

By the Committee on Natural Resources; and Senator Dockery

312-2093-04

1 A bill to be entitled
2 An act relating to water resources; amending s.
3 159.803, F.S.; revising the definition of
4 "priority project"; creating s. 373.227, F.S.;
5 requiring the development of a comprehensive
6 statewide water conservation program for public
7 water supply; establishing the purposes of the
8 program; requiring the creation of a
9 clearinghouse or inventory to provide an
10 integrated database for information on public
11 water supply conservation programs; authorizing
12 public water supply utilities to propose
13 goal-based water conservation plans or programs
14 with measurable goals; providing that
15 goal-based water conservation plans or programs
16 that are developed by public water supply
17 utilities and that provide reasonable assurance
18 of achieving water conservation at least as
19 well as conservation requirements adopted by
20 the appropriate water management district meet
21 water conservation requirements imposed as a
22 condition of obtaining a consumptive use
23 permit; requiring the submission of a report by
24 the Department of Environmental Protection;
25 providing rulemaking authority to the
26 Department of Environmental Protection and the
27 water management districts; amending s.
28 373.0361, F.S.; providing for a public workshop
29 on the development of regional water supply
30 plans that include the consideration of
31 population projections; providing for a list of

1 water source options in regional water supply
2 plans; providing additional regional water
3 supply plan components; including conservation
4 measures in regional water supply plans;
5 revising specified reporting requirements of
6 the Department of Environmental Protection;
7 providing that a district water management plan
8 may not be used as criteria for the review of
9 permits for consumptive uses of water unless
10 the plan or applicable portion thereof has been
11 adopted by rule; providing construction;
12 amending s. 373.0831, F.S.; revising the
13 criteria by which water supply development
14 projects may receive priority consideration for
15 funding assistance; providing for permitting
16 and funding of a proposed alternative water
17 supply project identified in the relevant
18 approved regional water supply plan; amending
19 s. 373.1961, F.S.; providing funding priority;
20 providing for the establishment of a revolving
21 loan fund for alternative water supply
22 projects; providing conditions for certain
23 projects to receive funding assistance;
24 amending s. 373.536, F.S.; expanding
25 requirements of the 5-year water resource
26 development work program for water management
27 districts; amending s. 403.064, F.S.; revising
28 provisions relating to reuse feasibility
29 studies; providing for metering use of
30 reclaimed water and volume-based rates
31 therefor; requiring wastewater utilities to

1 submit plans for metering use and volume-based
2 rate structures to the department; creating s.
3 403.0645, F.S.; requiring certain uses of
4 reclaimed water at state facilities; requiring
5 state agencies and water management districts
6 to submit to the Secretary of Environmental
7 Protection periodic reports concerning
8 reclaimed water use; amending s. 403.1835,
9 F.S.; authorizing the Department of
10 Environmental Protection to make specified
11 deposits for the purpose of enabling
12 below-market interest rate loans for treatment
13 of polluted water; providing for a study of the
14 feasibility of discharging reclaimed wastewater
15 into canals and the aquifer system in a
16 specified area as an environmentally acceptable
17 means of accomplishing described objectives;
18 requiring reports; providing effective dates.

19
20 Be It Enacted by the Legislature of the State of Florida:

21
22 Section 1. Subsection (5) of section 159.803, Florida
23 Statutes, is amended to read:

24 159.803 Definitions.--As used in this part, the term:
25 (5) "Priority project" means a solid waste disposal
26 facility or a sewage facility, as such terms are defined in s.
27 142 of the Code, or water facility, as defined in s. 142 of
28 the Code, which is operated by a member-owned, not-for-profit
29 utility, or any project which is to be located in an area
30 which is an enterprise zone designated pursuant to s.
31 290.0065.

1 Section 2. Section 373.227, Florida Statutes, is
2 created to read:

3 373.227 Water conservation; legislative findings;
4 legislative intent; objectives; comprehensive statewide water
5 conservation program requirements.--

6 (1) The Legislature recognizes that the proper
7 conservation of water is an important means of achieving the
8 economical and efficient utilization of water necessary to
9 constitute a reasonable-beneficial use. The overall water
10 conservation goal of the state is to prevent and reduce
11 wasteful, uneconomical, impractical, or unreasonable use of
12 water resources. The Legislature finds that the social,
13 economic, and cultural conditions of the state relating to the
14 use of public water supply vary by service area and that
15 public water supply utilities must have the flexibility to
16 tailor water conservation measures to best suit their
17 individual circumstances. The Legislature encourages the use
18 of efficient, effective, and affordable water conservation
19 measures. Where water is provided by a public water supply
20 utility, the Legislature intends that a variety of
21 conservation measures be made available and used to encourage
22 efficient water use. To achieve these conservation objectives,
23 the state should emphasize goal-based, accountable, tailored,
24 and measurable water conservation programs for public water
25 supply. For purposes of this section, "public water supply
26 utility" shall include both publicly owned and privately owned
27 public water supply utilities that sell potable water on a
28 retail basis to end users.

29 (2) To implement the findings in subsection (1), the
30 Department of Environmental Protection, in cooperation with
31 the water management districts and other stakeholders, shall

1 develop a comprehensive statewide water conservation program
2 for public water supply. The program should:
3 (a) Encourage utilities to implement water
4 conservation programs which are economically efficient,
5 effective, affordable, and appropriate;
6 (b) Allow no reduction in utility-specific water
7 conservation effectiveness over current programs;
8 (c) Be goal-based, accountable, measurable, and
9 implemented collaboratively with water suppliers, water users,
10 and water management agencies;
11 (d) Focus upon cost-effective measures for the unique
12 characteristics of particular utility service areas,
13 incorporating analyses of economic efficiency of individual
14 practices where appropriate;
15 (e) Use standardized public water supply conservation
16 definitions and standardized quantitative and qualitative
17 performance measures for an overall system of assessing and
18 benchmarking the effectiveness of water conservation programs
19 and practices;
20 (f) Create a clearinghouse or inventory for water
21 conservation programs and practices available to public water
22 supply utilities that will provide an integrated statewide
23 database for the collection, evaluation, and dissemination of
24 quantitative and qualitative information on public water
25 supply conservation programs and practices and their
26 effectiveness. The clearinghouse or inventory should have
27 technical assistance capabilities to aid in the design,
28 refinement, and implementation of water conservation programs
29 and practices. The clearinghouse or inventory shall also
30 provide for continual assessment of the effectiveness of water
31 conservation programs and practices;

1 (g) Develop a standardized water conservation planning
2 process for utilities; and

3 (h) Develop and maintain a Florida-specific water
4 conservation guidance document containing a menu of affordable
5 and effective water conservation practices to assist public
6 water supply utilities in the design and implementation of
7 utility-specific water conservation programs tailored for
8 their individual service areas.

9 (3) Regarding the use of water conservation or drought
10 rate structures as a conservation practice, a water management
11 district shall afford a public water supply utility wide
12 latitude in adopting a rate structure and shall limit its
13 review to whether the utility has provided reasonable
14 assurance that the rate structure contains a schedule of rates
15 designed to promote efficient use of water by providing
16 economic incentives. A water management district shall not fix
17 or revise rates.

18 (4) A public water supply utility may propose a
19 goal-based water conservation plan or program that is tailored
20 to its individual circumstances. Progress towards goals must
21 be measurable. If the utility provides reasonable assurance
22 that the plan or program will achieve effective water
23 conservation at least as well as the water conservation
24 requirements adopted by the appropriate water management
25 district, the district must approve the plan or program which
26 shall satisfy water conservation requirements imposed as a
27 condition of obtaining a consumptive use permit.

28 (5) By December 1, 2005, the Department of
29 Environmental Protection is directed to submit a written
30 report to the President of the Senate, the Speaker of the
31 House of Representatives, and the appropriate substantive

1 committees of the Senate and the House of Representatives on
2 the progress made in implementing the comprehensive statewide
3 water conservation program for public water supply required by
4 this section. The report must include any statutory changes
5 and funding requests necessary for the continuation of the
6 program.

7 (6) The department or a water management district may
8 adopt rules pursuant to ss. 120.536(1) and 120.54 to carry out
9 the purposes of this section.

10 Section 3. Subsections (1), (2), (5), and (6) of
11 section 373.0361, Florida Statutes, are amended to read:

12 373.0361 Regional water supply planning.--

13 (1) By October 1, 1998, the governing board shall
14 initiate water supply planning for each water supply planning
15 region identified in the district water management plan under
16 s. 373.036, where it determines that sources of water are not
17 adequate for the planning period to supply water for all
18 existing and projected reasonable-beneficial uses and to
19 sustain the water resources and related natural systems. The
20 planning must be conducted in an open public process, in
21 coordination and cooperation with local governments, regional
22 water supply authorities, government-owned and privately owned
23 water utilities, self-suppliers, and other affected and
24 interested parties. During development but prior to completion
25 of the regional water supply plan, the district must conduct
26 at least one public workshop to discuss the technical data and
27 modeling tools anticipated to be used to support the plan.A
28 determination by the governing board that initiation of a
29 regional water supply plan for a specific planning region is
30 not needed pursuant to this section shall be subject to s.
31 120.569. The governing board shall reevaluate such a

1 determination at least once every 5 years and shall initiate a
2 regional water supply plan, if needed, pursuant to this
3 subsection.

4 (2) Each regional water supply plan shall be based on
5 at least a 20-year planning period and shall include, but not
6 be limited to:

7 (a) A water supply development component that
8 includes:

9 1. A quantification of the water supply needs for all
10 existing and reasonably projected future uses within the
11 planning horizon. The level-of-certainty planning goal
12 associated with identifying the water supply needs of existing
13 and future reasonable-beneficial uses shall be based upon
14 meeting those needs for a 1-in-10-year drought event.

15 Population projections used for determining public water
16 supply needs must be based upon the best available data. In
17 determining the best available data, the district shall
18 consider the University of Florida's Bureau of Economic and
19 Business Research (BEBR) median population projections and any
20 population projection data and analysis submitted by a local
21 government pursuant to the public workshop described in
22 subsection (1) if the data and analysis support the local
23 government's comprehensive plan. Any adjustment of or
24 deviation from the BEBR projections must be fully described,
25 and the original BEBR data must be presented along with the
26 adjusted data.

27 2. A list of water source options ~~for water supply~~
28 ~~development~~, including traditional and alternative source
29 options ~~sources~~, from which local government, government-owned
30 and privately owned utilities, self-suppliers, and others may
31 choose, for water supply development, the total capacity of

1 which will, in conjunction with water conservation and other
2 demand management measures, exceed the needs identified in
3 subparagraph 1.

4 3. For each option listed in subparagraph 2., the
5 estimated amount of water available for use and the estimated
6 costs of and potential sources of funding for water supply
7 development.

8 4. A list of water supply development projects that
9 meet the criteria in s. 373.0831(4).

10 (b) A water resource development component that
11 includes:

12 1. A listing of those water resource development
13 projects that support water supply development.

14 2. For each water resource development project listed:

15 a. An estimate of the amount of water to become
16 available through the project.

17 b. The timetable for implementing or constructing the
18 project and the estimated costs for implementing, operating,
19 and maintaining the project.

20 c. Sources of funding and funding needs.

21 d. Who will implement the project and how it will be
22 implemented.

23 (c) The recovery and prevention strategy described in
24 s. 373.0421(2).

25 (d) A funding strategy for water resource development
26 projects, which shall be reasonable and sufficient to pay the
27 cost of constructing or implementing all of the listed
28 projects.

29 (e) Consideration of how the options addressed in
30 paragraphs (a) and (b) serve the public interest or save costs
31 overall by preventing the loss of natural resources or

1 avoiding greater future expenditures for water resource
2 development or water supply development. However, unless
3 adopted by rule, these considerations do not constitute final
4 agency action.

5 (f) The technical data and information applicable to
6 the planning region which are contained in the district water
7 management plan and are necessary to support the regional
8 water supply plan.

9 (g) The minimum flows and levels established for water
10 resources within the planning region.

11 (h) Reservations of water adopted by rule pursuant to
12 s. 373.223(4).

13 (i) An analysis, developed in cooperation with the
14 department, of areas or instances in which the variance
15 provisions of s. 378.212(1)(g) or s. 378.404(9) may be used to
16 create water supply development or water resource development
17 projects.

18
19 Within the boundaries of a regional water supply authority in
20 the Southwest Florida Water Management District, the water
21 supply development component of the regional water supply plan
22 relating to the use of water by the authority shall be
23 developed jointly by the authority and the district.

24 (5) ~~By November 15, 1997, and Annually and in~~
25 conjunction with the reporting requirements of s.
26 373.536(6)(a)4. thereafter, the department shall submit to the
27 Governor and the Legislature a report on the status of
28 regional water supply planning in each district. The report
29 shall include:

30 (a) A compilation of the estimated costs of and
31 potential sources of funding for water resource development

1 and water supply development projects, as identified in the
2 water management district regional water supply plans.

3 (b) A description of each district's progress toward
4 achieving its water resource development objectives, as
5 directed by s. 373.0831(3), including the district's
6 implementation of its 5-year water resource development work
7 program.

8 (c) An assessment of the overall progress being made
9 to develop water supply that is consistent with regional water
10 supply plans to meet existing and future reasonable-beneficial
11 needs during a 1-in-10-year drought.

12 (6) Nothing contained in the water supply development
13 component of the district water management plan shall be
14 construed to require local governments, government-owned or
15 privately owned water utilities, self-suppliers, or other
16 water suppliers to select a water supply development option
17 identified in the component merely because it is identified in
18 the plan, nor may the plan be used in the review of permits
19 under part II unless the plan, or an applicable portion
20 thereof, has been adopted by rule. However, this subsection
21 does not prohibit a water management district from employing
22 the data or other information used to establish the plan in
23 reviewing permits under part II, nor does it ~~shall not be~~
24 ~~construed to~~ limit the authority of the department or
25 governing board under part II.

26 Section 4. Subsection (3) of section 373.0831, Florida
27 Statutes, is amended, and paragraph (c) is added to subsection
28 (4) of that section, to read:

29 373.0831 Water resource development; water supply
30 development.--

31

1 (3) The water management districts shall fund and
2 implement water resource development as defined in s. 373.019.
3 The water management districts are encouraged to implement
4 water resource development as expeditiously as possible in
5 areas subject to regional water supply plans.Each governing
6 board shall include in its annual budget the amount needed for
7 the fiscal year to implement water resource development
8 projects, as prioritized in its regional water supply plans.

9 (4)

10 (c) If a proposed alternative water supply development
11 project is identified in the relevant approved regional water
12 supply plan, the project shall receive:

13 1. A 20-year consumptive use permit, if it otherwise
14 meets the permit requirements under ss. 373.223 and 373.236
15 and rules adopted thereunder.

16 2. Consideration for priority funding pursuant to s.
17 373.1961(2) if the project meets one of the criteria in this
18 subsection.

19 Section 5. Subsection (2) of section 373.1961, Florida
20 Statutes, is amended to read:

21 373.1961 Water production.--

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

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

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

1 must be given to projects in accordance with s. 373.0831(4).
2 Without diminishing amounts available through other means
3 described in this paragraph, the governing boards are
4 encouraged to consider establishing revolving loan funds to
5 expand the total funds available to accomplish the objectives
6 of this section. A revolving loan fund created under this
7 paragraph must be a nonlapsing fund from which the water
8 management district may make loans with interest rates below
9 prevailing market rates to public or private entities for the
10 purposes described in this section. The governing board may
11 adopt resolutions to establish revolving loan funds which must
12 specify the details of the administration of the fund, the
13 procedures for applying for loans from the fund, the criteria
14 for awarding loans from the fund, the initial capitalization
15 of the fund, and the goals for future capitalization of the
16 fund in subsequent budget years. Revolving loan funds created
17 under this paragraph must be used to expand the total sums and
18 sources of cooperative funding available for the development
19 of alternative water supplies. The Legislature does not intend
20 for the creation of revolving loan funds to supplant or
21 otherwise reduce existing sources or amounts of funds
22 currently available through other means.

23 (b) It is the intent of the Legislature that for each
24 reclaimed water utility, or any other utility, which receives
25 funds pursuant to this subsection, the appropriate
26 rate-setting authorities should develop rate structures for
27 all water, wastewater, and reclaimed water and other
28 alternative water supply utilities in the service area of the
29 funded utility, which accomplish the following:

30
31

1 1. Provide meaningful progress toward the development
2 and implementation of alternative water supply systems,
3 including reclaimed water systems;

4 2. Promote the conservation of fresh water withdrawn
5 from natural systems;

6 3. Provide for an appropriate distribution of costs
7 for all water, wastewater, and alternative water supply
8 utilities, including reclaimed water utilities, among all of
9 the users of those utilities; and

10 4. Prohibit rate discrimination within classes of
11 utility users.

12 (c) Funding assistance provided by the water
13 management districts for a water reuse system project may
14 include the following grant or loan conditions for that
15 project if the water management district determines that such
16 conditions will encourage water use efficiency:

17 1. Metering of reclaimed water use for the following
18 activities: residential irrigation, agricultural irrigation,
19 industrial uses except for electric utilities as defined in s.
20 366.02(2), landscape irrigation, irrigation of other public
21 access areas, commercial and institutional uses such as toilet
22 flushing, and transfers to other reclaimed water utilities.

23 2. Implementation of reclaimed water rate structures
24 based on actual use of reclaimed water for the types of reuse
25 activities listed in subparagraph 1.

26 3. Implementation of education programs to inform the
27 public about water issues, water conservation, and the
28 importance and proper use of reclaimed water.

29 4. Development of location data for key reuse
30 facilities.

31

1 ~~(d)~~(e) In order to be eligible for funding pursuant to
2 this subsection, a project must be consistent with a local
3 government comprehensive plan and the governing body of the
4 local government must require all appropriate new facilities
5 within the project's service area to connect to and use the
6 project's alternative water supplies. The appropriate local
7 government must provide written notification to the
8 appropriate district that the proposed project is consistent
9 with the local government comprehensive plan.

10 ~~(e)~~(d) Any and all revenues disbursed pursuant to this
11 subsection shall be applied only for the payment of capital or
12 infrastructure costs for the construction of alternative water
13 supply systems that provide alternative water supplies.

14 ~~(f)~~(e) By January 1 of each year, the governing boards
15 shall make available written guidelines for the disbursement of
16 revenues pursuant to this subsection. Such guidelines shall
17 include at minimum:

18 1. An application process and a deadline for filing
19 applications annually.

20 2. A process for determining project eligibility
21 pursuant to the requirements of paragraphs~~(d)~~(e) and (e)
22 ~~(d)~~.

23 3. A process and criteria for funding projects
24 pursuant to this subsection that cross district boundaries or
25 that serve more than one district.

26 ~~(g)~~(f) The governing board of each water management
27 district shall establish an alternative water supplies grants
28 advisory committee to recommend to the governing board
29 projects for funding pursuant to this subsection. The advisory
30 committee members shall include, but not be limited to, one or
31 more representatives of county, municipal, and investor-owned

1 private utilities, and may include, but not be limited to,
2 representatives of agricultural interests and environmental
3 interests. Each committee member shall represent his or her
4 interest group as a whole and shall not represent any specific
5 entity. The committee shall apply the guidelines and project
6 eligibility criteria established by the governing board in
7 reviewing proposed projects. After one or more hearings to
8 solicit public input on eligible projects, the committee shall
9 rank the eligible projects and shall submit them to the
10 governing board for final funding approval. The advisory
11 committee may submit to the governing board more projects than
12 the available grant money would fund.

13 (h)~~(g)~~ All revenues made available annually pursuant
14 to this subsection must be encumbered annually by the
15 governing board if it approves projects sufficient to expend
16 the available revenues. Funds must be disbursed within 36
17 months after encumbrance.

18 (i)~~(h)~~ For purposes of this subsection, alternative
19 water supplies are supplies of water that have been reclaimed
20 after one or more public supply, municipal, industrial,
21 commercial, or agricultural uses, or are supplies of
22 stormwater, or brackish or salt water, that have been treated
23 in accordance with applicable rules and standards sufficient
24 to supply the intended use.

25 (j)~~(i)~~ This subsection shall not be subject to the
26 rulemaking requirements of chapter 120.

27 (k)~~(j)~~ By January 30 of each year, each water
28 management district shall submit an annual report to the
29 Governor, the President of the Senate, and the Speaker of the
30 House of Representatives which accounts for the disbursement of
31 all budgeted amounts pursuant to this subsection. Such report

1 shall describe all projects funded and shall account
2 separately for moneys provided through grants, matching
3 grants, revolving loans, and the use of district lands or
4 facilities.

5 (1)~~(k)~~ The Florida Public Service Commission shall
6 allow entities under its jurisdiction constructing alternative
7 water supply facilities, including but not limited to aquifer
8 storage and recovery wells, to recover the full, prudently
9 incurred cost of such facilities through their rate structure.
10 Every component of an alternative water supply facility
11 constructed by an investor-owned utility shall be recovered in
12 current rates.

13 Section 6. Paragraph (a) of subsection (6) of section
14 373.536, Florida Statutes, is amended to read:

15 373.536 District budget and hearing thereon.--

16 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS
17 PLAN; WATER RESOURCE DEVELOPMENT WORK PROGRAM.--

18 (a) Each district must, by the date specified for each
19 item, furnish copies of the following documents to the
20 Governor, the President of the Senate, the Speaker of the
21 House of Representatives, the chairs of all legislative
22 committees and subcommittees having substantive or fiscal
23 jurisdiction over the districts, as determined by the
24 President of the Senate or the Speaker of the House of
25 Representatives as applicable, the secretary of the
26 department, and the governing board of each county in which
27 the district has jurisdiction or derives any funds for the
28 operations of the district:

29 1. The adopted budget, to be furnished within 10 days
30 after its adoption.

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1 2. A financial audit of its accounts and records, to
2 be furnished within 10 days after its acceptance by the
3 governing board. The audit must be conducted in accordance
4 with the provisions of s. 11.45 and the rules adopted
5 thereunder. In addition to the entities named above, the
6 district must provide a copy of the audit to the Auditor
7 General within 10 days after its acceptance by the governing
8 board.

9 3. A 5-year capital improvements plan, to be furnished
10 within 45 days after the adoption of the final budget. The
11 plan must include expected sources of revenue for planned
12 improvements and must be prepared in a manner comparable to
13 the fixed capital outlay format set forth in s. 216.043.

14 4. A 5-year water resource development work program to
15 be furnished within 45 days after the adoption of the final
16 budget. The program must describe the district's
17 implementation strategy for the water resource development
18 component of each approved regional water supply plan
19 developed or revised under s. 373.0361. The work program must
20 address all the elements of the water resource development
21 component in the district's approved regional water supply
22 plans and must identify which projects in the work program
23 will provide water, explain how each water resource
24 development project will produce additional water available
25 for consumptive uses, estimate the quantity of water to be
26 produced by each project, and provide an assessment of the
27 contribution of the district's regional water supply plans in
28 providing sufficient water to meet the water supply needs of
29 existing and future reasonable-beneficial uses for a 1-in-10-
30 year drought event. Within 45 days after its submittal, the
31 department shall review the proposed work program and submit

1 its findings, questions, and comments to the district. The
2 review must include a written evaluation of the program's
3 consistency with the furtherance of the district's approved
4 regional water supply plans, and the adequacy of proposed
5 expenditures. As part of the review, the department shall give
6 interested parties the opportunity to provide written comments
7 on each district's proposed work program. Within 60 days after
8 receipt of the department's evaluation, the governing board
9 shall state in writing to the department which changes
10 recommended in the evaluation it will incorporate into its
11 work program or specify the reasons for not incorporating the
12 changes. The department shall include the district's responses
13 in a final evaluation report and shall submit a copy of the
14 report to the Governor, the President of the Senate, and the
15 Speaker of the House of Representatives.

16 (b) If any entity listed in paragraph (a) provides
17 written comments to the district regarding any document
18 furnished under this subsection, the district must respond to
19 the comments in writing and furnish copies of the comments and
20 written responses to the other entities.

21 Section 7. Subsections (1) and (6) of section 403.064,
22 Florida Statutes, are amended, and subsection (16) is added to
23 that section, to read:

24 403.064 Reuse of reclaimed water.--

25 (1) The encouragement and promotion of water
26 conservation, and reuse of reclaimed water, as defined by the
27 department, are state objectives and are considered to be in
28 the public interest. The Legislature finds that the reuse of
29 reclaimed water is a critical component of meeting the state's
30 existing and future water supply needs while sustaining
31 natural systems. The Legislature further finds that for those

1 wastewater treatment plants permitted and operated under an
2 approved reuse program by the department, the reclaimed water
3 shall be considered environmentally acceptable and not a
4 threat to public health and safety. The Legislature encourages
5 the development of incentive-based programs for reuse
6 implementation.

7 (6) A reuse feasibility study prepared under
8 subsection (2) satisfies a water management district
9 requirement to conduct a reuse feasibility study imposed on a
10 local government or utility that has responsibility for
11 wastewater management. The data included in the study and the
12 conclusions of the study must be given significant
13 consideration by the applicant and the appropriate water
14 management district in an analysis of the economic,
15 environmental, and technical feasibility of providing
16 reclaimed water for reuse under part II of chapter 373 and
17 must be presumed relevant to the determination of feasibility.
18 A water management district may not require a separate study
19 when a reuse feasibility study has been completed under
20 subsection (2).

21 (16) Utilities implementing reuse projects are
22 encouraged, except in the case of use by electric utilities as
23 defined in s. 366.02(2), to meter use of reclaimed water by
24 all end users and to charge for the use of reclaimed water
25 based on the actual volume used when such metering and charges
26 can be shown to encourage water conservation. Metering and the
27 use of volume-based rates are effective water management tools
28 for the following reuse activities: residential irrigation,
29 agricultural irrigation, industrial uses, landscape
30 irrigation, irrigation of other public access areas,
31 commercial and institutional uses such as toilet flushing, and

1 transfers to other reclaimed water utilities. Beginning with
2 the submittal due on January 1, 2005, each domestic wastewater
3 utility that provides reclaimed water for the reuse activities
4 listed in this section shall include a summary of its metering
5 and rate structure as part of its annual reuse report to the
6 department.

7 Section 8. Section 403.0645, Florida Statutes, is
8 created to read:

9 403.0645 Reclaimed water use at state facilities.--

10 (1) The encouragement and promotion of reuse of
11 reclaimed water has been established as a state objective in
12 ss. 373.250 and 403.064. Reuse has become an integral part of
13 water and wastewater management in Florida, and Florida is
14 recognized as a national leader in water reuse.

15 (2) The state and various state agencies and water
16 management districts should take a leadership role in using
17 reclaimed water in lieu of other water sources. The use of
18 reclaimed water by state agencies and facilities will conserve
19 potable water and will serve an important public education
20 function.

21 (3) Each state agency and water management district
22 shall use reclaimed water to the greatest extent practicable
23 for landscape irrigation, toilet flushing, aesthetic features
24 such as decorative ponds and fountains, cooling water, and
25 other useful purposes allowed by department rules at state
26 facilities, including, but not limited to, parks, rest areas,
27 visitor welcome centers, buildings, college campuses, and
28 other facilities.

29 (4) Each state agency and water management district
30 shall submit to the Secretary of Environmental Protection by
31 February 1 of each year a summary of activities designed to

1 utilize reclaimed water at its facilities along with a summary
2 of the amounts of reclaimed water actually used for beneficial
3 purposes.

4 Section 9. Paragraph (b) of subsection (3) of section
5 403.1835, Florida Statutes, is amended to read:

6 403.1835 Water pollution control financial
7 assistance.--

8 (3) The department may provide financial assistance
9 through any program authorized under s. 603 of the Federal
10 Water Pollution Control Act (Clean Water Act), Pub. L. No.
11 92-500, as amended, including, but not limited to, making
12 grants and loans, providing loan guarantees, purchasing loan
13 insurance or other credit enhancements, and buying or
14 refinancing local debt. This financial assistance must be
15 administered in accordance with this section and applicable
16 federal authorities. The department shall administer all
17 programs operated from funds secured through the activities of
18 the Florida Water Pollution Control Financing Corporation
19 under s. 403.1837, to fulfill the purposes of this section.

20 (b) The department may make or request the corporation
21 to make loans, grants, and deposits to other entities eligible
22 to participate in the financial assistance programs authorized
23 under the Federal Water Pollution Control Act, or as a result
24 of other federal action, which entities may pledge any revenue
25 available to them to repay any funds borrowed. Notwithstanding
26 s. 17.57, the department may make deposits to financial
27 institutions which earn less than the prevailing rate for
28 United States Treasury securities with corresponding
29 maturities for the purpose of enabling such financial
30 institutions to make below-market interest rate loans to

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1 entities qualified to receive loans under this section and the
2 rules of the department.

3 Section 10. The Legislature finds that, within the
4 area identified in the Lower East Coast Regional Water Supply
5 Plan approved by the South Florida Water Management District
6 pursuant to section 373.0361, Florida Statutes, the
7 groundwater levels can benefit from augmentation. The
8 Legislature finds that the direct or indirect discharge of
9 reclaimed water into canals and the aquifer system for
10 transport and subsequent reuse may provide an environmentally
11 acceptable means to augment water supplies and enhance natural
12 systems; however, the Legislature also recognizes that there
13 are water quality and water quantity issues that must be
14 better understood and resolved. In addition, there are cost
15 savings possible by collocating enclosed conduits for
16 conveyance of water for reuse in this area within canal
17 rights-of-way which should be investigated. Toward that end,
18 the Department of Environmental Protection, in consultation
19 with the South Florida Water Management District, southeast
20 Florida utilities, affected local governments, including local
21 governments with principal responsibility for the operation
22 and maintenance of a water control system capable of conveying
23 reclaimed wastewater for reuse, representatives of the
24 environmental and engineering communities, public health
25 professionals, and individuals who have expertise in water
26 quality, shall conduct a study to investigate the feasibility
27 of discharging reclaimed wastewater into canals and the
28 aquifer system as an environmentally acceptable means of
29 augmenting groundwater supplies, enhancing natural systems,
30 and conveying reuse water within enclosed conduits within the
31 canal right-of-way. The study must include an assessment of

1 the water quality, water supply, public health, technical, and
2 legal implications related to the canal discharge and
3 collocation concepts. The department shall issue a preliminary
4 written report containing draft findings and recommendations
5 for public comment by November 1, 2005. The department shall
6 provide a written report on the results of its study to the
7 Governor and the relevant substantive committees of the Senate
8 and the House of Representatives by January 31, 2006. This
9 section may not be used to alter the purpose of the
10 Comprehensive Everglades Restoration Plan or the
11 implementation of the Water Resources Development Act of 2000.

12 Section 11. Except as otherwise expressly provided in
13 this act, this act shall take effect upon becoming a law and
14 shall apply to all contracts pending on that date.

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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 Senate Bill 1142

4 The committee substitute substantially changes the original
5 bill by requiring that the Department of Environmental
6 Protection, in cooperation with the five water management
7 districts and other interested stakeholders, develop a
8 comprehensive statewide water conservation program that should
9 encourage utilities to implement economically efficient,
10 effective, affordable, and appropriate water conservation
11 programs, and should not allow any reduction in current
12 utility-specific water conservation programs. The statewide
13 comprehensive program should be goal-based, accountable,
14 measurable, and implemented collaboratively. The committee
15 substitute directs water management districts to give public
16 water supply utilities wide latitude in adopting a rate
17 structure when the districts are considering the use of water
18 conservation or drought rate structures as a method of
19 conservation. The water management districts cannot fix or
20 revise rates. Public water supply utilities are authorized to
21 propose goal-based water conservation plans or programs that
22 are tailored to individual service areas so long as the
23 proposed plan or program is at least as effective as the water
24 conservation requirements which could be imposed by the
25 appropriate water management district. By December 1, 2005,
26 the Department of Environmental Protection must submit a
27 written report to the President of the Senate and the Speaker
28 of the House of Representatives, as well as the appropriate
29 legislative committees, on the progress of implementing the
30 comprehensive statewide water conservation program. The
31 committee substitute includes original provisions of the bill
providing additional responsibilities for the water management
districts when regional water supply plans are being
developed. Regional water supply authorities in the Southwest
Florida Water Management District are authorized to
participate in the development of the water supply component
of a regional water supply plan. Criteria for priority
funding assistance for alternative water supply development
projects is retained. The use of reclaimed water at state
facilities and the water management districts for specified
purposes is also retained from the original bill. Finally, the
committee substitute includes a feasibility study for the
augmentation of groundwater supplies in South Florida through
the discharge of reclaimed wastewater in canals and the
aquifer system while still providing that the feasibility
study cannot alter the Comprehensive Everglades Restoration
Plan or the federal Water Resources Development Act of 2000.