CHAMBER ACTION

The State Resources Council recommends the following:

2

4

5

6

7

8

9

10

11 12

13

14

15 16

17

18

19

1

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the Florida Incentive-based Permitting Act; creating s. 403.0874, F.S.; providing a popular name; providing legislative findings; providing purposes; providing definitions; providing for an Incentive-based Permitting Program; providing compliance incentives for certain environmental permitting activities; providing requirements and limitations; providing for administration by the Department of Environmental Protection; requiring the department to adopt certain rules; amending ss. 161.041, 373.219, and 373.413, F.S.; specifying application of Incentive-based Permitting Program provisions; amending s. 403.087, F.S.; revising criteria for department permit issuance to conform; providing an effective date.

20

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

22

21

Page 1 of 8

23 Section 1. Section 403.0874, Florida Statutes, is created 24 to read:

- 403.0874 Incentive-based Permitting Program. --
- 26 (1) POPULAR NAME. -- This section may be cited as the "Florida Incentive-based Permitting Act."

25

27

28

29

30

31 32

33

34

35

36 37

38

39

40

41

42

43 44

45

46

47

48

- (2) LEGISLATIVE FINDINGS; PUBLIC PURPOSE. --
- The Legislature finds and declares that a permit applicant's history of compliance with applicable permit conditions and requirements and the environmental laws of this state is a factor that should be considered by the agency when the agency is considering whether to issue or reissue a permit to an applicant, based upon compliance incentives under this section.
- (b) Permit applicants with a history of compliance with applicable permit conditions and requirements and the environmental laws of this state should be eligible for longer permits, expedited permit reviews, short-form permit renewals, and other incentives to reward and encourage such applicants.
- (c) The agency is encouraged to work with permittees and permit applicants to encourage compliance and avoid burdensome and expensive consequences of noncompliance.
- (d) It is therefore declared to be the purpose of this section to provide the agency with clear and specific authority to consider the compliance history of a permit applicant who has applied for an incentive-based permit.
 - (3) DEFINITIONS. -- For purposes of this section:
- 49 (a) "Agency" means the Department of Environmental 50 Protection.

Page 2 of 8

(b) "Applicant" means the proposed permittee or transferee, owner, or operator of a regulated activity seeking an agency permit.

- (c) "Environmental laws" means any state or federal law that regulates activities for the purpose of protecting the environment, or for the purpose of protecting the public health from pollution or contaminants, but does not include any law that regulates activities for the purpose of zoning, growth management, or land use. The term includes, but is not limited to, chapter 161, parts II and IV of chapter 373, and chapter 403.
- (d) "Regulated activity" means any activity, including, but not limited to, the construction or operation of a facility, installation, system, or project, for which a permit or certification is required by law.
- (e) "Site" means a single parcel, or multiple contiguous or adjacent parcels, of land on which the applicant proposes to conduct, or has conducted, a regulated activity.
- (4) COMPLIANCE INCENTIVES. -- In order to obtain compliance incentives, the applicant must affirmatively request such incentives as part of the permit application. Unless otherwise prohibited by state or federal law, agency rule, or federal regulation, and provided the applicant meets all other applicable criteria for the issuance of a permit, any applicant who meets the criteria set forth in this subsection is entitled to the following incentives:
 - (a) Level 1.--

1. An applicant shall be entitled to incentives pursuant to this paragraph at a site if the applicant conducted the regulated activity for at least 4 of the 5 years preceding submittal of the permit application or, if the activity is a new regulated activity, the applicant conducted a similar regulated activity under an agency permit for at least 4 of the 5 years at a different site in this state preceding submittal of the permit application. However, an applicant shall not be entitled to incentives under this paragraph if the applicant has a relevant compliance history at the subject site that includes any violation that resulted in enforcement action and the violation resulted in the potential for harm to human health or the environment. Alleged violations shall not be considered unless a consent order or other settlement has been entered into or the violation has been adjudicated.

2. Level 1 incentives shall include:

- a. Automatic renewal of permit. -- A renewal of a permit shall be issued for a period of 5 years and shall, after notice and an opportunity for public comment, be automatically renewed for one additional 5-year term without agency action unless the agency determines, based on information submitted by the applicant or resulting from the public comments or its own records, that the applicant has committed violations during the relevant review period that disqualify the applicant from receiving the automatic or expedited renewal.
- b. Expedited permit review.--The processing time following receipt of a completed application shall be 45 days for the issuance of the agency action.

Page 4 of 8

c. Short-form renewals.--Renewals of permits not involving substantial construction or expansion may be made upon a shortened application form specifying only the changes in the regulated activity or a certification by the applicant that no changes in the regulated activity are proposed if that is the case. Applicants for short-form renewals shall complete and submit the prescribed compliance form with the application and shall remain subject to the compliance history review of this section. All other procedural requirements for renewal applications remain unchanged. This provision shall supplement any expedited review processes found in agency rules.

- d. Rulemaking. --Within 6 months after the effective date of this section, the agency shall initiate rulemaking to implement Level 1 incentives. The rule shall specify what incentives will be made available, how applicants may qualify for incentives, and how extended permits may be transferred. Until an implementing rule is adopted, Level 1 incentives shall not be available to permit applicants under this section.
 - (b) Level 2.--

- 1. An applicant shall be entitled to incentives pursuant to this paragraph if the applicant meets the requirements for Level 1 and the applicant takes any other actions not otherwise required by law that result in:
- a. Reductions in actual or permitted discharges or emissions;
- b. Reductions in the impacts of regulated activities on public lands or natural resources;
 - c. Waste reduction or reuse;

Page 5 of 8

CODING: Words stricken are deletions; words underlined are additions.

134 d. Implementation of a voluntary environmental management 135 system; or e. Other similar actions as determined by agency rule. 136 137 2. Level 2 incentives may include all Level 1 incentives 138 and shall also include: a. Ten-year permits, provided the applicant has conducted 139 a regulated activity at the site for at least 5 years. 140 b. Fewer routine inspections than other regulated 141 activities similarly situated. 142 143 c. Expedited review of requests for permit modifications. 144 d. Agency recognition, program-specific incentives, or 145 certifications in lieu of renewal permits. 146 No more than two requests for additional information. 147 Rulemaking.--Within 6 months after the effective date 148 of this section, the agency shall initiate rulemaking to implement Level 2 incentives. The rule shall specify what 149 150 incentives will be made available, how applicants may qualify 151 for incentives, and how extended permits may be transferred. 152 Until an implementing rule is adopted, Level 2 incentives shall 153 not be available to permit applicants under this section. 154 Section 2. Subsection (5) is added to section 161.041, 155 Florida Statutes, to read: 156 161.041 Permits required.--157 (5) The Incentive-based Permitting Program provisions of 158 s. 403.0874 shall apply to all permits issued under this 159 chapter.

Page 6 of 8

Section 3. Subsection (3) is added to section 373.219,

Florida Statutes, to read:

160

161

L63	(3) The Incentive-based Permitting Program provisions of
L64	s. 403.0874 shall apply to all permits issued under this part.
L65	Section 4. Subsection (6) is added to section 373.413,
166	Florida Statutes, to read:
167	373.413 Permits for construction or alteration
L68	(6) The Incentive-based Permitting Program provisions of
169	s. 403.0874 shall apply to permits issued under this section.

373.219 Permits required.--

162

170

171

172

173

174

175

176

177

178

179

180

181

182

183

184

185

186

187

- Section 5. Subsection (7) of section 403.087, Florida Statutes, is amended to read:
- 403.087 Permits; general issuance; denial; revocation; prohibition; penalty.--
- (7) A permit issued pursuant to this section shall not become a vested right in the permittee. The department may revoke any permit issued by it if it finds that the permitholder:
- (a) Has submitted <u>material</u> false or inaccurate information in <u>the</u> his or her application <u>for such permit when true or</u> accurate information would have warranted denial of the permit initially;
- (b) Has violated law, department orders, rules, or regulations, or permit conditions <u>directly related to such</u> permit;
- (c) Has failed to submit operational reports or other information required by department rule or regulation <u>directly related to such permit</u>; or
- 188 (d) Has refused lawful inspection under s. 403.091 at the 189 facility authorized by such permit.

Page 7 of 8

CODING: Words stricken are deletions; words underlined are additions.

190 Section 6. This act shall take effect upon becoming a law.

Page 8 of 8