensive drugs, including cancer drugs and anti-infective drugs.<sup>5</sup>

This unchecked growth has come with a great cost to taxpayers. According to a May 2024 Health Capital Group report, increased participation in 340B from 2014 to 2021 raised Medicaid spending by \$391 per enrollee, or \$32 billion annually.<sup>6</sup> This cost accounted for approximately 10 percent of total Medicaid spending. Employers are also bearing the cost of 340B. A March 2024 IQVIA report found that 340B increases costs by more than \$5 billion annually for employer-sponsored health plans.<sup>7</sup>

To date, Congress has failed to pass legislation that would reform 340B. In the wake of federal reforms, several states have enacted legislation reforming 340B. Congress' inaction has led to a patchwork of laws regulating how 340B operates across the country. Many states have enacted bills that include manufacturer mandates, which will not only change how the 340B program operates but will drive up costs through foregone rebates. According to a 2023 IQVIA report, 340B is costing employers and workers in Florida \$246 million annually.<sup>8</sup> If Florida were to enact legislation that includes a manufacturer mandate, this cost would rise to \$302 million annually.<sup>9</sup> Rather than pass legislation that would change how 340B operates in their state, state legislators should consider bills that would increase transparency around how 340B revenues are being used by hospitals.

Since 340B was created by federal statute, it is up to Congress to enact permanent reforms to the program. An April 24, 2025, Senate Health, Education, Labor and Pension Committee Majority Staff report on 340B includes a recommendation to clarify the definition of an eligible patient

and ensure that the discounts benefit those patients.<sup>10</sup> Reforms to the 340B program should include a clear definition of an eligible patient, better verification of patient eligibility at the time the prescription is filled, a relationship between the patient and the CE, verification that services were provided within the last 12 months, and increased transparency.

The 340B Drug Discount Program was designed to help low-income, indigent patients receive affordable prescription medicines. However, this program has been misused and is now more of a profit-driving mechanism for hospitals and pharmacies and patients rarely see the benefits that they deserve. Because of inaction by Congress, state legislatures have stepped in to fill the void and have passed bills that affect how 340B operates in their states. While states can pass legislation that increases

transparency on 340B, the bills that have been enacted have created a patchwork of laws across the country.

Since 340B was created by federal statute, it is up to Congress to make permanent reforms to the program. Members of Congress should develop a clear definition of an eligible patient and enact other reforms like better verification of eligibility when the prescription is filled, increased transparency, a relationship between the patient and the CE, and verification that services were provided within the last 12 months. These reforms would return the program to its original mission and eliminate the waste, fraud, and abuse that has become commonplace with 340B.

*Thomas Schatz is the president of Citizens Against Government Waste*

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*Jon Tetzlaff / iStockphoto*

# Launching Florida's Future: Modernizing Space Regulations for Economic Growth

Kristian Stout

## Executive Summary

The rapid growth of private launch activity has exposed tensions between regulatory frameworks designed for an era of government-led space exploration and the requirements of a modern, commercially driven industry. Nowhere are these tensions more salient than in Florida, the primary

locus of American launch operations. While the state's geographic and infrastructural advantages remain unmatched, federal licensing procedures have become a significant source of delay and uncertainty. These regulatory frictions raise the core questions: how do institutional rules shape investment incentives in high-technology industries,

and to what extent does regulatory uncertainty function as a barrier to entry in markets characterized by high fixed costs and rapid innovation cycles?

This paper examines the implications of outdated launch regulation for Florida's role in the commercial space economy. It situates the problem within broader debates over regulatory design, focusing on how licensing regimes affect firm behavior, the allocation of capital, and the comparative position of the United States relative to foreign competitors. By analyzing Florida's existing comparative advantages alongside the costs imposed by federal regulatory delays, this paper evaluates the risk that institutional inefficiency may reallocate investment toward other jurisdictions or nations.

The analysis contributes to ongoing discussions of federalism and industrial policy by framing launch regulation not only as a matter of technical safety oversight, but also as a determinant of competitive dynamics in a strategically significant sector. In particular, this paper highlights how regulatory timing and predictability operate as economic levers—shaping returns to scale, the pace of technological learning, and ultimately the distribution of economic rents across states. Florida's case provides a valuable study in how regulatory institutions interact with geography, infrastructure, and workforce capacity to influence long-term patterns of industrial location.

## 1. Regulatory Constraints and Their Economic Consequences

The federal launch licensing regime illustrates a persistent problem in administrative design: regulatory procedures that

may have been functional in an earlier, state-led model of space activity now impose significant costs in a commercial setting characterized by rapid innovation and competitive pressures. Licensing requirements, originally structured to manage infrequent government launches, have become sources of delay when applied to private firms whose business models depend on frequent testing and iteration.<sup>1</sup>

In the case of SpaceX's Starship, licensing approvals for test flights have sometimes lagged technical readiness by multiple months, particularly when FAA reviews required environmental or mission profile modifications. For instance, the FAA indicated it would not decide on Starship's Flight 5 authorization until late November, even though the vehicle was in a reportedly flyable state months earlier.<sup>2</sup> Meanwhile, Chinese launch providers have increased their cadence significantly. In one year, China executed 55 orbital launches, surpassing the U.S. count of 51.<sup>3</sup> This trend suggests a contraction of the technological and commercial lead once held by American launch firms. While individual delays are often framed as technical or environmental in nature, their cumulative effect is to slow domestic innovation relative to international competitors.

Worse yet, these delays impose costs not only through direct revenue losses but also through the creation of uncertainty in expected returns. Where firms cannot reliably predict approval timelines, they must discount investment projects more heavily, effectively raising the cost of capital. This uncertainty functions as a form of implicit taxation: projects with otherwise positive

net present value may be foregone or re-located to jurisdictions with more predictable regulatory regimes. In industries with high fixed costs, such as commercial space launch, the timing of regulatory approvals can determine which firms and states capture the durable advantages of early market entry.

## 2. Florida's Natural Advantages and the Risk of Erosion

Florida's prominence in the American space industry is not accidental but reflects a combination of geographic, infrastructural, and historical factors that have produced durable comparative advantages. Because of its relatively low latitude, launches from Florida can access many desirable orbital inclinations with lower delta-v compared to higher-latitude sites, and its Atlantic coastline provides overwater corridors that reduce overflight of populated areas and ease range safety constraints.<sup>4</sup> Over decades, sustained federal investment in Merritt Island and Cape Canaveral has yielded a robust launch infrastructure that supports both government and private missions.<sup>5</sup> Since the 1960s, NASA has developed facilities at Kennedy as its principal human spaceflight launch center, erecting complexes such as LC-39A for Saturn V / Apollo (and later Shuttle/Artemis) use. This combination of physical endowment and accumulated institutional capacity has made Florida synonymous with American launch activity.

The economic significance of these advantages is considerable. Over 150,000 jobs throughout Florida are related to the space industry in some way.<sup>6</sup> Kennedy Space Center alone generates billions in

annual economic impact, supplemented by the growing contributions of private firms that cluster around the Space Coast.<sup>7</sup> These spillovers extend beyond direct aerospace employment, with multiplier effects on related sectors such as advanced manufacturing, engineering services, and education.

Yet these advantages are not immune to institutional frictions. Lengthy federal licensing processes and regulatory bottlenecks may alter the calculus of private investment, especially in a sector where speed to market is critical. This is particularly true when other jurisdictions are vying to alter the investment calculus for space industries. In Texas, for example, the state legislature has allocated over \$150 million to the Texas Space Commission's SEARF grant fund to attract space-related firms, and the Commission recently approved \$21.5 million in grants.<sup>8</sup> In California, authorities have used tools such as the CAEATFA sales-and-use tax exclusion and local aerospace incentives (e.g. in Palmdale) to lower capital costs for space or aerospace firms.<sup>9</sup> From an economic perspective, this illustrates that geographic endowment, while important, is insufficient on its own to secure long-term industrial concentration. Firms will weigh the expected costs of regulatory delay against the benefits of location, and in contexts where timing confers durable competitive advantages, even modest increases in uncertainty can drive relocation. Florida's challenge is thus to ensure that institutional inefficiencies do not erode the structural advantages that have historically underpinned its role in the U.S. space economy.

### 3. Regulatory Design and Economic Outcomes in the Space Sector

In industries characterized by high fixed costs, rapid innovation cycles, and network effects, even modest changes in regulatory design can meaningfully alter the incentives of firms and the trajectory of markets. The commercial space sector illustrates this dynamic particularly well.

By contracting with private firms under milestone- and performance-based agreements, NASA shifted development risk onto contractors, reducing cost exposure relative to traditional procurement.<sup>10</sup> Analyses suggest that firms like SpaceX under the Commercial Crew paradigm achieved lower per-seat or operational costs—thanks in part to contractual flexibility, milestone incentives, and economies of scale.<sup>11</sup> This experience demonstrates how institutional arrangements that relax rigid bureaucratic control can enhance efficiency while maintaining safety and reliability.

Regulatory modernization in the licensing domain would extend these gains. More predictable and timely approvals would likely permit higher launch cadence, allowing firms to amortize fixed infrastructure costs over a larger number of missions and capture scale efficiencies. Regular launch opportunities also enable faster feedback loops, which are critical in industries where iterative design drives technological improvement. Perhaps most importantly, certainty in approval timelines reduces the option value of delay, lowering the effective cost of capital and encouraging long-term commitments of investment.

The economic spillovers of a robust

launch sector likely extend far beyond aerospace employment. For example, NASA's economic impact studies report significant indirect and induced effects in supply chains and consumer spending.<sup>12</sup> Space-technology transfer efforts document over 2,000 commercial 'spinoff' products derived from space research and engineering, including innovations in wireless communications, medical devices, and advanced materials.<sup>13</sup> These patterns are consistent with multiplier effects in the broader economy, though the precise ratio of additional jobs per direct job in the launch segment remains an open empirical question. These spillovers exemplify positive externalities: innovations initially developed for a specialized sector generate widespread social value once adapted to broader markets. The scale of these effects underscores why regulatory design in commercial space should be evaluated not only in terms of compliance or safety, but also for its broader impact on innovation and long-run economic growth.

### 4. Conclusion

Florida's structural advantages in commercial space activity, including its geography, infrastructure, and historical role, are necessary but not sufficient conditions for continued leadership. Institutional design, particularly the regulatory environment governing launch approvals, will play a determinative role in shaping where capital and talent flow. As such, there are important priorities that Florida policymakers should take into account.

At the federal level, the most immediate concern is ensuring that the transition toward a modernized licensing framework

achieves its intended effect of reducing uncertainty and delay. The White House's recent Executive Order on Enabling Competition in the Commercial Space Industry provides an opportunity to align agency practices with the needs of a rapidly expanding sector.<sup>14</sup> Florida policymakers, given the state's stake in launch activity, should play an active role in congressional oversight and appropriations processes to ensure that implementing agencies are sufficiently resourced and held accountable to predictable timelines. Predictability in regulatory outcomes reduces the effective cost of capital and encourages firms to make long-horizon investments in launch infrastructure and vehicle development.

Florida must also recognize that it is competing not only internationally but domestically. Texas, through the creation of a dedicated Space Commission and targeted incentive funds, has positioned itself as an alternative hub for commercial launch. California, despite higher operating costs, remains attractive due to its access to venture capital and dense aerospace supply chains. Florida cannot assume that its geographic advantages alone will lock in industrial concentration. Institutional quality—predictability, efficiency, and policy support—functions as a margin of competition between states, much as it does between nations.

The commercial space industry is emblematic of sectors where regulatory efficiency functions as economic policy. For Florida, the task is to align its natural and historical advantages with institutional reforms that reduce uncertainty and facilitate investment. Workforce development remains an important complement to these reforms, as the availability of technically skilled labor enhances the returns to fixed capital investment. National security considerations provide an additional rationale: maintaining robust launch capacity within Florida contributes not only to the state's economy but also to the resilience of the U.S. defense industrial base.

The question is not whether regulation is necessary—launch activities clearly implicate safety and environmental concerns—but whether existing frameworks are calibrated to minimize deadweight loss while preserving incentives for innovation. Florida's leadership should therefore pursue a dual strategy: advocate for predictable and timely federal licensing, while sustaining the state-level conditions that support investment and skilled labor supply. Doing so will position Florida to capture the durable rents associated with early leadership in a sector likely to define economic and strategic competition in the 21st century.

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## ENDNOTES

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# What Homeschooling Taught Me About Education

Adelyn Valencia

My perception of the importance of liberty has been strongly influenced by my education. Not because of what I was taught, but how I was taught. My sister and I were homeschooled.

Instead of sitting in a classroom working at a desk, much of our learning during our younger years consisted of play and exploration. One of our favorite games we

dubbed “wounded soldier,” where one of us would pretend to be injured during the Crimean War and the other would act as Florence Nightingale coming to the rescue. Our dolls often joined the Green Mountain Boys or went on factory strike. One year, we had a medieval feast for our family’s Christmas dinner, complete with costumes and entertainment. We participated in a nature

program where we went maple sugaring, butchered poultry, and waded into bogs. Trips to the local library were the highlight of my week; our mom had to instate a limit of checking out only ten books per person per trip.

As I grew older, my family joined a co-op program where we met with other homeschooling families once a week. I participated in speech and debate, read Cicero in Latin, and acted out Shakespeare's *The Taming of the Shrew* with my co-op class. We participated in a mock trial competition in the courthouse. I learned about America's founding documents by reading and annotating the actual documents. Rather than learning from excerpts and multiple-choice tests, I read entire classic pieces of literature, wrote persuasive essays about them, and discussed the works with my class utilizing the Socratic method.

My education wasn't necessarily conventional, but it was perfect for my family. Learning wasn't bound by the confines of a classroom, and I was able to explore what I was truly interested in. I look back fondly on my education, rather than feeling resentful or thankful that it is over. Many of my favorite childhood memories revolve around homeschooling.

As I began my college application process, I was often met with skepticism from those unaccustomed to homeschooling. Would a homeschooled education be enough to get me the test scores I needed to attend the university I wanted? The answer is yes. I attended my university on a nearly full-ride scholarship and graduated last year debt free. My sister is currently attending her dream college on a substantial

academic and athletic scholarship and will graduate next year debt free, as well.

I noticed that homeschooling better prepared me for the independence that college requires. Attending a conventional school means your day is mapped out for you. Contrarily, as a homeschooler – particularly in high school – I was given a substantial amount of freedom to plan and organize my own time. I was forced to practice time management and build discipline at a much younger age, as I operated without the structure and boundaries conventional schools demand. My senior year of high school, I dual enrolled at my local community college full time. Because of this, after graduating high school I already had an entire year of college credits. I also already knew how to navigate a college campus, plan my own schedule, register for classes, and submit assignments electronically. With a full year of credits – primarily general education classes – out of the way, I was able to complete two majors in a normal four-year time frame and could have graduated at least an entire year early.

As an adult, I have realized that homeschooling allowed me to discover and pursue my talents and interests at a very young age. I now work as a grant writer for The James Madison Institute. In college, I majored in English and Political Science. These accomplishments came as a result of exploration in high school. As a highschooler, I expressed an interest in mock trial, speech and debate, writing, and literature. I toyed with the idea of potentially going to law school, becoming a librarian, or getting involved in politics. My parents encouraged me to seek opportunities that would allow

me to explore these interests. I volunteered at my local library and our county's teen court program weekly. I entered writing contests, judged mock trial, and attended a summer camp at the Capitol. Participating in these programs allowed me to explore my passions and interests, and to gauge whether there could be a future career for me in those areas. The exploration I had already pursued in high school allowed me to feel surer of myself as I entered college and eventually the workforce. Homeschooling allowed me the time and gave me the creativity to find out what I love.

School choice is crucial because when every student is funneled through the same educational system, creativity and originality are lost. Education is not one-size-fits-all, and students and parents need the freedom

to learn and educate in their own ways. Homeschooling is not strange or underground; it is a fast-growing and effective schooling method that deserves recognition.

School choice allows Americans the freedom to be individuals. Rather than forced conformity to a mass-produced education system, school choice produces unique and independent citizens more able to reach their full potential. Advancement of liberty means advancement of educational freedom.

*Adelyn Valencia is a grant writer for The James Madison Institute. This article is adapted from an essay published in the Foundation for Economic Education's e-book "Generation Homeschooled."*



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