

STORAGE NAME: h1777b.ep

DATE: April 15, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
ENVIRONMENTAL PROTECTION
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HM 1777

RELATING TO: Urging Appropriation of Certain Funds for Everglades Restoration

SPONSOR(S): Representative(s) Constantine; K. Pruitt; Laurent; Sembler; Bronson; Rayson; and Betancourt

STATUTE(S) AFFECTED: NA

COMPANION BILL(S): None

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) ENVIRONMENTAL PROTECTION YEAS 7 NAYS 0
- (2) RULES, RESOLUTIONS, & ETHICS
- (3)
- (4)
- (5)

I. SUMMARY:

HM 1777 urges the United States Congress to appropriate funds for the construction of Stormwater Treatment Area 1 East (STA-1E), a component of the Everglades Construction Project. The South Florida Water Management District (SFWMD) has already expended approximately \$15 million for STA-1E and has not received federal reimbursement. The Congress authorized funds for this purpose in the 1996 Water Resources Development Act but must specifically appropriate funds before they can be expended for such purpose.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Background

The Everglades ecological system contributes to South Florida's water supply, flood control, and recreation. Although it is only 50 percent as large as it originally was, it is still considered by some to be one of the rarest places on earth in that it offers an incredible abundance and variety of marine, plant, and bird life. However, much of it is disappearing, along with most of its wildlife. In fact, estimates show that almost ninety percent of the wading-bird population within the Everglades has already vanished or been dislocated.

When South Florida was being settled, the first water management activities were directed to draining and diking the region to make it more suitable for development. In the 1940's, the Central and Southern Florida Flood Control and Other Purposes Project was initiated to build canals, levees, pump stations, and structures to provide water to coastal areas and to provide flood control and water storage in the agricultural and urban areas. This project designated 700,000 acres immediately south of Lake Okeechobee in the Everglades to become the Everglades Agricultural Area (EAA) and it retained 900,000 acres in five water conservation areas.

Over the years, management priorities of this system have shifted from a desire to drain and channelize the land to protecting and restoring the Everglades' natural resources. The challenge today is to strike a balance between the agricultural interests who have a desire to continue farming the lands and the environmental interests who seek to restore the remaining Everglades to its former beauty.

Stormwater runoff and natural drainage from the EAA flows south through three water conservation areas owned by the SFWMD before it enters Everglades National Park. Water discharged from the EAA is enriched with nutrients from two sources: 1) the oxidation of natural concentrations of phosphorus, nitrogen and other elements existing naturally in the soil, and 2) applied fertilizers. These additional nutrients are changing the Everglades environment. Because the plants and animals native to the Everglades depend on extremely low nutrient levels, the introduction of additional nutrients allows faster growing, non-native plants to displace the slow-growing native community. Increased nutrient levels also cause an increase in plant density, a lowering of dissolved oxygen, and changes in the value of the environment as shelter and feeding habitat for native animals. Concentrations of algae are evident in many areas, and cattails and exotic species are multiplying and dominating sections of the Everglades system. Recent data indicate cattails have taken over more than 20,000 acres of sawgrass prairies and marshes in the Everglades ecosystem, while melaleuca has displaced native plants in 500,000 acres.

Responding to the problems occurring in the Everglades, the "Save Our Everglades" program was launched in 1983. This program recognized that an entire ecosystem needed to be restored, not just small parts of it. The program set a goal that by the year 2000, the Everglades would look and function more like it did in 1900 than in 1983. Since then many programs have been established to restore the Kissimmee River and to protect Lake Okeechobee, the Water Conservation Areas, Everglades National Park,

and the Big Cypress Swamp. Some 326,000 acres of land have been acquired for protection under public ownership.

In 1988, the United States sued Florida for not enforcing water quality standards for agricultural runoff water entering the Arthur R. Marshall Loxahatchee National Wildlife Refuge and the Everglades National Park. By 1992, the federal court approved a proposed settlement of the lawsuit. This settlement was not self-executing and required a number of actions to be taken to reduce phosphorus pollution, to develop a regulatory program for the EAA, and to develop a water quality monitoring program. Meanwhile, other suits had been filed against the district, the state, federal agencies and other parties challenging various actions.

The 1990 Legislature enacted the Everglades Protection Act (Chapter 91-80, Laws of Florida, which was originally named the Marjory Stoneman Douglas Everglades Protection Act, but her name was later removed at her request), which required the district to adopt an Everglades Surface Water Improvement Management (SWIM) plan and contained other provisions designed to give the SFWMD tools to further protect the Everglades. The SWIM plan included the construction of four stormwater treatment areas to reduce nutrient load discharges to the Everglades Protection Area from the EAA, together with the implementation of Best Management Practices in the EAA to reduce phosphorus loads carried in agricultural drainage waters. A SWIM plan was adopted after considerable debate regarding the best way to reduce polluted runoff into the Everglades.

A technical group was convened to negotiate and mediate issues surrounding the SWIM plan in an attempt to settle related litigation. The discussions of the Technical Mediation Group culminated in a conceptual design document dated February 15, 1994.

In July 1993, an agreement (the "Statement of Principles") intended to end pollution of the Everglades and to begin restoration efforts was reached between the U.S. Department of the Interior, the U.S. Justice Department, the state, and sugar industry leaders. The Statement of Principles allocated costs among the state, the sugar industry, and the federal government.

The 1994 Legislature passed the "Everglades Forever Act" (Chapter 94-115, Laws of Florida). The Act, incorporating both the Statement of Principles and the conceptual design document of February 15, 1994, provided for restoration of the Everglades through implementation of the Everglades Construction Project. The project, combined with research and regulation, is intended to improve water quality, water quantity, and hydroperiod, and prevent the spread of exotic species in the ecosystem. The state's overall restoration and cleanup effort described in the Act is known as the "Everglades Program."

Issues

In the Statement of Principles, a federal commitment was made to provide funding for construction of works intended to contribute to restoration of the Everglades. In the subsequent Conceptual Design Document of February 15, 1994, these works were more specifically described as a modification to an existing Army Corps of Engineers flood control project, the C-51 flood control project. This modification was to provide for an enlarged stormwater

detention area, STA-1E. Congress enacted the Water Resource Development Act of 1996, in which it explicitly authorized the modifications necessary to provide for construction of the STA-1E to be accomplished at federal expense.

Section 373.4592(4)1., F.S., requires that land acquisition be completed for STA-1E by July 1, 1998. Land acquisition costs for STA-1E are projected to total approximately \$56 million. The SFWMD has already begun to acquire the necessary land for STA-1E. To date, the SFWMD has expended approximately \$15 million for land acquisition, but has received no federal reimbursement. In addition, the SFWMD has filed eminent domain on additional property for the STA-1E and must make a good-faith deposit on this property during April 1997.

Absence of federal funding exacerbates a short-term funding shortfall for the Everglades Construction Project. The SFWMD is currently facing a shortfall of \$80 million over the next two years, making it necessary to seek short-term financing to keep the project on schedule. Despite the federal commitment and the authorization of federal funding for the STA-1E, there are no federal funds currently appropriated for this purpose. In addition, the Army Corps of Engineers has not included funding for the STA-1E in its budget that is currently pending before Congress. Consequently, Congress must act specifically to add an appropriation to the federal budget.

B. EFFECT OF PROPOSED CHANGES:

HM 1777 has no specific effect other than to urge Congress to act to meet a federal obligation to fund its commitment to Everglades restoration. If Congress, in fact, provides funding for the STA-1E, the district will need to borrow less to keep the project on schedule.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

Not applicable.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Not applicable.

(3) any entitlement to a government service or benefit?

Not applicable.

b. If an agency or program is eliminated or reduced:

Not applicable.

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

Not applicable.

(2) what is the cost of such responsibility at the new level/agency?

Not applicable.

(3) how is the new agency accountable to the people governed?

Not applicable.

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

Not applicable.

b. Does the bill require or authorize an increase in any fees?

Not applicable.

c. Does the bill reduce total taxes, both rates and revenues?

Not applicable.

d. Does the bill reduce total fees, both rates and revenues?

Not applicable.

e. Does the bill authorize any fee or tax increase by any local government?

Not applicable.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

Not applicable.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Not applicable.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

Not applicable.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

Not applicable.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

Not applicable.

- (2) Who makes the decisions?

Not applicable.

- (3) Are private alternatives permitted?

Not applicable.

- (4) Are families required to participate in a program?

Not applicable.

(5) Are families penalized for not participating in a program?

Not applicable.

b. Does the bill directly affect the legal rights and obligations between family members?

Not applicable.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

Not applicable.

(2) service providers?

Not applicable.

(3) government employees/agencies?

Not applicable.

D. SECTION-BY-SECTION RESEARCH:

This section need be completed only in the discretion of the Committee.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

Not applicable.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

Not applicable.

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C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

Not applicable.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

VII. SIGNATURES:

COMMITTEE ON ENVIRONMENTAL PROTECTION:

Prepared by:

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W. Ray Scott

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