A bill to be entitled 1 An act relating to water resources; amending s. 2 3 259.032, F.S.; authorizing use of lands 4 acquired under the Conservation and Recreation Lands Trust Fund for permittable water resource 5 6 development and water supply development 7 purposes; amending s. 367.021, F.S.; defining 8 "environmental compliance costs"; limiting 9 certain determinations of the Florida Public Service Commission; amending s. 367.022, F.S.; 10 providing regulatory exemptions for nonpotable 11 irrigation water and bulk sale of water, under 12 13 certain circumstances; amending s. 367.081, F.S.; revising procedure in commission rate 14 15 proceedings for determinations regarding recovery of utility property investments; 16 17 providing for recovery of environmental 18 compliance costs; amending s. 367.171, F.S.; providing application of the act; amending s. 19 20 373.016, F.S.; revising legislative policy; 21 providing construction and application; amending s. 373.019, F.S.; revising 22 definitions; defining "district water 23 management plan, " "Florida water plan, " 24 "regional water supply plan," "water resource 25 26 development, " "water resource implementation 27 rule, " and "water supply development; " amending 28 s. 373.036, F.S.; eliminating the state water 29 use plan; providing for development of the Florida water plan, to include the water 30 31 resource implementation rule; providing

1 procedure for rule amendment; requiring water 2 management district governing boards to develop 3 district water management plans; creating s. 373.0361, F.S.; providing requirements for 4 5 regional water supply plans for regions 6 identified in district water management plans; 7 requiring an annual report; amending s. 373.042, F.S.; establishing exclusions from 8 9 minimum flows and levels requirements; revising 10 minimum flows and levels timing requirements; providing for independent scientific peer 11 review; creating s. 373.0421, F.S.; requiring 12 13 certain considerations in establishment and implementation of minimum flows and levels; 14 15 providing for implementation of recovery or prevention strategies; amending s. 373.046, 16 17 F.S.; providing for interdistrict agreements 18 for implementation of certain regulatory 19 responsibilities; amending s. 373.0693, F.S.; 20 correcting a cross reference; amending s. 21 373.073, F.S.; revising procedure for appointment of members to the water management 22 23 district governing boards; providing a timetable; amending s. 373.079, F.S.; revising 24 procedure for appointment of district executive 25 26 directors; providing respective authority of 27 the Governor and governing boards; authorizing 28 employment of governing board ombudsmen; revising duties of governing board legal staff; 29 30 creating s. 373.0831, F.S.; specifying governing board responsibilities for water

1 resource development and responsibilities of 2 other entities for water supply development; 3 providing for priorities for funding; requiring 4 a report; amending s. 373.223, F.S.; providing 5 requirements in considering authorization to 6 transport ground or surface water under a 7 permit for consumptive use of water; providing 8 restrictions; amending s. 373.236, F.S.; 9 revising provisions relating to duration of 10 consumptive use permits; requiring compliance reports and permit modification, under certain 11 12 circumstances; requiring a proposal for 13 reevaluation of certain areas with contaminated water supplies; amending s. 373.507, F.S.; 14 15 revising provisions relating to district and basin audits, budgets, and expense reports; 16 17 requiring districts to furnish copies of 18 documents to specified entities and to respond 19 to comments; amending s. 373.536, F.S.; 20 providing requirements for notice and 21 advertisement of district budget hearings and 22 workshops; providing requirements for budget 23 identification of administrative and operating expenses; providing for certain analysis of 24 25 budgets; revising requirements for submittal of 26 tentative budgets; amending s. 373.59, F.S.; 27 deleting obsolete language; correcting a cross 2.8 reference; authorizing use of interests in 29 property acquired under the Water Management 30 Lands Trust Fund for permittable water resource development and water supply development

purposes; amending ss. 186.007, 186.009, 373.103, 373.114, 373.418, 373.456, 403.031, and 403.0891, F.S., to conform to the act; repealing ss. 373.026(10), 373.039, and 403.061(33), F.S., relating to state water policy and the Florida water plan; repealing s. 373.0735, F.S., relating to appointment of members to the governing board of the Southwest Florida Water Management District; providing for grandfathering-in of minimum flows and levels for priority waters in Pasco County pursuant to provisions of chapter 96-339, Laws of Florida; providing effective dates.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (4) of section 259.032, Florida Statutes, 1996 Supplement, is amended to read:

259.032 Conservation and Recreation Lands Trust Fund; purpose.--

(4) Lands acquired under this section shall be for use as state-designated parks, recreation areas, preserves, reserves, historic or archaeological sites, geologic or botanical sites, recreational trails, forests, wilderness areas, wildlife management areas, urban open space, or other state-designated recreation or conservation lands; or they shall qualify for such state designation and use if they are to be managed by other governmental agencies or nonstate entities as provided for in this section. Lands acquired under this section may be used for permittable water resource development and water supply development purposes under the

following conditions: the minimum flows and levels of priority water bodies on such lands have been established; the 2 project complies with all conditions for issuance of a permit 3 under part II of chapter 373; and the project is compatible 4 5 with the purposes for which the land was acquired. A water 6 resource development project or water supply development 7 project may not be capitalized from donor county millage revenues when the land for the project was purchased through 8 9 the Conservation and Recreation Lands Trust Fund and it is anticipated that the project is designed primarily for 10 intercounty transport of ground or surface water. 11 Section 2. Present subsections (7) through (13) of 12 13 section 367.021, Florida Statutes, are renumbered as subsections (8) through (14), respectively, and a new 14 15 subsection (7) is added to said section to read: 367.021 Definitions.--As used in this chapter, the 16 17 following words or terms shall have the meanings indicated: (7) "Environmental compliance costs" means all 18 19 reasonable expenses and a fair return on the prudent 20 investments incurred in complying with federal, state, or 21 local environmental laws, rules, regulations, orders, 22 ordinances, or resolutions, or other such requirements. The 23 commission shall be bound by the determinations, permitting, and enforcement decisions of the United States Environmental 24 Protection Agency, the Department of Environmental Protection, 25 26 or a water management district, or other entity with 27 jurisdiction, as to the need for, capacity of, and type of 28 facilities, including land and processes, required for compliance, and the need for, capacity of, and type of 29 facilities, including land and processes, required as part of 30 any reuse system or project.

1 Section 3. Subsections (11) and (12) are added to 2 3

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29 30 section 367.022, Florida Statutes, 1996 Supplement, to read: 367.022 Exemptions.--The following are not subject to

regulation by the commission as a utility nor are they subject to the provisions of this chapter, except as expressly provided:

- (11) Any person providing only nonpotable water for irrigation purposes in a geographic area where potable water service is available from a governmentally or privately owned utility or a private well.
- (12) The sale for resale of bulk supplies of water to a governmental authority or to a utility regulated pursuant to this chapter either by the commission or the county.

Section 4. Subsection (2) of section 367.081, Florida Statutes, is amended to read:

367.081 Rates; procedure for fixing and changing. --

(2)(a) The commission shall, either upon request or upon its own motion, fix rates which are just, reasonable, compensatory, and not unfairly discriminatory. In every such proceeding, the commission shall consider the value and quality of the service and the cost of providing the service, which shall include, but not be limited to, debt interest; the requirements of the utility for working capital; maintenance, depreciation, tax, and operating expenses incurred in the operation of all property used and useful in the public service; and a fair return on the investment of the utility in property used and useful in the public service. However, the commission shall not allow the inclusion of contributions-in-aid-of-construction in the rate base of any utility during a rate proceeding, nor shall it impute prospective future contributions-in-aid-of-construction

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against the utility's investment in property used and useful in the public service; and accumulated depreciation on such contributions-in-aid-of-construction shall not be used to reduce the rate base, nor shall depreciation on such contributed assets be considered a cost of providing utility service. The commission shall also consider the investment of the utility in land acquired or facilities constructed or to be constructed in the public interest within a reasonable time in the future, not to exceed, unless extended by the commission, 24 months from the end of the historical test period used to set final rates.

- 1. For purposes of such proceeding, to determine whether utility property, including land acquired or facilities constructed or to be constructed in the public interest, is "used and useful in the public service," the commission shall apply the following:
- a. Utility property needed to serve current customers shall be considered fully used and useful in the public service.
- b. Utility property needed to serve customers less than 6 years from the date of the commission's final action on a rate request as provided in subsection (6) shall be considered fully used and useful in the public service.
- c. Utility property needed to serve customers 6 years or more but not more than 7 years from the date of the commission's final action on a rate request as provided in subsection (6) shall be rebuttably presumed to be used and useful in the public service.
- d. Utility property needed to serve customers more than 7 years from the date of the commission's final action on a rate request as provided in subsection (6) shall only be

considered used and useful in the public service if the commission determines that the utility has presented clear and convincing evidence to justify such treatment.

- 2. Notwithstanding the provisions of subparagraph 1., the commission shall approve rates for service that allow a utility to recover the full amount of environmental compliance costs from customers. Rates for service shall not include allowance for funds prudently invested or similar charges.
- (b) In establishing initial rates for a utility, the commission may project the financial and operational data as set out in paragraph (a) to a point in time when the utility is expected to be operating at a reasonable level of capacity.

Section 5. Subsections (6) and (8) of section 367.171, Florida Statutes, 1996 Supplement, are amended to read:

367.171 Effectiveness of this chapter.--

- were regulated by the commission on or after January 1, 1980, which subsequently cease to be so regulated, shall, within 90 days of the cessation of commission regulation or the effective date of this act, adopt and follow as minimum standards of regulation the provisions of s. 367.021,s. 367.0817 except for paragraph (4)(a), and ss. 367.0817 and s. 367.082, except that the word "commission" shall be read as "the governing body of such county" when the context implies or admits. The authorized rate of return shall be no less than the weighted cost of the capital of the utility, including debt and equity.
- (8) Each county which is excluded from the provisions of this chapter shall regulate the rates of all utilities in that county which would otherwise be subject to regulation by the commission pursuant to ss. $367.021, \frac{1}{5.367.081}$

1 (3), and (6), and 367.0817. The county shall not regulate the rates or charges of any system or facility which would otherwise be exempt from commission regulation pursuant to s. 367.022(2). For this purpose the county or its agency shall proceed as though the county or agency is the commission.

Section 6. Present subsection (2) of section 373.016,

Section 6. Present subsection (2) of section 373.016, Florida Statutes, is amended, subsections (3) and (4) are renumbered as subsections (4) and (5), respectively, and a new subsection (2) is added to that section, to read:

373.016 Declaration of policy.--

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- (2) The department and the governing board shall take into account cumulative impacts on water resources and manage those resources in a manner to ensure their sustainability.
- $\underline{(3)}$ It is further declared to be the policy of the Legislature:
- (a) To provide for the management of water and related land resources;
- (b) To promote the conservation, <u>replenishment</u>, <u>recapture</u>, <u>enhancement</u>, <u>development</u>, and proper utilization of surface and ground water;
- (c) To develop and regulate dams, impoundments, reservoirs, and other works and to provide water storage for beneficial purposes;
- (d) To promote the availability of sufficient water for all existing and future reasonable-beneficial uses and natural systems;
- $\underline{\text{(e)}(d)}$ To prevent damage from floods, soil erosion, and excessive drainage;
- $\underline{\text{(f)}}$ To minimize degradation of water resources caused by the discharge of stormwater;

1 (g)(f) To preserve natural resources, fish, and 2 wildlife; $(h)\frac{(g)}{(g)}$ To promote the public policy set forth in s. 3 403.021; 4 5 (i) (h) To promote recreational development, protect 6 public lands, and assist in maintaining the navigability of 7 rivers and harbors; and 8 (j) (i) Otherwise to promote the health, safety, and 9 general welfare of the people of this state. 10 In implementing this chapter, the department and the governing 11 12 board shall construe and apply the policies in this subsection 13 as a whole, and no specific policy is to be construed or applied in isolation from the other policies in this 14 15 subsection. Section 7. Section 373.019, Florida Statutes, 1996 16 17 Supplement, is amended to read: 18 373.019 Definitions.--When appearing in this chapter or in any rule, regulation, or order adopted pursuant thereto, 19 20 the following words shall, unless the context clearly 21 indicates otherwise, mean: (1)(13) "Coastal waters" means waters of the Atlantic 22 23 Ocean or the Gulf of Mexico within the jurisdiction of the 24 state. 25 (2) "Department" means the Department of 26 Environmental Protection or its successor agency or agencies. 27 (3) "District water management plan" means the 28 regional water resource plan developed by a governing board 29 under s. 373.036. 30 (4) "Domestic use" means the use of water for the individual personal household purposes of drinking, bathing,

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domestic. (5) "Florida water plan" means the state-level water resource plan developed by the department under s. 373.036.

cooking, or sanitation. All other uses shall not be considered

- (6)(3) "Governing board" means the governing board of a water management district.
- (7) "Groundwater" means water beneath the surface of the ground, whether or not flowing through known and definite channels.
- (8)(14) "Impoundment" means any lake, reservoir, pond, or other containment of surface water occupying a bed or depression in the earth's surface and having a discernible shoreline.
- (9)(18) "Independent scientific peer review" means the review of scientific data, theories, and methodologies by a panel of independent, recognized experts in the fields of hydrology, hydrogeology, limnology, and other scientific disciplines relevant to the matters being reviewed under s. 373.042.
- (10)(7) "Nonregulated use" means any use of water which is exempted from regulation by the provisions of this chapter.
- (11)(12) "Other watercourse" means any canal, ditch, or other artificial watercourse in which water usually flows in a defined bed or channel. It is not essential that the flowing be uniform or uninterrupted.
- (12)(5) "Person" means any and all persons, natural or artificial, including any individual, firm, association, organization, partnership, business trust, corporation, company, the United States of America, and the state and all 31 political subdivisions, regions, districts, municipalities,

and public agencies thereof. The enumeration herein is not intended to be exclusive or exhaustive.

 $\underline{(13)(4)}$ "Reasonable-beneficial use" means the use of water in such quantity as is necessary for economic and efficient utilization for a purpose and in a manner which is both reasonable and consistent with the public interest.

(14) "Regional water supply plan" means a detailed water supply plan developed by a governing board under s. 373.0361.

(15)(11) "Stream" means any river, creek, slough, or natural watercourse in which water usually flows in a defined bed or channel. It is not essential that the flowing be uniform or uninterrupted. The fact that some part of the bed or channel has been dredged or improved does not prevent the watercourse from being a stream.

(16)(10) "Surface water" means water upon the surface of the earth, whether contained in bounds created naturally or artificially or diffused. Water from natural springs shall be classified as surface water when it exits from the spring onto the earth's surface.

(17)(8) "Water" or "waters in the state" means any and all water on or beneath the surface of the ground or in the atmosphere, including natural or artificial watercourses, lakes, ponds, or diffused surface water and water percolating, standing, or flowing beneath the surface of the ground, as well as all coastal waters within the jurisdiction of the state.

(18) "Water management district" means any flood control, resource management, or water management district operating under the authority of this chapter.

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(19) "Water resource development" means the formulation and implementation of regional water resource management strategies, including the collection and evaluation of surface water and groundwater data; structural and nonstructural programs to protect and manage water resources; the development of regional water resource implementation programs; the construction, operation, and maintenance of major public works facilities to provide for flood control, surface and underground water storage, and groundwater recharge augmentation; and related technical assistance to local governments and to government-owned and privately owned water utilities.

(20)(16) "State Water resource implementation rule policy" means the rule authorized by s. 373.036, which sets comprehensive statewide policy as adopted by the department pursuant to ss. 373.026 and 403.061 setting forth goals, objectives, and guidance for the development and review of programs, rules, and plans relating to water resources, based on statutory policies and directives. The waters of the state are among its most basic resources. Such waters should be managed to conserve and protect water resources and to realize the full beneficial use of these resources.

(21) "Water supply development" means the planning, design, construction, operation, and maintenance of public or private facilities for water collection, production, treatment, transmission, or distribution for sale, resale, or end use.

(22) (17) For the sole purpose of serving as the basis for the unified statewide methodology adopted pursuant to s. 373.421(1), as amended, "wetlands" means those areas that are inundated or saturated by surface water or groundwater at a

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frequency and a duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soils. Soils present in wetlands generally are classified as hydric or alluvial, or possess characteristics that are associated with reducing soil conditions. The prevalent vegetation in wetlands generally consists of facultative or obligate hydrophytic macrophytes that are typically adapted to areas having soil conditions described above. These species, due to morphological, physiological, or reproductive adaptations, have the ability to grow, reproduce, or persist in aquatic environments or anaerobic soil conditions. Florida wetlands generally include swamps, marshes, bayheads, bogs, cypress domes and strands, sloughs, wet prairies, riverine swamps and marshes, hydric seepage slopes, tidal marshes, mangrove swamps and other similar areas. Florida wetlands generally do not include longleaf or slash pine flatwoods with an understory dominated by saw palmetto. Upon legislative ratification of the methodology adopted pursuant to s. 373.421(1), as amended, the limitation contained herein regarding the purpose of this definition shall cease to be effective.

(23)(15) "Works of the district" means those projects and works, including, but not limited to, structures, impoundments, wells, streams, and other watercourses, together with the appurtenant facilities and accompanying lands, which have been officially adopted by the governing board of the district as works of the district.

Section 8. Section 373.036, Florida Statutes, is amended to read:

373.036 <u>Florida water plan; district water management</u> plans <u>State water use plan</u>.--

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(1) FLORIDA WATER PLAN. -- In cooperation with the water management districts, regional water supply authorities, and others, the department shall develop the Florida water plan. The Florida water plan shall include, but not be limited to:

- (a) The programs and activities of the department related to water supply, water quality, flood protection and floodplain management, and natural systems.
 - (b) The water quality standards of the department.
 - (c) The district water management plans.

(d) Goals, objectives, and guidance for the

development and review of programs, rules, and plans relating to water resources, based on statutory policies and directives. The state water policy rule, renamed the water resource implementation rule pursuant to s. 373.019(20), shall serve as this part of the plan. Amendments or additions to this part of the Florida water plan shall be adopted by the department as part of the water resource implementation rule. In accordance with s. 373.114, the department shall review rules of the water management districts for consistency with this rule. Amendments to the water resource implementation rule must be adopted by the secretary of the department and be submitted to the President of the Senate and the Speaker of the House of Representatives within 7 days after publication in the Florida Administrative Weekly. Amendments shall not become effective until the conclusion of the next regular session of the Legislature following their adoption. (1) The department shall proceed as rapidly as

possible to study existing water resources in the state; means

and methods of conserving and augmenting such waters; existing and contemplated needs and uses of water for protection and

procreation of fish and wildlife, irrigation, mining, power

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development, and domestic, municipal, and industrial uses; and all other related subjects, including drainage, reclamation, flood plain or flood-hazard area zoning, and selection of reservoir sites. The department shall cooperate with the Executive Office of the Governor, or its successor agency, progressively to formulate, as a functional element of a comprehensive state plan, an integrated, coordinated plan for the use and development of the waters of the state, based on the above studies. This plan, with such amendments, supplements, and additions as may be necessary from time to time, shall be known as the state water use plan.

- (2) DISTRICT WATER MANAGEMENT PLANS. --
- (a) Each governing board shall develop a district water management plan for water resources within its region, which plan addresses water supply, water quality, flood protection and floodplain management, and natural systems. The district water management plan shall be based on at least a 20-year planning period, shall be developed and revised in cooperation with other agencies, regional water supply authorities, units of government, and interested parties, and shall be updated at least once every 5 years. The governing board shall hold a public hearing at least 30 days in advance of completing the development or revision of the district water management plan.
- (b) The district water management plan shall include, but not be limited to:
- 1. The scientific methodologies for establishing minimum flows and levels under s. 373.042, and all established minimum flows and levels.
- 2. Identification of one or more water supply planning regions that singly or together encompass the entire district.

- 3. Technical data and information prepared under ss. 373.0391 and 373.0395.
- 4. A districtwide water supply assessment, to be completed no later than July 1, 1998, which determines for each water supply planning region:
- a. Existing legal uses, reasonably anticipated future needs, and existing and reasonably anticipated sources of water and conservation efforts; and
- b. Whether existing and reasonably anticipated sources of water and conservation efforts are adequate to supply water for all existing legal uses and reasonably anticipated future needs and to sustain the water resources and related natural systems.
 - 5. Any completed regional water supply plans.
- (c) If necessary for implementation, the governing board shall adopt by rule or order relevant portions of the district water management plan, to the extent of its statutory authority.
- <u>(d)(2)</u> In the formulation of the <u>district water</u> <u>management</u> state water use plan, the <u>governing board</u> <u>department</u> shall give due consideration to:
- $\frac{1.(a)}{a}$ The attainment of maximum reasonable-beneficial use of water resources for such purposes as those referred to in subsection (1).
- $\underline{2.(b)}$ The maximum economic development of the water resources consistent with other uses.
- <u>3.(c)</u> The <u>management</u> <u>control</u> of <u>water resources</u> <u>such</u> waters for such purposes as environmental protection, drainage, flood control, and water storage.
- $\frac{4.(d)}{d}$ The quantity of water available for application to a reasonable-beneficial use.

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5.(e) The prevention of wasteful, uneconomical,

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impractical, or unreasonable uses of water resources. 6.(f) Presently exercised domestic use and permit

 $7.\frac{(g)}{g}$ The preservation and enhancement of the water quality of the state and the provisions of the state water quality plan.

8.(h) The state water resources policy as expressed by this chapter.

(3) During the process of formulating or revising the state water use plan, the department shall consult with, and carefully evaluate the recommendations of, concerned federal, state, and local agencies, particularly the governing boards of the water management districts, and other interested persons.

(4) Each governing board is directed to cooperate with the department in conducting surveys and investigations of water resources, to furnish the department with all available data of a technical nature, and to advise and assist the department in the formulation and drafting of those portions of the state plan applicable to the district.

(5) The department shall not adopt or modify the state water use plan or any portion thereof without first holding a public hearing on the matter. At least 90 days in advance of such hearing, the department shall notify any affected governing boards, and shall give notice of such hearing by publication within the affected region pursuant to the provisions of chapter 120, except such notice by publication shall be extended at least 90 days in advance of such hearings.

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(6) For the purposes of this plan the department may, in consultation with the affected governing board, divide each water management district into sections which shall conform as nearly as practicable to hydrologically controllable areas and describe all water resources within each area.

(3) (3) (7) The department and governing board shall give careful consideration to the requirements of public recreation and to the protection and procreation of fish and wildlife. The department or governing board may prohibit or restrict other future uses on certain designated bodies of water which may be inconsistent with these objectives.

(4)(8) The governing board department may designate certain uses in connection with a particular source of supply which, because of the nature of the activity or the amount of water required, would constitute an undesirable use for which the governing board may deny a permit.

(5)(9) The governing board department may designate certain uses in connection with a particular source of supply which, because of the nature of the activity or the amount of water required, would result in an enhancement or improvement of the water resources of the area. Such uses shall be preferred over other uses in the event of competing applications under the permitting systems authorized by this chapter.

(6) (10) The department, in cooperation with the Executive Office of the Governor, or its successor agency, may add to the Florida water state water use plan any other information, directions, or objectives it deems necessary or desirable for the guidance of the governing boards or other agencies in the administration and enforcement of this chapter.

Section 9. Section 373.0361, Florida Statutes, is created to read:

373.0361 Regional water supply planning.--

- initiate water supply planning for each water supply planning region identified in the district water management plan under s. 373.036, where it determines that sources of water are not adequate for the planning period to supply water for all existing and projected reasonable-beneficial uses and to sustain the water resources and related natural systems. The planning must be conducted in an open public process, in coordination and cooperation with local governments, regional water supply authorities, government-owned and privately owned water utilities, self-suppliers, and other affected and interested parties.
- (2) Each regional water supply plan shall be based on at least a 20-year planning period and shall include, but not be limited to:
- (a) A water supply development component that
 includes:
- 1. A quantification of the water supply needs for all existing and reasonably projected future uses within the planning horizon. The level of certainty associated with identifying the water supply needs of existing and future reasonable-beneficial uses shall be based upon the assurance that water would be available to meet those needs for a 1-in-10 year drought event.
- 2. A list of water source options for water supply development, including traditional and alternative sources, from which local government, government-owned and privately

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owned utilities, self-suppliers, and others may choose, which will exceed the needs identified in subparagraph 1.

- 3. For each option listed in subparagraph 2., the estimated amount of water available for use and the estimated costs of and potential sources of funding for water supply development.
 - 4. A list of water supply development projects.
- (b) A water resource development component that includes:
- 1. A listing of those water resource development projects that support water supply development.
 - 2. For each water resource development project listed:
- a. An estimate of the amount of water to become available through the project.
- b. The timetable for implementing or constructing the project and the estimated costs for implementing, operating, and maintaining the project.
 - c. Sources of funding and funding needs.
- d. Who will implement the project and how it will be implemented.
- (c) The recovery and prevention strategy described in s. 373.0421(2).
- (d) A funding strategy for water resource development projects, which shall be reasonable and sufficient to pay the cost of constructing or implementing all of the listed projects.
- (e) Consideration of how the options addressed in paragraphs (a) and (b) serve the public interest or save costs overall by preventing the loss of natural resources or avoiding greater future expenditures for water resource development or water supply development. However, unless

adopted by rule, these considerations do not constitute final agency action.

- (f) The technical data and information applicable to the planning region which are contained in the district water management plan and are necessary to support the regional water supply plan.
- (g) The minimum flows and levels established for water resources within the planning region.
- (3) All portions of the regional water supply plan that impact or affect third parties, including the determination of the water resource development projects to be funded by the district, the financial feasibility of the water resource development projects, the timetable for funding, constructing, and implementing these projects, and the funding, construction, and implementation of projects necessary for the recovery and prevention strategy, shall be adopted by the governing board as a rule pursuant to chapter 120.
- (4) Regional water supply plans initiated or completed by July 1, 1997, shall be revised, if necessary, to include a water supply development component and a water resource development component as described in paragraphs (2)(a) and (b).
- thereafter, the department shall submit to the Governor and the Legislature a report on the status of regional water supply planning in each district. This report shall include a compilation of the estimated costs of and potential sources of funding for water resource development and water supply development projects, as identified in the water management district regional water supply plans.

1 (6) Nothing contained in the water supply
2 development component of the district water management plan
3 shall be construed to require local governments,
4 government-owned or privately owned water utilities,
5 self-suppliers, or other water suppliers to select a water
6 supply development option identified in the component.

Section 10. Section 373.042, Florida Statutes, 1996 Supplement, is amended to read:

373.042 Minimum flows and levels.--

- (1) Within each section, or the water management district as a whole, the department or the governing board shall establish the following:
- (a) Minimum flow for all surface watercourses in the area. The minimum flow for a given watercourse shall be the limit at which further withdrawals would be significantly harmful to the water resources or ecology of the area.
- (b) Minimum water level. The minimum water level shall be the level of groundwater in an aquifer and the level of surface water at which further withdrawals would be significantly harmful to the water resources of the area.

(c) Exclusions.

- 1. The department or the governing board shall not set minimum levels for surface water bodies less than 25 acres in area, unless the surface water body or bodies, individually or cumulatively, have significant economic, environmental, or hydrologic value, or are otherwise a unique natural resource of the state.
- 2. The department or the governing board shall not set minimum flows or levels for surface water bodies constructed prior to the requirement for a permit, or pursuant to an exemption, a permit, or a reclamation plan which regulates the

size, depth, or function of the surface water body under the provisions of chapter 373, chapter 378, or chapter 403, unless the constructed surface water body is of unique hydrologic value and an essential element of the water resources of the area.

3. The exclusions in subparagraphs 1. and 2. shall not apply to the Everglades Protection Area, as defined in s. 373.4592(2)(h).

The minimum flow and minimum water level shall be calculated by the department and the governing board using the best information available. When appropriate, minimum flows and levels may be calculated to reflect seasonal variations. The department and the governing board shall also consider, and at their discretion may provide for, the protection of nonconsumptive uses in the establishment of minimum flows and levels.

Management District shall amend and submit to the department for review and approval its priority list for the establishment of minimum flows and levels and delineating the order in which the governing board shall establish the minimum flows and levels for surface watercourses, aquifers, and surface water in the counties of Hillsborough, Pasco, and Pinellas. By November 15, 1997, and annually thereafter, each water management district shall submit to the department for review and approval a priority list and schedule for the establishment of minimum flows and levels for surface watercourses, aquifers, and surface waters within the district. The priority list shall identify those water bodies for which the district will voluntarily undertake independent

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scientific peer review. By January 1, 1998, and annually thereafter, each water management district shall publish its approved priority list and schedule in the Florida Administrative Weekly. The priority list shall be based upon the importance of the waters to the state or region and the existence of or potential for significant harm to the water resources or ecology of the state or region, and shall include those waters which are experiencing or may reasonably be expected to experience experiencing adverse impacts and those waters which are identified as possible new water supply sources proposing to withdraw 5 million gallons or more per day in the future. The development and publishing of the priority list shall not constitute a point of entry to an administrative proceeding pursuant to chapter 120. Except as provided in subsection (3), the development of a priority list and compliance with the schedule for the establishment of minimum flows and levels pursuant to this subsection shall satisfy the requirements of subsection (1).

Counties of Hillsborough, Pasco, and Pinellas subsection (2) shall be established by October 1, 1997. Where a minimum flow or level for the priority waters within those counties has not been established by the applicable deadline, the secretary of the department shall, if requested by the governing body of any local government within whose jurisdiction the affected waters are located, establish the minimum flow or level flows and levels in accordance with the procedures established by this section. The department's reasonable costs in establishing a minimum flow or level shall, upon request of the secretary, be reimbursed by the applicable district.

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(4)(a) Upon written request to the department or governing board by a substantially affected person, or by decision of the department or governing board, prior to the establishment of a minimum flow or level and prior to the filing of any petition for administrative hearing related to the minimum flow or level, all scientific or technical data, methodologies, and models, including all scientific and technical assumptions employed in each model, used to establish a minimum flow or level shall be subject to independent scientific peer review. Independent scientific peer review means review by a panel of independent, recognized experts in the fields of hydrology, hydrogeology, limnology, biology, and other scientific disciplines, to the extent relevant to the establishment of the minimum flow or level. (b) If independent scientific peer review is requested, it shall be initiated at an appropriate point agreed upon by the department or governing board and the person or persons requesting the peer review. If no agreement is reached, the department or governing board shall determine the appropriate point at which to initiate peer review. members of the peer review panel shall be selected within 60 days of the point of initiation by agreement of the department or governing board and the person or persons requesting the peer review. If the panel is not selected within the 60-day period, the time limitation may be waived upon the agreement of all parties. If no waiver occurs, the department or governing board may proceed to select the peer review panel. The cost of the peer review shall be borne equally by the district and each party requesting the peer review, to the extent economically feasible. The panel shall submit a final report to the governing board within 120 days after its

parties. Initiation of peer review pursuant to this paragraph shall toll any applicable deadline under chapter 120 or other law or district rule regarding permitting, rulemaking, or administrative hearings, until 60 days following submittal of the final report. Any such deadlines shall also be tolled for 60 days following withdrawal of the request or following agreement of the parties that peer review will no longer be pursued. The department or the governing board shall give significant weight to the final report of the peer review panel when establishing the minimum flow or level.

- (c) If the final data, methodologies, and models, including all scientific and technical assumptions employed in each model upon which a minimum flow or level is based, have undergone peer review pursuant to this subsection, by request or by decision of the department or governing board, no further peer review shall be required with respect to that minimum flow or level.
- (d) No minimum flow or level adopted by rule or formally noticed for adoption on or before May 2, 1997, shall be subject to the peer review provided for in this subsection. Prior to the establishment of minimum flows or levels for water resources areas identified in subsection (2), and prior to filing any petition for administrative hearing, scientific or technical data and methodologies, if in dispute, shall, upon written request to the governing board by a substantially affected person, be subject to independent scientific peer review. The members of the peer review panel shall be selected by agreement of the parties in interest within 60 days after receipt of the request. In the event the panel is not selected within this time, then, upon the agreement of all

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parties, the time may be waived, or, if no waiver occurs, the governing board may proceed to establish the minimum flows and levels. The cost of the peer review shall be borne equally by the parties selecting the panel, to the extent economically feasible. The panel shall conduct at least one public meeting of the full panel in accordance with s. 286.011(1) and (6) prior to the submission of the final report. The panel shall submit a final report to the governing board within 120 days after selection. Upon request by all members of the panel and agreement of the parties, the time for submittal may be extended for up to 30 additional days. In the event the final report is not submitted within such time, the governing board may proceed to establish the minimum flows and levels pursuant to this section. Filing of a request shall toll any applicable deadline under chapter 120, or other law or district rule, until 60 days following submittal of the final report. Any such deadlines shall also be tolled for 60 days following the withdrawal of the request, agreement of the parties that peer review will no longer be pursued, or failure to meet any deadline set forth in this subsection. If the selection of the panel is subject to the requirements of chapter 287, then the panel shall submit its final report to the governing board within 120 days after the completion of the process required pursuant to chapter 287. The governing board shall give significant weight to the final report of the panel in establishing the minimum flow or level, as appropriate. The final report may also be entered into the record by any party to the proceeding in which the minimum flow or level is applicable. (5) If a petition for administrative hearing is filed

under chapter 120 challenging the establishment of a the

minimum flow or level flows or levels, the report of an the independent scientific peer review conducted under subsection (4) is admissible as evidence in the final hearing, and the administrative law judge hearing officer must render the order within 120 days after the filing of the petition. The time limit for rendering the an order shall not be extended except by agreement of all the parties. To the extent that the parties agree to the findings of the peer review, they may stipulate that those findings be incorporated as findings of fact in the final order.

Section 11. Section 373.0421, Florida Statutes, is created to read:

373.0421 Establishment and implementation of minimum flows and levels.--

pursuant to s. 373.042, the department or governing board shall consider changes and structural alterations to watersheds, surface waters, and aquifers and the effects such changes or alterations have had, and the constraints such changes or alterations have placed, on the hydrology of an affected watershed, surface water, or aquifer. Nothing in this paragraph shall be construed to grandfather-in significant harm pursuant to s. 373.042 caused by consumptive use withdrawals, as determined by the governing board or the department.

(b) The Legislature recognizes that certain water bodies no longer serve their historic hydrologic functions.

The Legislature also recognizes that recovery of these water bodies to historic hydrologic conditions may not be economically or technically feasible, and that such recovery effort could cause adverse environmental or hydrologic

impacts. Accordingly, the department or governing board may determine that setting a minimum flow or level for such a water body based on its historic hydrologic condition is not appropriate.

- (2) If the existing flow or level in a water body is below, or is projected to fall within 20 years below, the applicable minimum flow or level established pursuant to s. 373.042, the department or governing board, as part of the regional water supply plan described in s. 373.0361, shall expeditiously adopt and implement a recovery or prevention strategy, which includes the development of additional water supplies and other actions, consistent with the authority granted by this chapter, to:
- (a) Achieve recovery to the established minimum flow or level as soon as practicable; or
- (b) Prevent the existing flow or level from falling below the established minimum flow or level.

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> The recovery or prevention strategy shall include phasing or a timetable which will allow for the provision of sufficient water supplies for all existing and projected reasonable-beneficial uses, including development of additional water supplies and implementation of conservation and other efficiency measures concurrent with to the extent practical, and to offset, reductions in permitted withdrawals,

> (3) The provisions of this section are supplemental to any other specific requirements or authority provided by law. Minimum flows and levels shall be reevaluated periodically and revised as needed.

consistent with the provisions of this chapter.

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Section 12. Subsection (6) is added to section 1 2 373.046, Florida Statutes, 1996 Supplement, to read: 3 373.046 Interagency agreements.--4 (6) When the geographic area of a project or local 5 government crosses water management district boundaries, the 6 affected districts may designate a single affected district by 7 interagency agreement to implement in that area, under the 8 rules of the designated district, all or part of the 9 applicable regulatory responsibilities under chapter 373. Interagency agreements entered into under this subsection 10 which apply to the geographic area of a local government must 11 have the concurrence of the affected local government. The 12 13 application under this subsection, by rule, of any existing 14 district rule that was adopted or formally noticed for 15 adoption on or before May 11, 1995, is not subject to s. 70.001. 16 17 Section 13. Paragraph (a) of subsection (8) of section 373.0693, Florida Statutes, is amended to read: 18 19 373.0693 Basins; basin boards.--20 (8)(a) At 11:59 p.m. on June 30, 1988, the area 21 transferred from the Southwest Florida Water Management 22 District to the St. Johns River Water Management District by 23 change of boundaries pursuant to chapter 76-243, Laws of Florida, shall cease to be a subdistrict or basin of the St. 24 25 Johns River Water Management District known as the Oklawaha River Basin and said Oklawaha River Basin shall cease to 26 27 exist. However, any recognition of an Oklawaha River Basin or 28 an Oklawaha River Hydrologic Basin for regulatory purposes 29 shall be unaffected. The area formerly known as the Oklawaha 30 River Basin shall continue to be part of the St. Johns River Water Management District. There shall be established by the

governing board of the St. Johns River Water Management District the Oklawaha River Basin Advisory Council to receive public input and advise the St. Johns River Water Management 3 4 District's governing board on water management issues affecting the Oklawaha River Basin. The Oklawaha River Basin 5 6 Advisory Council shall be appointed by action of the St. Johns 7 River Water Management District's governing board and shall 8 include one representative from each county which is wholly or partly included in the Oklawaha River Basin. The St. Johns River Water Management District's governing board member 10 currently serving pursuant to s. 373.073(2)(c)3. 11 373.073(1)(b)3.c., shall serve as chair of the Oklawaha River 12 13 Basin Advisory Council. Members of the Oklawaha River Basin Advisory Council shall receive no compensation for their 14 15 services but are entitled to be reimbursed for per diem and travel expenses as provided in s. 112.061. 16 17 Section 14. Section 373.073, Florida Statutes, is 18 amended to read: 19 373.073 Governing board.--20 (1)(a) The governing board of each water management district shall be composed of 9 members who shall reside 21 22 within the district, except that the Southwest Florida Water 23 Management District shall be composed of 11 members who shall

reside within the district. Members of the governing boards

shall be appointed by the Governor, subject to confirmation by

the Senate at the next regular session of the Legislature, and

the refusal or failure of the Senate to confirm an appointment

creates a vacancy in the office to which the appointment was

made. The term of office for a governing board member is 4

years and commences on March 2 of the year in which the

appointment is made and terminates on March 1 of the 4th

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calendar year of the term. Terms of office of governing board members shall be staggered to help maintain consistency and continuity in the exercise of governing board duties and to minimize disruption in district operations. The term of office of members of the board shall be 4 years and shall be construed to commence on March 2 preceding the date of appointment and to terminate March 1 of the year of the end of a term. Members of the governing boards continued under this chapter shall be appointed from the district at large as vacancies occur on the governing boards. Such vacancies shall be filled according to the residency requirements of paragraph 12 (b).

- (b) Commencing January 1, 1999, the Governor shall appoint the following number of governing board members in each year of the Governor's 4-year term of office:
- 1. In the first year of the Governor's term of office, the Governor shall appoint three members to the governing board of each district.
- 2. In the second year of the Governor's term of office, the Governor shall appoint three members to the governing board of the Southwest Florida Water Management District and two members to the governing board of each other district.
- 3. In the third year of the Governor's term of office, the Governor shall appoint three members to the governing board of the Southwest Florida Water Management District and two members to the governing board of each other district.
- 4. In the fourth year of the Governor's term of office, the Governor shall appoint two members to the governing board of each district.

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For any governing board vacancy that occurs before the date scheduled for the office to be filled under this paragraph, the Governor shall appoint a person meeting residency requirements of subsection (2) for a term that will expire on the date scheduled for the term of that office to terminate under this subsection. In addition to the residency requirements for the governing boards as provided by subsection (2), the Governor shall consider appointing governing board members to represent an equitable cross-section of regional interests and technical expertise.

(2)(b) Notwithstanding the provisions of any other general or special law to the contrary, vacancies in the governing boards of the water management districts shall be filled according to the following residency requirements, representing areas designated by the United States Water Resources Council in United States Geological Survey, River Basin and Hydrological Unit Map of Florida--1975, Map Series No. 72:

 $\underline{\text{(a)}_{1}}$. Northwest Florida Water Management District:

1.a. One member shall reside in the area generally designated as the "Perdido River Basin-Perdido Bay Coastal Area-Lower Conecuh River-Escambia River Basin" hydrologic units and that portion of the "Escambia Bay Coastal Area" hydrologic unit which lies west of Pensacola Bay and Escambia Bay.

2.b. One member shall reside in the area generally designated as the "Blackwater River Basin-Yellow River Basin-Choctawhatchee Bay Coastal Area" hydrologic units and that portion of the "Escambia Bay Coastal Area" hydrologic unit which lies east of Pensacola Bay and Escambia Bay.

3.c. One member shall reside in the area generally designated as the "Choctawhatchee River Basin-St. Andrews Bay Coastal Area" hydrologic units.

4.d. One member shall reside in the area generally designated as the "Lower Chattahoochee-Apalachicola River-Chipola River Basin-Coastal Area between Ochlockonee River Apalachicola Rivers-Apalachicola Bay coastal area and offshore islands" hydrologic units.

5.e. One member shall reside in the area generally designated as the "Ochlockonee River Basin-St. Marks and Wakulla Rivers and coastal area between Aucilla and Ochlockonee River Basin" hydrologic units.

 $\underline{6.f.}$ Four members shall be appointed at large, except that no county shall have more than two members on the governing board.

(b) 2. Suwannee River Water Management District:

 $\underline{\text{1.a.}}$ One member shall reside in the area generally designated as the "Aucilla River Basin" hydrologic unit.

2.b. One member shall reside in the area generally designated as the "Coastal Area between Suwannee and Aucilla Rivers" hydrologic unit.

3.c. One member shall reside in the area generally designated as the "Withlacoochee River Basin-Alapaha River Basin-Suwannee River Basin above the Withlacoochee River" hydrologic units.

 $\underline{4.d.}$ One member shall reside in the area generally designated as the "Suwannee River Basin below the Withlacoochee River excluding the Santa Fe River Basin" hydrologic unit.

 $\underline{\text{5.e.}}$ One member shall reside in the area generally designated as the "Santa Fe Basin-Waccasassa River and coastal

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area between Withlacoochee and Suwannee River" hydrologic units.

- $\underline{6.f.}$ Four members shall be appointed at large, except that no county shall have more than two members on the governing board.
 - (c)3. St. Johns River Water Management District:
- 1.a. One member shall reside in the area generally designated as the "St. Mary River Basin-Coastal area between St. Marys and St. Johns Rivers" hydrologic units.
- 2.b. One member shall reside in the area generally designated as the "St. Johns River Basin below Oklawaha River-Coastal area between the St. Johns River and Ponce de Leon Inlet" hydrologic units.
- 3.c. One member shall reside in the area generally designated as the "Oklawaha River Basin" hydrologic unit.
- $\underline{4.d.}$ One member shall reside in the area generally designated as the "St. Johns River Basin above the Oklawaha River" hydrologic unit.
- $\underline{5.e.}$ One member shall reside in the area generally designated as the "Coastal area between Ponce de Leon Inlet and Sebastian Inlet-Coastal area Sebastian Inlet to St. Lucie River" hydrologic units.
- $\underline{6.f.}$ Four members shall be appointed at large, except that no county shall have more than two members on the governing board.
 - (d) 4. South Florida Water Management District:
 - 1.a. Two members shall reside in Dade County.
 - 2.b. One member shall reside in Broward County.
 - 3.c. One member shall reside in Palm Beach County.
- $\frac{4.d.}{}$ One member shall reside in Collier County, Lee County, Hendry County, or Charlotte County.

1 5. e. One member shall reside in Glades County, 2 Okeechobee County, Highlands County, Polk County, Orange 3 County, or Osceola County. 4 6.f. Two members, appointed at large, shall reside in 5 an area consisting of St. Lucie, Martin, Palm Beach, Broward, 6 Dade, and Monroe Counties. 7 7.g. One member, appointed at large, shall reside in 8 an area consisting of Collier, Lee, Charlotte, Hendry, Glades, 9 Osceola, Okeechobee, Polk, Highlands, and Orange Counties. 10 8.h. No county shall have more than three members on 11 the governing board. 12 (e) 5. Southwest Florida Water Management District: 13 1.a. Two members shall reside in Hillsborough County. 2.b. One member shall reside in the area consisting of 14 15 Hillsborough and Pinellas Counties. 3.c. Two members shall reside in Pinellas County. 16 17 4.d. One member shall reside in Manatee County. 18 5.e. One member shall reside in Polk County. 6.f. One member shall reside in Pasco County. 19 20 7.g. One member shall be appointed at large from Levy, Marion, Citrus, Sumter, Hernando, and Lake Counties. 21 22 8.h. One member shall be appointed at large from 23 Sarasota, Hardee, DeSoto, Charlotte, and Highlands Counties. 24 9.i. One member shall be appointed at large from Levy, 25 Marion, Citrus, Sumter, Hernando, Lake, Sarasota, Hardee, 26 DeSoto, Charlotte, and Highlands Counties. 27 28 No county described in subparagraph 7., subparagraph 8., or 29 subparagraph 9. sub-subparagraphs g., h., or i. shall have 30 more than one member on the governing board.

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(2) Members of the governing boards shall be appointed by the Governor, subject to confirmation by the Senate at the next regular session of the Legislature, and the refusal or failure of the Senate to confirm an appointment shall create a vacancy in the office to which the appointment was made.

Section 15. Paragraph (a) of subsection (4) and subsection (5) of section 373.079, Florida Statutes, are amended to read:

373.079 Members of governing board; oath of office; staff.--

(4)(a) From among three recommendations by the governing board, the Governor shall appoint an executive director. The executive director shall serve at the pleasure of the Governor and is responsible for communicating regularly with the governing board, the department, and the Governor regarding water resources issues. The initial appointment of an executive director must be confirmed by the Senate. Executive directors must be reconfirmed by the Senate every 4 years. The governing board of the district is authorized to direct the daily activities of the executive director and to employ an ombudsman executive director and such engineers, other professional persons, and other personnel and assistants as it deems necessary and under such terms and conditions as it may determine and to terminate such employment. In the case of the executive director, the governing board may recommend termination to the Governor. The appointment of an executive director must be initially confirmed by the Florida Senate. The governing board may delegate all or part of its authority under this paragraph to the executive director.

(5) The governing board may employ a legal staff for the purposes of:

- (a) Providing legal counsel to the governing board on matters relating to the exercise of its powers and duties and to the executive director and district staff on matters relating to the day-to-day operations of the district;
- (b) Representing it in all proceedings of an administrative or judicial nature; and
- (c) Otherwise assisting in the administration of the provisions of this chapter.

Attorneys employed by the district must represent the legal interest or position of the governing board.

Section 16. Section 373.0831, Florida Statutes, is created to read:

373.0831 Water resource development; water supply development.--

- (1) The Legislature finds that:
- (a) The proper role of the water management districts in water supply is primarily planning and water resource development, but this does not preclude them from providing assistance with water supply development.
- (b) The proper role of local government, regional water supply authorities, and government-owned and privately owned water utilities in water supply is primarily water supply development, but this does not preclude them from providing assistance with water resource development.
- (c) Water resource development and water supply development must receive priority attention, where needed, to increase the availability of sufficient water for all existing and future reasonable-beneficial uses and natural systems.
 - (2) It is the intent of the Legislature that:

- 1 (a) Sufficient water be available for all existing and
 2 future reasonable-beneficial uses and the natural systems, and
 3 that the adverse effects of competition for water supplies be
 4 avoided.
 - (b) Water management districts take the lead in identifying and implementing water resource development projects, and be responsible for securing necessary funding for regionally significant water resource development projects.
 - authorities, and government-owned and privately owned water utilities take the lead in securing funds for and implementing water supply development projects. Generally, direct beneficiaries of water supply development projects should pay the costs of the projects from which they benefit, and water supply development projects should continue to be paid for through local funding sources. A water resource development project or water supply development project may not be capitalized from donor county millage revenues when the land for the project was purchased through the Conservation and Recreational Lands Trust Fund and it is anticipated that the project is designed primarily for intercounty transport of ground or surface water.
 - (d) Water supply development be conducted in coordination with water management district regional water supply planning and water resource development.
 - (3) The water management districts shall fund and implement water resource development as defined in s. 373.019.

 Each governing board shall include in its annual budget the amount needed for the fiscal year to implement water resource

development projects, as prioritized in its regional water supply plans.

- (4)(a) Water supply development projects which are consistent with the relevant regional water supply plans and which meet one or more of the following criteria shall receive priority consideration for state or water management district funding assistance:
- 1. The project supports establishment of a dependable, sustainable supply of water which is not otherwise financially feasible;
- 2. The project provides substantial environmental benefits by preventing or limiting adverse water resource impacts, but require funding assistance to be economically competitive with other options; or
- 3. The project significantly implements reuse, storage, recharge, or conservation of water in a manner that contributes to the sustainability of regional water sources.
- (b) Water supply development projects which meet the criteria in paragraph (a) and also bring about replacement of existing sources in order to help implement a minimum flow or level shall be given first consideration for state or water management district funding assistance.
- (5) Beginning on January 1, 1998, and each January 1 thereafter, each water management district shall report to the Governor and the Legislature on the progress it has made in implementing water resource development. The report must address, at a minimum, all of the elements in the water resource development component described in s. 373.0361.

Section 17. Subsection (2) of section 373.223, Florida Statutes, is amended to read:

373.223 Conditions for a permit.--

- (2) The governing board or the department may authorize the holder of a use permit to transport and use ground or surface water beyond overlying land, across county boundaries, or outside the watershed from which it is taken if the governing board or department determines that such transport and use is consistent with the public interest, and no local government shall adopt or enforce any law, ordinance, rule, regulation, or order to the contrary. Except for the Central and Southern Florida Flood Control Project, when evaluating whether such a potential transport of ground or surface water is consistent with the public interest, the governing board or department may give significant weight to: (a) The proximity of the proposed source of water to
- the area in which it is to be used or applied.
- (b) Other environmentally, economically, and technically feasible alternatives to the source being proposed, including, but not limited to, desalination, reuse, stormwater, and aquifer storage and recovery.
 - (c) Cumulative impacts due to groundwater withdrawal.
 - (d) Affected local governments.

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The governing board may also consider whether or not a regional water supply authority supplies water in the area. A permit decision by the governing board based on these considerations shall not affect any perfected legal challenge under chapter 120, an administrative challenge under chapter 120, or a judicial challenge, filed prior to the effective date of this act.

29 Section 18. Section 373.236, Florida Statutes, is 30 amended to read:

373.236 Duration of permits.--

- (1) Permits shall may be granted for a any period of time not exceeding 20 years, if requested for that period of time, if there is sufficient data to provide reasonable assurance that the conditions for permit issuance will be met for the duration of the permit; otherwise permits may be issued for shorter durations which reflect the period for which such reasonable assurances can be provided. The governing board or the department may base the duration of permits on a reasonable system of classification according to source of supply or type of use, or both.
- (2) The governing board or the department may authorize a permit of duration of up to 50 years in the case of a municipality or other governmental body or of a public works or public service corporation where such a period is required to provide for the retirement of bonds for the construction of waterworks and waste disposal facilities.
- that the conditions for issuance of a 20-year permit can continue to be met, the governing board or department, in addition to any conditions required pursuant to s. 373.219, may require a compliance report by the permittee every 5 years during the term of a permit. This report shall contain sufficient data to maintain reasonable assurance that the initial conditions for permit issuance are met. Following review of this report, the governing board or the department may modify the permit to ensure that the use meets the conditions for issuance. Permit modifications pursuant to this subsection shall not be subject to competing applications, provided there is no increase in the permitted allocation or permit duration, and no change in source, except for changes in source requested by the district. This

subsection shall not be construed to limit the existing authority of the department or the governing board to modify 2 3 or revoke a consumptive use permit. Section 19. By January 1, 1998, the Department of 4 5 Environmental Protection, in coordination with the appropriate 6 water management districts and the Department of Health, shall 7 transmit to the Speaker of the House of Representatives, the President of the Senate, and the Governor a proposal for 8 9 reevaluating areas of the state which were previously delineated by the Department of Environmental Protection 10 pursuant to s. 376.309(1)(e), Florida Statutes, as having 11 contaminated water supplies, including contamination from 12 13 ethylene dibromide, in order to ascertain whether or not the contamination has been reduced to levels which do not pose a 14 15 threat to human health and to determine if the delineated areas should be redrawn or removed. The proposal shall 16 17 reflect a systematic approach to the reevaluation, with an 18 emphasis on determining the current state of contamination, 19 potential remedies, the adequacy of existing remedies such as 20 requirements for grouting of well-casing, and relief to 21 affected citizens. The proposal shall also include estimates 22 of cost and recommendations as to available funding sources 23 for the reevaluation. Any deletion from, addition to, or redrawing of the delineation areas shall be based on the 24 scientific evidence of the reevaluation conducted under this 25 26 subparagraph. 27 Section 20. Section 373.507, Florida Statutes, ia 2.8 amended to read: 29 373.507 Districts and basins; postaudits, budgets, 30 basins, and taxing authorities; budget and expense reports; audits.--

- (1) Each district and basin referred to in this chapter <u>must</u> shall furnish a detailed copy of its budget and past year's expenditures to the Governor, the Legislature, and the governing body of each county in which the district or basin has jurisdiction or derives any funds for the operations of the district or basin.
- (2) Each district and basin referred to in this chapter must, basin, and taxing authority shall make provision for an annual postaudit of its financial accounts. The postaudit must These postaudits shall be made in accordance with the rules of the Auditor General adopted under promulgated pursuant to ss. 166.241 and 11.47.
- (3)(a) Each district referred to in this chapter must furnish copies of the following documents to the Governor, the President of the Senate, the Speaker of the House of Representatives, the chairs of all legislative committees and subcommittees with substantive or fiscal jurisdiction over districts, as determined by the President or Speaker as applicable, the secretary of the department, and the governing body of each county in which the district has jurisdiction or derives any funds for the operations of the district:
 - 1. The tentative budget.
 - 2. The adopted budget.
 - 3. The past year's expenditures.
 - 4. The postaudit described in subsection (2).
- (b) The documents must be furnished by the earlier of 10 days following completion of each document or as otherwise provided by law.
- 29 (c) If any entity in paragraph (a) provides written
 30 comments to the district regarding any document furnished, the
 31 district must respond to the comments in writing and furnish

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copies of the comments and written responses to the other entities.

Section 21. Subsections (1) and (3), and paragraphs (a) and (c) of subsection (5), of section 373.536, Florida Statutes, 1996 Supplement, are amended to read:

373.536 District budget and hearing thereon.--

(1) The fiscal year of districts created under the provisions of this chapter shall extend from October 1 of one year through September 30 of the following year. The budget officer of the district shall, on or before July 15 of each year, submit for consideration by the governing board of the district a tentative budget for the district covering its proposed operation and requirements for the ensuing fiscal year. Unless alternative notice requirements are otherwise provided by law, notice of all budget hearings conducted by the governing board or district staff must be published in a newspaper of general circulation in each county in which the district lies not less than 5 days nor more than 15 days before the hearing. Budget workshops conducted for the public and not governed by s. 200.065 must be advertised in a newspaper of general circulation in the community or area in which the workshop will occur not less than 5 days nor more than 15 days before the workshop. The tentative budget shall be adopted in accordance with the provisions of s. 200.065; however, if the mailing of the notice of proposed property taxes is delayed beyond September 3 in any county in which the district lies, the district shall advertise its intention to adopt a tentative budget and millage rate, pursuant to s. 200.065(3)(g), in a newspaper of general paid circulation in that county. The budget shall set forth, classified by object and purpose, and by fund if so designated, the proposed

expenditures of the district for bonds or other debt, for construction, for acquisition of land, for operation and maintenance of the district works, for the conduct of the affairs of the district generally, and for other purposes, to which may be added an amount to be held as a reserve. District administrative and operating expenses must be identified in the budget and allocated among district programs.

- (3) As provided in s. 200.065(2)(d), the board shall publish one or more notices of its intention to finally adopt a budget for the district for the ensuing fiscal year. The notice shall appear adjacent to an advertisement which shall set forth the tentative budget in full. The notice and advertisement shall be published in one or more newspapers having a combined general circulation in the counties having land in the district. Districts may include explanatory phrases and examples in budget advertisements published under s. 200.065 to clarify or illustrate the effect that the district budget may have on ad valorem taxes.
- (5)(a) The Executive Office of the Governor is authorized to approve or disapprove, in whole or in part, the budget of each water management district and shall analyze each budget as to the adequacy of district expenditures related to: water supply, including water resource development projects identified in the district's regional water supply plans; water quality; flood protection and floodplain management; and natural systems. This analysis shall be based on the particular needs within each water management district in those four areas of responsibility and on the available fiscal resources of the district.
- (c) Each water management district shall, by August $\underline{1}$ 5 of each year, submit $\underline{for\ review\ a\ tentative\ budget\ to\ the}$

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1 Governor, the President of the Senate, the Speaker of the House of Representatives, the chairs of all legislative 2 3 committees and subcommittees with substantive or fiscal 4 jurisdiction over water management districts, the secretary of 5 the department, and the governing body of each county in which 6 the district has jurisdiction or derives any funds for the 7 operations of the district. The tentative budget, which must 8 include to the Department of Environmental Protection, the 9 Executive Office of the Governor, and the chairs of the 10 appropriations committees of the Legislature for review a tentative budget that includes, but is not limited to, the 11 following information for the preceding fiscal year and the 12 13 current fiscal year, and the proposed amounts for the upcoming fiscal year, in a standard format prescribed by the Executive 14 15 Office of the Governor department which is generally consistent with the format prescribed by legislative budget 16 17 instructions for state agencies and the format requirements of 18 s. 216.031:

- 1. The millage rates and the percentage increase above the rolled-back rate, together with a summary of the reasons the increase is required, and the percentage increase in taxable value resulting from new construction;
- 2. For each program area, the salary and benefits, expenses, operating capital outlay, number of authorized positions, and other personal services;
- 3. The total amount in the district budget for each area of responsibility listed in paragraph (a) and for water resource development projects identified in the district's regional water supply plans.
- $\underline{4.3.}$ A description of each new, expanded, reduced, or eliminated program;

5.4. A 5-year capital improvements plan; and

6.5. The funding sources, including, but not limited

to, ad valorem taxes, Surface Water Improvement and Management

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Program funds, other state funds, federal funds, and user fees and permit fees for each program area. Section 22. Subsection (1) and paragraph (a) of

subsection (4) of section 373.59, Florida Statutes, 1996 Supplement, are amended to read:

373.59 Water Management Lands Trust Fund. --

(1) There is established within the Department of

Environmental Protection the Water Management Lands Trust Fund

to be used as a nonlapsing fund for the purposes of this section. The moneys in this fund are hereby continually

appropriated for the purposes of land acquisition, management,

maintenance, capital improvements, payments in lieu of taxes, and administration of the fund in accordance with the provisions of this section. In addition, for fiscal year

1995-1996, moneys in the fund that are not revenues from the sale of any bonds and that are not required for debt service for any bond issue may be used to fund activities authorized

under the Surface Water Improvement and Management Act, 21

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such moneys shall not be used for the acquisition of

CODING: Words stricken are deletions; words underlined are additions.

improvements pursuant to subsection(8)(7).

pursuant to ss. 373.451-373.4595, and for the control of

aquatic weeds pursuant to part II of chapter 369. Up to 25

the districts for management, maintenance, and capital

percent of the moneys in the fund may be allocated annually to

Fund shall be used for acquiring the fee or other interest in lands necessary for water management, water supply, and the

conservation and protection of water resources, except that

(4)(a) Moneys from the Water Management Lands Trust

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be used for management, maintenance, and capital improvements. Interests in real property acquired by the districts under this section may be used for permittable water resource development and water supply development purposes under the following conditions: the minimum flows and levels of priority water bodies on such lands have been established; the project complies with all conditions for issuance of a permit under part II of chapter 373; and the project is compatible with the purposes for which the land was acquired. Lands acquired with moneys from the fund shall be managed and maintained in an environmentally acceptable manner and, to the extent practicable, in such a way as to restore and protect their natural state and condition. Section 23. Paragraph (b) of subsection (4) of section 186.007, Florida Statutes, is amended to read: 186.007 State comprehensive plan; preparation; revision.--(4)The purpose of the growth management portion of the state comprehensive plan is to establish clear, concise, and direct goals, objectives, and policies related to land development, water resources, transportation, and related topics. In doing so, the plan should, where possible, draw upon the work that agencies have invested in the state land

rights-of-way for canals or pipelines. Such moneys shall also

186.009 Growth management portion of the state

development plan, the Florida Transportation Plan, the Florida

Section 24. Paragraph (n) of subsection (2) of section

water state water use plan, and similar planning documents.

186.009, Florida Statutes, is amended to read:

comprehensive plan. --

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(2) The growth management portion of the state comprehensive plan shall:

(n) Set forth recommendations on how to integrate the Florida water state water use plan required by s. 373.036, the state land development plan required by s. 380.031(17), and transportation plans required by chapter 339.

The growth management portion of the state comprehensive plan shall not include a land use map.

Section 25. Subsections (1) and (7) of section 373.103, Florida Statutes, are amended to read:

373.103 Powers which may be vested in the governing board at the department's discretion. -- In addition to the other powers and duties allowed it by law, the governing board of a water management district may be specifically authorized by the department to:

- (1) Administer and enforce all provisions of this chapter, including the permit systems established in parts II, III, and IV of this chapter, consistent with $\underline{\text{the}}$ state water resource implementation rule policy.
- (7) Prepare, in cooperation with the department, that part of the Florida water state water use plan applicable to the district.

Section 26. Subsection (2) of section 373.114, Florida Statutes, is amended to read:

373.114 Land and Water Adjudicatory Commission; review of district rules and orders; department review of district rules.--

The department shall have the exclusive authority to review rules of the water management districts, other than rules relating to internal management of the districts, to

ensure consistency with the state water resource implementation rule policy as set forth in the rules of the department. Within 30 days after adoption or revision of any water management district rule, the department shall initiate a review of such rule pursuant to this section.

- (a) Within 30 days after adoption of a rule, any affected person may request that a hearing be held before the secretary of the department, at which hearing evidence and argument may be presented relating to the consistency of the rule with the state water resource implementation rule policy, by filing a request for hearing with the department and serving a copy on the water management district.
- (b) If the department determines that the rule is inconsistent with the state water resource implementation rule <0>policy, it may order the water management district to initiate rulemaking proceedings to amend or repeal the rule.
- (c) An order of the department requiring amendment or repeal of a rule may be appealed to the Land and Water Adjudicatory Commission by the water management district or any other party to the proceeding before the secretary.

Section 27. Subsection (3) of section 373.418, Florida Statutes, is amended to read:

373.418 Rulemaking; preservation of existing authority.--

(3) The department or governing boards may adopt such rules as are necessary to implement the provisions of this part. Such rules shall be consistent with the state water resource implementation rule policy and shall not allow harm to water resources or be contrary to the policy set forth in s. 373.016.

Section 28. Subsection (2) of section 373.456, Florida Statutes, is amended to read:

373.456 Approval of surface water improvement and management plans.--

(2) The department shall have the exclusive authority to review the plan to ensure consistency with the state water resource implementation rule policy and the State Comprehensive Plan.

Section 29. Subsection (14) of section 403.031, Florida Statutes, 1996 Supplement, is amended to read:

403.031 Definitions.--In construing this chapter, or rules and regulations adopted pursuant hereto, the following words, phrases, or terms, unless the context otherwise indicates, have the following meanings:

means the rule authorized by s. 373.036, which sets comprehensive statewide policy as adopted by the department pursuant to ss. 373.026 and 403.061, setting forth goals, objectives, and guidance for the development and review of programs, rules, and plans relating to water resources, based on statutory policies and directives. The waters of the state are among its most basic resources. Such waters should be managed to conserve and protect water resources and to realize the full beneficial use of these resources.

Section 30. Subsection (1) and paragraph (a) of subsection (3) of section 403.0891, Florida Statutes, are amended to read:

403.0891 State, regional, and local stormwater management plans and programs.—The department, the water management districts, and local governments shall have the

responsibility for the development of mutually compatible stormwater management programs. 2 3 (1) The department shall include goals in the state 4 water resource implementation rule policy for the proper 5 management of stormwater. 6 (3)(a) Each local government required by chapter 163 7 to submit a comprehensive plan, whose plan is submitted after July 1, 1992, and the others when updated after July 1, 1992, 8 9 in the development of its stormwater management program described by elements within its comprehensive plan shall 10 consider the state water resource implementation rule policy, 11 12 district stormwater management goals, plans approved pursuant to the Surface Water Improvement and Management Act, ss. 13 14 373.451-373.4595, and technical assistance information 15 provided by the water management districts pursuant to s. 373.0391. 16 17 Section 31. Subsection (10) of section 373.026, section 373.039, and subsection (33) of section 403.061, 18 19 Florida Statutes, are repealed. 20 Section 32. Effective January 1, 1999, section 373.0735, Florida Statutes, is repealed. 21 22 Section 33. Notwithstanding the provisions of sections 23 10 and 11 of this act, the establishment and implementation of minimum flows and levels for priority waters in Pasco County 24 listed pursuant to chapter 96-339, Laws of Florida, and peer 25 26 review of the scientific or technical data and methodologies 27 utilized in establishing said minimum flows and levels shall 28 be governed by the provisions of chapter 96-339, Laws of Florida. 29 30 Section 34. Except as otherwise provided herein, this

act shall take effect October 1, 1997.