

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 Committee on Appropriations

BILL: CS/CS/SB 1018

INTRODUCER: Appropriations Committee (Recommended by Appropriations Subcommittee on the Environment and Natural Resources); Environmental Preservation and Conservation Committee; and Senators Grimsley and Galvano

SUBJECT: Contaminated Site Cleanup

DATE: April 26, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Mitchell</u>	<u>Rogers</u>	<u>EP</u>	<u>Fav/CS</u>
2.	<u>Reagan</u>	<u>Betta</u>	<u>AEN</u>	<u>Recommend: Fav/CS</u>
3.	<u>Reagan</u>	<u>Hansen</u>	<u>AP</u>	<u>Fav/CS</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1018 creates the Public Notice of Pollution Act. The bill defines a reportable pollution release as a release to the air, land, or water that is discovered by the owner or operator of an installation, is not authorized by law, and is:

- Reportable to the State Watch Office;
- Reportable to the Department of Environmental Protection (DEP) or a contracted county pursuant to rules governing storage tank systems;
- Reportable to the DEP pursuant to rules governing underground injection control systems;
- A hazardous substance; or
- An extremely hazardous substance.

The owner or operator of any installation where a reportable pollution release occurs must provide a notice of the release to the DEP. The notice must be submitted to the DEP within 24 hours after discovery of the reportable pollution release and must contain detailed information described in the bill about the installation, the substance, and the circumstances surrounding the release. The bill also requires additional notice to the DEP if a release migrates outside the property boundaries of the installation.

The bill requires the DEP to publish each notice to the Internet within 24 hours after the DEP receives it. The DEP must also create a system for electronic mailing that allows interested

parties to subscribe to and receive direct announcements of notices received by the DEP. The DEP must establish an email address and an online form so that installation owners and operators are able to submit a notice of a reportable pollution release electronically. The bill provides that submitting a notice of a reportable pollution release does not constitute an admission of liability or harm. Finally, the bill provides for \$10,000 per day in civil penalties for violations of these notice requirements and authorizes the DEP to adopt rules to administer these provisions.

The bill provides for the advancement ahead of priority ranking for the rehabilitation of individual petroleum contaminated sites proposed for redevelopment; the elimination of the 25 percent cost-share requirement for the advanced cleanup of such sites; a \$5 million increase in the annual funding available to the Department of Environmental Protection (DEP) for petroleum rehabilitation advance cleanup work; advanced site assessments for certain sites contaminated with drycleaning solvents; and a \$5 million increase in the amount of annual voluntary cleanup tax credit funding DEP is authorized to allocate.

The bill increases expenditures from the Inland Protection Trust Fund by \$5 million annually. The bill will reduce revenues deposited into the General Revenue Fund by \$5 million annually based on a higher volume of tax credits. The DEP will incur minimal costs as a result of the newly established reporting requirements and initiation of the rule making process for pollution events.

II. Present Situation:

Public Notice

Many commercial, industrial, agricultural, and utility operations and entities are required to report various releases, discharges, or emissions as a condition of permitted operations or pursuant to law or rule. Under state law, to the extent notification is required, it typically must be made to the Department of Environmental Protection (DEP).¹ In some cases, notice to the DEP is provided to the State Watch Office, an emergency communications center in the Division of Emergency Management. The State Watch Office, also known as the State Warning Point, serves as Florida's primary point of contact for a wide variety of both natural and man-made emergencies. It serves as the contact point in Florida for communications between local governments and emergency agencies of both the state and federal governments and also provides emergency information to newspapers and radio and television stations.² Examples of notification to the State Watch Office include DEP rule requirements for notification of petroleum discharges,³ wastewater discharges,⁴ and releases of hazardous substances,⁵ and a DEP statutory and rule requirement for notification of a discharge of drycleaning solvents.⁶ Requirements to notify the State Watch Office may also appear in DEP orders, permits, or variances, if required or authorized.

¹ See, e.g., ss. 377.371(2), 376.30702, 403.862(1)(b), and 403.93345(5), F.S.; Fla. Admin. Code R. 62S-6.022.

² Division of Emergency Management, *Florida State Watch Office*, <http://www.floridadisaster.org/Response/Operations/swp.htm> (last visited February 28, 2017); see, e.g., Fla. Admin. Code R. 27P-14.011.

³ Fla. Admin. Code R. 62-780.210(1) and Fla. Admin. Code R. 62S-6.022.

⁴ Fla. Admin. Code R. 62-620.610 and Fla. Admin. Code R. 62-604.550

⁵ Fla. Admin. Code R. 62-150.300.

⁶ Section 376.3078(9)(c) and Fla Admin. Code R. 62-780.210(2).

Notifications directly to the DEP or a county under contract with the DEP to perform compliance verification activities are required for certain releases or discharges of pollutants, including petroleum products, pesticides, ammonia, chlorine, hazardous substances, and specified mineral acids from underground or aboveground storage tanks.⁷ Notification is also required to be made to the DEP of any noncompliance with an underground injection control permit that may endanger health or the environment.⁸ Requirements for notifications of the release of hazardous substances in DEP rule define “hazardous substance” and “extremely hazardous substance” by referencing definitions in federal regulations.⁹ Those federal regulations contain extensive lists of substances defined as hazardous substances and extremely hazardous substances.¹⁰ In certain circumstances, statutes and rules require the owner or operator of an installation to directly notify a local government or the public of actions taken or conditions or occurrences at installations.¹¹

At present, there is no comprehensive notice requirement that all releases of substances be reported under state law. There is also no requirement in current law that all such reporting be accessible to the public.

Public Notice Rule

In response to recent pollution incidents, the DEP initiated rulemaking in 2016 to establish a requirement for notification of releases of pollution from installations throughout the state. On September 27, 2016, the DEP published an emergency rule. The following day, the DEP published a notice of proposed rule with the same language. The emergency rule was in effect during the development of the proposed rule. The proposed rule would have:

- Required owners and operators of installations¹² to provide a notification of pollution within 24 hours of the incident resulting in the pollution or the discovery of the pollution to:
 - The DEP;
 - Local government officials; and
 - The general public.¹³ Notification to the general public under the proposed rule would have required an owner or operator to provide notice of the pollution to local broadcast television affiliates and a newspaper of general circulation in the area of the contamination.
- Required further notifications by owners and operators of installations on the status of the pollution.
- Provided that failure to give a notification of pollution subjected an owner or operator to statutory penalties of up to \$10,000 per day.¹⁴

⁷ Sections 376.303 and 376.322, F.S., Fla. Admin. Code R. 62-761.440, Fla. Admin. Code R. 62-762.441.

⁸ Fla. Admin. Code R. 62-528.307(1)(x).

⁹ Fla. Admin. Code R. 62-150.200 and Fla. Admin. Code R. 62-150.300.

¹⁰ 40 C.F.R. s. 302.4 and 40 C.F.R. part 355, Appendices A and B.

¹¹ See, e.g., s. 376.707(11), F.S., Fla. Admin. Code R. 62-550.828, Fla. Admin. Code R. 62-560.410(1)(a), Fla. Admin. Code R. 62-761.405(3) and (4), Fla. Admin. Code R. 62-761.430, Fla. Admin. Code R. 62-761.440, Fla. Admin. Code R. 62-762.411, Fla. Admin. Code R. 62-762.431, Fla. Admin. Code R. 62-762.441, Fla. Admin. Code R. 62-560.400, Fla. Admin. Code R. 62-560.410, Fla. Admin. Code R. 62-560.430.

¹² An installation is defined in s. 403.031(4), F.S., as “any structure, equipment, or facility, or appurtenances thereto, or operation which may emit air or water contaminants in quantities prohibited by rules of the department.”

¹³ Proposed Rule 62-4.161, Florida Administrative Register Vol. 42/No. 189.

¹⁴ *Id.*

Following publication of the proposed rule, the DEP received three written proposals for a lower cost regulatory alternative (LCRA) to the rule. The DEP prepared a statement of estimated regulatory costs (SERC) for the rule in response to the proposed LCRAs, as required by s. 120.541(1), F.S.¹⁵ In the SERC, the DEP estimated regulatory costs of \$182,000 per year, a calculation based on the number of notifications made under the newly-minted emergency rule. The LCRAs proposed that the rule be altered to require the DEP to provide notification to local government officials and the general public and that notification requirements under the rule be loosened. The DEP rejected the proposals because it determined that installations in compliance with law would have no costs under the rule and other proposals were inconsistent with the intent of the rule.¹⁶

A notice of change for the proposed rule was published on November 15, 2016. In the change notice, the DEP altered the proposed rule by expanding and clarifying the operation of the notice requirement. The DEP added the following:

- An intent section.
- A reportable release as the trigger for the requirement to provide notice; reportable release defined in the rule as a release of a substance not authorized by law which is discovered by an owner or operator after the effective date of the rule and which is:
 - Reportable to the State Watch Office or to the DEP or a county administering a DEP program under certain rules; or
 - A hazardous or extremely hazardous substance at or above quantities established in certain federal regulations.
- Specific information that must be contained in the notice and the manner the notice must be submitted to various parties.
- Language providing that as long as one party provides notice in compliance with the rule, then other parties are not required to provide notice for the same reportable release.¹⁷

Rule Challenge

On November 18, 2016, several commercial associations filed an administrative challenge to the proposed rule in *Associated Industries of Florida, Inc. et al. v. Department of Environmental Protection*.¹⁸ The petitioners argued that the rule violated statutory requirements and was invalid on four grounds:

- The DEP materially failed to follow the applicable rulemaking procedures and requirements;
- The DEP exceeded its grant of rulemaking authority;
- The proposed rule enlarges, modifies, or contravenes the specific provisions of law implemented; and
- The proposed rule imposes regulatory costs on the regulated person, county, or city, which could be reduced by the adoption of less costly alternatives that substantially accomplish the statutory objectives.¹⁹

¹⁵ Statement of Estimated Regulatory Costs, Proposed Rule 62-4.161, available at <http://dep.state.fl.us/pollutionnotice/SERC%20for%20Rule%2062-4.161%20w%20attachments.pdf>.

¹⁶ *Id.*

¹⁷ Notice of Change for Proposed Rule 62-4.161, Florida Administrative Register Vol. 42/No. 222.

¹⁸ Case No. 16-6889RP (Fla. DOAH 2016).

¹⁹ Section 120.52(8), F.S.

On December 30, 2016, the administrative law judge (ALJ) entered a final order, holding that the DEP lacked the rulemaking authority for the proposed rule. The final order concluded that the authorities cited by the DEP as providing it with the statutory authority to adopt the rule are general grants of authority and not specific enough to authorize the DEP to require that owners and operators of installations provide notices to local governments, the general public, and broadcast media.²⁰ The ALJ also found that the proposed rule enlarges the provisions of law implemented because the statutory provisions cited by the DEP did not contain specific language regarding reporting requirements for the release of contaminants. The ALJ concluded that the proposed rule was an invalid exercise of delegated legislative authority, affirming the petitioners' grounds for challenging the rule.²¹ The ALJ did not evaluate the issue of whether the LCRA's were properly rejected by the DEP because he deemed the rule invalid on other grounds.²²

The DEP has not appealed the final order. The rule, therefore, is invalid because there is insufficient statutory authority for the DEP to adopt this notice of pollution requirement by rule. Immediately following the invalidation of the DEP's proposed rule, the department began providing links on its website regarding notices of releases it receives from permitted and non-permitted facilities throughout the state.²³ The DEP continues to maintain an email list for those who want to subscribe to notices of pollution releases.²⁴ Upon its receipt of a notice of pollution from an installation, the DEP sends it to email list subscribers, local governments, and media outlets,²⁵ fulfilling the function the proposed rule had required of owners and operators of installations for the subset of all releases that are required to be reported to the DEP under current law.

Petroleum Restoration Program

Petroleum is stored in thousands of underground and aboveground storage tank systems throughout Florida. Releases of petroleum into the environment may occur as a result of accidental spills, storage tank system leaks, or poor maintenance practices.²⁶ These discharges pose a significant threat to groundwater quality, and Florida relies on groundwater for 90 percent of its drinking water.²⁷ The identification and cleanup of petroleum contamination is particularly challenging due to Florida's diverse geology, diverse water systems, and the complex dynamics between contaminants and the environment.²⁸

²⁰ Final Order, *Associated Industries of Florida, Inc. et al. v. Department of Environmental Protection*, Case No. 16-6889RP (Fla. DOAH 2016), 13, 16, available at <https://www.doah.state.fl.us/ROS/2016/16006889.pdf>.

²¹ *Id.* at 16.

²² *Id.* at 18.

²³ DEP, *Notice of an Incident or Discovery of Pollution*, <http://dep.state.fl.us/pollutionnotice/> (last visited March 5, 2017).

²⁴ DEP, *Notice of an Incident or Discovery of Pollution*, <http://lists.dep.state.fl.us/mailman/listinfo/pollution.notice> (last visited March 5, 2017).

²⁵ DEP, *Notice of an Incident or Discovery of Pollution*, <http://lists.dep.state.fl.us/pipermail/pollution.notice/> (last visited March 5, 2017).

²⁶ Florida Department of Environmental Protection, Division of Waste Management, *Petroleum Contamination Cleanup and Discharge Prevention Programs* (2012),

http://www.dep.state.fl.us/waste/quick_topics/publications/pss/pcp/geninfo/2012Program_Briefing_11Jan12.pdf.

²⁷ *Id.*

²⁸ *Id.*

In 1983, Florida began enacting legislation to regulate underground and aboveground storage tank systems in an effort to protect Florida's groundwater from past and future petroleum releases.²⁹ The Department of Environmental Protection (DEP) is responsible for regulating these storage tank systems. In 1986, the Legislature enacted the State Underground Petroleum Environmental Response Act (SUPER Act) to address the pollution problems caused by leaking underground petroleum storage systems.³⁰ The SUPER Act authorized the department to establish criteria for the prioritization, assessment and cleanup, and reimbursement for cleanup of contaminated areas, which led to the creation of the Petroleum Restoration Program (Restoration Program). The Restoration Program establishes the requirements and procedures for cleaning up contaminated land as well as the circumstances under which the state will pay for the cleanup.

Abandoned Tank Restoration Program

In 1990, the legislature established the Abandoned Tank Restoration Program (ATRP). The ATRP was created to address the contamination at facilities that had out-of-service or abandoned tanks as of March 1990. The ATRP originally had a one-year application period, but the deadline was subsequently extended to 1992, then 1994. In 1996, the legislature waived the deadline indefinitely for owners who are unable to pay for the closure of abandoned tanks. To be eligible for the ATRP, applicants must certify that the petroleum system has not stored petroleum products for consumption, use, or sale since March 1, 1990.³¹ In 2016, the legislature eliminated the June 30, 1996 application deadline.³²

Site Rehabilitation

Florida law requires land contaminated by petroleum to be cleaned up, or rehabilitated, so that the concentration of each contaminant in the ground is below a certain level.³³ These levels are known as Cleanup Target Levels (CTLs).³⁴ Once the CTLs for a contaminated site³⁵ has been attained, rehabilitation is complete and the site may be closed. When a site is closed, no further cleanup action is required unless the contaminant levels increase above the CTLs or another discharge occurs.³⁶

State Funding Assistance for Rehabilitation

In 2012, the average cost to rehabilitate a site was approximately \$400,000, but some sites may cost millions of dollars to rehabilitate.³⁷ Under Florida law, an owner of contaminated land (site

²⁹ Ch. 83-310, Laws of Fla.

³⁰ Ch. 86-159, Laws of Fla.

³¹ Chapter 89-188, Laws of Fla.

³² Section 376.305(6), F.S.

³³ Sections 376.301(8) and 376.3071(5), F.S.

³⁴ *Id.*

³⁵ A "site" is any contiguous land, sediment, surface water, or groundwater area upon or into which a discharge of petroleum or petroleum products has occurred or for which evidence exists that such a discharge has occurred. The site is the full extent of the contamination, regardless of property boundaries.

³⁶ Florida Department of Environmental Protection, Division of Waste Management, *Petroleum Contamination Cleanup and Discharge Prevention Programs* (2012),

http://www.dep.state.fl.us/waste/quick_topics/publications/pss/pcp/geninfo/2012Program_Briefing_11Jan12.pdf.

³⁷ *Id.*

owner) is responsible for rehabilitating the land unless the site owner can show that the contamination resulted from the activities of a previous owner or other third party (responsible party), who is then responsible.³⁸ Over the years, different eligibility programs have been implemented to provide state financial assistance to certain site owners and responsible parties for site rehabilitation.

To receive rehabilitation funding assistance, a site must qualify under one of these programs, which are outlined in the following table:

Table 1: State Assisted Petroleum Cleanup Eligibility Programs		
Program Name	Program Dates	Program Description
Early Detection Incentive Program (EDI) (s. 376.30371(9), F.S.)	Discharges must have been reported between July 1, 1986, and December 31, 1988, to be eligible	<ul style="list-style-type: none"> • First state-assisted cleanup program • 100 percent state funding for cleanup if site owners reported releases • Originally gave site owners the option of conducting cleanup themselves and receiving reimbursement from the state or having the state conduct the cleanup in priority order • Reimbursement option was phased out, so all cleanups are now conducted by the state
Petroleum Liability and Restoration Insurance Program (PLRIP) (s. 376.3072, F.S.)	Discharges must have been reported between January 1, 1989, and December 31, 1998, to be eligible	<ul style="list-style-type: none"> • Required facilities to purchase third party liability insurance to be eligible • Provides varying amounts of state-funded site restoration coverage
Abandoned Tank Restoration Program (ATRP) (s. 376.305(6), F.S.)	For petroleum storage systems that have not stored petroleum since March 1, 1990 ³⁹	Provides 100 percent state funding for cleanup, less deductible, at facilities that had out-of-service or abandoned tanks as of March 1990
Innocent Victim Petroleum Storage System Restoration Program (s. 376.30715, F.S.)	The application period began on July 1, 2005, and remains open	Provides 100 percent state funding for a site acquired before July 1, 1990, that ceased operating as a petroleum storage or retail business before January 1, 1985
Petroleum Cleanup Participation Program (PCPP) (s. 376.3071(13), F.S.)	Remains open	<ul style="list-style-type: none"> • Created to provide financial assistance for sites that had missed all previous opportunities • Only discharges that occurred before 1995 were eligible • Site owner or responsible party must pay 25 percent of cleanup costs⁴⁰ • Originally had a \$300,000 cap on the amount of coverage, which was raised to \$400,000 beginning July 1, 2008

³⁸ Section 376.308, F.S.

³⁹ The ATRP originally had a one-year application period, but the deadline was extended. The deadline is now waived indefinitely for site owners who are financially unable to pay for the closure of abandoned tanks. Section 376.305(6)(b), F.S.

⁴⁰ The 25 percent copay requirement can be reduced or eliminated if the site owner and all responsible parties demonstrate that they are financially unable to comply. Section 376.3071(13)(c), F.S.

Table 1: State Assisted Petroleum Cleanup Eligibility Programs

Program Name	Program Dates	Program Description
Consent Order (aka “Hardship” or “Indigent”) (s. 376.3071(7)(c), F.S.)	The program began in 1986 and remains open	<ul style="list-style-type: none"> • Created to provide financial assistance under certain circumstances for sites that the Department initiates an enforcement action to clean up • An agreement is formed whereby the Department conducts the cleanup and the site owner or responsible party pays for a portion of the costs

As of October 2015, there are 19,128 sites eligible for state funding through one of the above programs.⁴¹ Of these, approximately 8,603 have been rehabilitated and closed, approximately 5,576 are currently undergoing some phase of rehabilitation, and approximately 4,949 await rehabilitation.⁴²

Inland Protection Trust Fund

To fund the cleanup of contaminated sites, the SUPER Act created the Inland Protection Trust Fund (IPTF).⁴³ The IPTF is funded by an excise tax per barrel on petroleum and petroleum products in or imported into the state.⁴⁴ The amount of the excise tax per barrel is determined by a formula, which is dependent upon the unobligated balance of the IPTF.⁴⁵ Each year, approximately \$200 million from the excise tax is deposited into the IPTF to fund restoration of petroleum contaminated sites.⁴⁶ At present, the excise tax is 80 cents per barrel.⁴⁷

Funding for rehabilitation of a site is based on a relative risk scoring system. Each funding-eligible site receives a numeric score based on the threat the site contamination poses to the environment or to human health, safety, or welfare.⁴⁸ Sites currently in the Restoration Program range in score from 5 to 115 points, with a score of 115 representing a substantial threat and a score of 5 representing a very low threat.⁴⁹ Sites are rehabilitated in priority order beginning with the highest score, with funding based on available budget.⁵⁰ The department sets the priority score funding threshold, which is the minimum score a site must be assigned to receive restoration funding at a particular point in time.⁵¹

⁴¹ DEP, *2016 House Bill 697 Agency Analysis*, (December 15, 2015) (on file with the Senate Committee on Environmental Preservation and Conservation).

⁴² *Id.*

⁴³ Section 376.3071(3)-(4), F.S.

⁴⁴ Sections 206.9935(3) and 376.3071(6), F.S.

⁴⁵ The amount of the excise tax per barrel is based on the following formula: 30 cents if the unobligated balance is between \$100 million and \$150 million; 60 cents if the unobligated balance is between \$50 million and \$100 million; and 80 cents if the unobligated balance is \$50 million or less. Section 206.9935(3), F.S.

⁴⁶ DEP, *2016 House Bill 697 Agency Analysis*, (December 15, 2015) (on file with the Senate Committee on Environmental Preservation and Conservation).

⁴⁷ Department of Revenue, *Pollutants Tax*, <http://dor.myflorida.com/dor/taxes/fuel/pollutants.html> (last visited March 11, 2017).

⁴⁸ Section 376.3071(5), F.S., Fla. Admin. Code R. 62-771.100.

⁴⁹ DEP, *2016 House Bill 697 Agency Analysis*, (December 15, 2015) (on file with the Senate Committee on Environmental Preservation and Conservation).

⁵⁰ Fla. Admin. Code R. 62-771.300.

⁵¹ DEP, *2015 Senate Bill 314 Agency Analysis*, (Mar. 13, 2015) (on file with the Senate Committee on Environmental Preservation and Conservation).

Expediting Site Rehabilitation

Eligible contaminated sites typically receive state rehabilitation funding in priority order based on their numeric score. However, there are some programs that allow sites to receive funding for rehabilitation or site closure out of priority score order, as long as the sites are eligible under one of the programs in Table 1. Two of these programs are Advanced Cleanup and Low Scored Site Initiative.

Advanced Cleanup

The advanced cleanup (formerly known as Preapproved Advanced Cleanup) of petroleum contaminated sites was begun in 1996 to allow an eligible petroleum contamination site to receive state rehabilitation funding even if the site's priority score did not fall within the threshold currently being funded.⁵² The purpose of creating the advanced cleanup process was to facilitate property transactions and public works projects on contaminated sites.⁵³ To obtain authorization for advanced cleanup, a site must be eligible for state restoration funding under the Early Detection Incentive Program (EDI), the Petroleum Liability and Restoration Insurance Program (PLRIP), or the Abandoned Tank Restoration Program (ATRP).⁵⁴

Advanced cleanup is also available for discharges eligible for restoration funding under the Petroleum Cleanup Participation Program (PCPP) for the state's cost share of site rehabilitation.⁵⁵ An application for advanced cleanup for a discharge eligible under PCPP must include a cost-sharing commitment for funding under the advanced cleanup criteria in addition to the 25 percent copayment requirement of the PCPP.

To apply for advanced cleanup of petroleum contamination, a facility owner or operator or the person otherwise responsible for site rehabilitation must submit an advanced cleanup application between May 1 and June 30, for the fiscal year beginning July 1, or between November 1 and December 31. The application must consist of:

- A commitment to pay 25 percent or more of the total cleanup cost deemed recoverable along with proof of the ability to pay the cost share. Applications submitted for cleanup may be submitted in one of two formats to meet the cost-share requirement:
 - The applicant may use a commitment to pay, a demonstrated cost savings to DEP, or both to meet the requirement; or
 - For an application relying on a demonstrated cost savings to the DEP, the applicant shall, in conjunction with the proposed agency term contractor, establish and provide in the application a 25 percent cost savings⁵⁶ to the DEP for cleanup of the site under the application compared to the cost of cleanup of the same site using the current rates provide to the DEP by the proposed agency term contractor. The DEP shall determine whether the cost savings demonstration is acceptable.

⁵² Section 376.30713(1), F.S.

⁵³ *Id.*

⁵⁴ Section 376.30713(1)(d), F.S.

⁵⁵ For PCPP sites, Advanced Cleanup is only available for discharge cleanup if the 25 percent copay requirement of PCPP has not been reduced or eliminated pursuant to s. 376.3071(13)(d). s. 376.30713(1)(d), F.S.

⁵⁶ For aggregate applications of five sites or more the percentage is not specified.

- A nonrefundable review fee of \$250 to cover the DEP's administrative costs to review the application;
- A limited contamination assessment report;
- A proposed course of action; and
- A DEP site access agreement, or similar agreement.

The DEP ranks applications based on the percentage of cost-sharing commitment proposed by the applicant, with the highest ranking given to the applicant who proposes the highest percentage of cost sharing. In some circumstances where applicants propose the same percentage of cost sharing and funds are not available to commit to all of such proposals, applicants may raise their individual cost share commitments and the DEP will rerank the applications.⁵⁷

The DEP negotiates with applicants based on the DEP's rankings. If the DEP and an applicant agree on the course of action, the DEP may enter into a contract with the applicant and negotiate the terms and conditions of the contract. Advanced cleanup must be conducted pursuant to requirements of the Inland Protection Trust Fund and the DEP rule. If the terms of the advanced cleanup contract are not fulfilled, the applicant forfeits any right to future payment for any site rehabilitation work conducted under the contract.⁵⁸

The DEP may enter into contracts for a total of up to \$25 million of advanced cleanup work in each fiscal year.⁵⁹ All funds collected by the DEP pursuant contracts for advanced cleanup work must be deposited into the Inland Protection Trust Fund to be used in the advanced cleanup of petroleum contaminated sites.⁶⁰

Low Scored Site Initiative

The Low Scored Site Initiative (LSSI) was created to expedite the assessment and closure of sites that contain minimal contamination and that are not a threat to human health or the environment. Low scored sites have a priority ranking score of 29 points or less.⁶¹ These sites are eligible for state funds of up to \$70,000 each for assessment and limited remediation. The DEP may not encumber more than \$15 million for LSSI in any fiscal year.⁶²

Drycleaning Solvent Cleanup Program

The Florida Legislature has established a state-funded program to cleanup properties that are contaminated as a result of operations of a drycleaning facility or wholesale supply facility (Ch. 376, F.S.). The program is administered by the DEP. The legislation was supported by the drycleaning industry to address environmental, economic, and liability issues resulting from drycleaning solvent contamination. The program limits the liability of the owner, operator and

⁵⁷ Section 376.30713(2)(b), F.S.

⁵⁸ Section 376.30713(3), F.S.

⁵⁹ Section 376.30713(4), F.S.

⁶⁰ Section 376.30713(5), F.S.

⁶¹ Section 376.3071(12)(b), F.S.

⁶² *Id.*

real property owner of drycleaning or wholesale supply facilities for cleanup of drycleaning solvent contamination if the parties meet the conditions stated in the law.⁶³

Funding: Taxes and Fees

A fund has been established to pay for costs related to the cleanup of these properties. The source of revenue for the fund is a gross receipts sales tax, a tax on perchloroethylene sold to or imported by a drycleaning facility, and annual registration fees.⁶⁴

Program Application

The application period for entry into the Drycleaning Solvent Cleanup Program ended December 31, 1998. Applications to the Drycleaning Solvent Cleanup Program are no longer being accepted.⁶⁵

Eligibility and Priority Ranking

Section 376.3078(3), F.S., identifies certain criteria that must be met in order for a site to be eligible, and to remain eligible, for the program. Eligibility in this program does not relieve the owner, operator, or real property owner from federal actions or from current waste management requirements. The score that the site receives determines the order in which the DEP will begin site rehabilitation activities. For eligible sites, costs incurred by the state for site rehabilitation will be absorbed at the expense of the fund minus a deductible amount as specified in the law.⁶⁶

Scoring System

The DEP uses a scoring system to rank and prioritize eligible sites for rehabilitation. Sites are assigned points based upon statutory point values for each site's characteristics.⁶⁷ The DEP has developed a priority list of sites for rehabilitation based upon the scoring system, with ranking commensurate with the size of a site's score.⁶⁸ Regardless of scoring, however, any site having a condition that exhibits a fire or explosion hazard is highest priority for rehabilitation. The following site characteristics are assigned points in the scoring system:

- The threat the site poses to drinking water supplies based on;
 - The size of the largest uncontaminated public water supply well located within one mile of the site;
 - The size of the largest uncontaminated private drinking water well located within one mile of the site;
 - The size of the largest contaminated public water supply well located within one mile of the site;
 - The size of the largest contaminated private drinking water well located within one mile of the site;
 - The proximity of both uncontaminated and contaminated water wells to the site;

⁶³ Florida Department of Environmental Protection, *Dry Cleaning Solvent Cleanup Program*, http://www.dep.state.fl.us/waste/quick_topics/publications/wc/drycleaning/information/General-Information_04Jan17.pdf

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ Section 376.3078(3)(e), F.S.

⁶⁷ Section 376.3078(7), F.S.

⁶⁸ Section 376.3078(8), F.S.

- The vulnerability of groundwater to contamination from the site;
- The Aquifer Classification for the aquifer area where the site is located;
- The concentrations of chlorinated drycleaning solvents in the soil of the site; and
- The location of the site if it is within:
 - One half mile of an uncontaminated surface water body used as a permitted public water system;
 - One half mile of an Outstanding Florida Water body;
 - One quarter mile of a surface water body; or
 - One quarter mile of an area of critical state concern.

Scored sites are incorporated into the priority list on a quarterly basis with the ranking of all sites adjusted accordingly. Assignments for program tasks to be conducted by state contractors are made according to the current priority list and based on criteria the DEP determines is necessary to achieve cost-effective site rehabilitation. Regardless of the score of a site, the DEP may initiate emergency action for those sites that are a threat to human health and safety, or where failure to prevent migration of drycleaning solvents would cause irreversible damage to the environment.⁶⁹

Contaminated Site Cleanup Criteria

The DEP rules establish criteria for the purpose of determining, on a site-specific basis, a site rehabilitation program and the level at which a site rehabilitation program may be deemed completed. These rules incorporate to the maximum extent feasible, risk-based corrective action principles to achieve protection of human health and safety and the environment in a cost-effective manner.⁷⁰ For site rehabilitation to reach a status of site closure or “no further action,” often appropriate institutional controls must be agreed to by the owner and applicant and implemented for the site. Institutional controls are the restrictions on use of, or access to, a site such as deed restrictions, restrictive covenants, or conservation easements to eliminate or minimize exposure to petroleum products’ chemicals of concern, drycleaning solvents, or other contaminants.⁷¹

Average Costs and Budget Projections

The cost for cleanup at a site varies greatly depending on the extent of contamination. Typically, sites that transition quickly from assessment to no further action (closure), have lower average costs than sites that remain in the cleanup process. The below chart includes the average costs per phase of cleanup for no further action (closed) sites, and the average costs per phase for sites that are still undergoing cleanup (active) sites. This provides the range in costs associated with closed and active sites.

⁶⁹ Section 376.3078(7) and (8), F.S.

⁷⁰ Fla. Admin. Code Ch. 62-780.

⁷¹ Section 376.301(22), F.S.

Phase of Cleanup	Assessment	Design	Remedial Action	Operation & Maintenance	Monitoring	Interim Remedial Measure	Total Average Cost
Closed Sites	\$96,038	\$20,516	\$98,817	\$84,160	\$31,347	\$59,954	\$184,469
Active Sites	\$147,211	\$55,598	\$257,120	\$212,836	\$49,390	\$86,511	\$578,605

Annual budget projections require the Drycleaning Solvent Cleanup Program to track average costs associated with each phase of cleanup, and to anticipate the number of sites that will transition from one phase of cleanup to the next. Based on a dataset of 322 sites, where the remedy has been selected or the site has been closed, approximately 72 percent of all sites will require active remediation to reach closure, 10 percent will require monitoring only to reach closure, and 18 percent will meet the requirements for no further action following the site assessment. The average cost for site closure will depend on the type of closure achieved (active remediation, monitoring only, or no further action), as shown below.⁷²

Sites Issued a Site Rehabilitation Completion Order (Closure) following:	Average Cost
Active Remediation	\$306,462
Monitoring Only	\$138,308
No Further Action	\$62,419

The Brownfields Redevelopment Act

The term “brownfield” was originally coined in the 1970s and referred to any previously developed property, regardless of any contamination issues. The term, as it is currently used, is defined by the U.S. Environmental Protection Agency (EPA) as, “real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.”⁷³ In 1995, the EPA created the Brownfields Program in order to manage contaminated property through site remediation and redevelopment. The program was designed to provide local communities access to federal funds allocated for redevelopment, including environmental assessments and cleanups, environmental health studies, and environmental training programs.⁷⁴

⁷² Email message dated March 12, 2017, from Wayne Kiger, Director’s Office, Division of Waste Management, Florida Department of Environmental Protection (on file with the Senate Committee on Environmental Preservation and Conservation).

⁷³ Robert A. Jones and William F. Welsh, Michigan Brownfield Redevelopment Innovation: Two Decades of Success 2 (Sept. 2010), available at <http://www.miseagrant.umich.edu/downloads/focus/brownfields/10-201-EMU-Final-Report.pdf> (last visited March 10, 2017).

⁷⁴ The Florida Brownfields Association, Brownfields 101 2, available at <http://c.ymcdn.com/sites/www.floridabrownfields.org/resource/resmgr/imported/Brownfields101.pdf> (last visited March 10, 2017).

In 1997, the Florida Legislature enacted the Brownfields Redevelopment Act (Act).⁷⁵ The Act provides financial and regulatory incentives to encourage voluntary remediation and redevelopment of brownfield sites in order to improve public health and reduce environmental hazards.⁷⁶ The Act provides liability protection for program participants who have not caused or contributed to the contamination of a brownfield site on or after July 1, 1997.⁷⁷

Voluntary Cleanup Tax Credits

In 1998, the Florida Legislature established the Voluntary Cleanup Tax Credit (VCTC) Program to provide an incentive for the voluntary cleanup of drycleaning solvent-contaminated sites and brownfield sites in designated brownfield areas (s. 376.30781, F.S.). At these sites, a tax credit of 50 percent is allowed for the cost of voluntary cleanup activity that is integral to site rehabilitation, with a maximum of \$500,000 per site per year. Additionally, at brownfield sites in designated brownfield areas, a one-time 50 percent tax credit is allowed for solid waste removal, with a maximum of \$500,000 per site. Tax credits may be applied to state corporate income tax. Effective July 1, 2011, the Legislature increased the annual tax credit authorization from \$2 million to \$5 million. The VCTC Program has approved \$66,875,735 in tax credits since it began. However, approved applications must wait until sufficient credits exist to claim them.⁷⁸

Effective July 1, 2015, the Legislature approved a one-time VCTC authorization of \$21.6 million. This authorization was only effective through June 30, 2016. On July 1, 2016, the annual VCTC authorization returned to \$5 million per year.⁷⁹ The additional authorization allowed DEP to issue certificates for all approved tax credits, eliminating the backlog.⁸⁰

The Brownfields and VCTC Programs have been successful in promoting the cleanup and redevelopment of contaminated, underutilized properties. The one-time increase in the annual authorized VCTC funding level addressed all approved tax credits through June 30, 2015. However, as shown in the figure below, since 2007, the approved tax credits have exceeded the available authorization, and since 2012, the approved tax credits have averaged more than \$8.3 million per year. If the dollar amount of future tax credit applications remains consistent with the previous five years, the backlog for un-issued tax credits will continue to grow. As of the issuance of the August 2016 Brownfields Redevelopment Program Report, DEP anticipated, with the \$5 million authorization available July 1, 2016, it will issue tax credit certificates to 33 of the 99 applicants for 2015 expenditures. Sixty-four applicants will receive their tax credits in July 2017 and nine applicants will receive their tax credits in July 2018.⁸¹

⁷⁵ Ch. 97-173, s. 1, Laws of Fla.

⁷⁶ DEP, Florida Brownfields Redevelopment Act-1998 Annual Report 1 (1998), available at http://www.dep.state.fl.us/waste/quick_topics/publications/wc/brownfields/leginfo/1998/98final.pdf (last visited March 10, 2017).

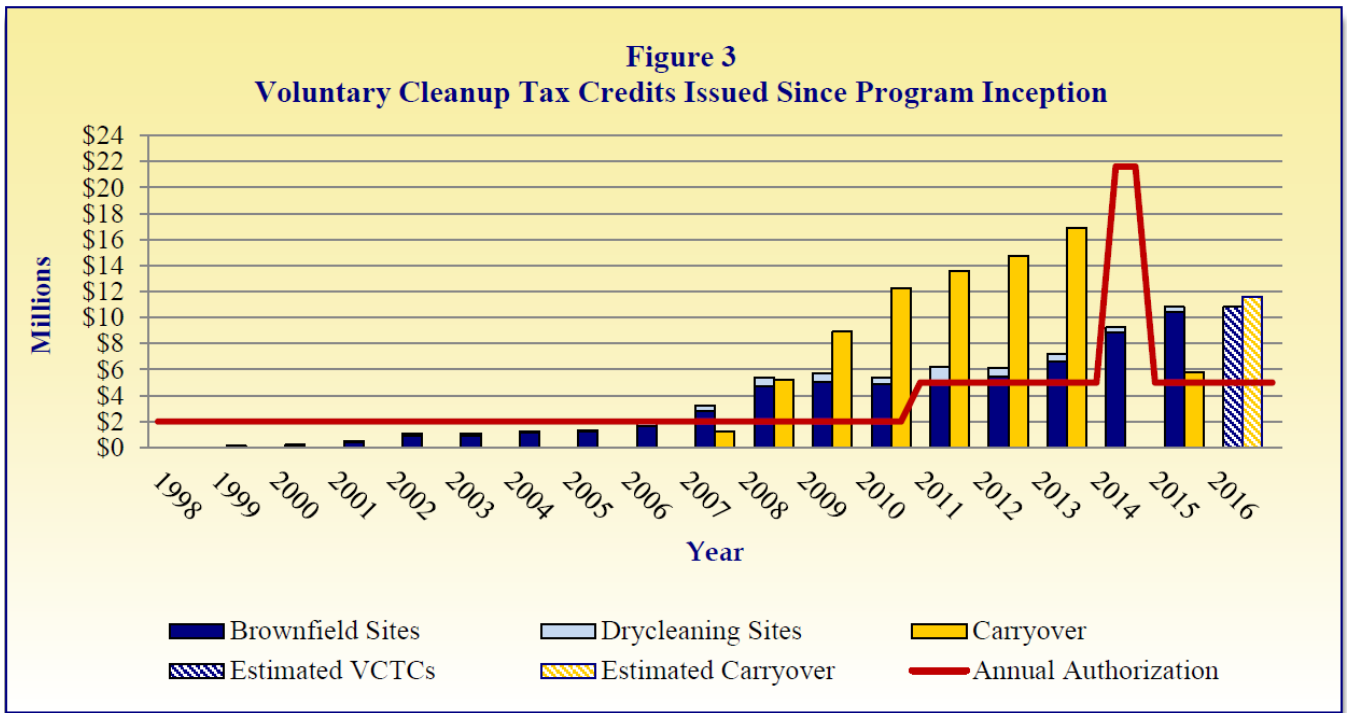
⁷⁷ Section 376.82, F.S.

⁷⁸ DEP, *Florida Brownfields Redevelopment Program Annual Report* (2016), http://dep.state.fl.us/waste/quick_topics/publications/wc/brownfields/AnnualReport/2016/2015-16_FDEP_Annual.pdf

⁷⁹ Section 376.30781(4), F.S.

⁸⁰ *Id.*

⁸¹ *Id.*



III. Effect of Proposed Changes:

Public Notice of Pollution Act

Section 1 creates the Public Notice of Pollution Act.

Section 2 sets forth goals and findings related to notifying the public about reportable releases. It defines a reportable pollution release as a release to the air, land, or water that is discovered by the owner or operator of an installation, is not authorized by law, and is:

- Reportable to the State Watch Office pursuant to the Department of Environmental Protection (DEP) rule, permit, order, or variance;
- Reportable to the DEP or a contracted county pursuant to rules governing storage tank systems;
- Reportable to the DEP pursuant to rules requiring notice for noncompliance from underground injection control systems where such noncompliance:
 - May endanger public health or the environment; and
 - Has the potential to contaminate potable water wells outside the property boundaries of the installation;
- A hazardous substance as defined in statute at or above quantities established in federal regulations; or
- An extremely hazardous substance as defined in federal regulations.

Section 3 requires the owner or operator of an installation at which a reportable pollution release occurs to provide a notice to the DEP within 24 hours after discovery of a reportable pollution release. The notice must include:

- The name and address of the installation where the reportable pollution release occurred.
- The name and title of the reporting person and the nature of his or her relationship to the installation.
- The identification number for any active DEP permits, variances, registrations, or orders that are relevant to the reportable pollution release.
- The name and telephone number of a contact person for further information.
- The substance released.
- The estimated quantity of the substance released and, if applicable, the estimated quantity that has since been recovered.
- The cause of the release.
- The source of the release.
- The location of the release.
- The date, time, and duration of the release.
- The medium into which the substance was released, such as, but not limited to, the outdoor air, land, groundwater, aquifer, or specified waters or wetlands.
- Whether the released substance has migrated to land or waters of the state outside the property boundaries of the installation and the location of such migration.
- To the extent available, toxicological information associated with the substance released as specified on a safety data sheet or comparable source published by the Occupational Safety and Health Administration or the Centers for Disease Control and Prevention, or their successor agencies.
- Other information to assist in the protection of the public health, safety, and welfare, at the discretion of the owner or operator.

Section 3 also requires that an additional notice be provided to the DEP if, after submitting the initial notice, the owner or operator determines that a release has migrated outside the property boundaries of the installation. Such additional notice must be given within 24 hours of discovery of the migration and must provide all of the information required in an initial notice and specify the extent of the migration.

A notification of a reportable pollution release made by a party in accordance with statutory requirements constitutes compliance on behalf of all parties subject to the notice requirement for that reportable pollution release. However, if the notification is not made in accordance with statutory requirements, the DEP may pursue enforcement against all parties subject to the notice requirement. After providing a notice of a reportable pollution release, an installation owner or operator may submit a letter to the DEP documenting additional information if an amendment to the notice is warranted or the owner or operator has determined that a reportable pollution release did not, in fact, occur.

The DEP must publish, on a website accessible to the public, all notices submitted by an owner or operator within 24 hours of receipt by the department. The DEP must also create an electronic mailing list for notices and allow the public, including local governments, health departments, news media, and other interested persons, to subscribe to and receive periodic direct announcements of any reportable pollution release notices submitted. The DEP must establish regional electronic mailing lists, such as by county or district boundaries, to allow subscribers to determine the notices they wish to receive by geographic area. The DEP must also establish an

e-mail address and an online form as options for owners and operators to provide notices of reportable pollution release.

Section 3 provides that a reportable pollution release notice provided by an owner or operator to the DEP does not constitute an admission of liability or harm. **Sections 3 and 4** provide that the owner or operator of an installation is subject to civil penalties of up to \$10,000 per day for each day the owner or operator is in violation of the requirement to provide notification of a reportable pollution release. **Section 3** authorizes the DEP to adopt rules to administer these provisions.

Advanced Cleanup - Property Redevelopment

Section 5 amends s. 376.3071, F.S., to provide an exception from penalties for prompt payment to subcontractors pursuant to s. 287.0585, F.S. **Section 5** provides that the contractor may remit payment to the subcontractor within 30 working days after the contractor receives payment from the DEP. If the payments are made within this timeframe the penalties do not apply.

Section 6 amends s. 376.30713, F.S., to add legislative findings regarding the rehabilitation of a site contaminated by discharges of petroleum or petroleum products in advance of its priority ranking. The section contains findings that the inability to advance a site's priority ranking may substantially impede or prohibit property redevelopment and that it is in the public interest and of substantial economic benefit to the state to advance site rehabilitation on a limited basis in order to encourage property redevelopment.

The section creates a separate procedure and criteria for the advancement ahead of its priority ranking of an individual contamination site slated for property redevelopment. The submittal of advanced cleanup applications for such sites are not limited to the two annual application periods from May 1 through June 30 and from November 1 through December 31, as are all other advanced cleanup applications, but are instead accepted on a first-come, first-served basis. Applicants for the advanced cleanup of individual contamination sites slated for redevelopment are also not subject to the 25 percent cost share copayment commitment required of other advanced cleanup applicants provided they demonstrate, as deemed acceptable by the Department of Environmental Protection (DEP), that the following have been included in their applications for cleanup:

- A nonrefundable review fee of \$250 for DEP's administrative cost;
- A limited contamination assessment report which is sufficient to support the course of action;
- A proposed course of action for site cleanup;
- A DEP approved agreement with the property owners for site cleanup if the applicant is not the owner;
- Certification to the DEP that the applicant has the authority to enter into an advanced site cleanup contract with the DEP;
- Documentation from the local government having jurisdiction that states that the local government is in agreement with or approves the redevelopment;
- A demonstrated reasonable assurance that the applicant has sufficient financial resources to implement and complete the redevelopment project.

Section 6 provides that site eligibility is not an entitlement to advanced cleanup funding or continued restoration funding.

Section 6 also increases the dollar amount of the contracts for advance cleanup work into which the DEP is authorized to enter from \$25 million to a total of \$30 million in each fiscal year. The DEP is authorized to designate up to \$5 million of those funds for the advance cleanup of individual contaminated sites that meet the criteria in the bill for redevelopment. A single facility or applicant for advance cleanup of an individual contaminated site slated for redevelopment may not be approved for more than \$1 million of cleanup activity per fiscal year.

Section 2 also provides the DEP with the right to terminate or amend the voluntary cost-share agreement with property owners or responsible parties if, the property owners or responsible parties are eligible to bundle multiple sites and fail to do so within three subsequent open application periods or 18 months, whichever is shorter.

Section 6 provides that the property owner or responsible party must agree to conduct limited site assessments within 12 months after execution of the voluntary cost-share agreement.

Advanced Site Assessment - Drycleaning

Section 7 amends s. 376.3078, F.S., to provide a finding that it is in the public interest and of substantial environmental and economic benefit to the state to conduct site assessments on a limited basis at sites contaminated with drycleaning solvents in advance of the priority ranking of contaminated sites.

The section provides that a property owner who is eligible for site rehabilitation under the drycleaning solvent cleanup program may request, and the DEP may authorize, an advanced site assessment if the following criteria are met:

- Information from the site assessment would be sufficient for the DEP to better evaluate the actual risk of the contamination, reducing the risk to public health and the environment;
- The property owner agrees to:
 - Implement the appropriate institutional controls at the time the owner requests the advanced site assessment; and
 - Upon completion of the cleanup, implement and maintain the required institutional controls, or a combination of institutional and engineering controls, when the site meets site rehabilitation criteria for closure with controls in accordance with the DEP rules for site rehabilitation;
- Current conditions at the site allow the site assessment to be conducted in a manner that will result in cost savings to the Water Quality Assurance Trust Fund;
- The annual Water Quality Assurance Trust Fund appropriation for the drycleaning solvent cleanup program is sufficient to pay for the site assessment; and
- The property owner provides access to the site and has paid the appropriate deductible amount depending on when contamination was reported to the DEP as part of a completed application for the Drycleaning Contamination Cleanup Program to rehabilitate the drycleaning facility.

The section also provides that a site may be assessed out of priority ranking order at the DEP's discretion when the site assessment will provide a cost savings to the program.

The section requires an advanced site assessment under the drycleaning solvent cleanup program to incorporate risk-based corrective action principles to achieve protection of human health and safety and the environment in a cost-effective manner, in accordance with the DEP rules for site rehabilitation. The advanced site assessment must also be sufficient to estimate the cost of cleanup, the proposed course of action for site cleanup, and that the site is appropriate for one of the following:

- Remedial action at the site to mitigate risks that, in the judgment of the DEP, are a threat to human health or where failure to prevent migration of drycleaning solvents would cause irreversible damage to the environment;
- Additional groundwater monitoring at the site to support natural attenuation monitoring or long-term groundwater monitoring; or
- A recommendation of “no further action,” with or without institutional controls or institutional and engineering controls, if the site meets the “no further action” criteria in accordance with the DEP rules for site rehabilitation.

If the site is not appropriate for one of these actions, it is not eligible for advanced site assessment. The DEP must notify the property owner in writing of this determination and return the site to the priority ranking order based on its priority score.

The section requires that advanced site assessment program tasks be assigned by the drycleaning solvent cleanup program. Task assignment must be based on:

- The potential for the development of new site assessment information to allow the DEP to better evaluate the actual risk of the contamination;
- Compatibility with appropriate institutional controls or a combination of institutional and engineering controls;
- The potential for cost savings to the Water Quality Assurance Trust Fund;
- The availability of funds from the annual Water Quality Assurance Trust Fund appropriation for the drycleaning solvent program;
- The DEP’s determination of contractor logistics;
- Geographical considerations; and
- Other criteria that the DEP determines are necessary to achieve the most cost-effective approach.

This section limits available funding for advanced site assessments to 10 percent of the annual Water Quality Assurance Trust Fund appropriation for the drycleaning solvent cleanup program. The total funds that may be committed to any one site are capped at \$70,000. The DEP must prioritize requests for advanced site assessment at sites under the drycleaning solvent cleanup program based on the date of receipt and the environmental and economic value to the state until the available funding for advanced site assessments has been obligated.

Voluntary Cleanup Tax Credit (VCTC) Funding

Sections 8 and 9 amend ss. 220.1845 and 376.30781, F.S., respectively, to increase the annual cap on voluntary cleanup tax credits from \$5 million to \$10 million.⁸²

⁸² Sections 220.1845 and 376.30781, F.S.

The bill takes effect July 1, 2017.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable.

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:

Owners and operators of installations that use, produce, or contain substances listed by the Department of Environmental Protection (DEP) will likely incur some costs for gathering and reporting information regarding reportable pollution releases within 24 hours of discovery when such an event occurs.

The property redevelopment sections of this bill should have a positive fiscal impact on the private sector. Redevelopment of property will be encouraged by an additional \$5 million available annually for petroleum contamination site rehabilitation for sites proposed for redevelopment. Also, an additional \$5 million in funds will be available for voluntary cleanup through corporate income tax credits for the rehabilitation of dry-cleaning solvent contaminated sites or brownfield sites.

C. Government Sector Impact:

Installations owned or operated by governmental entities, including local governments, will likely incur some costs for gathering and reporting information regarding reportable pollution releases within 24 hours of discovery when such an event occurs.

The DEP also will likely incur some costs in promulgating rules to administer the provisions of the bill and in developing the website and electronic mailing lists required by the bill. The DEP currently has notifications and electronic mailing for other programs within the department and should have the ability to absorb the costs within existing resources.

The bill will have a \$5 million recurring impact to the Inland Protection Trust Fund by increasing the total amount of contracts the DEP is authorized to approve for advanced cleanup work to \$30 million annually. The bill will have a \$5 million recurring impact to the General Revenue Fund by increasing the annual cap on the voluntary cleanup tax credits to \$10 million.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends the following sections of the Florida Statutes: 403.121, 376.30713, 376.3078, and 376.86.

This bill creates the following sections of the Florida Statutes: 403.076, 403.077, and 403.078.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS/CS by Appropriations on April 25, 2017:

The committee substitute:

- Amends s. 376.3071, F.S., to provide an exception from penalties for prompt payment to subcontractors pursuant to s. 287.0585, F.S. Provides that the contractor may remit payment to the subcontractor within 30 working days after the contractor receives payment from the Department of Environmental Protection (DEP). If the payments are made within this timeframe the penalties do not apply.
- Clarifies requirements for eligibility of advanced site cleanup applicants.
- Provides that site eligibility is not an entitlement to advanced cleanup funding or continued restoration funding.
- Creates the Public Notice of Pollution Act.
- Defines a reportable pollution release as a release to the air, land, or water that is discovered by the owner or operator of an installation, is not authorized by law, and is:
 - Reportable to the State Watch Office;
 - Reportable to the DEP or a contracted county pursuant to rules governing storage tank systems;
 - Reportable to the DEP pursuant to rules governing underground injection control systems;
 - A hazardous substance; or
 - An extremely hazardous substance.

- Requires the owner or operator of any installation where a reportable pollution release occurs to provide a notice of the release to the DEP. The notice must be submitted to the DEP within 24 hours after discovery of the reportable pollution release and must contain detailed information about the installation, the substance, and the circumstances surrounding the release.
- Requires the owner or operator to provide additional notice to the DEP if a release migrates outside the property boundaries of the installation.
- Requires the DEP to publish each notice to the Internet within 24 hours after the DEP receives it.
- Requires the DEP to create a system for electronic mailing that allows interested parties to subscribe to and receive direct announcements of notices received by the DEP.
- Requires the DEP to establish an email address and an online form so that installation owners and operators are able to submit a notice of a reportable pollution release electronically.
- Provides for \$10,000 per day in civil penalties for violations of notice requirements and authorizes the DEP to adopt rules to administer these provisions.

CS by Environmental Preservation and Conservation on March 14, 2017:

- Removes unnecessary language that was inserted into the “emergency action” exception to the drycleaning rehabilitation scoring criteria. New subsection (14) in s. 376.308, F.S., already makes it clear that advance assessments are not subject to the scoring criteria.
- Increases the annual cap for the VCTC. The CS replaces the modification in the bill to the brownfield areas loan guaranty program, which had been intended to have the same practical effect.

B. Amendments:

None.