

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Environmental Preservation and Conservation Committee

BILL: SB 560

INTRODUCER: Senator Dean

SUBJECT: Water Management Districts

DATE: November 28, 2011 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Uchino	Yeatman	EP	Pre-meeting
2.			GO	
3.			BC	
4.				
5.				
6.				

I. Summary:

This bill provides the water management districts (WMDs) greater flexibility to:

- Enter into interagency agreements for resource study and management for impacts to water resources that cross WMD boundaries;
- Apply an adjoining WMD’s reservations, minimum flows and levels (MFLs), and recovery or prevention strategies without having to undertake rulemaking to adopt them; and
- Allows a WMD to offer its employees and the employees of another WMD a group health insurance program in order to minimize health insurance premiums.

This bill substantially amends sections 373.046, 373.223 and 373.605, Florida Statutes.

II. Present Situation:

Interagency Agreements

Subsection 373.046(6), F.S., currently allows the WMDs to enter into an interagency agreement designating one WMD with regulatory responsibilities for the geographic area of projects that affect multiple WMDs or a local government. However, the WMDs do not have the statutory authority to enter into similar agreements for non-regulatory resource management activities, studies or projects. In addition, a WMD may not fund resource management activities in another WMD even if some benefits inure to it from the activities.

Conditions for Issuance of Consumptive Use Permits

The WMDs were established along surface hydrological boundaries. As Florida's population has grown and groundwater pumping increased, withdrawals along the boundary of one WMD can cause significant harm to the resources in an adjoining WMD. Such effects are becoming more common as technological advances have provided better data on groundwater resources. While a WMD has the authority to protect all water resources, including water bodies in an adjacent WMD, it cannot use the adopted reservation, MFL, and recovery and prevention strategies adopted by a neighboring WMD without separately going through its own rule making process. The current statutory authority may result in duplication of effort and rulemaking activity when a withdrawal affects water bodies in adjoining WMDs. It can also create inconsistent and inequitable treatment of water use permit applicants.

The goal of establishing MFLs is to ensure there is enough water to satisfy the consumptive use of the water resource without causing significant harm to the resource. By establishing MFLs for non-consumptive uses, the WMDs are able to determine how much water is available for consumptive use. This is useful when evaluating a new consumptive use permit (CUP) application.

Section 373.042, F.S., requires the Department of Environmental Protection (DEP) or WMDs to establish MFLs for priority water bodies to prevent significant harm from water withdrawals. However, the WMDs have thus far been solely responsible for establishing MFLs. The WMDs submit annual MFL priority lists to the DEP for review and approval. MFLs are considered rules by the WMDs and are subject to chapter 120, F.S., challenges. MFLs are established using the best available data and are independently and scientifically peer reviewed. To date, 322 MFLs have been adopted and 200 are on the current priority lists from the WMDs.

Health Insurance Benefits for Employees of WMDs

Section 373.605, F.S., authorizes the WMDs to provide group insurance programs for their employees. However, no legislative authority exists for WMDs to pool their employees to negotiate better insurance rates. Each WMD provides its own insurance programs. WMDs with smaller workforces have difficulty providing plans with adequate coverage at competitive rates. In addition the quality of health care plans provided currently varies widely among WMDs.

III. Effect of Proposed Changes:

Section 1 amends s. 373.046, F.S., to allow the WMDs to enter into interagency agreements to share funding and resource management responsibilities for activities, studies or projects for resources that affect multiple WMDs in a geographic area. This section does not apply to shared regulatory responsibilities already provided for in subsection 373.046(6), F.S. In addition, this section allows a WMD to provide funding assistance to another WMD for resource management activities, studies or projects if the funding WMD receives some or all of the benefits of the resource management activities.

Section 2 amends s. 373.223, F.S., to allow a WMD to use and consider an adjoining WMD's reservations, minimum flows and levels, and recovery and prevention strategies without adopting

them by rule when determining the effect a proposed CUP may have on an adjoining WMD's water resources. The WMD may not issue the CUP if doing so would violate the adjoining WMD's reservations, minimum flows and level, and recovery and prevention strategies. If a party brings a chapter 120, F.S., challenge, the WMD that adopted the rule is responsible for defending it.

Section 3 amends s. 373.605, F.S., to allow a WMD to offer its employees and the employees of other WMDs a group health insurance program. It also deletes an obsolete section.

Section 4 provides an effective date of July 1, 2012.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

This bill will result in a positive but indeterminate fiscal impact to the WMDs. It may also allow for streamlining of some administrative and non-regulatory functions.

VI. Technical Deficiencies:

The word "health" was inadvertently added on line 53 of the bill. Currently the WMDs offer other types of insurance benefits to their employees in addition to health insurance. The word "health" should be stricken to continue to allow the WMDs to offer the types of insurance benefits to their employees that they are currently authorized to offer. Otherwise the WMDs would be statutorily limited to only offering health insurance benefits.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
