

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 13A Restoration of Hurricane-Damaged Beaches and Dunes
SPONSOR(S): Mayfield and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 14A

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Agriculture & Environment Appropriations Committee</u>	<u>12 Y, 0 N</u>	<u>Dixon</u>	<u>Dixon</u>
2) <u>Fiscal Council</u>	<u>20 Y, 0 N, w/CS</u>	<u>Monroe</u>	<u>Kelly</u>
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

This legislation provides for a one-time appropriation of \$68.4 million to the Department of Environmental Protection for beach and dune restoration projects as described in the "2004 Hurricane Recovery Plan for Florida's Beach and Dune System" (the plan). It requires a 10 percent local match with exceptions. It requires the department to report to the Governor and the Legislature on the progress of the projects. It requires that the department withhold some funds under certain conditions. It authorizes the department to redistribute the funds, as necessary, to implement the plan with notice requirement. Further, it directs the department to take necessary steps within the current executive authority to ensure timely implementation and completion of the plan.

The bill shall take effect upon becoming a law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a “no” above, please explain:

NOTE: The Speaker of the House has adopted new House Principles to guide members in evaluating legislation during the 2002-2004 Legislature. These principles are:

Provide limited government,
Ensure lower taxes,
Safeguard individual liberty,
Promote personal responsibility,
Empower families, and
Maintain public security.

B. EFFECT OF PROPOSED CHANGES:

Florida’s 825 miles of beaches are a major draw for tourists to the state of Florida. According to the Florida Shore and Beach Preservation Association, beach-related tourism has an estimated \$41.6 billion total impact on the state’s economy. The beaches are also habitat for endangered and threatened species.

Recognizing the importance of the state's beaches, the Florida Legislature in 1986 adopted a posture of protecting and restoring the state's beaches through a comprehensive beach management planning program. The program is authorized by Section 161.101, Florida Statutes. Under the program, the Department of Environmental Protection’s Bureau of Beaches and Coastal Systems evaluates beach erosion problems throughout the state seeking viable solutions. The primary vehicle for implementing the beach management planning recommendations is the Florida Beach Erosion Control Program, which is a program established for the purpose of working in concert with local, state and federal governmental entities to achieve the protection, preservation and restoration of the coastal sandy beach resources of the state.

In 1998, the Legislature dedicated \$30 million annually from the documentary stamp revenue for beach management. This has allowed the state and local governments to develop a ten-year plan for critically eroded beaches. These funds combined with local funds will leverage federal dollars to maintain and restore these beaches.

During the 2004 hurricane season, Florida was hit by Tropical Storm Bonnie, and hurricanes Charley, Frances, Jeanne, and Ivan. Over 695 miles of those beaches have been impacted by these storms.

In order to expedite the restoration of the beaches, the Department of Environmental Protection has developed a “2004 Hurricane Recovery Plan for Florida’s Beach and Dune System” (the plan). This plan outlines the implementation strategies involving the need for state, federal and local agency cooperation. The plan focuses on the projects, along with associated state funding, that need to be

constructed prior to the next hurricane season in order to provide a reasonable level of protection to upland development along the impacted beaches.

The bill states that successful implementation of the plan will require extensive coordination to address multiple funding sources, timing associated with marine turtle impacts, potential impacts to environmental resources and cost-effective designs. The funding sources for the plan are limited to three state and federal public assistance programs: Federal Emergency Management Agency (FEMA), United States Army Corps of Engineers and Florida's Beach Management Program.

This legislation states that the Legislature recognizes the damage the hurricanes of 2004 have caused on the beaches and dunes of the state of Florida. It recognizes that the Department of Environmental Protection (DEP) has developed a "2004 Hurricane Recovery Plan for Florida's Beach and Dune System". It also requires the Department of Environmental Protection to report on restoration projects progress to the Governor and the Legislature. It appropriates funding for the beach and dune restoration projects included the plan and provides for local match. It authorizes the department to redistribute the funds, as necessary, to implement the plan. Further, it directs the department within existing authority to expedite the repair and restoration projects within the plan.

C. SECTION DIRECTORY:

Section 1. Provides legislative findings.

Section 2. Provides for a report to the Governor and the Legislature.

Section 3. Provides for an appropriation and local match requirements and for notification of the appropriation allocation by the Executive Office of the Governor to the chair and vice-chair of the Legislative Budget Commission by a date certain.

Section 4. Provides for redistribution of funds to implement the plan.

Section 5. Directs the department to take necessary steps within current executive authority to ensure timely implementation and completion of the beach and dune repair and restoration projects within the plan.

Section 6. Provides for an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

Nonrecurring

Fixed Capital Outlay Appropriation

For Beach and Dune Restoration

General Revenue	\$64.6 million
Land Acquisition Trust Fund	<u>3.8 million</u>
Total	\$68.4 million

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

See Fiscal Comments

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The legislation will allow for the speed-up of the beach and dune restoration which will allow the economies that rely on the beaches to recover more quickly as well. It will also help protect those properties close to the beach from damage and/or further damage.

D. FISCAL COMMENTS:

The legislation requires a 10 percent local match with exemptions. This is consistent with match requirements of the FEMA funding.

The \$3.8 million appropriated from the Land Acquisition Trust Fund is for dune restoration in the Florida State Parks impacted by the storms.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

The Fiscal Council met on December 14th and amended the bill with one clarifying amendment.