

CHAMBER ACTION

1 The Agriculture & Environment Appropriations Committee
2 recommends the following:

3
4 **Council/Committee Substitute**

5 Remove the entire bill and insert:

6 A bill to be entitled

7 An act relating to underground petroleum storage tanks;
8 amending s. 376.3071, F.S.; directing the Department of
9 Environmental Protection to encumber petroleum remediation
10 funds uniformly throughout the state's fiscal year;
11 providing for a prioritization within a priority scoring
12 range; providing that limited source removal projects
13 approved outside the established priority order may be
14 funded from the Inland Protection Trust Fund; providing a
15 priority order for these projects; limiting the use of the
16 funds to certain specified purposes; limiting the amount
17 of money allocated to such projects each fiscal year;
18 providing for the repeal of the law on a specified date;
19 requiring the department to obtain legislative
20 authorization for certain debt-financed cleanup projects
21 and payments; amending s. 376.30713, F.S.; providing that
22 the preapproved advanced cleanup provisions may apply to
23 certain discharges under the petroleum cleanup

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24 participation program; creating s. 376.30715, F.S.;

25 providing that certain contaminated sites acquired prior

26 to a specified date are eligible for state financial

27 cleanup assistance; amending s. 376.3075, F.S.; extending

28 the termination date of the Inland Protection Financing

29 Corporation; authorizing the corporation to borrow money

30 and issue bonds to pay for large-scale cleanups that are

31 eligible for state funding; requiring submission to the

32 Governor and Legislature of a plan by the corporation

33 prior to the issuance of certain debt; extending the

34 termination date of certain service contracts; providing

35 an effective date.

36

37 WHEREAS, all of Florida's underground petroleum storage

38 tank systems must be upgraded prior to January 1, 2010, and

39 WHEREAS, it is in the state's best interest to encourage

40 early replacement of such systems, and

41 WHEREAS, it is in the state's best interest to provide

42 financial assistance for limited source removal at the time of

43 the system's replacement, and

44 WHEREAS, it is in the state's best interest to provide for

45 a method of payment for large-scale cleanups in the future so as

46 to minimize the impact on other cleanups that are underway, NOW,

47 THEREFORE,

48

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

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51 Section 1. Subsections (4) and (5) of section 376.3071,
52 Florida Statutes, are amended, and subsection (14) is added to
53 said section, to read:

54 376.3071 Inland Protection Trust Fund; creation; purposes;
55 funding.--

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

61 (a) Prompt investigation and assessment of contamination
62 sites.

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

65 (c) Rehabilitation of contamination sites, which shall
66 consist of cleanup of affected soil, groundwater, and inland
67 surface waters, using the most cost-effective alternative that
68 is technologically feasible and reliable and that provides
69 adequate protection of the public health, safety, and welfare
70 and minimizes environmental damage, in accordance with the site
71 selection and cleanup criteria established by the department
72 under subsection (5), except that nothing herein shall be
73 construed to authorize the department to obligate funds for
74 payment of costs which may be associated with, but are not
75 integral to, site rehabilitation, such as the cost for
76 retrofitting or replacing petroleum storage systems.

77 (d) Maintenance and monitoring of contamination sites.

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78 (e) Inspection and supervision of activities described in
79 this subsection.

80 (f) Payment of expenses incurred by the department in its
81 efforts to obtain from responsible parties the payment or
82 recovery of reasonable costs resulting from the activities
83 described in this subsection.

84 (g) Payment of any other reasonable costs of
85 administration, including those administrative costs incurred by
86 the Department of Health in providing field and laboratory
87 services, toxicological risk assessment, and other assistance to
88 the department in the investigation of drinking water
89 contamination complaints and costs associated with public
90 information and education activities.

91 (h) Establishment and implementation of the compliance
92 verification program as authorized in s. 376.303(1)(a),
93 including contracting with local governments or state agencies
94 to provide for the administration of such program through
95 locally administered programs, to minimize the potential for
96 further contamination sites.

97 (i) Funding of the provisions of ss. 376.305(6) and
98 376.3072.

99 (j) Activities related to removal and replacement of
100 petroleum storage systems, exclusive of costs of any tank,
101 piping, dispensing unit, or related hardware, if soil removal is
102 preapproved as a component of site rehabilitation and requires
103 removal of the tank where remediation is conducted under s.
104 376.30711 or if such activities were justified in an approved
105 remedial action plan performed pursuant to subsection (12).

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106 (k) Activities related to reimbursement application
 107 preparation and activities related to reimbursement application
 108 examination by a certified public accountant pursuant to
 109 subsection (12).

110 (l) Reasonable costs of restoring property as nearly as
 111 practicable to the conditions which existed prior to activities
 112 associated with contamination assessment or remedial action
 113 taken under s. 376.303(4).

114 (m) Repayment of loans to the fund.

115 (n) Expenditure of sums from the fund to cover ineligible
 116 sites or costs as set forth in subsection (13), if the
 117 department in its discretion deems it necessary to do so. In
 118 such cases, the department may seek recovery and reimbursement
 119 of costs in the same manner and in accordance with the same
 120 procedures as are established for recovery and reimbursement of
 121 sums otherwise owed to or expended from the fund.

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

125 (p) Petroleum remediation pursuant to s. 376.30711
 126 throughout a state fiscal year. The department shall establish a
 127 process to uniformly encumber appropriated funds throughout a
 128 state fiscal year and shall allow for emergencies and imminent
 129 threats to human health and the environment as provided in
 130 paragraph (5)(a). This paragraph does not apply to
 131 appropriations associated with the free product recovery
 132 initiative of paragraph (5)(c) or the preapproved advanced
 133 cleanup program of s. 376.30713.

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

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

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

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

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161 2. The size of the population or area affected by the
162 contamination;

163 3. The present and future uses of the affected aquifer or
164 surface waters, with particular consideration as to the
165 probability that the contamination is substantially affecting,
166 or will migrate to and substantially affect, a known public or
167 private source of potable water; and

168 4. The effect of the contamination on the environment.

169
170 Moneys in the fund shall then be obligated for activities
171 described in paragraphs (4)(a)-(e) at individual sites in
172 accordance with such established criteria. However, nothing in
173 this paragraph shall be construed to restrict the department
174 from modifying the priority status of a rehabilitation site
175 where conditions warrant, taking into consideration the actual
176 distance between the contamination site and groundwater or
177 surface water receptors or other factors that affect the risk of
178 exposure to petroleum products' chemicals of concern. The
179 department may use the effective date of a department final
180 order granting eligibility pursuant to subsections (9) and (13)
181 and ss. 376.305(6) and 376.3072 to establish a prioritization
182 system within a particular priority scoring range.

183 (b) It is the intent of the Legislature to protect the
184 health of all people under actual circumstances of exposure. The
185 secretary shall establish criteria by rule for the purpose of
186 determining, on a site-specific basis, the rehabilitation
187 program tasks that comprise a site rehabilitation program and
188 the level at which a rehabilitation program task and a site

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189 rehabilitation program may be deemed completed. In establishing
190 the rule, the department shall incorporate, to the maximum
191 extent feasible, risk-based corrective action principles to
192 achieve protection of human health and safety and the
193 environment in a cost-effective manner as provided in this
194 subsection. Criteria for determining what constitutes a
195 rehabilitation program task or completion of site rehabilitation
196 program tasks and site rehabilitation programs shall be based
197 upon the factors set forth in paragraph (a) and the following
198 additional factors:

199 1. The current exposure and potential risk of exposure to
200 humans and the environment including multiple pathways of
201 exposure.

202 2. The appropriate point of compliance with cleanup target
203 levels for petroleum products' chemicals of concern. The point
204 of compliance shall be at the source of the petroleum
205 contamination. However, the department is authorized to
206 temporarily move the point of compliance to the boundary of the
207 property, or to the edge of the plume when the plume is within
208 the property boundary, while cleanup, including cleanup through
209 natural attenuation processes in conjunction with appropriate
210 monitoring, is proceeding. The department also is authorized,
211 pursuant to criteria provided for in this paragraph, to
212 temporarily extend the point of compliance beyond the property
213 boundary with appropriate monitoring, if such extension is
214 needed to facilitate natural attenuation or to address the
215 current conditions of the plume, provided human health, public
216 safety, and the environment are adequately protected. Temporary

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

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217 extension of the point of compliance beyond the property
 218 boundary, as provided in this subparagraph, shall include notice
 219 to local governments and owners of any property into which the
 220 point of compliance is allowed to extend.

221 3. The appropriate site-specific cleanup goal. The site-
 222 specific cleanup goal shall be that all petroleum contamination
 223 sites ultimately achieve the applicable cleanup target levels
 224 provided in this paragraph. However, the department is
 225 authorized to allow concentrations of the petroleum products'
 226 chemicals of concern to temporarily exceed the applicable
 227 cleanup target levels while cleanup, including cleanup through
 228 natural attenuation processes in conjunction with appropriate
 229 monitoring, is proceeding, provided human health, public safety,
 230 and the environment are adequately protected.

231 4. The appropriateness of using institutional or
 232 engineering controls. Site rehabilitation programs may include
 233 the use of institutional or engineering controls to eliminate
 234 the potential exposure to petroleum products' chemicals of
 235 concern to humans or the environment. Use of such controls must
 236 be preapproved by the department and institutional controls
 237 shall not be acquired with funds from the Inland Protection
 238 Trust Fund. When institutional or engineering controls are
 239 implemented to control exposure, the removal of such controls
 240 must have prior department approval and must be accompanied
 241 immediately by the resumption of active cleanup, or other
 242 approved controls, unless cleanup target levels pursuant to this
 243 paragraph have been achieved.

244 5. The additive effects of the petroleum products'
245 chemicals of concern. The synergistic effects of petroleum
246 products' chemicals of concern shall also be considered when the
247 scientific data becomes available.

248 6. Individual site characteristics which shall include,
249 but not be limited to, the current and projected use of the
250 affected groundwater in the vicinity of the site, current and
251 projected land uses of the area affected by the contamination,
252 the exposed population, the degree and extent of contamination,
253 the rate of contaminant migration, the apparent or potential
254 rate of contaminant degradation through natural attenuation
255 processes, the location of the plume, and the potential for
256 further migration in relation to site property boundaries.

257 7. Applicable state water quality standards.

258 a. Cleanup target levels for petroleum products' chemicals
259 of concern found in groundwater shall be the applicable state
260 water quality standards. Where such standards do not exist, the
261 cleanup target levels for groundwater shall be based on the
262 minimum criteria specified in department rule. The department
263 shall consider the following, as appropriate, in establishing
264 the applicable minimum criteria: calculations using a lifetime
265 cancer risk level of 1.0E-6; a hazard index of 1 or less; the
266 best achievable detection limit; the naturally occurring
267 background concentration; or nuisance, organoleptic, and
268 aesthetic considerations.

269 b. Where surface waters are exposed to petroleum
270 contaminated groundwater, the cleanup target levels for the
271 petroleum products' chemicals of concern shall be based on the

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272 surface water standards as established by department rule. The
 273 point of measuring compliance with the surface water standards
 274 shall be in the groundwater immediately adjacent to the surface
 275 water body.

276 8. Whether deviation from state water quality standards or
 277 from established criteria is appropriate. The department may
 278 issue a "No Further Action Order" based upon the degree to which
 279 the desired cleanup target level is achievable and can be
 280 reasonably and cost-effectively implemented within available
 281 technologies or engineering and institutional control
 282 strategies. Where a state water quality standard is applicable,
 283 a deviation may not result in the application of cleanup target
 284 levels more stringent than said standard. In determining whether
 285 it is appropriate to establish alternate cleanup target levels
 286 at a site, the department may consider the effectiveness of
 287 source removal that has been completed at the site and the
 288 practical likelihood of: the use of low yield or poor quality
 289 groundwater; the use of groundwater near marine surface water
 290 bodies; the current and projected use of the affected
 291 groundwater in the vicinity of the site; or the use of
 292 groundwater in the immediate vicinity of the storage tank area,
 293 where it has been demonstrated that the groundwater
 294 contamination is not migrating away from such localized source;
 295 provided human health, public safety, and the environment are
 296 adequately protected.

297 9. Appropriate cleanup target levels for soils.

298 a. In establishing soil cleanup target levels for human
 299 exposure to petroleum products' chemicals of concern found in

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300 | soils from the land surface to 2 feet below land surface, the
 301 | department shall consider the following, as appropriate:
 302 | calculations using a lifetime cancer risk level of 1.0E-6; a
 303 | hazard index of 1 or less; the best achievable detection limit;
 304 | or the naturally occurring background concentration.

305 | b. Leachability-based soil target levels shall be based on
 306 | protection of the groundwater cleanup target levels or the
 307 | alternate cleanup target levels for groundwater established
 308 | pursuant to this paragraph, as appropriate. Source removal and
 309 | other cost-effective alternatives that are technologically
 310 | feasible shall be considered in achieving the leachability soil
 311 | target levels established by the department. The leachability
 312 | goals shall not be applicable if the department determines,
 313 | based upon individual site characteristics, that petroleum
 314 | products' chemicals of concern will not leach into the
 315 | groundwater at levels which pose a threat to human health and
 316 | safety or the environment.

317 |
 318 | However, nothing in this paragraph shall be construed to
 319 | restrict the department from temporarily postponing completion
 320 | of any site rehabilitation program for which funds are being
 321 | expended whenever such postponement is deemed necessary in order
 322 | to make funds available for rehabilitation of a contamination
 323 | site with a higher priority status.

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

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327 1. Funding for free product recovery may be provided in
328 advance of the order established by the priority ranking system
329 under ~~pursuant to~~ paragraph (a) for site cleanup activities.
330 However, a separate prioritization for free product recovery
331 shall be established consistent with ~~the provisions of~~ paragraph
332 (a). No more than \$5 million shall be encumbered from the Inland
333 Protection Trust Fund in any fiscal year for free product
334 recovery conducted in advance of the priority order under
335 ~~pursuant to~~ paragraph (a) established for site cleanup
336 activities.

337 2. Funding for limited interim soil-source removals for
338 sites that will become inaccessible for future remediation due
339 to road infrastructure and right-of-way restrictions resulting
340 from a pending Department of Transportation road construction
341 project or for secondary containment upgrading of underground
342 storage tanks required under chapter 62-761, Florida
343 Administrative Code, may be provided in advance of the order
344 established by the priority ranking system under paragraph (a)
345 for site cleanup activities. The department shall provide
346 written guidance on the limited source removal information and
347 technical evaluation necessary to justify a request for a
348 limited source removal in advance of the priority order pursuant
349 to paragraph (a) established for site cleanup activities.
350 Prioritization for limited source removal projects associated
351 with a secondary containment upgrade in any fiscal year shall be
352 determined on a first-come, first-served basis according to the
353 approval date issued under s. 376.30711 for the limited source
354 removal. Funding for limited source removals associated with

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355 secondary containment upgrades shall be limited to 10 sites in
 356 each fiscal year for each facility owner and any related person.
 357 The limited source removal for secondary containment upgrades
 358 shall be completed no later than 6 months after the department
 359 issues its approval of the project and the approval
 360 automatically expires at the end of the 6 months. Funding for
 361 Department of Transportation and secondary containment upgrade
 362 source removals may not exceed \$50,000 for a single facility
 363 unless the department makes a determination that it is cost-
 364 effective and environmentally beneficial to exceed this amount,
 365 but in no event shall the department authorize costs in excess
 366 of \$100,000 for a single facility. Department funding for
 367 limited interim soil-source removals associated with Department
 368 of Transportation projects and secondary containment upgrades
 369 shall be limited to supplemental soil assessment, soil
 370 screening, soil removal, backfill material, treatment or
 371 disposal of the contaminated soil, dewatering related to the
 372 contaminated soil removal in an amount of up to 10 percent of
 373 the total interim soil-source removal project costs, treatment,
 374 and disposal of the contaminated groundwater and preparation of
 375 the source removal report. No other costs associated with the
 376 facility upgrade may be paid with department funds. No more than
 377 \$1 million for Department of Transportation limited source
 378 removal projects and \$10 million for secondary containment
 379 upgrade limited source removal projects conducted in advance of
 380 the priority order established under paragraph (a) for site
 381 cleanup activities shall be encumbered from the Inland

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382 Protection Trust Fund in any fiscal year. This subparagraph is
 383 repealed effective June 30, 2008.

384 3. Once free product removal and other source removal
 385 identified in this paragraph are completed at a site, and
 386 notwithstanding the order established by the priority ranking
 387 system under paragraph (a) for site cleanup activities ~~is~~
 388 complete, the department ~~may~~ shall reevaluate the site to
 389 determine the degree of active cleanup needed to continue site
 390 rehabilitation. Further, the department shall determine if the
 391 reevaluated site qualifies for natural attenuation monitoring
 392 ~~only or if no further action is required to rehabilitate the~~
 393 ~~site.~~ If additional site rehabilitation is necessary to reach no
 394 further action status, the site rehabilitation shall be
 395 conducted in the order established by the priority ranking
 396 system under paragraph (a) and the department is encouraged to
 397 utilize natural attenuation and monitoring where site conditions
 398 warrant.

399 (14) Prior to the department entering into a service
 400 contract with the Inland Protection Financing Corporation that
 401 includes payments by the department to support any existing or
 402 planned note, bond, certificate of indebtedness, or other
 403 obligation or evidence of indebtedness of the corporation
 404 pursuant to s. 376.3075, the Legislature, by law, must
 405 specifically approve the cleanup project to be financed and must
 406 authorize the department to enter into such a contract.

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

409 376.30713 Preapproved advanced cleanup.--

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410 (1) In addition to the legislative findings provided in s.
411 376.30711, the Legislature finds and declares:

412 (a) That the inability to conduct site rehabilitation in
413 advance of a site's priority ranking pursuant to s.
414 376.3071(5)(a) may substantially impede or prohibit property
415 transactions or the proper completion of public works projects.

416 (b) While the first priority of the state is to provide
417 for protection of the water resources of the state, human
418 health, and the environment, the viability of commerce is of
419 equal importance to the state.

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

425 (d) It is appropriate for persons responsible for site
426 rehabilitation to share the costs associated with managing and
427 conducting preapproved advanced cleanup, to facilitate the
428 opportunity for preapproved advanced cleanup, and to mitigate
429 the additional costs that will be incurred by the state in
430 conducting site rehabilitation in advance of the site's priority
431 ranking. Such cost sharing will result in more contaminated
432 sites being cleaned up and greater environmental benefits to the
433 state. The provisions of this section shall only be available
434 for sites eligible for restoration funding under EDI, ATRP, or
435 PLIRP. This section is available for discharges eligible for
436 restoration funding under the petroleum cleanup participation
437 program for the state's cost share of site rehabilitation.

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438 Applications shall include a cost-sharing commitment for this
 439 section in addition to the 25-percent-copayment requirement of
 440 the petroleum cleanup participation program. This section is not
 441 available for any discharge under a petroleum cleanup
 442 participation program where the 25-percent-copayment requirement
 443 of the petroleum cleanup participation program has been reduced
 444 or eliminated pursuant to s. 376.3071(13)(c).

445 Section 3. Section 376.30715, Florida Statutes, is created
 446 to read:

447 376.30715 Innocent victim petroleum storage system
 448 restoration.--A contaminated site acquired prior to July 1,
 449 1990, that has ceased operating as a petroleum storage or retail
 450 business prior to January 1, 1985, is eligible for financial
 451 assistance pursuant to s. 376.305(6), notwithstanding s.
 452 376.305(6)(a). Eligible sites shall be ranked in accordance with
 453 s. 376.3071(5).

454 Section 4. Section 376.3075, Florida Statutes, is amended
 455 to read:

456 376.3075 Inland Protection Financing Corporation.--
 457 (1) There is hereby created a nonprofit public benefit
 458 corporation to be known as the "Inland Protection Financing
 459 Corporation" for the purpose of financing the rehabilitation of
 460 petroleum contamination sites pursuant to ss. 376.30-376.319 and
 461 the payment, purchase, and settlement of reimbursement
 462 obligations of the department pursuant to s. 376.3071(12),
 463 existing as of December 31, 1996. Such reimbursement obligations
 464 are referred to in this section as existing reimbursement

465 obligations. The corporation shall terminate on July 1, 2025
466 ~~2011~~.

467 (2) The corporation shall be governed by a board of
468 directors consisting of the Governor or the Governor's designee,
469 the Chief Financial Officer or the Chief Financial Officer's
470 designee, the chair of the Florida Black Business Investment
471 Board, and the secretary of the Department of Environmental
472 Protection. The executive director of the State Board of
473 Administration shall be the chief executive officer of the
474 corporation and shall direct and supervise the administrative
475 affairs of the corporation and shall control, direct, and
476 supervise the operation of the corporation. The corporation
477 shall also have such other officers as may be determined by the
478 board of directors.

479 (3) The corporation shall have all the powers of a
480 corporate body under the laws of the state to the extent not
481 inconsistent with or restricted by the provisions of this
482 section, including, but not limited to, the power to:

483 (a) Adopt, amend, and repeal bylaws not inconsistent with
484 this section.

485 (b) Sue and be sued.

486 (c) Adopt and use a common seal.

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

491 (e) Elect or appoint and employ such officers, agents, and
492 employees as the corporation deems advisable to operate and

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493 | manage the affairs of the corporation, which officers, agents,
494 | and employees may be officers or employees of the department and
495 | the state agencies represented on the board of directors of the
496 | corporation.

497 | (f)1. Borrow money and issue notes, bonds, certificates of
498 | indebtedness, or other obligations or evidences of indebtedness
499 | necessary to pay the backlog or to reimburse moneys from the
500 | Inland Protection Trust Fund used pursuant to subsection (6) and
501 | to pay for large-scale cleanups, such as ports, airports, and
502 | terminal facilities, which are eligible for state funding.

503 | 2. No action shall be taken pursuant to this paragraph,
504 | consistent with subsection (5), or pursuant to s. 376.3071(14)
505 | prior to the Inland Protection Financing Corporation submitting
506 | a detailed financing plan to the Governor, the President of the
507 | Senate, and the Speaker of the House of Representatives. The
508 | plan must address the need for action to be taken pursuant to
509 | this paragraph to protect the health, safety, and welfare of the
510 | people of the state; the ability of the corporation to limit the
511 | impact on the Inland Protection Trust Fund of all outstanding
512 | notes, bonds, certificates of indebtedness, or other obligations
513 | or evidences of indebtedness to less than \$10 million in any
514 | state fiscal year; and the ability of the corporation to limit
515 | its total outstanding debt to no more than \$100 million.

516 | (g) Make and execute any and all contracts, trust
517 | agreements, and other instruments and agreements necessary or
518 | convenient to accomplish the purposes of the corporation and
519 | this section.

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520 (h) Select, retain, and employ professionals, contractors,
521 or agents, which may include the Florida State Board of
522 Administration's Division of Bond Finance, as shall be necessary
523 or convenient to enable or assist the corporation in carrying
524 out the purposes of the corporation and this section.

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

528 (4) The corporation is authorized to enter into one or
529 more service contracts with the department pursuant to which the
530 corporation shall provide services to the department in
531 connection with financing the functions and activities provided
532 for in ss. 376.30-376.319. The department may enter into one or
533 more such service contracts with the corporation and to provide
534 for payments under such contracts pursuant to s. 376.3071(4)(o),
535 subject to annual appropriation by the Legislature. The proceeds
536 from such service contracts may be used for the costs and
537 expenses of administration of the corporation after payments as
538 set forth in subsection (5). Each service contract shall have a
539 term not to exceed 10 years and shall terminate no later than
540 July 1, 2025 ~~2011~~. The aggregate amount payable from the Inland
541 Protection Trust Fund under all such service contracts shall not
542 exceed \$65 million in any state fiscal year. Amounts annually
543 appropriated and applied to make payments under such service
544 contracts shall not include any funds derived from penalties or
545 other payments received from any property owner or private
546 party, including payments received from s. 376.3071(6)(b). In
547 compliance with provisions of s. 287.0641 and other applicable

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548 provisions of law, the obligations of the department under such
 549 service contracts shall not constitute a general obligation of
 550 the state or a pledge of the faith and credit or taxing power of
 551 the state nor shall such obligations be construed in any manner
 552 as an obligation of the State Board of Administration or
 553 entities for which it invests funds, other than the department
 554 as provided in this section, but shall be payable solely from
 555 amounts available in the Inland Protection Trust Fund, subject
 556 to annual appropriation. In compliance with this subsection and
 557 s. 287.0582, the service contract shall expressly include the
 558 following statement: "The State of Florida's performance and
 559 obligation to pay under this contract is contingent upon an
 560 annual appropriation by the Legislature."

561 (5) The corporation may issue and incur notes, bonds,
 562 certificates of indebtedness, or other obligations or evidences
 563 of indebtedness payable from and secured by amounts payable to
 564 the corporation by the department under a service contract
 565 entered into pursuant to subsection (4) for the purpose of
 566 paying, purchasing, or settling existing reimbursement
 567 obligations. The term of any such note, bond, certificate of
 568 indebtedness, or other obligation or evidence of indebtedness
 569 shall not have a financing term that exceeds 6 years, nor shall
 570 the total payments for principal and interest on any such note,
 571 bond, certificate of indebtedness, or other obligation or
 572 evidence of indebtedness exceed the original amount of approved
 573 reimbursement claims to be paid, purchased, or settled by the
 574 corporation by more than \$50 million. The corporation may select
 575 its financing team and issue its obligations through competitive

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576 bidding or negotiated contracts, whichever is most cost-
577 effective. Any such indebtedness of the corporation shall not
578 constitute a debt or obligation of the state or a pledge of the
579 faith and credit or taxing power of the state, but shall be
580 payable from and secured by payments made by the department
581 under the service contract pursuant to s. 376.3071(4)(o).

582 (6) Upon the issuance of debt obligations by the
583 corporation pursuant to subsection (5) for the payment,
584 purchase, or settlement of existing reimbursement obligations,
585 amounts on deposit in the Inland Protection Trust Fund shall not
586 be available for the payment, purchase, or settlement of
587 existing reimbursement obligations to the extent proceeds of
588 such debt obligations are available for the payment of such
589 existing reimbursement obligations. If, after the initial
590 issuance of debt obligations pursuant to subsection (5), amounts
591 on deposit in the Inland Protection Trust Fund are used to pay
592 existing reimbursement obligations, the corporation shall
593 reimburse the Inland Protection Trust Fund for such payments
594 from available proceeds of debt obligations issued pursuant to
595 subsection (5). Payment, purchase, or settlement by the
596 corporation of existing reimbursement obligations otherwise
597 payable pursuant to s. 376.3071(12) shall satisfy the obligation
598 of the department to make such payments. Any such existing
599 reimbursement obligations purchased by the corporation shall be
600 satisfied and extinguished upon purchase by the corporation.

601 (7) The corporation shall pay, purchase, or settle
602 existing reimbursement obligations as determined by the
603 department. The department shall implement the repayment

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604 | priorities and method and amount of payments pursuant to s.
 605 | 376.3071(12). However, any claims for reimbursement pursuant to
 606 | s. 376.3071(12) that the corporation is unable to pay because of
 607 | the limitations contained in subsection (5) shall be paid by the
 608 | department from the receipts of the Inland Protection Trust
 609 | Fund.

610 | (8) The fulfillment of the purposes of the corporation
 611 | promotes the health, safety, and general welfare of the people
 612 | of the state and serves as essential governmental functions and
 613 | a paramount public purpose.

614 | (9) The corporation is exempt from taxation and
 615 | assessments of any nature whatsoever upon its income and any
 616 | property, assets, or revenues acquired, received, or used in the
 617 | furtherance of the purposes provided in this chapter. The
 618 | obligations of the corporation incurred pursuant to subsection
 619 | (5) and the interest and income thereon and all security
 620 | agreements, letters of credit, liquidity facilities, or other
 621 | obligations or instruments arising out of, entered into in
 622 | connection therewith, or given to secure payment thereof are
 623 | exempt from all taxation, provided such exemption does not apply
 624 | to any tax imposed by chapter 220 on the interest, income, or
 625 | profits on debt obligations owned by corporations.

626 | (10) The corporation shall validate obligations to be
 627 | incurred pursuant to subsection (5) and the validity and
 628 | enforceability of any service contracts providing for payments
 629 | pledged to the payment thereof by proceedings under chapter 75.
 630 | The validation complaint shall be filed only in the Circuit
 631 | Court for Leon County. The notice required to be published by

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632 s. 75.06 shall be published in Leon County and the complaint and
 633 order of the circuit court shall be served only on the State
 634 Attorney for the Second Judicial Circuit. Sections 75.04(2) and
 635 75.06(2) shall not apply to a complaint for validation filed as
 636 authorized in this subsection. The validation of at least the
 637 first obligations incurred pursuant to subsection (5) shall be
 638 appealed to the Supreme Court, to be handled on an expedited
 639 basis.

640 (11) The corporation shall not be deemed to be a special
 641 district for purposes of chapter 189 or a unit of local
 642 government for purposes of part III of chapter 218. The
 643 provisions of chapters 120 and 215, except the limitation on
 644 interest rates provided by s. 215.84 which applies to
 645 obligations of the corporation issued pursuant to this section,
 646 and part I of chapter 287, except ss. 287.0582 and 287.0641,
 647 shall not apply to this section, the corporation created hereby,
 648 the service contracts entered into pursuant to this section, or
 649 to debt obligations issued by the corporation as contemplated in
 650 this section.

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

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

655 (14) The corporation may contract with the State Board of
 656 Administration to serve as trustee with respect to debt
 657 obligations issued by the corporation as contemplated by this
 658 section and to hold, administer, and invest proceeds of such
 659 debt obligations and other funds of the corporation and to

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660 | perform other services required by the corporation. The State
661 | Board of Administration may perform such services and may
662 | contract with others to provide all or a part of such services
663 | and to recover its and such other costs and expenses thereof.

664 | Section 5. This act shall take effect July 1, 2005.