

# The Economic and Fiscal Impacts of Education and Training Beyond High School in Florida

JANUARY 2022

## Florida's economy is strong. If Florida were a country, it would have the 15<sup>th</sup> largest economy in the world.

Florida's economy has recovered from the COVID-19 pandemic faster than the U.S. economy and the economies of many countries, allowing Florida to move ahead of Indonesia and Mexico. The Florida Chamber of Commerce has established the goal of moving Florida's economy into the top ten by the year 2030. This will require Florida's economy to grow bigger and faster than competing states and countries and, if Florida's economy is to continue to grow and diversify, it must have a workforce that can adapt to the changing needs of the market.<sup>1</sup>

An increasingly technological and information-driven economy generally requires higher levels of educational achievement for both individual and community success. To sustain continued economic growth and competitiveness, Florida must maintain a workforce with the types of skills—trade and professional—that can attract high-wage, high-value industries.<sup>2</sup>

*"Florida's economy is strong, but we cannot rest on our laurels. We have to build on our success by keeping taxes low and regulations reasonable, becoming the number one state for career and technical education and making smart investments in our infrastructure and environment."*

—Governor Ron DeSantis<sup>3</sup>

Higher education not only encourages better economic outcomes but also serves as a form of job security. The

COVID-19 pandemic previewed the growing importance of education within changing environments. COVID-19 also jumpstarted businesses' implementation of advanced technology.<sup>4</sup> As technology continues to progress, the job market will increasingly change in favor of those with more specialized training and education, which could further affect employment outcomes.<sup>5</sup> Florida has a vested interest in ensuring its workforce has the education needed not only to adapt to changing employment outlooks but also to take advantage of newly demanded occupations.

Even in economically stable times, educational achievement benefits individuals, localities, and the state. Education beyond a high school diploma increases the likelihood of employment and potential lifetime earnings, serving as a vehicle for economic mobility. If postsecondary education extends to underrepresented populations, local and state communities could benefit from increased consumer spending and decreased pressures upon public assistance programs, both of which would contribute to the strength of a community's economy and revenue.

Florida prioritizes developing its workforce by promoting the attainment of high-value credentials and degrees. Upon entering office, Governor DeSantis embodied this sentiment within Executive Order 19-31, proclaiming Florida's goal to become "the number one state in the nation for workforce education." This order not only focused on readying students for the necessary jobs of today but also considered the necessary growth for the in-demand jobs of tomorrow.<sup>6</sup>

1 Chief Executive, "#2 Florida," retrieved from <https://chiefexecutive.net/florida-19/>, access on December 10, 2021.

2 Florida College Access Network, "Talent Strong Florida," retrieved from <https://floridacollegeaccess.org/talent-strong-florida>, accessed on November 12, 2021.

3 Chief Executive, "#2 Florida," retrieved from <https://chiefexecutive.net/florida-19/>, access on December 10, 2021.

4 McKinsey Global Institute, "What 800 executives envision for the postpandemic workforce," retrieved from <https://www.mckinsey.com/featured-insights/future-of-work/what-800-executives-envision-for-the-postpandemic-workforce>, accessed on December 9, 2021.

5 McKinsey & Company, "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation," December 2017.

6 Ron DeSantis, "Governor Ron DeSantis Issues Executive Order 19-31," retrieved from <https://www.flgov.com/2019/01/30/governor-ron-desantis-issues-executive-order-19-31/>, accessed on November 12, 2021.

---

In 2019, the Florida Legislature demonstrated its support for educating the workforce by unanimously voting in favor of “SAIL to 60.” This goal aimed for 60 percent of working-age Floridians to have a postsecondary certificate, training, or degree by 2030 to better align business and education needs.<sup>7</sup> In 2019, the Lumina Foundation estimated that 52.8 percent of working age Floridians attained a postsecondary education, with 10.5 percent obtaining a short-term credential and 42.2 percent an associate degree or higher.<sup>8</sup>

Florida’s emphasis upon education has already built a capable foundation for inducing further growth. During the 2019-2020 school year, Florida’s high school graduation rate reached 90 percent, a leap of ten percentage points within a five-year period.<sup>9</sup> For the past five years, U.S. News and World Report ranked Florida as the best state for higher education in the country.<sup>10</sup> Localities strived to create postsecondary programs of greater accessibility and economic impact, demonstrated by projects such as the community-centric Broward UP.<sup>11</sup> Actions taken by governments and stakeholders across Florida have created an environment conducive to developing its workforce, but the state must utilize and build upon its strengths in order to realize the 60 percent attainment goal.

The results of Florida’s significant educational progress should continue across Florida’s diverse population. If all demographic groups achieved comparable levels of education and training beyond high school, Florida would stand to benefit from improved employment rates, higher lifetime earnings, higher tax revenues, and lower expenditures on public assistance programs, among other innumerable benefits. With higher levels of educational attainment to underrepresented communities, Florida can expect a significant return on investment.

7 Florida College Access Network, “Florida Adopts ‘Sail to 60’ Postsecondary Attainment Goal,” retrieved from <https://floridacollegeaccess.org/news/florida-adopts-sail-to-60-postsecondary-attainment-goal/>, accessed on November 12, 2021.

8 Lumina Foundation, “We are tracking Florida’s progress,” retrieved from <https://www.luminafoundation.org/stronger-nation/report/#/progress/state/FL&anchor-id=state-time>, accessed November 16, 2021.

9 Florida Department of Education, “Florida’s High School Cohort 2019-2020 Graduation Rate,” January 2021.

10 U.S. News and World Report, “Higher Education Rankings,” retrieved from <https://www.usnews.com/news/best-states/rankings/education/higher-education>, accessed on December 3, 2021.

11 Florida TaxWatch, “An Independent Assessment of the Value of Broward UP,” April 2021.

The COVID-19 pandemic exacerbated the challenge of ensuring educational growth. While its legacy upon current degree and certificate seekers will be clearer in the years to come, disruptions are already evident within enrollment rates. Universities and private colleges witnessed milder impacts, but the Florida College System experienced a nine percent drop of enrollment during the fall of 2020.<sup>12</sup> Diminishing enrollment is especially concerning for two-year public colleges since they provide low cost and widely accessible venues for educational achievement that enable upward social mobility.

Overcoming the challenges that undermine educational achievement across Florida’s diverse population will be indispensable to individual, community, and state success while also yielding innumerable fiscal and economic benefits. Florida TaxWatch undertakes this comprehensive, independent research project in two parts: The first part looks at the educational achievement rates across Florida’s demographic populations to identify current achievement gaps and the impacts of these gaps on Florida’s economy. The second part, to be released in the summer of 2022, will look at the direct and indirect economic and fiscal benefits to the state and its communities if educational achievement outcomes for various demographic populations in Florida were on par with current high performing groups. Florida TaxWatch will look at the additional wealth and personal income impact possible if demographic populations achieved at comparable levels. Florida TaxWatch will propose policy recommendations and calculate the return on investment to the state of Florida. Additionally, Florida TaxWatch will present expected non-monetary benefits from enhanced postsecondary achievement.

## FLORIDA STANDINGS

The U.S. Census Bureau has data regarding degree attainment but does not track postsecondary credentials, causing difficulty in determining the percentage of the workforce with a certificate or training. Florida has endeavored to better gather degree and non-degree credential data and tries to

12 The Florida College System, “The Florida College Factbook,” 2020 and 2021. Using Table FB 1.1T in each factbook, Florida TaxWatch calculated the decrease of first year enrollment from the 2019-2020 school year to the 2020-2021 school year: (433,755 enrollments - 392,894 enrollments) ÷ 433,755 enrollments = 9 percent difference of enrollment.

target credentials with high employment outcomes. The Florida Career and Professional Education Act requires a yearly audit of career and technical education programs to ensure the availability of quality programs.<sup>13</sup> In 2021, the Florida Legislature passed HB 1507, which enhanced Florida's data collection requirements and designated the CareerSource Florida state board to appoint a committee to determine which degrees and non-degree credentials hold high value for developing Florida's workforce.<sup>14</sup>

When evaluating data regarding education and training beyond high school, Florida's goal is for 60 percent of working-age Floridians to have a high value credential or degree by 2030.<sup>15</sup> The Lumina Foundation estimates that with the inclusion of credentials, Florida is still 8.2 percent away from fulfilling the 60 percent attainment goal.<sup>16</sup> To reach the state's goal, about 900,000 people need an education or training beyond high school.<sup>17</sup> Other states are already nearing or surpassing 60 percent attainment.<sup>18</sup>

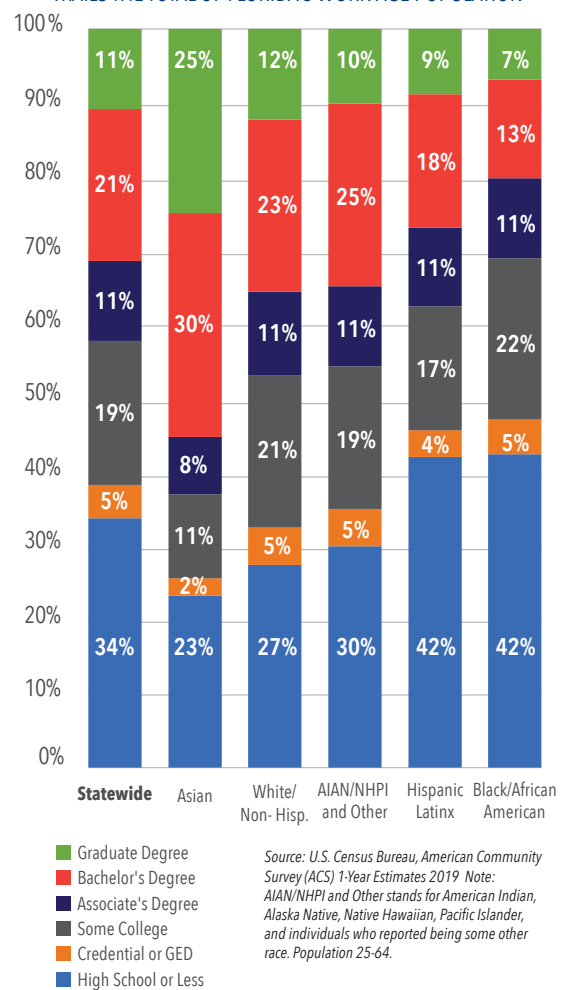
Current estimates from the U.S. Census Bureau depict a considerable percentage of residents with a postsecondary education. Data show 43 percent of working-age Floridians with an associate's degree or higher and 34 percent having a high school degree or less.<sup>19</sup> While the percent pursuing an education beyond high school seems promising, 19 percent completed some college without obtaining a degree, exemplifying the importance of retention rates when considering educational attainment goals.<sup>20</sup>

13 Florida Department of Education, "Florida's CTE Audit: Statewide Review of Programs," January 24, 2020.  
 14 House of Representatives, "House of Representatives Staff Final Bill Analysis," July 2021. See, <https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?FileName=h1507z1.SEC.DOCX&DocumentType=Analysis&BillNumber=1507&Session=2021>.  
 15 Florida TaxWatch uses data from the population with ages 25 through 64 to compose "working-age" population.  
 16 Lumina Foundation, "We are tracking Florida's progress," retrieved from <https://www.luminafoundation.org/stronger-nation/report/#/progress/state/FL&anchor-id=state-time>, accessed November 16, 2021.  
 17 U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates. The ACS estimates Florida's working age population, ages 25 through 64, to be around 10,988,897. Florida TaxWatch calculated that 8.2 percent of the total is 901,090 when rounded to the nearest whole number. See, [https://data.census.gov/mdat/#/search?ds=ACSPUMSTY2019&v=AGEP\(25:64\)&v=ucgid&wt=PWGTP&g=0400000US12](https://data.census.gov/mdat/#/search?ds=ACSPUMSTY2019&v=AGEP(25:64)&v=ucgid&wt=PWGTP&g=0400000US12).  
 18 U.S. News and World Report, "Higher Education Rankings," retrieved from <https://www.usnews.com/news/best-states/rankings/education/higher-education>, accessed on December 3, 2021.  
 19 U.S. Census Bureau, American Community Survey (ACS), Year-1 Estimates 2019.  
 20 U.S. Census Bureau, American Community Survey (ACS), Year-1 Estimates 2019.

## RACE AND ETHNICITY

The overall working-age population is progressing toward the statewide attainment goal, but different demographic groups are experiencing dissimilar rates of progress.<sup>21</sup> Compared to other demographic groups, Asian and White adults have the greatest proportion of postsecondary degrees (see Figure 1 below). Around three in five Asian and close to one in every two White adults have an associate's degree or higher. These rates of educational attainment do not extend to all groups, however.<sup>22</sup>

FIGURE 1. EDUCATIONAL ATTAINMENT FOR HISPANICS AND BLACKS TRAILS THE TOTAL OF FLORIDA'S WORK-AGE POPULATION



The Hispanic and Black populations are farthest from the state's goal of 60 percent postsecondary attainment (see

21 The U.S. Census Bureau does not provide credential data disaggregated by demographic populations, so it is not evaluated with the same datapoints as degrees within this section.  
 22 U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates 2019. When measuring the educational attainment by demographic, Florida TaxWatch constrained the data to ages 25 through 64 to represent the working-age population. Florida TaxWatch combined American Indians, Alaska Natives, Native Hawaiians, Pacific Islanders, and persons categorized as "other" into one category due to their small sample size. Note, certificate attainment is not available for disaggregated populations.

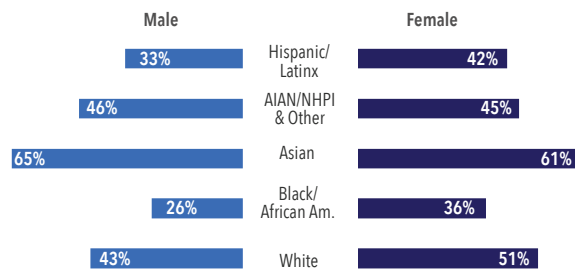
Figure 1 above). While the percentages of populations earning credentials or General Educational Development (GED), some college, and an associate's degree are comparable among all demographic groups, the percentages of Hispanic and Black populations earning a bachelor's degree or higher are significantly smaller than the predominant groups of the highest attainment levels. Thirty-two percent of the state's working-age population and 55 percent of the highest performing demographic have a bachelor's degree or higher; however, only 27 percent of Hispanic adults and 20 percent of Black adults reach the same level of educational attainment.<sup>23</sup>

The American Indian, Alaska Native, Native Hawaiian, and Pacific Islander populations are represented by the group AIAN/NHPI. Due to small population sizes, these groups are also listed with people denoted as Other, a population not associated with any of the racial or ethnic groups. Even combined, AIAN/NHPI and Other only hold a combined 72,000 persons while the other groups have population sizes in the millions. Of the members in this group, seven in ten pursued a postsecondary education and 46 percent attained an associate's degree or higher, nearly matching the rates of White adults (see Figure 1).<sup>24</sup>

## GENDER

As illustrated in Figure 2, gender is another demographic to consider. Within several racial groups, there are stark contrasts between the percentage of males and females seeking higher education. For Hispanic, Black, and White groups, the percentages of females with an associate's degree or higher are between eight to ten percentage-points greater than their male counterparts. Asian and the AIAN/NHPI and Other populations have smaller percent differences among their genders and men outperform females.<sup>25</sup>

FIGURE 2. WITHIN MOST OF FLORIDA'S WORKING-AGE RACIAL AND ETHNIC POPULATIONS, HIGHER SHARES OF WOMEN EARN A DEGREE COMPARED TO MALE COUNTERPARTS<sup>25</sup>



Populations underrepresented within higher education provide Florida an opportunity to strengthen its workforce. If underrepresented populations completed degrees and credentials at rates similar to high performing groups, Florida could reap economic and fiscal benefits. These populations could have greater job security and higher earnings, which leads to higher spending, higher sales tax contributions, and less reliance upon public assistance programs. As Florida strategizes enhancing its workforce, it should consider the return upon investing in underrepresented populations.<sup>26</sup>

## ECONOMIC IMPACTS

The COVID-19 pandemic stressed Florida's economy, revealing the effects a changed environment has upon an unprepared workforce as well as the resiliency of careers requiring an education or training beyond high school. As Florida overcomes the disruptions of the pandemic, it is entering a new economy with higher implementation of technology, and the influence of technology is only expected to increase in the years to come.

COVID-19 pushed society to integrate technology in the workplace faster than anticipated, and the people who typically benefited from the resulting changes were those with a postsecondary education. Employers needed to limit employee interactions to avoid spreading illness, causing some companies to replace jobs that do not need an educational requirement, such as cleaning, sorting, and customer communication, with artificial intelligence.<sup>27</sup> Even

23 U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates, 2019.

24 U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates, 2019.

25 U.S. Census Bureau, American Community Survey (ACS), 1-Year Estimates, 2019.

26 In Florida TaxWatch's second report, we will calculate the return upon investment of underrepresented populations.

27 McKinsey Global Institute, "What 800 executives envision for the postpandemic workforce," retrieved from <https://www.mckinsey.com/featured-insights/future-of-work/what-800-executives-envision-for-the-postpandemic-workforce>, accessed on December 9, 2021.

though the state reopened brick and mortar businesses, the steps toward greater utilization of technology will likely continue.

Employers are not viewing technology as a short-term solution during an unprecedented time; it is a long-term investment. With 83 percent of executives in the United States reporting faster adoption of automation during the pandemic,<sup>28</sup> their high rate of technological implementation could permanently replace traditionally paid tasks with automation. Stakeholders in the economy will need to contemplate how to reallocate and retrain the workforce. Technology's impact, as well as the education needed to utilize it, will remain unignorable.

### **FUTURE MARKET NEEDS**

Florida should bolster educational achievement to remain economically competitive within an increasingly specialized and technological job market. The McKinsey Global Institute estimated 50 percent of activities people are currently paid to perform can be replaced with technology.<sup>29</sup> These activities are performed by a range of occupations with varying educational needs, which means even workers with degree and non-degree credentials may need to continue their education. If the workforce is ready for change, Florida could leverage technology to promote higher productivity, which would enable wage growth.

With further implementation of technology, the United States should expect a decline of occupations performing in retail sales, office support, and jobs with predictable environments such as food preparation.<sup>30</sup> These fields coincide with Florida's highest employed fields: office and administrative support, sales and related occupations, food preparation and servers, and retail sales workers.<sup>31</sup> Combined, these types of occupations employed 4.1 million people in 2020, which was

44 percent of Florida's total employed population.<sup>32</sup> Technology stands to affect many workers, but with preparation, it can affect them in positive ways.

The McKinsey Global Institute reports that while further integration of technology causes a loss of jobs, it will also result in new jobs.<sup>33</sup> For advanced economies, such as the United States, occupations requiring a college degree or higher are expected a net growth while occupations requiring a secondary education or less anticipate a net decline from automation.<sup>34</sup> To prepare for disruptions in fields of high employment and to take advantage of new demands, Florida should consider the necessary postsecondary education needed to ready workers for updated job roles and new occupations.

The Florida Department of Economic Opportunity (DEO) monitors job trends to try to determine which occupations should expect the most growth.<sup>35</sup> Their projections for 2021-2029 show that 70 percent of Florida's 100 fastest growing occupations require a postsecondary education.<sup>36</sup> Preparing people for these jobs not only helps satisfy current demands but can also help workers begin occupations with the potential of remaining relevant throughout their years in the workforce.

### **DEMANDED CERTIFICATES AND DEGREES**

Of the 70 occupations requiring a postsecondary education that DEO projected would grow the fastest, 38 will need a degree and 31 will need training, license, or certificate, which DEO categorized as "postsecondary."<sup>37</sup> Table 1 below depicts the ten fastest growing jobs requiring a postsecondary

28 McKinsey Global Institute, "What 800 executives envision for the postpandemic workforce," retrieved from <https://www.mckinsey.com/featured-insights/future-of-work/what-800-executives-envision-for-the-postpandemic-workforce>, accessed on December 9, 2021.

29 McKinsey & Company, "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation," December 2017.

30 McKinsey & Company, "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation," December 2017.

31 Florida Department of Economic Opportunity, "2020 - 2028 Occupational Employment Projections," n.d.

32 Using the Occupational Data Search from Florida Department of Economic Opportunity, Florida TaxWatch analyzed the 2020-2028 Occupational Employment Projections. TaxWatch sorted the list from most employed to least employed occupations of 2020. The top four occupations were added to reach 4.1 million, and the sum was divided by the total within all occupations to obtain the combined percentage of the four occupations within the total employed population.

33 McKinsey & Company, "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation," December 2017.

34 McKinsey & Company, "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation," December 2017.

35 Florida Department of Economic Opportunity, "2021 - 2029 Occupational Employment Projections," n.d.

36 Florida Department of Economic Opportunity, "2021 - 2029 Occupational Employment Projections," n.d. Florida TaxWatch counted the occupations labeled postsecondary, associate's degree, bachelor's degree, and master degree or higher. The sum was then divided by the total number of listed occupations to attain the percentage.

37 Florida Department of Economic Opportunity, "2021 - 2029 Occupational Employment Projections," n.d.



education, showing the variety of educational pathways that are demanded in Florida.<sup>38</sup> Both postsecondary credentials and degrees are valuable opportunities.

TABLE 1. FASTEST GROWING OCCUPATIONS REQUIRING A POSTSECONDARY OCCUPATION SHOW A VARIETY OF EDUCATIONAL NEEDS

State Occupation Title	Percent Growth	Median Hourly Wage in 2020	FL
Nurse Practitioners	56.5%	\$48.53	Masters or Higher
Information Security Analyst	39.4%	\$44.86	Postsecondary
Cooks, Restaurant	37.9%	\$13.86	Postsecondary
Physician Assistants	37.7%	\$52.96	Bachelor's
Massage Therapists	31.7%	\$17.49	Postsecondary
Software Developers and Software Quality Assurance Analysts and Testers	30.9%	\$46.26	Bachelor's
Physical Therapist Assistants	30.6%	\$30.12	Associate
Operations Research Analysts	29.5%	\$31.40	Masters or Higher
Audio and Video Equipment Technicians	29.1%	\$20.05	Associate
Market Research Analysts & Marketing Specialists	27.7%	\$26.82	Bachelor's

Source: Florida Department of Economic Opportunity's 2021-2029 Statewide Projections

Training, licenses, and certificates increase the accessibility of high-value skills due to their low costs, short and flexible time requirements, and multitude of locations. Florida's Workforce Education Initiative promotes 28 state colleges and 48 technical colleges that provide pathways for certificates, industry certifications, and advanced technology degrees.<sup>39</sup> The Florida Career and Professional Education Act expanded certification opportunities to high school students.<sup>40</sup> Certain employers will even pay for employees to pursue

certifications in order to mediate internal skill gaps.<sup>41</sup> Due to their wide accessibility, postsecondary credential programs are especially helpful to students with low funds, adult learners seeking a career change, and people trying to increase their skillsets during economic downturns.<sup>42</sup>

While participants lose potential workable hours to complete their education, the outcome of obtaining a credential tends to be significant. Those with credentials typically earn a higher salary than high school graduates.<sup>43</sup> Data from 2019 reported \$43,620 as the average annualized earnings of those completing a postsecondary vocational certificate within the Florida College System, compared to high school graduates earning \$25,644.<sup>44</sup> The Florida College System has also reported high levels of completers finding work or pursuing additional education. Of those completing a postsecondary adult career and technical education program in 2019, 81 percent were employed and 23 percent were enrolled in a postsecondary school by the fall of the same year.<sup>45</sup>

The higher the education, the more time and money must be committed to its pursuit; however, higher levels of education produce more fruitful long-term outcomes. The State University System, independent colleges and universities, and the Florida College System provide opportunities for students to pursue degrees, ranging from associate's degrees to graduate degrees. The salaries of graduates also show remarkable growth over time, with the State University System reporting median annual wages of bachelor's graduates being \$40,800 one year after graduation, \$54,600 five years after graduation, and \$63,900 ten years after graduation.<sup>46</sup> These higher salaries can accumulate to significantly higher lifetime earnings, making the level of education an important factor for young workers deciding their desired career path in the workforce.

38 Florida Department of Economic Opportunity, "2021 - 2029 Occupational Employment Projections," n.d. Florida TaxWatch filtered the 100 Fastest Growing Occupations list to only show occupations needing a postsecondary education. Florida TaxWatch made a table based upon the remaining information.

39 Florida's Workforce Education Initiative, "Our Colleges," *Florida Department of Education*, retrieved from <https://gettherefl.com/colleges/>, accessed on December 10, 2021.

40 Florida Department of Education, "Florida Students Get CERTIFIED!" n.d. Based on data from 2017-2018 school year.

41 The Society for Human Resource Management, "Upskilling Benefits Companies and Employees," May 2020.

42 Florida's Workforce Education Initiative, "Our Colleges," *Florida Department of Education*, retrieved from <https://gettherefl.com/colleges/>, accessed on December 10, 2021.

43 Florida Department of Education, "Average Annualized Earning by Education Level," n.d. Based on data from 2019.

44 Florida Department of Education, "Average Annualized Earning by Education Level," n.d. Based on data from 2019.

45 Florida Department of Education, "Annual Outcomes Report," December 2020.

46 State University System of Florida, "Baccalaureate Follow-up Study: Employment and education Outcomes 1, 5, and 10 Years After Graduation," August 2020.

## EARNINGS AND SPENDING

The relationship of earnings and spending is integral to the economy. Table 2 organizes the data of the 100 fastest growing jobs in Florida by educational attainment and estimates annual earnings based upon reported median wages.<sup>47</sup> More than half of the occupations projected to grow the fastest require a form of postsecondary education and the estimates suggest that these occupations have higher earning outcomes compared to fast growing occupations without education requirements.<sup>48</sup>

TABLE 2. WITHIN FLORIDA'S 100 FASTEST GROWING JOBS, POSTSECONDARY EDUCATION RECIPIENTS HAVE HIGHER EARNING OUTCOMES

Educational Requirements	Total Jobs	Range of Median Hourly Wages (2020)	Median of Hourly Wages (2020)	Annualized Hourly Wage
No Postsecondary	30	\$9.76 - \$24.55	\$13.50	\$28,080
None	18	\$9.76 - \$16.54	\$11.09	\$23,067
High school	12	\$11.26 - \$24.55	\$13.69	\$28,475
All Postsecondary	70	\$11.03 - \$93.05	\$25.47	\$52,978
Postsecondary, no degree	32	\$11.03 - \$44.86	\$18.15	\$37,752
Associate's degree	11	\$16.63 - \$46.26	\$28.65	\$59,592
Bachelor's degree	16	\$19.35 - \$65.61	\$43.40	\$90,272
Master's or higher	11	\$19.05 - \$93.05	\$41.02	\$85,322

Source: Florida Department of Economic Opportunity's 2021-2029 Statewide Projections. Note: Only jobs on Florida's 100 Fastest-Growing Occupations list are used. The median of hourly wages is calculated using the median hourly wages of independent occupations provided upon Florida's 100 Fastest-Growing Occupations list. The annualized wage is an estimate calculated by multiplying the median hourly wage by 40 hours and 52 weeks.

47 Florida TaxWatch created a table using the 100 Fastest Growing Occupations list created by the Florida Department of Education. Florida TaxWatch counted the jobs by their labels and added occupation types to determine the total number of jobs and recorded the median of the median hourly wages of all jobs within each educational attainment category of the 100 Fastest Growing Occupations list. The median of the median hourly wages were multiplied by 52 weeks and 40 hours to attain estimated yearly earnings.

48 Of the 100 fastest growing occupations of 2021, the following occupations are not represented within the financial estimates due to lacking a 2020 Median Hourly Wage: Health Specialties Teachers, Postsecondary (requires Master's degree or higher), Commercial Pilots (requires postsecondary education), Flight Attendants (requires high school diploma), and Coaches and Scouts (requires high school diploma).

Higher earnings are not only important for individuals but also influence the entire economy. If residents are working jobs with higher wages, they may have more discretionary funds to spend on goods. Historical spending patterns indicate that homes with a member attaining higher levels of education spend proportionately greater amounts on household operations, leisure, and education.<sup>49</sup> Higher rates of spending upon goods and services produces a fruitful landscape for local businesses.

National data from the U.S. Census suggests that households headed by a member with higher levels of education spend more money within the economy. An average household headed by a member with only a high school diploma spends \$35,036, 87.3 percent of their total income.<sup>50</sup> Nearly doubling the expenditures of a high school graduate, the average household headed by a bachelor's degree holder spends \$63,373, 68.6 percent of their total income.<sup>51</sup> Spending more money provides more stimulus to the economy and spending a smaller percentage of their income allows the bachelor degree holder more money within their savings, which can be used to keep them self-sufficient within unexpected circumstances.

## FISCAL IMPACTS

Florida could earn additional tax revenue and save on public assistance expenditures if educational achievement rose to be more comparable across the state. Educational achievement has a positive correlation with consumption, giving state and local governments more opportunities to collect taxes. When citizens have the skillset needed to find gainful employment, they are more likely to rely upon their income to support their needs rather than upon safety-net programs. Educational achievement could be a worthy investment for the state's budget.

49 U.S. Bureau of Labor Statistics, "New Education Classification Better Reflects Income and Spending Patterns in the Consumer Expenditure Survey," January 2014.

50 Visual Capitalist, "How Americans Make and Spend Their Money, by Education Level," retrieved from <https://www.visualcapitalist.com/how-americans-make-and-spend-their-money-by-education-level>, accessed on January 3, 2022. Note, in this study, the income of a high school graduate averaged at \$35,036 with \$9,008 coming from social security.

51 Visual Capitalist, "How Americans Make and Spend Their Money, by Education Level," retrieved from <https://www.visualcapitalist.com/how-americans-make-and-spend-their-money-by-education-level>, accessed on January 3, 2022. Note, in this study, the income of a high school graduate averaged at \$35,036 with \$9,008 coming from social security.

---

## INCREASING TAX REVENUE

National studies support that higher attainment levels often contribute more taxes to their local, state, and federal government. Using data from 2018, the College Board estimated that bachelor's degree graduates paid \$7,100 more in taxes than high school graduates. The median taxes produced by those with a professional degree was more than 3.7 times as high as those of high school graduates. These taxes benefit all levels of government.<sup>52</sup>

Unlike most states, Florida does not have an income tax, but greater educational achievement still correlates with increased tax revenue. Studies demonstrate that consumers with higher income levels tend to spend more on products, personal services, and housing.<sup>53</sup> Since education and trainings beyond high school correlate with higher incomes, Florida can expect to gain more money through its 6 percent sales taxes, as well as property taxes, from those with greater educational achievement. Localities can also gain money from increased spending if they have implemented a surtax.

## PUBLIC ASSISTANCE PROGRAMS

Public assistance programs are a huge portion of the state's budget. For example, in the 2021-2022 budget, Florida dedicated \$36.1 billion of funds to Medicaid and Temporary Assistance for Needy Families (TANF).<sup>54</sup> This amounts to 35.5 percent of the total state budget. Finding ways to reduce reliance upon these programs and increasing self-sufficiency hold positive outcomes for the state.

Educational achievement holds relationships with many variables that stress public assistance programs. In the second report on this subject, to be released in the Summer of 2022, Florida TaxWatch will consider education's relationship with the following safety net programs that provide services and benefits to low-income Floridians:

- Supplementary Nutrition and Assistance Program (SNAP);
- Temporary Assistance for Needy Families (TANF); and
- Medicaid.

## LOOKING AHEAD

As Florida navigates a world forever changed by COVID-19 and technology's rising influence, stakeholders and policymakers should contemplate the advantages of increasing educational achievement across Florida's diverse population. Enhanced education and training beyond high school not only helps individuals accumulate wealth and build self-sufficiency but it also fiscally and economically benefits communities and the state. As Florida aims toward higher rankings within the world economy, educational achievement can be a viable strategy for growth. An overarching goal is to reach the "Sail to 60" goal and move Florida's economy into the world's top ten. Achieving comparable educational achievement rates among all demographic groups is one way to get there.

<sup>52</sup> The College Board, "Education Pays 2019: The Benefits of Higher Education for Individuals and Society," 2019.

<sup>53</sup> U.S. Bureau of Labor Statistics, "New Education Classification Better Reflects Income and Spending Patterns in the Consumer Expenditure Survey," January 2014.

<sup>54</sup> Florida TaxWatch, "The Taxpayers Guide to Florida's FY2021-22 State Budget," June 2021.



## ABOUT FLORIDA TAXWATCH

As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the citizens of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs. Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on citizens and businesses.

Florida TaxWatch is supported by voluntary, tax-deductible donations and private grants, and does not accept government funding. Donations provide a solid, lasting foundation that has enabled Florida TaxWatch to bring about a more effective, responsive government that is accountable to the citizens it serves since 1979.

---

### FLORIDA TAXWATCH RESEARCH LEADERSHIP

DOMINIC M. CALABRO	President & CEO
TONY CARVAJAL	Executive Vice President
ROBERT G. NAVE	Sr. VP of Research
KURT WENNER	Sr. VP of Research
STEVE EVANS	Senior Advisor

### FLORIDA TAXWATCH VOLUNTEER LEADERSHIP

U.S. SENATOR GEORGE LEMIEUX	Chairman
PIYUSH PATEL	Chairman-Elect
JAMES REPP	Treasurer
MARVA BROWN JOHNSON	Secretary
SENATOR PAT NEAL	Imm. Past Chairman

---

### RESEARCH PROJECT TEAM

TONY CARVAJAL	<i>Executive Vice President</i>	
MEG CANNAN	<i>Research Analyst</i>	Primary Author
CHRIS BARRY	<i>Vice President of Communications &amp; External Affairs</i>	Design, Layout, Publication


All Florida TaxWatch research done under the direction of Dominic M. Calabro, President, CEO, Publisher & Editor.


The findings in this Report are based on the data and sources referenced. Florida TaxWatch research is conducted with every reasonable attempt to verify the accuracy and reliability of the data, and the calculations and assumptions made herein. Please feel free to contact us if you feel that this paper is factually inaccurate. The research findings and recommendations of Florida TaxWatch do not necessarily reflect the view of its members, staff, Executive Committee, or Board of Trustees; and are not influenced by the individuals or organizations who may have sponsored the research.



### Stay Informed

 [floridatxwatch.org](http://floridatxwatch.org)

 [@floridatxwatch](https://www.facebook.com/floridatxwatch)

 [@floridatxwatch](https://twitter.com/floridatxwatch)

 [@fttaxwatch](https://www.youtube.com/fltaxwatch)

Florida TaxWatch  
106 N. Bronough St.  
Tallahassee, FL 32301

o: 850.222.5052  
f: 850.222.7476

Copyright © January 2022  
Florida TaxWatch  
Research Institute, Inc.  
All Rights Reserved