

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 with
14 measurable goals; providing that goal-based
15 water conservation plans that are developed by
16 public water supply utilities and that provide
17 reasonable assurance of achieving water
18 conservation at least as well as conservation
19 requirements adopted by the appropriate water
20 management district meet water conservation
21 requirements imposed as a condition of
22 obtaining a consumptive use permit; requiring
23 the submission of a report by the Department of
24 Environmental Protection; providing rulemaking
25 authority to the Department of Environmental
26 Protection and the water management districts;
27 amending s. 373.0361, F.S.; providing for a
28 public workshop on the development of regional
29 water supply plans that include the
30 consideration of population projections;
31 providing for a list of water source options in

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

1 rate structures to the department; creating s.
2 403.0645, F.S.; requiring certain uses of
3 reclaimed water at state facilities; requiring
4 state agencies and water management districts
5 to submit to the Secretary of Environmental
6 Protection periodic reports concerning
7 reclaimed water use; amending s. 403.121, F.S.;
8 conforming administrative penalties assessed
9 against certain public water systems to federal
10 regulations; amending s. 403.1835, F.S.;
11 authorizing the Department of Environmental
12 Protection to make specified deposits for the
13 purpose of enabling below-market interest rate
14 loans for treatment of polluted water;
15 providing for a study of the feasibility of
16 discharging reclaimed wastewater into canals
17 and the aquifer system in a specified area as
18 an environmentally acceptable means of
19 accomplishing described objectives; requiring
20 reports; providing an effective date.

21
22 Be It Enacted by the Legislature of the State of Florida:

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

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

1 which is an enterprise zone designated pursuant to s.
2 290.0065.

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

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

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

31

1 (2) To implement the findings in subsection (1), the
2 department, in cooperation with the water management districts
3 and other stakeholders, shall develop a comprehensive
4 statewide water conservation program for public water supply.

5 The program should:

6 (a) Encourage utilities to implement water
7 conservation programs that are economically efficient,
8 effective, affordable, and appropriate;

9 (b) Allow no reduction in, and increase where
10 possible, utility-specific water conservation effectiveness
11 over current programs;

12 (c) Be goal-based, accountable, measurable, and
13 implemented collaboratively with water suppliers, water users,
14 and water management agencies;

15 (d) Include cost and benefit data on individual water
16 conservation practices to assist in tailoring practices to be
17 effective for the unique characteristics of particular utility
18 service areas, focusing upon cost-effective measures;

19 (e) Use standardized public water supply conservation
20 definitions and standardized quantitative and qualitative
21 performance measures for an overall system of assessing and
22 benchmarking the effectiveness of water conservation programs
23 and practices;

24 (f) Create a clearinghouse or inventory for water
25 conservation programs and practices available to public water
26 supply utilities which will provide an integrated statewide
27 database for the collection, evaluation, and dissemination of
28 quantitative and qualitative information on public water
29 supply conservation programs and practices and their
30 effectiveness. The clearinghouse or inventory should have
31 technical assistance capabilities to aid in the design,

1 refinement, and implementation of water conservation programs
2 and practices. The clearinghouse or inventory shall also
3 provide for continual assessment of the effectiveness of water
4 conservation programs and practices;

5 (g) Develop a standardized water conservation planning
6 process for utilities; and

7 (h) Develop and maintain a Florida-specific water
8 conservation guidance document containing a menu of affordable
9 and effective water conservation practices to assist public
10 water supply utilities in the design and implementation of
11 goal-based, utility-specific water conservation plans tailored
12 for their individual service areas as provided in subsection
13 (4).

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

23 (4) As part of an application for a consumptive use
24 permit, a public water supply utility may propose a goal-based
25 water conservation plan that is tailored to its individual
26 circumstances. Progress towards goals must be measurable. If
27 the utility provides reasonable assurance that the plan will
28 achieve effective water conservation at least as well as the
29 water conservation requirements adopted by the appropriate
30 water management district and is otherwise consistent with s.
31 373.223, the district must approve the plan which shall

1 satisfy water conservation requirements imposed as a condition
2 of obtaining a consumptive use permit. The conservation
3 measures included in an approved goal-based water conservation
4 plan may be reviewed periodically and updated as needed to
5 ensure efficient water use for the duration of the permit. If
6 the plan fails to meet the water conservation goal or goals by
7 the timeframes specified in the permit, the public water
8 supply utility shall revise the plan to address the deficiency
9 or employ the water conservation requirements that would
10 otherwise apply in the absence of an approved goal-based plan.

11 (5) By December 1, 2005, the department shall submit a
12 written report to the President of the Senate, the Speaker of
13 the House of Representatives, and the appropriate substantive
14 committees of the Senate and the House of Representatives on
15 the progress made in implementing the comprehensive statewide
16 water conservation program for public water supply required by
17 this section. The report must include any statutory changes
18 and funding requests necessary for the continued development
19 and implementation of the program.

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

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

25 373.0361 Regional water supply planning.--

26 (1) By October 1, 1998, the governing board shall
27 initiate water supply planning for each water supply planning
28 region identified in the district water management plan under
29 s. 373.036, where it determines that sources of water are not
30 adequate for the planning period to supply water for all
31 existing and projected reasonable-beneficial uses and to

1 sustain the water resources and related natural systems. The
2 planning must be conducted in an open public process, in
3 coordination and cooperation with local governments, regional
4 water supply authorities, government-owned and privately owned
5 water utilities, self-suppliers, and other affected and
6 interested parties. During development but prior to completion
7 of the regional water supply plan, the district must conduct
8 at least one public workshop to discuss the technical data and
9 modeling tools anticipated to be used to support the plan.A
10 determination by the governing board that initiation of a
11 regional water supply plan for a specific planning region is
12 not needed pursuant to this section shall be subject to s.
13 120.569. The governing board shall reevaluate such a
14 determination at least once every 5 years and shall initiate a
15 regional water supply plan, if needed, pursuant to this
16 subsection.

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

20 (a) A water supply development component that
21 includes:

22 1. A quantification of the water supply needs for all
23 existing and reasonably projected future uses within the
24 planning horizon. The level-of-certainty planning goal
25 associated with identifying the water supply needs of existing
26 and future reasonable-beneficial uses shall be based upon
27 meeting those needs for a 1-in-10-year drought event.
28 Population projections used for determining public water
29 supply needs must be based upon the best available data. In
30 determining the best available data, the district shall
31 consider the University of Florida's Bureau of Economic and

1 Business Research (BEBR) medium population projections and any
2 population projection data and analysis submitted by a local
3 government pursuant to the public workshop described in
4 subsection (1) if the data and analysis support the local
5 government's comprehensive plan. Any adjustment of or
6 deviation from the BEBR projections must be fully described,
7 and the original BEBR data must be presented along with the
8 adjusted data.

9 2. A list of water source options ~~for water supply~~
10 ~~development~~, including traditional and alternative source
11 options sources, from which local government, government-owned
12 and privately owned utilities, self-suppliers, and others may
13 choose, for water supply development, the total capacity of
14 which will, in conjunction with water conservation and other
15 demand management measures, exceed the needs identified in
16 subparagraph 1.

17 3. For each option listed in subparagraph 2., the
18 estimated amount of water available for use and the estimated
19 costs of and potential sources of funding for water supply
20 development.

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

23 (b) A water resource development component that
24 includes:

25 1. A listing of those water resource development
26 projects that support water supply development.

27 2. For each water resource development project listed:

28 a. An estimate of the amount of water to become
29 available through the project.

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1 b. The timetable for implementing or constructing the
2 project and the estimated costs for implementing, operating,
3 and maintaining the project.

4 c. Sources of funding and funding needs.

5 d. Who will implement the project and how it will be
6 implemented.

7 (c) The recovery and prevention strategy described in
8 s. 373.0421(2).

9 (d) A funding strategy for water resource development
10 projects, which shall be reasonable and sufficient to pay the
11 cost of constructing or implementing all of the listed
12 projects.

13 (e) Consideration of how the options addressed in
14 paragraphs (a) and (b) serve the public interest or save costs
15 overall by preventing the loss of natural resources or
16 avoiding greater future expenditures for water resource
17 development or water supply development. However, unless
18 adopted by rule, these considerations do not constitute final
19 agency action.

20 (f) The technical data and information applicable to
21 the planning region which are contained in the district water
22 management plan and are necessary to support the regional
23 water supply plan.

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

26 (h) Reservations of water adopted by rule pursuant to
27 s. 373.223(4).

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

3
4 The water supply development component of a regional water
5 supply plan which deals with or affects public utilities and
6 public water supply for those areas served by a regional water
7 supply authority and its member governments within the
8 boundaries of the Southwest Florida Water Management District
9 shall be developed jointly by the authority and the district.

10 (5) ~~By November 15, 1997, and~~ Annually and in
11 conjunction with the reporting requirements of s.
12 373.536(6)(a)4. thereafter, the department shall submit to the
13 Governor and the Legislature a report on the status of
14 regional water supply planning in each district. The report
15 shall include:

16 (a) A compilation of the estimated costs of and
17 potential sources of funding for water resource development
18 and water supply development projects, as identified in the
19 water management district regional water supply plans.

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

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

29 (6) Nothing contained in the water supply development
30 component of the district water management plan shall be
31 construed to require local governments, government-owned or

1 privately owned water utilities, self-suppliers, or other
2 water suppliers to select a water supply development option
3 identified in the component merely because it is identified in
4 the plan, nor may the plan be used in the review of permits
5 under part II unless the plan, or an applicable portion
6 thereof, has been adopted by rule. However, this subsection
7 does not prohibit a water management district from employing
8 the data or other information used to establish the plan in
9 reviewing permits under part II, nor does it ~~shall not be~~
10 ~~construed to~~ limit the authority of the department or
11 governing board under part II.

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

15 373.0831 Water resource development; water supply
16 development.--

17 (3) The water management districts shall fund and
18 implement water resource development as defined in s. 373.019.
19 The water management districts are encouraged to implement
20 water resource development as expeditiously as possible in
21 areas subject to regional water supply plans. Each governing
22 board shall include in its annual budget the amount needed for
23 the fiscal year to implement water resource development
24 projects, as prioritized in its regional water supply plans.

25 (4)

26 (c) If a proposed alternative water supply development
27 project is identified in the relevant approved regional water
28 supply plan, the project shall receive:

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

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

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

6 373.1961 Water production.--

7 (2) The Legislature finds that, due to a combination
8 of factors, vastly increased demands have been placed on
9 natural supplies of fresh water, and that, absent increased
10 development of alternative water supplies, such demands may
11 increase in the future. The Legislature also finds that
12 potential exists in the state for the production of
13 significant quantities of alternative water supplies,
14 including reclaimed water, and that water production includes
15 the development of alternative water supplies, including
16 reclaimed water, for appropriate uses. It is the intent of the
17 Legislature that utilities develop reclaimed water systems,
18 where reclaimed water is the most appropriate alternative
19 water supply option, to deliver reclaimed water to as many
20 users as possible through the most cost-effective means, and
21 to construct reclaimed water system infrastructure to their
22 owned or operated properties and facilities where they have
23 reclamation capability. It is also the intent of the
24 Legislature that the water management districts which levy ad
25 valorem taxes for water management purposes should share a
26 percentage of those tax revenues with water providers and
27 users, including local governments, water, wastewater, and
28 reuse utilities, municipal, industrial, and agricultural water
29 users, and other public and private water users, to be used to
30 supplement other funding sources in the development of
31 alternative water supplies. The Legislature finds that public

1 moneys or services provided to private entities for such uses
2 constitute public purposes which are in the public interest.
3 In order to further the development and use of alternative
4 water supply systems, including reclaimed water systems, the
5 Legislature provides the following:

6 (a) The governing boards of the water management
7 districts where water resource caution areas have been
8 designated shall include in their annual budgets an amount for
9 the development of alternative water supply systems, including
10 reclaimed water systems, pursuant to the requirements of this
11 subsection. Beginning in 1996, such amounts shall be made
12 available to water providers and users no later than December
13 31 of each year, through grants, matching grants, revolving
14 loans, or the use of district lands or facilities pursuant to
15 the requirements of this subsection and guidelines established
16 by the districts. In making grants or loans, funding priority
17 must be given to projects in accordance with s. 373.0831(4).
18 Without diminishing amounts available through other means
19 described in this paragraph, the governing boards are
20 encouraged to consider establishing revolving loan funds to
21 expand the total funds available to accomplish the objectives
22 of this section. A revolving loan fund created under this
23 paragraph must be a nonlapsing fund from which the water
24 management district may make loans with interest rates below
25 prevailing market rates to public or private entities for the
26 purposes described in this section. The governing board may
27 adopt resolutions to establish revolving loan funds which must
28 specify the details of the administration of the fund, the
29 procedures for applying for loans from the fund, the criteria
30 for awarding loans from the fund, the initial capitalization
31 of the fund, and the goals for future capitalization of the

1 fund in subsequent budget years. Revolving loan funds created
2 under this paragraph must be used to expand the total sums and
3 sources of cooperative funding available for the development
4 of alternative water supplies. The Legislature does not intend
5 for the creation of revolving loan funds to supplant or
6 otherwise reduce existing sources or amounts of funds
7 currently available through other means.

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

15 1. Provide meaningful progress toward the development
16 and implementation of alternative water supply systems,
17 including reclaimed water systems;

18 2. Promote the conservation of fresh water withdrawn
19 from natural systems;

20 3. Provide for an appropriate distribution of costs
21 for all water, wastewater, and alternative water supply
22 utilities, including reclaimed water utilities, among all of
23 the users of those utilities; and

24 4. Prohibit rate discrimination within classes of
25 utility users.

26 (c) Funding assistance provided by the water
27 management districts for a water reuse system project may
28 include the following grant or loan conditions for that
29 project if the water management district determines that such
30 conditions will encourage water use efficiency:

31

1 1. Metering of reclaimed water use for the following
2 activities: residential irrigation, agricultural irrigation,
3 industrial uses except for electric utilities as defined in s.
4 366.02(2), landscape irrigation, irrigation of other public
5 access areas, commercial and institutional uses such as toilet
6 flushing, and transfers to other reclaimed water utilities.

7 2. Implementation of reclaimed water rate structures
8 based on actual use of reclaimed water for the types of reuse
9 activities listed in subparagraph 1.

10 3. Implementation of education programs to inform the
11 public about water issues, water conservation, and the
12 importance and proper use of reclaimed water.

13 4. Development of location data for key reuse
14 facilities.

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

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

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

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

3 2. A process for determining project eligibility
4 pursuant to the requirements of paragraphs (d) ~~(c)~~ and (e)
5 ~~(d)~~.

6 3. A process and criteria for funding projects
7 pursuant to this subsection that cross district boundaries or
8 that serve more than one district.

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

27 (h) ~~(g)~~ All revenues made available annually pursuant
28 to this subsection must be encumbered annually by the
29 governing board if it approves projects sufficient to expend
30 the available revenues. Funds must be disbursed within 36
31 months after encumbrance.

1 (i)~~(h)~~ For purposes of this subsection, alternative
2 water supplies are supplies of water that have been reclaimed
3 after one or more public supply, municipal, industrial,
4 commercial, or agricultural uses, or are supplies of
5 stormwater, or brackish or salt water, that have been treated
6 in accordance with applicable rules and standards sufficient
7 to supply the intended use.

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

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

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

27 Section 6. Paragraph (a) of subsection (6) of section
28 373.536, Florida Statutes, is amended to read:

29 373.536 District budget and hearing thereon.--

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

1 (a) Each district must, by the date specified for each
2 item, furnish copies of the following documents to the
3 Governor, the President of the Senate, the Speaker of the
4 House of Representatives, the chairs of all legislative
5 committees and subcommittees having substantive or fiscal
6 jurisdiction over the districts, as determined by the
7 President of the Senate or the Speaker of the House of
8 Representatives as applicable, the secretary of the
9 department, and the governing board of each county in which
10 the district has jurisdiction or derives any funds for the
11 operations of the district:

12 1. The adopted budget, to be furnished within 10 days
13 after its adoption.

14 2. A financial audit of its accounts and records, to
15 be furnished within 10 days after its acceptance by the
16 governing board. The audit must be conducted in accordance
17 with the provisions of s. 11.45 and the rules adopted
18 thereunder. In addition to the entities named above, the
19 district must provide a copy of the audit to the Auditor
20 General within 10 days after its acceptance by the governing
21 board.

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

27 4. A 5-year water resource development work program to
28 be furnished within 45 days after the adoption of the final
29 budget. The program must describe the district's
30 implementation strategy for the water resource development
31 component of each approved regional water supply plan

1 developed or revised under s. 373.0361. The work program must
2 address all the elements of the water resource development
3 component in the district's approved regional water supply
4 plans and must identify which projects in the work program
5 will provide water, explain how each water resource
6 development project will produce additional water available
7 for consumptive uses, estimate the quantity of water to be
8 produced by each project, and provide an assessment of the
9 contribution of the district's regional water supply plans in
10 providing sufficient water to meet the water supply needs of
11 existing and future reasonable-beneficial uses for a 1-in-10-
12 year drought event. Within 45 days after its submittal, the
13 department shall review the proposed work program and submit
14 its findings, questions, and comments to the district. The
15 review must include a written evaluation of the program's
16 consistency with the furtherance of the district's approved
17 regional water supply plans, and the adequacy of proposed
18 expenditures. As part of the review, the department shall give
19 interested parties the opportunity to provide written comments
20 on each district's proposed work program. Within 60 days after
21 receipt of the department's evaluation, the governing board
22 shall state in writing to the department which changes
23 recommended in the evaluation it will incorporate into its
24 work program or specify the reasons for not incorporating the
25 changes. The department shall include the district's responses
26 in a final evaluation report and shall submit a copy of the
27 report to the Governor, the President of the Senate, and the
28 Speaker of the House of Representatives.

29 (b) If any entity listed in paragraph (a) provides
30 written comments to the district regarding any document
31 furnished under this subsection, the district must respond to

1 the comments in writing and furnish copies of the comments and
2 written responses to the other entities.

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

6 403.064 Reuse of reclaimed water.--

7 (1) The encouragement and promotion of water
8 conservation, and reuse of reclaimed water, as defined by the
9 department, are state objectives and are considered to be in
10 the public interest. The Legislature finds that the reuse of
11 reclaimed water is a critical component of meeting the state's
12 existing and future water supply needs while sustaining
13 natural systems. The Legislature further finds that for those
14 wastewater treatment plants permitted and operated under an
15 approved reuse program by the department, the reclaimed water
16 shall be considered environmentally acceptable and not a
17 threat to public health and safety. The Legislature encourages
18 the development of incentive-based programs for reuse
19 implementation.

20 (6) A reuse feasibility study prepared under
21 subsection (2) satisfies a water management district
22 requirement to conduct a reuse feasibility study imposed on a
23 local government or utility that has responsibility for
24 wastewater management. The data included in the study and the
25 conclusions of the study must be given significant
26 consideration by the applicant and the appropriate water
27 management district in an analysis of the economic,
28 environmental, and technical feasibility of providing
29 reclaimed water for reuse under part II of chapter 373 and
30 must be presumed relevant to the determination of feasibility.
31 A water management district may not require a separate study

1 when a reuse feasibility study has been completed under
2 subsection (2).

3 (16) Utilities implementing reuse projects are
4 encouraged, except in the case of use by electric utilities as
5 defined in s. 366.02(2), to meter use of reclaimed water by
6 all end users and to charge for the use of reclaimed water
7 based on the actual volume used when such metering and charges
8 can be shown to encourage water conservation. Metering and the
9 use of volume-based rates are effective water management tools
10 for the following reuse activities: residential irrigation,
11 agricultural irrigation, industrial uses, landscape
12 irrigation, irrigation of other public access areas,
13 commercial and institutional uses such as toilet flushing, and
14 transfers to other reclaimed water utilities. Beginning with
15 the submittal due on January 1, 2005, each domestic wastewater
16 utility that provides reclaimed water for the reuse activities
17 listed in this section shall include a summary of its metering
18 and rate structure as part of its annual reuse report to the
19 department.

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

22 403.0645 Reclaimed water use at state facilities.--

23 (1) The encouragement and promotion of reuse of
24 reclaimed water has been established as a state objective in
25 ss. 373.250 and 403.064. Reuse has become an integral part of
26 water and wastewater management in Florida, and Florida is
27 recognized as a national leader in water reuse.

28 (2) The state and various state agencies and water
29 management districts should take a leadership role in using
30 reclaimed water in lieu of other water sources. The use of
31 reclaimed water by state agencies and facilities will conserve

1 potable water and will serve an important public education
2 function.

3 (3) Each state agency and water management district
4 shall use reclaimed water to the greatest extent practicable
5 for landscape irrigation, toilet flushing, aesthetic features
6 such as decorative ponds and fountains, cooling water, and
7 other useful purposes allowed by department rules at state
8 facilities, including, but not limited to, parks, rest areas,
9 visitor welcome centers, buildings, college campuses, and
10 other facilities.

11 (4) Each state agency and water management district
12 shall submit to the Secretary of Environmental Protection by
13 February 1 of each year a summary of activities designed to
14 utilize reclaimed water at its facilities along with a summary
15 of the amounts of reclaimed water actually used for beneficial
16 purposes.

17 Section 9. Paragraph (b) of subsection (2), paragraph
18 (f) of subsection (4) and subsection (5) of section 403.121,
19 Florida Statutes, are amended to read:

20 403.121 Enforcement; procedure; remedies.--The
21 department shall have the following judicial and
22 administrative remedies available to it for violations of this
23 chapter, as specified in s. 403.161(1).

24 (2) Administrative remedies:

25 (b) If the department has reason to believe a
26 violation has occurred, it may institute an administrative
27 proceeding to order the prevention, abatement, or control of
28 the conditions creating the violation or other appropriate
29 corrective action. Except for violations involving hazardous
30 wastes, asbestos, or underground injection, the department
31 shall proceed administratively in all cases in which the

1 department seeks administrative penalties that do not exceed
2 \$10,000 per assessment as calculated in accordance with
3 subsections (3), (4), (5), (6), and (7). Pursuant to 42 U.S.C.
4 s.300g-2, the administrative penalty assessed pursuant to
5 subsections (3), (4), or (5) against a public water system
6 serving a population of more than 10,000 shall be not less
7 than \$1,000 per day per violation. The department shall not
8 impose administrative penalties in excess of \$10,000 in a
9 notice of violation. The department shall not have more than
10 one notice of violation seeking administrative penalties
11 pending against the same party at the same time unless the
12 violations occurred at a different site or the violations were
13 discovered by the department subsequent to the filing of a
14 previous notice of violation.

15 (4) In an administrative proceeding, in addition to
16 the penalties that may be assessed under subsection (3), the
17 department shall assess administrative penalties according to
18 the following schedule:

19 (f) Except as provided in subsection (2) with respect
20 to public water systems serving a population of more than
21 10,000, for failure to prepare, submit, maintain, or use
22 required reports or other required documentation, \$500.

23 (5) Except as provided in subsection (2) with respect
24 to public water systems serving a population of more than
25 10,000, for failure to comply with any other departmental
26 regulatory statute or rule requirement not otherwise
27 identified in this section, the department may assess a
28 penalty of \$500.

29 Section 10. Paragraph (b) of subsection (3) of section
30 403.1835, Florida Statutes, is amended to read:

31

1 403.1835 Water pollution control financial
2 assistance.--

3 (3) The department may provide financial assistance
4 through any program authorized under s. 603 of the Federal
5 Water Pollution Control Act (Clean Water Act), Pub. L. No.
6 92-500, as amended, including, but not limited to, making
7 grants and loans, providing loan guarantees, purchasing loan
8 insurance or other credit enhancements, and buying or
9 refinancing local debt. This financial assistance must be
10 administered in accordance with this section and applicable
11 federal authorities. The department shall administer all
12 programs operated from funds secured through the activities of
13 the Florida Water Pollution Control Financing Corporation
14 under s. 403.1837, to fulfill the purposes of this section.

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

28 Section 11. The Legislature finds that within the area
29 identified in the Lower East Coast Regional Water Supply Plan
30 approved by the South Florida Water Management District
31 pursuant to section 373.0361, Florida Statutes, the

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

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

12 Section 12. This act shall take effect upon becoming a
13 law.

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