

Bill No. CS/HB 1341, 2nd Eng.

Amendment No. Barcode 490610

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| <u>Senate</u> | CHAMBER ACTION | <u>House</u> |
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Senator Brown-Waite moved the following amendment:

Senate Amendment (with title amendment)

On page 20, between lines 26 and 27,

insert:

Section 13. Section 403.064, Florida Statutes, is amended to read:

403.064 Reuse of reclaimed water.--

(1) The encouragement and promotion of water conservation, and reuse of reclaimed water, as defined by the department, are state objectives and are considered to be in the public interest. The Legislature finds that the reuse of reclaimed water is a critical component of meeting the state's existing and future water supply needs while sustaining natural systems. The Legislature further finds that for those wastewater treatment plants permitted and operated under an approved reuse program by the department, the reclaimed water shall be considered environmentally acceptable and not a threat to public health and safety.

(2) All applicants for permits to construct or operate

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1 a domestic wastewater treatment facility located within,
2 serving a population located within, or discharging within a
3 water resource caution area shall prepare a reuse feasibility
4 study as part of their application for the permit. Reuse
5 feasibility studies shall be prepared in accordance with
6 department guidelines adopted by rule and shall include, but
7 are not limited to:

8 (a) Evaluation of monetary costs and benefits for
9 several levels and types of reuse.

10 (b) Evaluation of water savings if reuse is
11 implemented.

12 (c) Evaluation of rates and fees necessary to
13 implement reuse.

14 (d) Evaluation of environmental and water resource
15 benefits associated with reuse.

16 (e) Evaluation of economic, environmental, and
17 technical constraints.

18 (f) A schedule for implementation of reuse. The
19 schedule shall consider phased implementation.

20 (3) The permit applicant shall prepare a plan of study
21 for the reuse feasibility study consistent with the reuse
22 feasibility study guidelines adopted by department rule. The
23 plan of study shall include detailed descriptions of
24 applicable treatment and water supply alternatives to be
25 evaluated and the methods of analysis to be used. The plan of
26 study shall be submitted to the department for review and
27 approval.

28 (4)(3) The study required under subsection (2) shall
29 be performed by the applicant, and, if the study shows that
30 the reuse is feasible, the applicant must give significant
31 consideration to its implementation ~~the applicant's~~

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1 ~~determination of feasibility is final~~ if the study complies
2 with the requirements of subsections ~~subsection~~ (2) and (3).

3 (5)~~(4)~~ A reuse feasibility study is not required if:

4 (a) The domestic wastewater treatment facility has an
5 existing or proposed permitted or design capacity less than
6 0.1 million gallons per day; or

7 (b) The permitted reuse capacity equals or exceeds the
8 total permitted capacity of the domestic wastewater treatment
9 facility.

10 (6)~~(5)~~ A reuse feasibility study prepared under
11 subsection (2) satisfies a water management district
12 requirement to conduct a reuse feasibility study imposed on a
13 local government or utility that has responsibility for
14 wastewater management.

15 (7)~~(6)~~ Local governments may allow the use of
16 reclaimed water for inside activities, including, but not
17 limited to, toilet flushing, fire protection, and decorative
18 water features, as well as for outdoor uses, provided the
19 reclaimed water is from domestic wastewater treatment
20 facilities which are permitted, constructed, and operated in
21 accordance with department rules.

22 (8)~~(7)~~ Permits issued by the department for domestic
23 wastewater treatment facilities shall be consistent with
24 requirements for reuse included in applicable consumptive use
25 permits issued by the water management district, if such
26 requirements are consistent with department rules governing
27 reuse of reclaimed water. This subsection applies only to
28 domestic wastewater treatment facilities which are located
29 within, or serve a population located within, or discharge
30 within water resource caution areas and are owned, operated,
31 or controlled by a local government or utility which has

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1 responsibility for water supply and wastewater management.

2 (9)~~(8)~~ Local governments may and are encouraged to
3 implement programs for the reuse of reclaimed water. Nothing
4 in this chapter shall be construed to prohibit or preempt such
5 local reuse programs.

6 (10)~~(9)~~ A local government that implements a reuse
7 program under this section shall be allowed to allocate the
8 costs in a reasonable manner.

9 (11)~~(10)~~ Pursuant to chapter 367, the Florida Public
10 Service Commission shall allow entities under its jurisdiction
11 which conduct studies or implement reuse projects, including,
12 but not limited to, any study required by subsection (2) or
13 facilities used for reliability purposes for a reclaimed water
14 reuse system, to recover the full, prudently incurred cost of
15 such studies and facilities through their rate structure.

16 (12)~~(11)~~ In issuing consumptive use permits, the
17 permitting agency shall consider the local reuse program.

18 (13)~~(12)~~ A local government shall require a developer,
19 as a condition for obtaining a development order, to comply
20 with the local reuse program.

21 (14)~~(13)~~ ~~If, After conducting a feasibility study~~
22 ~~under subsection (2), an applicant determines that reuse of~~
23 ~~reclaimed water is feasible,~~ domestic wastewater treatment
24 facilities that dispose of effluent by Class I deep well
25 injection, as defined in 40 C.F.R. part 144.6(a), must
26 implement reuse ~~according to the schedule for implementation~~
27 ~~contained in the study conducted under subsection (2), to the~~
28 degree that reuse is ~~determined~~ feasible, based upon the
29 applicant's reuse feasibility study. Applicable permits issued
30 by the department shall be consistent with the requirements of
31 this subsection.

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1 (a) This subsection does not limit the use of a Class
2 I deep well injection facility as backup for a reclaimed water
3 reuse system.

4 (b) This subsection applies only to domestic
5 wastewater treatment facilities located within, serving a
6 population located within, or discharging within a water
7 resource caution area.

8 ~~(15)(14) If, After conducting a feasibility study~~
9 ~~under subsection (2), an applicant determines that reuse of~~
10 ~~reclaimed water is feasible, domestic wastewater treatment~~
11 ~~facilities that dispose of effluent by surface water~~
12 ~~discharges or by land application methods must implement reuse~~
13 ~~according to the schedule for implementation contained in the~~
14 ~~study conducted under subsection (2), to the degree that reuse~~
15 ~~is determined feasible, based upon the applicant's reuse~~
16 feasibility study. This subsection does not apply to surface
17 water discharges or land application systems which are
18 currently categorized as reuse under department rules.
19 Applicable permits issued by the department shall be
20 consistent with the requirements of this subsection.

21 (a) This subsection does not limit the use of a
22 surface water discharge or land application facility as backup
23 for a reclaimed water reuse system.

24 (b) This subsection applies only to domestic
25 wastewater treatment facilities located within, serving a
26 population located within, or discharging within a water
27 resource caution area.

28 Section 14. In order to aid in the development of a
29 better understanding of the unique surface and groundwater
30 resources of this state, the water management districts shall
31 develop an information program designed to provide information

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1 concerning existing hydrologic conditions of major surface and
2 groundwater sources in this state and suggestions for good
3 conservation practices within those areas. The program shall
4 be developed by December 31, 2002. Beginning January 1, 2003,
5 and on a regular basis no less than every 6 months thereafter,
6 the information developed pursuant to this section shall be
7 distributed to every member of the Florida Senate and the
8 Florida House of Representatives and to local print and
9 broadcast news organizations. Each water management district
10 shall be responsible for the distribution of this information
11 within its established geographic area.

12 Section 15. Paragraph (b) of subsection (3) of section
13 403.1835, Florida Statutes, is amended to read:

14 403.1835 Water pollution control financial
15 assistance.--

16 (3) The department may provide financial assistance
17 through any program authorized under s. 603 of the Federal
18 Water Pollution Control Act (Clean Water Act), Pub. L. No.
19 92-500, as amended, including, but not limited to, making
20 grants and loans, providing loan guarantees, purchasing loan
21 insurance or other credit enhancements, and buying or
22 refinancing local debt. This financial assistance must be
23 administered in accordance with this section and applicable
24 federal authorities. The department shall administer all
25 programs operated from funds secured through the activities of
26 the Florida Water Pollution Control Financing Corporation
27 under s. 403.1837, to fulfill the purposes of this section.

28 (b) The department may make or request the corporation
29 to make loans, grants, and deposits to other entities eligible
30 to participate in the financial assistance programs authorized
31 under the Federal Water Pollution Control Act, or as a result

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1 of other federal action, which entities may pledge any revenue
2 available to them to repay any funds borrowed. Notwithstanding
3 s. 18.10, the department may make deposits to financial
4 institutions which earn less than the prevailing rate for
5 United States Treasury securities with corresponding
6 maturities for the purpose of enabling those financial
7 institutions to make below-market interest rate loans to
8 entities qualified to receive loans under this section and the
9 rules of the department.

10 Section 16. Subsection (11) of section 367.022,
11 Florida Statutes, is amended to read:

12 367.022 Exemptions.--The following are not subject to
13 regulation by the commission as a utility nor are they subject
14 to the provisions of this chapter, except as expressly
15 provided:

16 (11) Any person providing only nonpotable water for
17 irrigation or fireflow purposes in a geographic area where
18 potable water service is available from a governmentally or
19 privately owned utility or a private well.

20 Section 17. Subsection (2) of section 373.1961,
21 Florida Statutes, is amended to read:

22 373.1961 Water production.--

23 (2) The Legislature finds that, due to a combination
24 of factors, vastly increased demands have been placed on
25 natural supplies of fresh water, and that, absent increased
26 development of alternative water supplies, such demands may
27 increase in the future. The Legislature also finds that
28 potential exists in the state for the production of
29 significant quantities of alternative water supplies,
30 including reclaimed water, and that water production includes
31 the development of alternative water supplies, including

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1 reclaimed water, for appropriate uses. It is the intent of
2 the Legislature that utilities develop reclaimed water
3 systems, where reclaimed water is the most appropriate
4 alternative water supply option, to deliver reclaimed water to
5 as many users as possible through the most cost-effective
6 means, and to construct reclaimed water system infrastructure
7 to their owned or operated properties and facilities where
8 they have reclamation capability. It is also the intent of the
9 Legislature that the water management districts which levy ad
10 valorem taxes for water management purposes should share a
11 percentage of those tax revenues with water providers and
12 users, including local governments, water, wastewater, and
13 reuse utilities, municipal, industrial, and agricultural water
14 users, and other public and private water users, to be used to
15 supplement other funding sources in the development of
16 alternative water supplies. The Legislature finds that public
17 moneys or services provided to private entities for such uses
18 constitute public purposes which are in the public interest.
19 In order to further the development and use of alternative
20 water supply systems, including reclaimed water systems, the
21 Legislature provides the following:

22 (a) The governing boards of the water management
23 districts where water resource caution areas have been
24 designated shall include in their annual budgets an amount for
25 the development of alternative water supply systems, including
26 reclaimed water systems, pursuant to the requirements of this
27 subsection. Beginning in 1996, such amounts shall be made
28 available to water providers and users no later than December
29 31 of each year, through grants, matching grants, revolving
30 loans, or the use of district lands or facilities pursuant to
31 the requirements of this subsection and guidelines established

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1 by the districts.

2 (b) It is the intent of the Legislature that for each
3 reclaimed water utility, or any other utility, which receives
4 funds pursuant to this subsection, the appropriate
5 rate-setting authorities should develop rate structures for
6 all water, wastewater, and reclaimed water and other
7 alternative water supply utilities in the service area of the
8 funded utility, which accomplish the following:

9 1. Provide meaningful progress toward the development
10 and implementation of alternative water supply systems,
11 including reclaimed water systems;

12 2. Promote the conservation of fresh water withdrawn
13 from natural systems;

14 3. Provide for an appropriate distribution of costs
15 for all water, wastewater, and alternative water supply
16 utilities, including reclaimed water utilities, among all of
17 the users of those utilities; and

18 4. Prohibit rate discrimination within classes of
19 utility users.

20 (c) In order to be eligible for funding pursuant to
21 this subsection, a project must be consistent with a local
22 government comprehensive plan and the governing body of the
23 local government must require all appropriate new facilities
24 within the project's service area to connect to and use the
25 project's alternative water supplies. The appropriate local
26 government must provide written notification to the
27 appropriate district that the proposed project is consistent
28 with the local government comprehensive plan.

29 (d) Any and all revenues disbursed pursuant to this
30 subsection shall be applied only for the payment of capital or
31 infrastructure costs for the construction of alternative water

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1 supply systems that provide alternative water supplies for
2 ~~uses within one or more water resource caution areas.~~

3 (e) By January 1 of each year, the governing boards
4 shall make available written guidelines for the disbursement of
5 revenues pursuant to this subsection. Such guidelines shall
6 include at minimum:

7 1. An application process and a deadline for filing
8 applications annually.

9 2. A process for determining project eligibility
10 pursuant to the requirements of paragraphs (c) and (d).

11 3. A process and criteria for funding projects
12 pursuant to this subsection that cross district boundaries or
13 that serve more than one district.

14 (f) The governing board of each water management
15 district shall establish an alternative water supplies grants
16 advisory committee to recommend to the governing board
17 projects for funding pursuant to this subsection. The
18 advisory committee members shall include, but not be limited
19 to, one or more representatives of county, municipal, and
20 investor-owned private utilities, and may include, but not be
21 limited to, representatives of agricultural interests and
22 environmental interests. Each committee member shall
23 represent his or her interest group as a whole and shall not
24 represent any specific entity. The committee shall apply the
25 guidelines and project eligibility criteria established by the
26 governing board in reviewing proposed projects. After one or
27 more hearings to solicit public input on eligible projects,
28 the committee shall rank the eligible projects and shall
29 submit them to the governing board for final funding approval.
30 The advisory committee may submit to the governing board more
31 projects than the available grant money would fund.

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1 (g) All revenues made available annually pursuant to
2 this subsection must be encumbered ~~disbursed~~ annually by the
3 governing board if it approves projects sufficient to expend
4 the available revenues. Funds must be disbursed within 36
5 months after encumbrance.

6 (h) For purposes of this subsection, alternative water
7 supplies are supplies of water that have been reclaimed after
8 one or more public supply, municipal, industrial, commercial,
9 or agricultural uses, or are supplies of stormwater, or
10 brackish or salt water, that have been treated in accordance
11 with applicable rules and standards sufficient to supply the
12 intended use.

13 (i) This subsection shall not be subject to the
14 rulemaking requirements of chapter 120.

15 (j) By January 30 of each year, each water management
16 district shall submit an annual report to the Governor, the
17 President of the Senate, and the Speaker of the House of
18 Representatives which accounts for the disbursal of all
19 budgeted amounts pursuant to this subsection. Such report
20 shall describe all projects funded and shall account
21 separately for moneys provided through grants, matching
22 grants, revolving loans, and the use of district lands or
23 facilities.

24 (k) The Florida Public Service Commission shall allow
25 entities under its jurisdiction constructing alternative water
26 supply facilities, including but not limited to aquifer
27 storage and recovery wells, to recover the full, prudently
28 incurred cost of such facilities through their rate structure.
29 Every component of an alternative water supply facility
30 constructed by an investor-owned utility shall be recovered in
31 current rates.

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1 Section 18. Section 373.498 and subsection (3) of
2 section 403.804, Florida Statutes, are repealed.

3
4 (Redesignate subsequent sections.)

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6
7 ===== T I T L E A M E N D M E N T =====

8 And the title is amended as follows:

9 On page 2, line 11, after the semicolon"

10
11 insert:

12 amending s. 403.064, F.S.; requiring the reuse
13 of reclaimed water when feasible; requiring the
14 dissemination of public information regarding
15 the status of major water sources; amending s.
16 403.1835, F.S.; providing for below-market
17 interest rate loans to qualified entities;
18 repealing s. 373.498, F.S., relating to
19 disbursements from the water resources
20 development account; amending s. 367.022, F.S.;
21 providing an exemption from regulation by the
22 Florida Public Service Commission for certain
23 water suppliers who provide nonpotable water
24 for fireflow; amending s. 373.1961, F.S.;

25 providing requirements for disbursements for
26 alternative water supply projects; repealing s.
27 403.804(3), F.S., relating to obsolete
28 provisions concerning grants for water and
29 wastewater facilities;

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31