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A bill to be entitled
 An act relating to underground petroleum storage tanks;
 amending s. 376.3071, F.S.; directing the Department of
 Environmental Protection to encumber petroleum remediation
 funds uniformly throughout the state's fiscal year;
 providing for a prioritization within a priority scoring
 range; providing that limited source removal projects
 approved outside the established priority order may be
 funded from the Inland Protection Trust Fund; providing a
 priority order for these projects; limiting the use of the
 funds to certain specified purposes; limiting the amount
 of money allocated to such projects each fiscal year;
 providing for the repeal of the law on a specified date;
 amending s. 376.30713, F.S.; providing that the
 preapproved advanced cleanup provisions may apply to
 certain discharges under the petroleum cleanup
 participation program; amending s. 376.3075, F.S.;
 authorizing the Inland Protection Financing Corporation to
 borrow money and issue bonds to pay for large-scale
 cleanups that are eligible for state funding; extending
 the termination date of the corporation; providing an
 effective date.

WHEREAS, all of Florida's underground petroleum storage
 tank systems must be upgraded prior to January 1, 2010, and
 WHEREAS, it is in the state's best interest to encourage
 early replacement of such systems, and
 WHEREAS, it is in the state's best interest to provide

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29 financial assistance for limited source removal at the time of
 30 the system's replacement, and

31 WHEREAS, it is in the state's best interest to provide for
 32 a method of payment for large-scale cleanups in the future so as
 33 to minimize the impact on other cleanups that are underway, NOW,
 34 THEREFORE,

35
 36 Be It Enacted by the Legislature of the State of Florida:

37
 38 Section 1. Subsections (4) and (5) of section 376.3071,
 39 Florida Statutes, are amended to read:

40 376.3071 Inland Protection Trust Fund; creation; purposes;
 41 funding.--

42 (4) USES.--Whenever, in its determination, incidents of
 43 inland contamination related to the storage of petroleum or
 44 petroleum products may pose a threat to the environment or the
 45 public health, safety, or welfare, the department shall obligate
 46 moneys available in the fund to provide for:

47 (a) Prompt investigation and assessment of contamination
 48 sites.

49 (b) Expeditious restoration or replacement of potable
 50 water supplies as provided in s. 376.30(3)(c)1.

51 (c) Rehabilitation of contamination sites, which shall
 52 consist of cleanup of affected soil, groundwater, and inland
 53 surface waters, using the most cost-effective alternative that
 54 is technologically feasible and reliable and that provides
 55 adequate protection of the public health, safety, and welfare
 56 and minimizes environmental damage, in accordance with the site

57 selection and cleanup criteria established by the department
58 under subsection (5), except that nothing herein shall be
59 construed to authorize the department to obligate funds for
60 payment of costs which may be associated with, but are not
61 integral to, site rehabilitation, such as the cost for
62 retrofitting or replacing petroleum storage systems.

63 (d) Maintenance and monitoring of contamination sites.

64 (e) Inspection and supervision of activities described in
65 this subsection.

66 (f) Payment of expenses incurred by the department in its
67 efforts to obtain from responsible parties the payment or
68 recovery of reasonable costs resulting from the activities
69 described in this subsection.

70 (g) Payment of any other reasonable costs of
71 administration, including those administrative costs incurred by
72 the Department of Health in providing field and laboratory
73 services, toxicological risk assessment, and other assistance to
74 the department in the investigation of drinking water
75 contamination complaints and costs associated with public
76 information and education activities.

77 (h) Establishment and implementation of the compliance
78 verification program as authorized in s. 376.303(1)(a),
79 including contracting with local governments or state agencies
80 to provide for the administration of such program through
81 locally administered programs, to minimize the potential for
82 further contamination sites.

83 (i) Funding of the provisions of ss. 376.305(6) and
84 376.3072.

85 (j) Activities related to removal and replacement of
 86 petroleum storage systems, exclusive of costs of any tank,
 87 piping, dispensing unit, or related hardware, if soil removal is
 88 preapproved as a component of site rehabilitation and requires
 89 removal of the tank where remediation is conducted under s.
 90 376.30711 or if such activities were justified in an approved
 91 remedial action plan performed pursuant to subsection (12).

92 (k) Activities related to reimbursement application
 93 preparation and activities related to reimbursement application
 94 examination by a certified public accountant pursuant to
 95 subsection (12).

96 (l) Reasonable costs of restoring property as nearly as
 97 practicable to the conditions which existed prior to activities
 98 associated with contamination assessment or remedial action
 99 taken under s. 376.303(4).

100 (m) Repayment of loans to the fund.

101 (n) Expenditure of sums from the fund to cover ineligible
 102 sites or costs as set forth in subsection (13), if the
 103 department in its discretion deems it necessary to do so. In
 104 such cases, the department may seek recovery and reimbursement
 105 of costs in the same manner and in accordance with the same
 106 procedures as are established for recovery and reimbursement of
 107 sums otherwise owed to or expended from the fund.

108 (o) Payment of amounts payable under any service contract
 109 entered into by the department pursuant to s. 376.3075, subject
 110 to annual appropriation by the Legislature.

111 (p) Petroleum remediation pursuant to s. 376.30711
 112 throughout a state fiscal year. The department shall establish a

113 process to uniformly encumber appropriated funds throughout a
 114 state fiscal year and shall allow for emergencies and imminent
 115 threats to human health and the environment as provided in
 116 paragraph (5)(a). This paragraph does not apply to
 117 appropriations associated with the free product recovery
 118 initiative of paragraph (5)(c) or the preapproved advanced
 119 cleanup program of s. 376.30713.

120
 121 The Inland Protection Trust Fund may only be used to fund the
 122 activities in ss. 376.30-376.319 except ss. 376.3078 and
 123 376.3079. Amounts on deposit in the Inland Protection Trust Fund
 124 in each fiscal year shall first be applied or allocated for the
 125 payment of amounts payable by the department pursuant to
 126 paragraph (o) under a service contract entered into by the
 127 department pursuant to s. 376.3075 and appropriated in each year
 128 by the Legislature prior to making or providing for other
 129 disbursements from the fund. Nothing in this subsection shall
 130 authorize the use of the Inland Protection Trust Fund for
 131 cleanup of contamination caused primarily by a discharge of
 132 solvents as defined in s. 206.9925(6), or polychlorinated
 133 biphenyls when their presence causes them to be hazardous
 134 wastes, except solvent contamination which is the result of
 135 chemical or physical breakdown of petroleum products and is
 136 otherwise eligible. Facilities used primarily for the storage of
 137 motor or diesel fuels as defined in ss. 206.01 and 206.86 shall
 138 be presumed not to be excluded from eligibility pursuant to this
 139 section.

140 (5) SITE SELECTION AND CLEANUP CRITERIA.--

141 (a) The department shall adopt rules to establish
 142 priorities based upon a scoring system for state-conducted
 143 cleanup at petroleum contamination sites based upon factors that
 144 include, but need not be limited to:

145 1. The degree to which human health, safety, or welfare
 146 may be affected by exposure to the contamination;

147 2. The size of the population or area affected by the
 148 contamination;

149 3. The present and future uses of the affected aquifer or
 150 surface waters, with particular consideration as to the
 151 probability that the contamination is substantially affecting,
 152 or will migrate to and substantially affect, a known public or
 153 private source of potable water; and

154 4. The effect of the contamination on the environment.
 155

156 Moneys in the fund shall then be obligated for activities
 157 described in paragraphs (4)(a)-(e) at individual sites in
 158 accordance with such established criteria. However, nothing in
 159 this paragraph shall be construed to restrict the department
 160 from modifying the priority status of a rehabilitation site
 161 where conditions warrant, taking into consideration the actual
 162 distance between the contamination site and groundwater or
 163 surface water receptors or other factors that affect the risk of
 164 exposure to petroleum products' chemicals of concern. The
 165 department may use the effective date of a department final
 166 order granting eligibility pursuant to subsections (9) and (13)
 167 and ss. 376.305(6) and 376.3072 to establish a prioritization
 168 system within a particular priority scoring range.

169 (b) It is the intent of the Legislature to protect the
170 health of all people under actual circumstances of exposure. The
171 secretary shall establish criteria by rule for the purpose of
172 determining, on a site-specific basis, the rehabilitation
173 program tasks that comprise a site rehabilitation program and
174 the level at which a rehabilitation program task and a site
175 rehabilitation program may be deemed completed. In establishing
176 the rule, the department shall incorporate, to the maximum
177 extent feasible, risk-based corrective action principles to
178 achieve protection of human health and safety and the
179 environment in a cost-effective manner as provided in this
180 subsection. Criteria for determining what constitutes a
181 rehabilitation program task or completion of site rehabilitation
182 program tasks and site rehabilitation programs shall be based
183 upon the factors set forth in paragraph (a) and the following
184 additional factors:

185 1. The current exposure and potential risk of exposure to
186 humans and the environment including multiple pathways of
187 exposure.

188 2. The appropriate point of compliance with cleanup target
189 levels for petroleum products' chemicals of concern. The point
190 of compliance shall be at the source of the petroleum
191 contamination. However, the department is authorized to
192 temporarily move the point of compliance to the boundary of the
193 property, or to the edge of the plume when the plume is within
194 the property boundary, while cleanup, including cleanup through
195 natural attenuation processes in conjunction with appropriate
196 monitoring, is proceeding. The department also is authorized,

197 pursuant to criteria provided for in this paragraph, to
198 temporarily extend the point of compliance beyond the property
199 boundary with appropriate monitoring, if such extension is
200 needed to facilitate natural attenuation or to address the
201 current conditions of the plume, provided human health, public
202 safety, and the environment are adequately protected. Temporary
203 extension of the point of compliance beyond the property
204 boundary, as provided in this subparagraph, shall include notice
205 to local governments and owners of any property into which the
206 point of compliance is allowed to extend.

207 3. The appropriate site-specific cleanup goal. The site-
208 specific cleanup goal shall be that all petroleum contamination
209 sites ultimately achieve the applicable cleanup target levels
210 provided in this paragraph. However, the department is
211 authorized to allow concentrations of the petroleum products'
212 chemicals of concern to temporarily exceed the applicable
213 cleanup target levels while cleanup, including cleanup through
214 natural attenuation processes in conjunction with appropriate
215 monitoring, is proceeding, provided human health, public safety,
216 and the environment are adequately protected.

217 4. The appropriateness of using institutional or
218 engineering controls. Site rehabilitation programs may include
219 the use of institutional or engineering controls to eliminate
220 the potential exposure to petroleum products' chemicals of
221 concern to humans or the environment. Use of such controls must
222 be preapproved by the department and institutional controls
223 shall not be acquired with funds from the Inland Protection
224 Trust Fund. When institutional or engineering controls are

225 implemented to control exposure, the removal of such controls
226 must have prior department approval and must be accompanied
227 immediately by the resumption of active cleanup, or other
228 approved controls, unless cleanup target levels pursuant to this
229 paragraph have been achieved.

230 5. The additive effects of the petroleum products'
231 chemicals of concern. The synergistic effects of petroleum
232 products' chemicals of concern shall also be considered when the
233 scientific data becomes available.

234 6. Individual site characteristics which shall include,
235 but not be limited to, the current and projected use of the
236 affected groundwater in the vicinity of the site, current and
237 projected land uses of the area affected by the contamination,
238 the exposed population, the degree and extent of contamination,
239 the rate of contaminant migration, the apparent or potential
240 rate of contaminant degradation through natural attenuation
241 processes, the location of the plume, and the potential for
242 further migration in relation to site property boundaries.

243 7. Applicable state water quality standards.

244 a. Cleanup target levels for petroleum products' chemicals
245 of concern found in groundwater shall be the applicable state
246 water quality standards. Where such standards do not exist, the
247 cleanup target levels for groundwater shall be based on the
248 minimum criteria specified in department rule. The department
249 shall consider the following, as appropriate, in establishing
250 the applicable minimum criteria: calculations using a lifetime
251 cancer risk level of 1.0E-6; a hazard index of 1 or less; the
252 best achievable detection limit; the naturally occurring

253 background concentration; or nuisance, organoleptic, and
254 aesthetic considerations.

255 b. Where surface waters are exposed to petroleum
256 contaminated groundwater, the cleanup target levels for the
257 petroleum products' chemicals of concern shall be based on the
258 surface water standards as established by department rule. The
259 point of measuring compliance with the surface water standards
260 shall be in the groundwater immediately adjacent to the surface
261 water body.

262 8. Whether deviation from state water quality standards or
263 from established criteria is appropriate. The department may
264 issue a "No Further Action Order" based upon the degree to which
265 the desired cleanup target level is achievable and can be
266 reasonably and cost-effectively implemented within available
267 technologies or engineering and institutional control
268 strategies. Where a state water quality standard is applicable,
269 a deviation may not result in the application of cleanup target
270 levels more stringent than said standard. In determining whether
271 it is appropriate to establish alternate cleanup target levels
272 at a site, the department may consider the effectiveness of
273 source removal that has been completed at the site and the
274 practical likelihood of: the use of low yield or poor quality
275 groundwater; the use of groundwater near marine surface water
276 bodies; the current and projected use of the affected
277 groundwater in the vicinity of the site; or the use of
278 groundwater in the immediate vicinity of the storage tank area,
279 where it has been demonstrated that the groundwater
280 contamination is not migrating away from such localized source;

281 provided human health, public safety, and the environment are
282 adequately protected.

283 9. Appropriate cleanup target levels for soils.

284 a. In establishing soil cleanup target levels for human
285 exposure to petroleum products' chemicals of concern found in
286 soils from the land surface to 2 feet below land surface, the
287 department shall consider the following, as appropriate:
288 calculations using a lifetime cancer risk level of 1.0E-6; a
289 hazard index of 1 or less; the best achievable detection limit;
290 or the naturally occurring background concentration.

291 b. Leachability-based soil target levels shall be based on
292 protection of the groundwater cleanup target levels or the
293 alternate cleanup target levels for groundwater established
294 pursuant to this paragraph, as appropriate. Source removal and
295 other cost-effective alternatives that are technologically
296 feasible shall be considered in achieving the leachability soil
297 target levels established by the department. The leachability
298 goals shall not be applicable if the department determines,
299 based upon individual site characteristics, that petroleum
300 products' chemicals of concern will not leach into the
301 groundwater at levels which pose a threat to human health and
302 safety or the environment.

303

304 However, nothing in this paragraph shall be construed to
305 restrict the department from temporarily postponing completion
306 of any site rehabilitation program for which funds are being
307 expended whenever such postponement is deemed necessary in order
308 to make funds available for rehabilitation of a contamination

309 site with a higher priority status.

310 (c) The department shall require source removal, if
311 warranted and cost-effective, at each site eligible for
312 restoration funding from the Inland Protection Trust Fund.

313 1. Funding for free product recovery may be provided in
314 advance of the order established by the priority ranking system
315 under ~~pursuant to~~ paragraph (a) for site cleanup activities.
316 However, a separate prioritization for free product recovery
317 shall be established consistent with ~~the provisions of~~ paragraph
318 (a). No more than \$5 million shall be encumbered from the Inland
319 Protection Trust Fund in any fiscal year for free product
320 recovery conducted in advance of the priority order under
321 ~~pursuant to~~ paragraph (a) established for site cleanup
322 activities.

323 2. Funding for limited interim soil-source removals for
324 sites that will become inaccessible for future remediation due
325 to road infrastructure and right-of-way restrictions resulting
326 from a pending Department of Transportation road construction
327 project or for secondary containment upgrading of underground
328 storage tanks required under Chapter 62-761, Florida
329 Administrative Code, may be provided in advance of the order
330 established by the priority ranking system under paragraph (a)
331 for site cleanup activities. The department shall provide
332 written guidance on the limited source removal information and
333 technical evaluation necessary to justify a request for a
334 limited source removal in advance of the priority order pursuant
335 to paragraph (a) established for site cleanup activities.
336 Prioritization for limited source removal projects associated

337 with a secondary containment upgrade in any fiscal year shall be
338 determined on a first-come, first-served basis according to the
339 approval date issued under s. 376.30711 for the limited source
340 removal. Funding for limited source removals associated with
341 secondary containment upgrades shall be limited to 10 sites in
342 each fiscal year for each facility owner and any related person.
343 The limited source removal for secondary containment upgrades
344 shall be completed no later than 6 months after the department
345 issues its approval of the project and the approval
346 automatically expires at the end of the 6 months. Funding for
347 Department of Transportation and secondary containment upgrade
348 source removals may not exceed \$50,000 for a single facility
349 unless the department makes a determination that it is cost-
350 effective and environmentally beneficial to exceed this amount,
351 but in no event shall the department authorize costs in excess
352 of \$100,000 for a single facility. Department funding for
353 limited interim soil-source removals associated with Department
354 of Transportation projects and secondary containment upgrades
355 shall be limited to supplemental soil assessment, soil
356 screening, soil removal, backfill material, treatment or
357 disposal of the contaminated soil, dewatering related to the
358 contaminated soil removal in an amount of up to 10 percent of
359 the total interim soil-source removal project costs, treatment,
360 and disposal of the contaminated groundwater and preparation of
361 the source removal report. No other costs associated with the
362 facility upgrade may be paid with department funds. No more than
363 \$1 million for Department of Transportation limited source
364 removal projects and \$10 million for secondary containment

365 upgrade limited source removal projects conducted in advance of
 366 the priority order established under paragraph (a) for site
 367 cleanup activities shall be encumbered from the Inland
 368 Protection Trust Fund in any fiscal year. This subparagraph is
 369 repealed effective June 30, 2008.

370 3. Once free product removal and other source removal
 371 identified in this paragraph are completed at a site, and
 372 notwithstanding the order established by the priority ranking
 373 system under paragraph (a) for site cleanup activities is
 374 complete, the department may shall reevaluate the site to
 375 determine the degree of active cleanup needed to continue site
 376 rehabilitation. Further, the department shall determine if the
 377 reevaluated site qualifies for natural attenuation monitoring
 378 ~~only or if no further action is required to rehabilitate the~~
 379 ~~site.~~ If additional site rehabilitation is necessary to reach no
 380 further action status, the site rehabilitation shall be
 381 conducted in the order established by the priority ranking
 382 system under paragraph (a) and the department is encouraged to
 383 utilize natural attenuation and monitoring where site conditions
 384 warrant.

385 Section 2. Subsection (1) of section 376.30713, Florida
 386 Statutes, is amended to read:

387 376.30713 Preapproved advanced cleanup.--

388 (1) In addition to the legislative findings provided in s.
 389 376.30711, the Legislature finds and declares:

390 (a) That the inability to conduct site rehabilitation in
 391 advance of a site's priority ranking pursuant to s.
 392 376.3071(5)(a) may substantially impede or prohibit property

393 transactions or the proper completion of public works projects.

394 (b) While the first priority of the state is to provide
 395 for protection of the water resources of the state, human
 396 health, and the environment, the viability of commerce is of
 397 equal importance to the state.

398 (c) It is in the public interest and of substantial
 399 economic benefit to the state to provide an opportunity for site
 400 rehabilitation to be conducted on a limited basis at
 401 contaminated sites, in advance of the site's priority ranking,
 402 to facilitate property transactions or public works projects.

403 (d) It is appropriate for persons responsible for site
 404 rehabilitation to share the costs associated with managing and
 405 conducting preapproved advanced cleanup, to facilitate the
 406 opportunity for preapproved advanced cleanup, and to mitigate
 407 the additional costs that will be incurred by the state in
 408 conducting site rehabilitation in advance of the site's priority
 409 ranking. Such cost sharing will result in more contaminated
 410 sites being cleaned up and greater environmental benefits to the
 411 state. The provisions of this section shall only be available
 412 for sites eligible for restoration funding under EDI, ATRP, or
 413 PLIRP. This section is available for discharges eligible for
 414 restoration funding under the petroleum cleanup participation
 415 program for the state's cost share of site rehabilitation.
 416 Applications shall include a cost-sharing commitment for this
 417 section in addition to the 25-percent-copayment requirement of
 418 the petroleum cleanup participation program. This section is not
 419 available for any discharge under a petroleum cleanup
 420 participation program where the 25-percent-copayment requirement

421 of the petroleum cleanup participation program has been reduced
 422 or eliminated pursuant to s. 376.3071(13)(c).

423 Section 3. Section 376.3075, Florida Statutes, amended to
 424 read:

425 376.3075 Inland Protection Financing Corporation.--

426 (1) There is hereby created a nonprofit public benefit
 427 corporation to be known as the "Inland Protection Financing
 428 Corporation" for the purpose of financing the rehabilitation of
 429 petroleum contamination sites pursuant to ss. 376.30-376.319 and
 430 the payment, purchase, and settlement of reimbursement
 431 obligations of the department pursuant to s. 376.3071(12),
 432 existing as of December 31, 1996. Such reimbursement obligations
 433 are referred to in this section as existing reimbursement
 434 obligations. The corporation shall terminate on July 1, 2025
 435 ~~2011~~.

436 (2) The corporation shall be governed by a board of
 437 directors consisting of the Governor or the Governor's designee,
 438 the Chief Financial Officer or the Chief Financial Officer's
 439 designee, the chair of the Florida Black Business Investment
 440 Board, and the secretary of the Department of Environmental
 441 Protection. The executive director of the State Board of
 442 Administration shall be the chief executive officer of the
 443 corporation and shall direct and supervise the administrative
 444 affairs of the corporation and shall control, direct, and
 445 supervise the operation of the corporation. The corporation
 446 shall also have such other officers as may be determined by the
 447 board of directors.

448 (3) The corporation shall have all the powers of a

449 corporate body under the laws of the state to the extent not
 450 inconsistent with or restricted by the provisions of this
 451 section, including, but not limited to, the power to:

452 (a) Adopt, amend, and repeal bylaws not inconsistent with
 453 this section.

454 (b) Sue and be sued.

455 (c) Adopt and use a common seal.

456 (d) Acquire, purchase, hold, lease, and convey such real
 457 and personal property as may be proper or expedient to carry out
 458 the purposes of the corporation and this section, and to sell,
 459 lease, or otherwise dispose of such property.

460 (e) Elect or appoint and employ such officers, agents, and
 461 employees as the corporation deems advisable to operate and
 462 manage the affairs of the corporation, which officers, agents,
 463 and employees may be officers or employees of the department and
 464 the state agencies represented on the board of directors of the
 465 corporation.

466 (f) Borrow money and issue notes, bonds, certificates of
 467 indebtedness, or other obligations or evidences of indebtedness
 468 necessary to pay the backlog or to reimburse moneys from the
 469 Inland Protection Trust Fund used pursuant to subsection (6) and
 470 to pay for large-scale cleanups, such as ports, airports, and
 471 terminal facilities, which are eligible for state funding.

472 (g) Make and execute any and all contracts, trust
 473 agreements, and other instruments and agreements necessary or
 474 convenient to accomplish the purposes of the corporation and
 475 this section.

476 (h) Select, retain, and employ professionals, contractors,

477 or agents, which may include the Florida State Board of
 478 Administration's Division of Bond Finance, as shall be necessary
 479 or convenient to enable or assist the corporation in carrying
 480 out the purposes of the corporation and this section.

481 (i) Do any act or thing necessary or convenient to carry
 482 out the purposes of the corporation and this section and the
 483 powers provided in this section.

484 (4) The corporation is authorized to enter into one or
 485 more service contracts with the department pursuant to which the
 486 corporation shall provide services to the department in
 487 connection with financing the functions and activities provided
 488 for in ss. 376.30-376.319. The department may enter into one or
 489 more such service contracts with the corporation and to provide
 490 for payments under such contracts pursuant to s. 376.3071(4)(o),
 491 subject to annual appropriation by the Legislature. The proceeds
 492 from such service contracts may be used for the costs and
 493 expenses of administration of the corporation after payments as
 494 set forth in subsection (5). Each service contract shall have a
 495 term not to exceed 10 years and shall terminate no later than
 496 July 1, 2025 ~~2011~~. The aggregate amount payable from the Inland
 497 Protection Trust Fund under all such service contracts shall not
 498 exceed \$65 million in any state fiscal year. Amounts annually
 499 appropriated and applied to make payments under such service
 500 contracts shall not include any funds derived from penalties or
 501 other payments received from any property owner or private
 502 party, including payments received from s. 376.3071(6)(b). In
 503 compliance with provisions of s. 287.0641 and other applicable
 504 provisions of law, the obligations of the department under such

505 service contracts shall not constitute a general obligation of
 506 the state or a pledge of the faith and credit or taxing power of
 507 the state nor shall such obligations be construed in any manner
 508 as an obligation of the State Board of Administration or
 509 entities for which it invests funds, other than the department
 510 as provided in this section, but shall be payable solely from
 511 amounts available in the Inland Protection Trust Fund, subject
 512 to annual appropriation. In compliance with this subsection and
 513 s. 287.0582, the service contract shall expressly include the
 514 following statement: "The State of Florida's performance and
 515 obligation to pay under this contract is contingent upon an
 516 annual appropriation by the Legislature."

517 (5) The corporation may issue and incur notes, bonds,
 518 certificates of indebtedness, or other obligations or evidences
 519 of indebtedness payable from and secured by amounts payable to
 520 the corporation by the department under a service contract
 521 entered into pursuant to subsection (4) for the purpose of
 522 paying, purchasing, or settling existing reimbursement
 523 obligations. The term of any such note, bond, certificate of
 524 indebtedness, or other obligation or evidence of indebtedness
 525 shall not have a financing term that exceeds 6 years, nor shall
 526 the total payments for principal and interest on any such note,
 527 bond, certificate of indebtedness, or other obligation or
 528 evidence of indebtedness exceed the original amount of approved
 529 reimbursement claims to be paid, purchased, or settled by the
 530 corporation by more than \$50 million. The corporation may select
 531 its financing team and issue its obligations through competitive
 532 bidding or negotiated contracts, whichever is most cost-

533 effective. Any such indebtedness of the corporation shall not
 534 constitute a debt or obligation of the state or a pledge of the
 535 faith and credit or taxing power of the state, but shall be
 536 payable from and secured by payments made by the department
 537 under the service contract pursuant to s. 376.3071(4)(o).

538 (6) Upon the issuance of debt obligations by the
 539 corporation pursuant to subsection (5) for the payment,
 540 purchase, or settlement of existing reimbursement obligations,
 541 amounts on deposit in the Inland Protection Trust Fund shall not
 542 be available for the payment, purchase, or settlement of
 543 existing reimbursement obligations to the extent proceeds of
 544 such debt obligations are available for the payment of such
 545 existing reimbursement obligations. If, after the initial
 546 issuance of debt obligations pursuant to subsection (5), amounts
 547 on deposit in the Inland Protection Trust Fund are used to pay
 548 existing reimbursement obligations, the corporation shall
 549 reimburse the Inland Protection Trust Fund for such payments
 550 from available proceeds of debt obligations issued pursuant to
 551 subsection (5). Payment, purchase, or settlement by the
 552 corporation of existing reimbursement obligations otherwise
 553 payable pursuant to s. 376.3071(12) shall satisfy the obligation
 554 of the department to make such payments. Any such existing
 555 reimbursement obligations purchased by the corporation shall be
 556 satisfied and extinguished upon purchase by the corporation.

557 (7) The corporation shall pay, purchase, or settle
 558 existing reimbursement obligations as determined by the
 559 department. The department shall implement the repayment
 560 priorities and method and amount of payments pursuant to s.

561 376.3071(12). However, any claims for reimbursement pursuant to
 562 s. 376.3071(12) that the corporation is unable to pay because of
 563 the limitations contained in subsection (5) shall be paid by the
 564 department from the receipts of the Inland Protection Trust
 565 Fund.

566 (8) The fulfillment of the purposes of the corporation
 567 promotes the health, safety, and general welfare of the people
 568 of the state and serves as essential governmental functions and
 569 a paramount public purpose.

570 (9) The corporation is exempt from taxation and
 571 assessments of any nature whatsoever upon its income and any
 572 property, assets, or revenues acquired, received, or used in the
 573 furtherance of the purposes provided in this chapter. The
 574 obligations of the corporation incurred pursuant to subsection
 575 (5) and the interest and income thereon and all security
 576 agreements, letters of credit, liquidity facilities, or other
 577 obligations or instruments arising out of, entered into in
 578 connection therewith, or given to secure payment thereof are
 579 exempt from all taxation, provided such exemption does not apply
 580 to any tax imposed by chapter 220 on the interest, income, or
 581 profits on debt obligations owned by corporations.

582 (10) The corporation shall validate obligations to be
 583 incurred pursuant to subsection (5) and the validity and
 584 enforceability of any service contracts providing for payments
 585 pledged to the payment thereof by proceedings under chapter 75.
 586 The validation complaint shall be filed only in the Circuit
 587 Court for Leon County. The notice required to be published by
 588 s. 75.06 shall be published in Leon County and the complaint and

589 order of the circuit court shall be served only on the State
590 Attorney for the Second Judicial Circuit. Sections 75.04(2) and
591 75.06(2) shall not apply to a complaint for validation filed as
592 authorized in this subsection. The validation of at least the
593 first obligations incurred pursuant to subsection (5) shall be
594 appealed to the Supreme Court, to be handled on an expedited
595 basis.

596 (11) The corporation shall not be deemed to be a special
597 district for purposes of chapter 189 or a unit of local
598 government for purposes of part III of chapter 218. The
599 provisions of chapters 120 and 215, except the limitation on
600 interest rates provided by s. 215.84 which applies to
601 obligations of the corporation issued pursuant to this section,
602 and part I of chapter 287, except ss. 287.0582 and 287.0641,
603 shall not apply to this section, the corporation created hereby,
604 the service contracts entered into pursuant to this section, or
605 to debt obligations issued by the corporation as contemplated in
606 this section.

607 (12) In no event shall any of the benefits or earnings of
608 the corporation inure to the benefit of any private person.

609 (13) Upon dissolution of the corporation, title to all
610 property owned by the corporation shall revert to the state.

611 (14) The corporation may contract with the State Board of
612 Administration to serve as trustee with respect to debt
613 obligations issued by the corporation as contemplated by this
614 section and to hold, administer, and invest proceeds of such
615 debt obligations and other funds of the corporation and to
616 perform other services required by the corporation. The State

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617 | Board of Administration may perform such services and may
618 | contract with others to provide all or a part of such services
619 | and to recover its and such other costs and expenses thereof.

620 | Section 4. This act shall take effect July 1, 2005.