

STORAGE NAME: H0325a.ep

DATE: February 18, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
ENVIRONMENTAL PROTECTION
ANALYSIS**

BILL #: HB 325

RELATING TO: Trust Funds

SPONSOR(S): Representative Villalobos

COMPANION BILL(S):

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

- (1) ENVIRONMENTAL PROTECTION YEAS 13 NAYS 0
 - (2) GENERAL GOVERNMENT APPROPRIATIONS
 - (3)
 - (4)
 - (5)
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I. SUMMARY

HB 325 reenacts and amends s. 373.41495, F.S., which created the Lake Belt Mitigation Trust Fund.

The bill provides that the act will take effect July 1, 1999, if HB 329 or similar legislation is adopted in the same legislative session.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

The Lake Belt Area is an 89 square mile area located between the Everglades and the urbanized areas of Miami-Dade County. Significant features of the area include its location within one of the state's most environmentally sensitive areas, its substantial deposits of construction grade limerock, and the presence of the state's largest public wellfield. Ongoing planning efforts for the Lake Belt Area have attempted to balance the economic values of continued rock mining, the environmental value of freshwater wetlands, the protection of public water supply, and restoration of the greater Everglades ecosystem.

Rock mining operations within the Lake Belt Area produce 35-40 million tons of rock and related products each year, providing more than half of the state's rock, sand, and cement for concrete, asphalt, and road base. Each year, mining operations transform approximately 300 acres of melaleuca-dominated wetlands into deep (~ 80 feet) freshwater lakes surrounded by constructed littoral zones. Rock mining companies own approximately 26,600 acres within the Lake Belt Area, or about 47 percent of the total 57,000 acres. Another 10,600 acres, or about 19 percent of the total area, are in public ownership.

The environmental significance of the Lake Belt Area is largely a function of its location between the remnant Everglades ecosystem to the west and the urbanized areas of Miami-Dade County to the east. As part of the Comprehensive Review of the Central and Southern Florida Project (Restudy), plans call for a series of interconnected surface water areas along the eastern boundary of the Everglades in Palm Beach, Broward, and Dade Counties. These areas, collectively referred to as the East Coast Buffer/Water Preserve Areas, are intended to provide additional water storage, water quality treatment, wetlands and habitat protection, as well as providing a buffer between urban areas and the Everglades ecosystem. The Comprehensive Plan for the Restudy includes a number of project components within the Lake Belt Area, both as part of the East Coast Buffer/Water Preserve Areas as well as other discrete project components.

Miami-Dade County operates two wellfields within the Lake Belt Area. The Northwest Wellfield includes 15 wells, that together pump an average of 90 million gallons per day (MGD), and has a total installed capacity of 225 MGD. The West Wellfield, which includes three wells, is currently permitted to withdraw a maximum of 15 MGD and has a total installed capacity of 30 MGD. Wellfield protection is critical within the Lake Belt Area and is required to be considered in the ongoing planning process for the area.

In 1984, the Florida Legislature enacted the Warren F. Henderson Wetlands Protection Act, expanding wetlands regulatory jurisdiction for dredge and fill activities in the state. Because of its economic importance, limerock mining in the Lake Belt Area was made exempt from wetlands regulatory jurisdiction for a period of ten years. This exemption was subsequently extended, first until October 1, 1997, and then to October 1, 2000. Development of a mitigation plan is another critical component of the ongoing planning efforts for the Lake Belt Area. Phase I of the Lake Belt Plan, which provided the framework for development of the Lake Belt Mitigation Plan, was adopted by the 1997 Legislature. However, a key component of the Lake Belt Mitigation Plan, establishment of a mitigation fee imposed for limerock mining has not been enacted by the Legislature.

Legislation (CS/HB 4071) was passed during the 1998 Session to enact the mitigation fee, but the bill was subsequently vetoed due to a provision unrelated to the Lake Belt Area.

In 1992, the Florida Legislature created the Northwest Dade County Freshwater Lake Plan Implementation Committee (Lake Belt Committee) with the specific responsibility to develop a plan which a) enhances the water supply for Dade County and the Everglades, b) maximizes efficient recovery of limestone while promoting the social and economic welfare of the community and protecting the environment, and 3) educates various groups and the general public of the benefits of the plan. The Lake Belt Committee is currently composed of representatives from various governmental agencies, the rock mining industry, and environmental groups, as well as a representative of nonrock mining land owners in the Lake Belt Area.

In February 1997, the Lake Belt Committee published Phase I of the Lake Belt Plan, "Making a Whole, Not Just Holes." The plan included specific recommendations regarding:

- ▶ A strategy for streamlining the permitting process for rock mining;
- ▶ Specified areas for mining, mitigation, and additional analysis;
- ▶ Establishment of a dedicated funding mechanism for mitigation;
- ▶ Authorization for government-industry land exchanges;
- ▶ Authorization for agencies to enter into agreements to implement the Lake Belt Plan; and
- ▶ Development of the Lake Belt Phase II Detailed Master Plan.

The 1997 Legislature adopted the Phase I Lake Belt Plan and provided direction for development of the Phase II Lake Belt Plan.

B. EFFECT OF PROPOSED CHANGES:

Contingent upon adoption of HB 329, or similar legislation, HB 325 reenacts and amends s. 373.41495, F.S., which created the Lake Belt Mitigation Trust Fund (LBMTF). Proceeds of the mitigation fee imposed by s. 373.41492, F.S., less the Department of Revenue's administrative costs not exceeding three percent, will be deposited into the LBMTF. The South Florida Water Management District will administer the LBMTF for the purpose of implementing the Lake Belt Mitigation Plan pursuant to s. 373.41492, F.S.

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?

No.

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

The South Florida Water Management District is assigned responsibility to administer the Lake Belt Mitigation Trust Fund.

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

No.

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

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

N/A

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

N/A

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

N/A

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

No.

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

No. However, HB 325 is contingent upon adoption of HB 329, or similar legislation, that will impose a mitigation fee for limerock mining in the Lake Belt Area.

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

No.

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

No.

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

No.

3. Personal Responsibility:

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

No.

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

N/A

4. Individual Freedom:

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

No.

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

No.

5. Family Empowerment:

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

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

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

N/A

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

N/A

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

No.

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?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

N/A

E. SECTION-BY-SECTION ANALYSIS:

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

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

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

N/A

D. FISCAL COMMENTS:

N/A

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

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority that municipalities or counties have to raise revenues.

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

The bill does not reduce the percentage of state tax shared with counties and municipalities.

V. COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On February 17, 1999, the Committee on Environmental Protection adopted one amendment to HB 325 which makes the effective date contingent upon companion legislation becoming law (rather than just being adopted). The Committee then passed the bill as amended.

VII. SIGNATURES:

COMMITTEE ON ENVIRONMENTAL PROTECTION:

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