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Red Hot: How Gov. DeSantis Has Kicked Florida's Economy Into Overdrive

Hayden Dublois
Senior Research Analyst

Jonathan Ingram
Vice President of Policy and Research

KEY FINDINGS



RESPONDING TO A MASSIVE LABOR SHORTAGE, GOV. DESANTIS **ENDED THE FEDERAL UNEMPLOYMENT BONUS MONTHS AHEAD OF SCHEDULE.**



UNEMPLOYMENT COSTS **DROPPED 86 PERCENT** AFTER GOV. DESANTIS ANNOUNCED FLORIDA WAS ELIMINATING THE BONUS AS INDIVIDUALS MOVED OFF THE PROGRAM AND RETURNED TO WORK.



FLORIDA EMPLOYERS **HIRED NEARLY 1.3 MILLION NEW WORKERS** AFTER GOV. DESANTIS ANNOUNCED THE UNEMPLOYMENT BONUS WAS ENDING.



SINCE THE UNEMPLOYMENT BONUS ENDED, ENTREPRENEURS HAVE CREATED NEARLY 150,000 NEW START-UPS IN FLORIDA.

THE BOTTOM LINE:

FLORIDA IS AMERICA'S ECONOMIC POWERHOUSE.

Overview

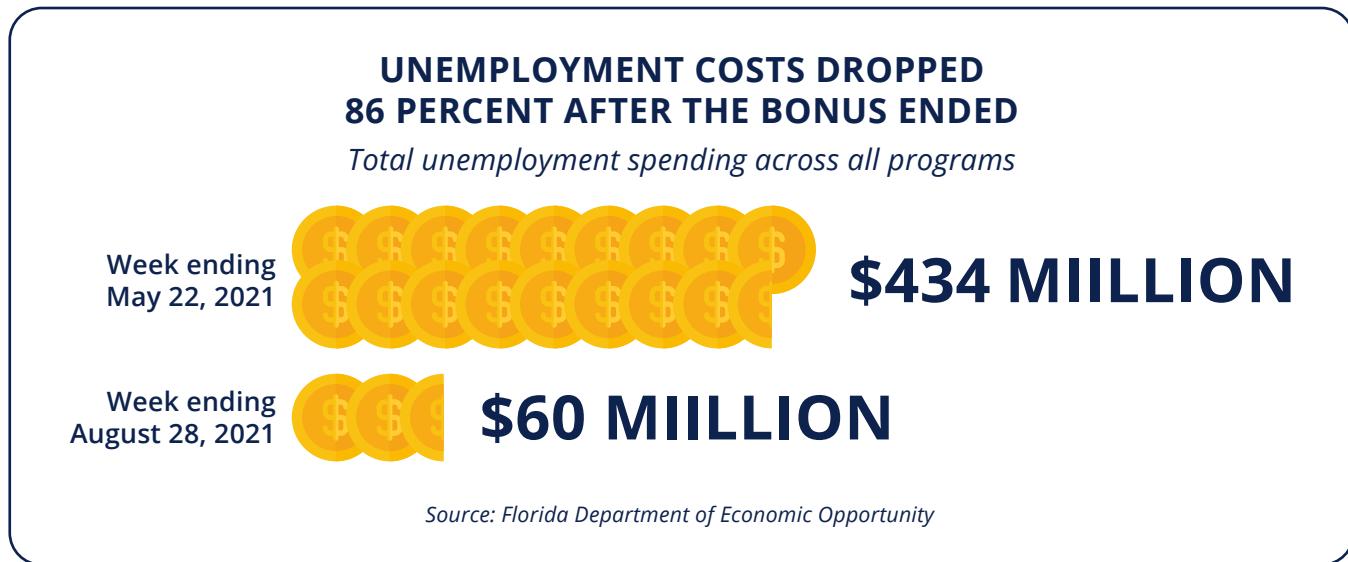
Florida has had a strong economy for years largely thanks to its work-first policies, low taxes, limited regulations, and support for entrepreneurs.¹⁻² As a result, it was better positioned to weather the COVID-19 economic crisis, and the wise actions of the DeSantis administration during the pandemic have kept the state on a positive path and maintained its competitive edge.³

But Florida has not been immune to the nationwide labor shortage crisis. By March 2021, Florida employers had nearly 500,000 open jobs that they were desperately trying to fill—a record high.⁴ Despite these openings, there were three times as many Floridians on unemployment as there were prior to the COVID-19 pandemic.⁵ This was largely driven by federal unemployment bonuses and expansions furthered by the Biden administration that paid Floridians more to stay home than they could earn by returning to work.⁶

Thankfully, Gov. DeSantis has led Florida through an unprecedented economic recovery—most recently by ending the federal unemployment bonus months ahead of schedule.⁷ As a result, the Florida economy has kicked into overdrive.

Unemployment costs dropped 86 percent after Gov. DeSantis announced Florida was eliminating the bonus

In late May, Florida was sending out more than \$400 million in unemployment benefits every single week to individuals across the state.⁸ However, by the end of August, this had declined by an incredible 86 percent.⁹



This is in no small part due to Gov. DeSantis ending the \$300 weekly unemployment bonus months ahead of schedule, as the bonus accounted for more than half of Florida's unemployment spending in late May.¹⁰ **As the bonus ended, Floridians quickly began searching for work, creating an economic climate where small businesses could fill open positions and create more jobs.**

Florida employers hired nearly 1.3 million new workers after Gov. DeSantis announced the unemployment bonus was ending

When Gov. DeSantis announced that Florida was ending the federal unemployment bonus, work search activity almost immediately spiked by more than 40 percent.¹¹⁻¹³ As a result, small businesses have been able to fill open positions and create new jobs.

From late May—when Gov. DeSantis announced he was ending the \$300 weekly unemployment bonus—through late August, Florida employers hired nearly 1.3 million new workers.¹⁴ Nearly 400,000 of these new hires were recorded in the first three weeks following the unemployment bonus's elimination.¹⁵ As the bonus ended, employers' hiring rates spiked, allowing them to fill needed open jobs.¹⁶ For the first time in months, the number of unfilled positions in Florida began to decline in August, as more Floridians left unemployment and returned to work.¹⁷

Florida's focus on work and job creation has set a solid foundation for its economy—especially for business growth.

Since the unemployment bonus ended, entrepreneurs have created nearly 150,000 new start-ups in Florida

With Floridians off of unemployment rolls and back in the workforce, businesses can truly thrive, including new businesses. In fact, entrepreneurs created nearly 150,000 new businesses since the unemployment bonus ended—in no small part thanks to pro-entrepreneur initiatives passed in the most recent legislative session.¹⁸ More businesses are created in Florida than in any other state in America, with a new Florida start-up launched an average of every 46 seconds in 2021.¹⁹

The spike in new hires and decline in unemployment since the federal unemployment bonus ended under Gov. DeSantis's leadership is to thank for the increase in new businesses. **Since the bonus ended, business creations in Florida are up by nearly 70 percent compared to the same period before the pandemic hit.**²⁰



At nearly half a million business formations, entrepreneurs in Florida have already created more new businesses so far this year than they created in all of 2019.²¹ The Sunshine State is on track for a stellar year for businesses, helping to grow the state's economy. In fact, Florida's economy has grown by more than \$60 billion from its pre-pandemic levels.²²

**FLORIDA'S ECONOMY HAS GROWN
BY MORE THAN \$60 BILLION FROM ITS
PRE-PANDEMIC LEVELS.**



THE BOTTOM LINE: Florida is America's economic powerhouse

As lockdown and mask-up states have struggled to get back on track, Florida has once again proven itself as the nation's economic powerhouse.

Today, there is more job creation, more economic activity, and less unemployment thanks to the economic stewardship of Gov. DeSantis. In particular, the governor's decision to end the \$300 weekly unemployment bonus helped to accelerate Florida's economic recovery and kick the state into overdrive.

Florida is not just a model for the nation—it has become *the model* for the nation. Other states should emulate the proven Florida model and set their economies on track for success.

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15275 Collier Boulevard | Suite 201-279
Naples, Florida 34119
(239) 244-8808

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