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### CHAMBER ACTION

	Senate House
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11	The Committee on Environmental Preservation (Dockery)
12	recommended the following amendment:
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14	Senate Amendment (with title amendment)
15	Delete everything after the enacting clause
16	
17	and insert:
18	Section 1. Paragraph (d) of subsection (1), subsection
19	(6) and subsection (8) of section 201.15, Florida Statutes,
20	are amended to read:
21	201.15 Distribution of taxes collectedAll taxes
22	collected under this chapter shall be distributed as follows
23	and shall be subject to the service charge imposed in s.
24	215.20(1), except that such service charge shall not be levied
25	against any portion of taxes pledged to debt service on bonds
26	to the extent that the amount of the service charge is
27	required to pay any amounts relating to the bonds:
28	(1) Sixty-two and sixty-three hundredths percent of
29	the remaining taxes collected under this chapter shall be used
30	for the following purposes:
31	(d) The remainder of the moneys distributed under this
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subsection, after the required payments under paragraphs (a), (b), and (c), shall be paid into the State Treasury to the credit of the General Revenue Fund of the state to be used and 3 expended for the purposes for which the General Revenue Fund was created and exists by law, or to the Ecosystem Management 5 and Restoration Trust Fund or to the Marine Resources 7 Conservation Trust Fund as provided in subsection (11), or to the Water Protection and Sustainability Program Trust Fund of 8 the Department of Environmental Protection as provided in s. 215.6197. Moneys available under this paragraph shall first be 10 11 used to pay debt service due on any water protection and sustainability bonds or to make any other payments required by 12 13 the bond documents authorizing the issuance before such moneys are used for other purposes authorized by this paragraph. 14 15 (6) Two and seventy eight Two and twenty-eight hundredths percent of the remaining taxes collected under this 16 chapter shall be paid into the State Treasury to the credit of 17 the Invasive Plant Control Trust Fund to carry out the 18 purposes set forth in ss. 369.22 and 369.252. 19 20 (8) One-half of one percent of the remaining taxes 21 collected under this chapter shall be paid into the State 22 Treasury and divided equally to the credit of the Department 23 of Environmental Protection Water Quality Assurance Trust Fund 24 to address water quality impacts associated with nonagricultural nonpoint sources and to the credit of the 25 26 Department of Agriculture and Consumer Services General 27 Inspection Trust Fund to address water quality impacts 28 associated with agricultural nonpoint sources, respectively. 29 These funds shall be used for research, development, 30 demonstration, and implementation of suitable best management

31 practices or other measures used to achieve water quality

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standards in surface waters and water segments identified 2 pursuant to ss. 303(d) of the Clean Water Act, Pub. L. No. 92-500, 33 U.S.C. ss. 1251 et seq. Implementation of best 3 4 management practices and other measures may include cost-share grants, technical assistance, implementation tracking, and 5 conservation leases or other agreements for water quality 7 improvement. The Department of Environmental Protection and the Department of Agriculture and Consumer Services may adopt 8 rules governing the distribution of funds for implementation 10 of best management practices. The unobligated balance of funds 11 received from the distribution of taxes collected under this 12 chapter to address water quality impacts associated with 13 nonagricultural nonpoint sources will be excluded when calculating the unobligated balance of the Water Quality 14 15 Assurance Trust Fund as it relates to the determination of the applicable excise tax rate. 16 Section 2. Section 215.6197, Florida Statutes, is 17 created to read: 18 215.6197 Bonds for Water Protection and Sustainability 19 20 Program. --21 (1) The issuance of water protection and 22 sustainability bonds is authorized. The water protection and sustainability bonds may be issued over the next 10 fiscal 23 2.4 years commencing on July 1, 2005, in an amount not exceeding 25 \$500 million in any fiscal year, subject to s. 403.890 and s. 11(e), Art. VII of the State Constitution. The duration of 26 each series of bonds issued may not exceed 20 annual 27 maturities. Except for refunding bonds, a series of bonds may 28 29 not be issued unless an amount equal to the debt service coming due in the year of issuance has been specifically 30 appropriated in the General Appropriations Act.

1	(2) The state covenants with the holders of water
2	protection and sustainability bonds that it will not take any
3	action that will materially and adversely affect the rights of
4	such holders so long as the bonds are outstanding, including,
5	but not limited to, a reduction in the portion of documentary
6	stamp taxes distributable to the Water Protection and
7	Sustainability Program Trust Fund of the Department of
8	Environmental Protection for payment of debt service.
9	(3) Bonds issued under this section shall be payable
10	from taxes distributable to the Water Protection and
11	Sustainability Program Trust Fund of the Department of
12	Environmental Protection under s. 201.15(1)(d). Bonds issued
13	under this section do not constitute a general obligation of,
14	or a pledge of the full faith and credit of, the state.
15	(4) The Department of Environmental Protection shall
16	request the Division of Bond Finance of the State Board of
17	Administration to issue the water protection and
18	sustainability bonds authorized by this section. The Division
19	of Bond Finance shall issue such bonds pursuant to the State
20	Bond Act.
21	(5) The proceeds from the sale of bonds issued under
22	this section, less the costs of issuance, the costs of funding
23	reserve accounts, and other costs with respect to the bonds,
24	shall be deposited into the Water Protection and
25	Sustainability Program Trust Fund of the Department of
26	Environmental Protection as provided in s. 403.890.
27	(6) The sale, disposition, lease, easement, license,
28	or other use of any land, water areas, or related property
29	interests acquired or improved with proceeds of water
30	protection and sustainability bonds which would cause all or
31	any portion of the interest of such bonds to lose the

1	exclusion from gross income for federal income tax purposes is
2	prohibited.
3	(7) The initial series of water protection and
4	sustainability bonds shall be validated in addition to any
5	other bonds required to be validated under s. 215.82. Any
6	complaint for validation of bonds issued under this section
7	shall be filed only in the circuit court of the county where
8	the seat of state government is situated, the notice required
9	to be published by s. 75.06 shall be published only in the
10	county where the complaint is filed, and the complaint and
11	order of the circuit court shall be served only on the state
12	attorney of the circuit in which the action is pending.
13	Section 3. In accordance with section 215.98(1),
14	Florida Statutes, the Legislature determines that the issuance
15	of water protection and sustainability bonds under section 2
16	of this act is in the best interest of the state and should be
17	implemented.
18	Section 4. Section 373.196, Florida Statutes, is
19	amended to read:
20	373.196 Water Supply Development; Alternative Water
21	Supply Development Legislative findings
22	(1) The purpose of this section is to encourage
23	cooperation in the development of water supplies and to
24	provide for alternative water supply development.
25	(a) Demands on natural supplies of fresh water to
26	meet the needs of a rapidly growing population, and the needs
27	of the environment, agriculture, industry, and mining will
28	continue to increase.
29	(b) There is a need for the development of alternative
30	water supplies for Florida to sustain its economic growth and
31	viability. The development of alternative water supplies will
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1	benefit the environment by reducing the impacts of consumptive
2	uses on traditional groundwater sources.
3	(c) Alternative water supply development must receive
4	priority funding attention to increase the available supplies
5	of water to meet all existing and future reasonable-beneficial
6	uses and to benefit the natural systems.
7	(d) Cooperation between counties, municipalities,
8	special districts, and publicly owned or privately owned water
9	utilities in the development of county-wide and multi-county
10	wide alternative water supply projects will allow for
11	necessary economies of scale and efficiencies to be achieved
12	in order to accelerate the development of new, dependable, and
13	sustainable alternative water supplies.
14	(e) It is in the public interest that municipal,
15	industrial, agriculture, and other public and private water
16	users, the Department of Environmental Protection and the
17	water management districts cooperate and work together in the
18	development of alternative water supplies to avoid the adverse
19	effects of competition for limited supplies of water. Public
20	moneys or services provided to private entities for
21	alternative water supply development may constitute public
22	purposes which also are in the public interest.
23	(f) The primary roles of the water management
24	districts in water supply development shall be:
25	1. The formulation, development and implementation of
26	regional water supply management strategies and programs;
27	2. The collection and evaluation of surface water and
28	groundwater data;
29	3. The construction, operation and maintenance of
30	major public works facilities for flood control, above ground
31	and below ground water storage, and groundwater recharge

1	augmentation;
2	4. Planning for regional water supply development in
3	conjunction with local governments, regional water supply
4	authorities, special districts, and publicly owned and
5	privately owned water utilities;
6	5. The construction, operation, and maintenance of
7	structural and nonstructural projects; and
8	6. The provision of technical and financial assistance
9	to local and regional water utilities for alternative water
10	supply projects.
11	(g) The primary roles of local government, regional
12	water supply authorities, special districts, and publicly
13	owned or privately owned water utilities in water supply
14	development shall be:
15	1. The planning, design, construction, operation, and
16	maintenance of water supply development projects, including
17	alternative water supply development projects;
18	2. The formulation, development and implementation of
19	water supply development and alternative water supply
20	development strategies, programs, and projects;
21	3. The planning, design, construction, operation, and
22	maintenance of facilities to collect, divert, produce, treat,
23	transmit, and distribute water for sale, resale, or end-use;
24	<u>and</u>
25	4. The coordination of water supply development and
26	alternative water supply development activities with the
27	appropriate water management district having jurisdiction over
28	the activity.
29	(h) Cooperative efforts between municipalities,
30	counties, special districts, water management districts, and
31	the Department of Environmental Protection are mandatory in
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order to meet the water needs of rapidly urbanizing areas in a manner which will supply adequate and dependable supplies of water where needed without resulting in adverse effects upon the areas from whence such water is withdrawn. Such efforts should utilize all practical means of obtaining water, including, but not limited to, withdrawals of surface water and groundwater, reuse, recycling of waste water, and desalinization, and will necessitate not only cooperation but also well-coordinated activities. Municipalities, counties, and special districts are encouraged to create regional water supply authorities as authorized in s. 373.1962. The purpose of this act is to provide additional statutory authority for such cooperative and coordinated efforts.

(2) Municipalities and counties are encouraged to create regional water supply authorities as authorized herein. It is further the intent that municipalities, counties, and regional water supply authorities are to have the primary responsibility for water supply, and water management districts and their basin boards are to engage only in those functions that are incidental to the exercise of their flood control and water management powers or that are related to water resource development pursuant to s. 373.0831.

(i)(3) Nothing herein shall be construed to preclude the various special districts, municipalities, and counties from continuing to operate existing water production and transmission facilities or to enter into cooperative agreements with other special districts, municipalities, and counties for the purpose of meeting their respective needs for dependable and adequate supplies of water, provided the obtaining of water through such operations shall not be done in a manner which results in adverse effects upon the areas

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from whence such water is withdrawn. (2)(a) Sufficient water must be available for all 2 existing and future reasonable-beneficial uses and the natural 3 systems, and the adverse effects of competition for water 4 supplies must be avoided. 5 6 (b) Water supply development and alternative water 7 supply development must be conducted in coordination with water management district regional water supply planning. 8 9 (c) Funding for the development of alternative water supplies shall be a shared responsibility of the state of 10 11 Florida, the water management districts and local water suppliers. The development of alternative water supplies will 12 13 benefit both water consumers and the environment and will avoid the negative impacts of competition for a limited 14 15 resource. (3)(a) The Legislature shall identify a recurring and 16 dedicated source of statewide funds to provide economic 17 incentives to water management districts and local water 18 suppliers to support and promote water supply development 19 including the development of alternative water supplies. As 20 used in this section, "local water suppliers" means a 21 22 municipality, county, special district, water supply 23 authority, and a publicly owned or privately owned water 24 utility. (b) By January 1, 2006, each water management district 25 shall develop a financially feasible plan to provide economic 26 incentives for alternative water supply development, including 2.7 allocating a portion of each annual budget to provide 28 29 financial assistance for the capital cost of any alternative 30 water supply development project to eligible local 31 governments, publicly owned or privately owned water

1	utilities, regional water supply authorities, special
2	districts, industrial and agriculture water users, and other
3	public and private water users. At a minimum, the plan shall
4	include a strategy for providing, on an annual basis, no less
5	than 30 percent of the water management district's allocation
6	pursuant to s. 373.1961. By February 1, 2006, each water
7	management district must submit a copy of the economic
8	incentives plan to the Governor, the President of the Senate,
9	the Speaker of the House of Representatives, and the
10	appropriate substantive legislative committees.
11	(c) State funds made available for alternative water
12	supply development as provided in the Water Protection and
13	Sustainability Funding program created in s. 403.890, and
14	financial assistance for alternative water supply development
15	provided by a water management district pursuant to paragraph
16	(b) shall be made available to local governments, publicly
17	owned or privately owned water utilities, regional water
18	supply authorities, special districts, industrial and
19	agricultural water users, and other public and private water
20	users under a water management district grant program created
21	<u>in s. 373.1961(4).</u>
22	Section 5. Section 373.1961, Florida Statutes, is
23	amended to read:
24	373.1961 Water production; general powers and duties;
25	identification of needs; funding criteria; economic
26	incentives; reuse funding
27	(1) GENERAL POWERS AND DUTIESIn the performance of,
28	and in conjunction with, its other powers and duties, the
29	governing board of a water management district existing
30	pursuant to this chapter:
31	(a) Shall engage in planning to assist counties, 10

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municipalities, special districts, publicly owned and privately owned water private utilities, or regional water 2 supply authorities in meeting water supply needs in such 3 manner as will give priority to encouraging conservation and reducing adverse environmental effects of improper or 5 excessive withdrawals of water from concentrated areas. As used in this section <u>and s. 373.196</u>, regional water supply 7 authorities are regional water authorities created under s. 8 373.1962 or other laws of this state.

- (b) Shall assist counties, municipalities, special districts, publicly owned or privately owned water private utilities, or regional water supply authorities in meeting water supply needs in such manner as will give priority to encouraging conservation and reducing adverse environmental effects of improper or excessive withdrawals of water from concentrated areas.
- (c) May establish, design, construct, operate, and maintain water production and transmission facilities for the purpose of supplying water to counties, municipalities, special districts, publicly owned and privately owned water private utilities, or regional water supply authorities. The permit required by part II of this chapter for a water management district engaged in water production and transmission shall be granted, denied, or granted with conditions by the department.
- (d) Shall not engage in local water supply distribution.
- (e) Shall not deprive, directly or indirectly, any county wherein water is withdrawn of the prior right to the reasonable and beneficial use of water which is required to 31 supply adequately the reasonable and beneficial needs of the

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county or any of the inhabitants or property owners therein.

- regional water supply authorities, but may not provide water to counties and municipalities which are located within the area of such authority without the specific approval of the authority or, in the event of the authority's disapproval, the approval of the Governor and Cabinet sitting as the Land and Water Adjudicatory Commission. The district may supply water at rates and upon terms mutually agreed to by the parties or, if they do not agree, as set by the governing board and specifically approved by the Governor and Cabinet sitting as the Land and Water Adjudicatory Commission.
- (g) May acquire title to such interest as is necessary in real property, by purchase, gift, devise, lease, eminent domain, or otherwise, for water production and transmission consistent with this section and section 373.196. However, the district shall not use any of the eminent domain powers herein granted to acquire water and water rights already devoted to reasonable and beneficial use or any water production or transmission facilities owned by any county, municipality, special districts, or regional water supply authority. The district may exercise eminent domain powers outside of its district boundaries for the acquisition of pumpage facilities, storage areas, transmission facilities, and the normal appurtenances thereto, provided that at least 45 days prior to the exercise of eminent domain, the district notifies the district where the property is located after public notice and the district where the property is located does not object within 45 days after notification of such exercise of eminent domain authority.
  - (h) In addition to the power to issue revenue bonds

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pursuant to s. 373.584, may issue revenue bonds for the purposes of paying the costs and expenses incurred in carrying out the purposes of this chapter or refunding obligations of 3 the district issued pursuant to this section. Such revenue bonds shall be secured by, and be payable from, revenues 5 derived from the operation, lease, or use of its water production and transmission facilities and other water-related 7 facilities and from the sale of water or services relating 8 thereto. Such revenue bonds may not be secured by, or be 10 payable from, moneys derived by the district from the Water 11 Management Lands Trust Fund or from ad valorem taxes received by the district. All provisions of s. 373.584 relating to the 12 13 issuance of revenue bonds which are not inconsistent with this section shall apply to the issuance of revenue bonds pursuant 14 15 to this section. The district may also issue bond 16 anticipation notes in accordance with the provisions of s. 373.584. 17

(i) May join with one or more other water management districts, counties, municipalities, special districts, publicly owned or privately owned water private utilities, or regional water supply authorities for the purpose of carrying out any of its powers, and may contract with such other entities to finance acquisitions, construction, operation, and maintenance. The contract may provide for contributions to be made by each party thereto, for the division and apportionment of the expenses of acquisitions, construction, operation, and maintenance, and for the division and apportionment of the benefits, services, and products therefrom. The contracts may contain other covenants and agreements necessary and appropriate to accomplish their purposes.

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1	BUDGETThe water management districts shall implement water
2	supply development responsibilities as expeditiously as
3	possible in areas subject to regional water supply plans. Each
4	district's governing board shall include in its annual budget
5	the amount needed for the fiscal year to implement water
6	supply development projects, as prioritized in its regional
7	water supply plans.
8	(3) GENERAL FUNDING CRITERIA FOR WATER SUPPLY
9	DEVELOPMENT PROJECTS Water supply development projects
10	identified pursuant to s. 373.0361(2)(a). which receive state
11	or water management district funding assistance, shall meet
12	one or more of the following criteria:
13	(a) The project supports establishment of a
14	dependable, sustainable supply of water but requires funding
15	assistance to be financially feasible;
16	(b) The project provides substantial environmental
17	benefits by limiting or preventing adverse water resource
18	impacts, but requires funding assistance to be economically
19	competitive with other options;
20	(c) The project significantly implements or develops
21	alternative water supplies as defined in s. 373.1961(4)(a) or
22	conservation of water in a manner that contributes to the
23	sustainability of regional water sources; or
24	(d) The project assists in the replenishment of
25	existing sources to help implement a minimum flow or level or
26	water reservation established pursuant to s. 373.223(4), or
27	provides for an alternative water supply source.
28	(4)(2) ECONOMIC INCENTIVES FOR ALTERNATIVE WATER
29	SUPPLY DEVELOPMENT. The Legislature finds that, due to a
30	combination of factors, vastly increased demands have been
31	<del>placed on natural supplies of fresh water, and that, absent</del> 14

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increased development of alternative water supplies, such 2 demands may increase in the future. The Legislature also finds that potential exists in the state for the production of significant quantities of alternative water supplies, including reclaimed water, and that water production includes the development of alternative water supplies, including reclaimed water, for appropriate uses. It is the intent of the Legislature that utilities develop reclaimed water systems, 8 where reclaimed water is the most appropriate alternative water supply option, to deliver reclaimed water to as many 11 users as possible through the most cost-effective means, and to construct reclaimed water system infrastructure to their 12 13 owned or operated properties and facilities where they have 14 reclamation capability. It is also the intent of the 15 Legislature that The water management districts and the state shall which levy ad valorem taxes for water management 16 purposes should share a percentage of those tax and other 18 revenues with water providers and users, including local 19 governments, water, wastewater, and reuse utilities, municipal, special district, industrial, and agricultural 20 21 water users, and other public and private water users, to be 22 used to supplement other funding sources in the development of 23 alternative water supplies. The Legislature finds that public 2.4 moneys or services provided to private entities for such uses constitute public purposes which are in the public interest. 25 26 In order to further the development and use of alternative 27 water supply systems, including reclaimed water systems, the 28 Legislature provides the following: 29 (a) For the purposes of this subsection, "alternative water supplies" includes but is not limited to water that has 30

1	industrial, commercial, or agricultural uses; stormwater,
2	brackish water, or saltwater; sources made more efficient
3	through the interconnection of separate utility and other
4	water supply systems; sources made available through enhanced
5	storage capacity such as groundwater augmentation, aquifer
6	storage and recover, and surface water reservoirs; and any
7	other non-traditional source of water supply that has been
8	treated in accordance with applicable rules and standards
9	sufficient to meet the intended use.
10	(b) Where sufficient data establishes that one or more
11	alternative water supply projects are necessary to meet the
12	existing and future reasonable-beneficial uses within a water
13	supply planning region identified in a district water
14	management plan, the district must:
15	1. Identify alternative water supply project options;
16	2. Quantify the sources of alternative water supplies
17	which can be made available by the projects within the
18	planning region;
19	3. Perform an assessment of the alternative water
20	supply project's technical feasibility, ability to be
21	permitted, and the estimated cost of the various project
22	options for developing alternative water supplies; and
23	4. Conduct one of more public workshops within the
24	water supply planning region for the purpose of receiving
25	public input on the district's findings and recommendations.
26	(c) Beginning in fiscal year 2005-2006, the state
27	shall annually provide a portion of those revenues received
28	from the sale of bonds authorized in s. 215.6197, for the
29	purpose of providing funding for the development of
30	alternative water supplies. At the beginning of each fiscal
31	year, beginning with fiscal year 2005-2006, such revenues

1	shall be distributed by the department into the alternative
2	water supply trust fund accounts created by each district for
3	the purpose of alternative supply development under the
4	following funding formula:
5	1. Forty percent to the South Florida Water Management
6	District,
7	2. Twenty-five percent to the Southwest Florida Water
8	Management District,
9	3. Twenty-five percent to the St. Johns River Water
10	Management District,
11	4. Five percent to the Suwannee River Water Management
12	District, and
13	5. Five percent to the Northwest Florida Water
14	Management District.
15	(d) The financial assistance for alternative water
16	supply development contained in each district's economic
17	incentives plan as required in s. 373.196(3) shall be
18	deposited along with the state funds into an alternative water
19	supply trust account created by each district and used to fund
20	the local capital costs of alternative water supply projects
21	approved pursuant to this section. For purposes of this
22	section, "capital costs" means planning, design, engineering,
23	and project construction costs, as well as legal,
24	administrative, and permitting costs.
25	(e) All funds provided by the state for the purpose of
26	funding alternative water supply grants, shall, at a minimum,
27	require a fifty percent match by the water management
28	districts and grant applicant.(a) The governing boards of
29	the water management districts where water resource caution
30	areas have been designated shall include in their annual
31	budgets an amount for the development of alternative water 17

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supply systems, including reclaimed water systems, pursuant to the requirements of this subsection. Beginning in 1996, such amounts shall be made available to water providers and users no later than December 31 of each year, through grants, matching grants, revolving loans, or the use of district lands or facilities pursuant to the requirements of this subsection and guidelines established by the districts. In making grants or loans, funding priority must be given to projects in accordance with s. 373.0831(4).

(f) Without diminishing amounts available through other means described in this paragraph, the governing boards are encouraged to consider establishing revolving loan funds to expand the total funds available to accomplish the objectives of this section. A revolving loan fund created under this paragraph must be a nonlapsing fund from which the water management district may make loans with interest rates below prevailing market rates to public or private entities for the purposes described in this section. The governing board may adopt resolutions to establish revolving loan funds which must specify the details of the administration of the fund, the procedures for applying for loans from the fund, the criteria for awarding loans from the fund, the initial capitalization of the fund, and the goals for future capitalization of the fund in subsequent budget years. Revolving loan funds created under this paragraph must be used to expand the total sums and sources of cooperative funding available for the development of alternative water supplies. The Legislature does not intend for the creation of revolving loan funds to supplant or otherwise reduce existing sources or amounts of funds currently available through other means.

1	management district financial assistance for alternative water
2	supply development projects, the appropriate rate-setting
3	authority must develop rate structures for all water,
4	wastewater, and other alternative water facilities in the
5	service area of the utility receiving assistance. Rate
6	structures must:
7	1. Promote the development of alternative water supply
8	systems;
9	2. Promote the conservation of groundwater withdrawn
10	<pre>from natural systems;</pre>
11	3. Appropriately distribute costs among all the users
12	of water, wastewater, and alternative water supplies within
13	the service area; and
14	4. Prohibit rate discrimination within classes of
15	utility users.
16	(b) It is the intent of the Legislature that for each
17	reclaimed water utility, or any other utility, which receives
18	funds pursuant to this subsection, the appropriate
19	rate-setting authorities should develop rate structures for
20	all water, wastewater, and reclaimed water and other
21	alternative water supply utilities in the service area of the
22	funded utility, which accomplish the following:
23	1. Provide meaningful progress toward the development
24	and implementation of alternative water supply systems,
25	including reclaimed water systems;
26	2. Promote the conservation of fresh water withdrawn
27	from natural systems;
28	3. Provide for an appropriate distribution of costs
29	for all water, wastewater, and alternative water supply
30	utilities, including reclaimed water utilities, among all of
31	the users of those utilities; and 19

1	4. Prohibit rate discrimination within classes of
2	utility users.
3	(c) Funding assistance provided by the water
4	management districts for a water reuse system project may
5	include the following grant or loan conditions for that
6	project if the water management district determines that such
7	conditions will encourage water use efficiency:
8	1. Metering of reclaimed water use for the following
9	activities: residential irrigation, agricultural irrigation,
10	industrial uses except for electric utilities as defined in s.
11	366.02(2), landscape irrigation, irrigation of other public
12	access areas, commercial and institutional uses such as toilet
13	flushing, and transfers to other reclaimed water utilities.
14	2. Implementation of reclaimed water rate structures
15	based on actual use of reclaimed water for the types of reuse
16	activities listed in subparagraph 1.
17	3. Implementation of education programs to inform the
18	public about water issues, water conservation, and the
19	importance and proper use of reclaimed water.
20	4. Development of location data for key reuse
21	<del>facilities.</del>
22	(d) In order to be eligible for funding pursuant to
23	this subsection, a project must be consistent with a local
24	government comprehensive plan and the governing body of the
25	local government must require all appropriate new facilities
26	within the project's service area to connect to and use the
27	project's alternative water supplies. The appropriate local
28	government must provide written notification to the
29	appropriate district that the proposed project is consistent
30	with the local government comprehensive plan.
31	$\frac{(h)}{(e)}$ Any and all revenues disbursed pursuant to this 20

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1	subsection shall be applied only for the payment of capital
2	costs for alternative water supply projects which contribute
3	to meeting the existing and future reasonable-beneficial uses
4	identified within a regional water supply plan. or
5	infrastructure costs for the construction of alternative water
6	supply systems that provide alternative water supplies.
7	(i)1.(f) By January 1 of each year, The governing
8	boards shall <u>establish an application process and a deadline</u>

for filing applications annually make available written guidelines for the disbursal of revenues pursuant to this subsection. Such guidelines shall include at minimum:

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

2. A process for determining project eligibility pursuant to the requirements of paragraphs (d) and (e).

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

2.(g) The governing board of each water management district <u>also</u> shall establish an alternative water supplies grants advisory committee to recommend to the governing board projects for funding pursuant to this subsection. The advisory committee members shall include, but not be limited to, one or more representatives of county, municipal, special district, and investor-owned private utilities, and may include, but not be limited to, representatives of agricultural interests and environmental interests. Each committee member shall represent his or her interest group as a whole and shall not represent any specific entity. the committee shall apply the guidelines and project eligibility criteria established by the governing board in reviewing proposed projects.

1	(j) After one or more hearings to solicit public input
2	on eligible projects, the <u>alternative water supply grants</u>
3	advisory committee shall rank and recommend alternative water
4	supply projects for grant funding based upon the project being
5	identified or listed as an option in the regional water supply
6	plan pursuant to s. 373.0361(2)(a) and by balancing the
7	following criteria:
8	1. Projects that are most cost-effective;
9	2. Projects serving a larger number of local
10	governments pursuant to the terms of an interlocal agreement,
11	especially those projects that interconnect separate utility
12	systems, share a uniform production cost and a uniform per
13	gallon or blended wholesale rate, or otherwise result in the
14	most cost-effective system of production for the most users
15	whereby the cost of the water produced to service a number of
16	local providers is less than the costs incurred by producing
17	water through separate supply systems for separate local
18	providers;
19	3. Projects where local governments match a higher
20	percentage of the capital costs of the projects;
21	4. Projects serving those local governments with the
22	lower per capita use of potable water;
23	5. Projects that reduce the consumption of traditional
24	supplies for the benefit of the natural system or other
25	economic uses;
26	6. Projects that supplement an existing supply or
27	traditional source that has been reduced for existing and
28	future reasonable-beneficial uses by the adoption of a minimum
29	flow or level pursuant to s. 373.042 or a water reservation
30	established pursuant to s. 373.223(4);
31	7. Projects that reduce competition between existing 22

1	and future users;
2	8. Projects that are included in a county-wide or
3	geographically larger water supply development plan, and
4	9. Projects where the applicant has established a
5	goal-based water conservation program as required in s.
6	373.227 and is demonstrating measurable progress towards
7	achieving conservation goals.
8	10. Projects in which the construction and delivery to
9	end-users of reuse water is a major component.
10	(k) Each applicant for a grant pursuant to this
11	section shall provide data that shows the percentage of water
12	system utility revenues reinvested into water projects. The
13	advisory committee shall give priority to those applicants
14	that have the highest percentage of reinvestment.
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16	The advisory committee shall submit the list of ranked and
17	recommended projects, along with a recommendation for the
18	amount of funding, for final funding approval to the governing
19	board and to be included in the district's annual budget
20	supporting the development of alternative water supplies. The
21	list of ranked and recommended projects may contain more
22	projects than available grant moneys will fund. In approving a
23	project for funding, the governing board must take action on
24	and give great weight to the advisory committee's ranking and
25	recommendation list. the eligible projects and shall submit
26	them to the governing board for final funding approval. The
27	advisory committee may submit to the governing board more
28	projects than the available grant money would fund.
29	(1)(h) All revenues made available annually pursuant
30	to this subsection must be encumbered annually by the
31	governing board if it approves projects sufficient to expend 23

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the available revenues. Funds must be disbursed within 36 months after encumbrance.

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

 $\underline{\text{(m)}}$  (j) This subsection shall not be subject to the rulemaking requirements of chapter 120.

(n)(k) By January 30 of each year, each water management district shall submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives which accounts for the disbursal of all budgeted amounts pursuant to this section subsection. Such report shall describe all alternative water supply projects funded as well as the quantity of new water projects to be created as a result of such projects and shall account separately for any other moneys provided through grants, matching grants, revolving loans, and the use of district lands or facilities to implement regional water supply plans.

(o)(1) The Florida Public Service Commission shall allow entities under its jurisdiction constructing or participating in constructing facilities which provide alternative water supplies supply facilities, including but not limited to aquifer storage and recovery wells, to recover the full, prudently incurred cost of such facilities through their rate structure. If construction of a facility or participating in constructing is pursuant to or in furtherance of a regional water supply plan, the cost shall be deemed to

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be prudently incurred. Every component of an alternative water supply facility constructed by an investor-owned utility shall 2 be recovered in current rates. 3 4 (5) FUNDING FOR REUSE. -- Funding assistance provided by the water management districts for a water reuse system may 5 6 include the following grant or loan conditions for that 7 project if a water management district determines that such conditions will encourage water use efficiency: 8 9 (a) Metering of reclaimed water use for residential 10 irrigation, agricultural irrigation, industrial uses except 11 for electric utilities as defined in s. 366.02(2), landscape irrigation, golf course irrigation, irrigation of other public 12 13 access areas, commercial and institutional uses such as toilet flushing, and transfers to other reclaimed water utilities; 14 15 (b) Implementation of reclaimed water rate structures based on actual use of reclaimed water for the reuse 16 activities listed in paragraph (a); 17 (c) Implementation of education programs to inform the 18 19 public about water issues, water conservation, and the 20 importance and proper use of reclaimed water; or 21 (d) Development of location data for key reuse 22 facilities. Section 6. Subsections (1) and (5) of section 23 2.4 373.1962, Florida Statutes, are amended to read: 373.1962 Regional water supply authorities.--25 (1) By interlocal agreement between counties, 26 municipalities, or special districts as applicable agreement 27 28 between local governmental units created or existing pursuant 29 to the provisions of Art. VIII of the State Constitution, pursuant to the Florida Interlocal Cooperation Act of 1969, s. 30 31 | 163.01, and upon the approval of the Secretary of 25

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Environmental Protection to ensure that such agreement will be in the public interest and complies with the intent and 2 purposes of this act, regional water supply authorities may be 3 created for the purpose of developing, recovering, storing, and supplying water for county or municipal purposes in such a 5 manner as will give priority to reducing adverse environmental 7 effects of excessive or improper withdrawals of water from concentrated areas. In approving said agreement the Secretary 8 of Environmental Protection shall consider, but not be limited 10 to, the following:

- (a) Whether the geographic territory of the proposed authority is of sufficient size and character to reduce the environmental effects of improper or excessive withdrawals of water from concentrated areas.
- (b) The maximization of economic development of the water resources within the territory of the proposed authority.
- $% \left( c\right) =\left\{ c\right\}$  The availability of a dependable and adequate water supply.
- (d) The ability of any proposed authority to design, construct, operate, and maintain water supply facilities in the locations, and at the times necessary, to ensure that an adequate water supply will be available to all citizens within the authority.
- (e) The effect or impact of any proposed authority on any municipality, county, or existing authority or authorities.
- 28 (f) The existing needs of the water users within the area of the authority.
- 30 (5) Each county, special district, or municipality
  31 which is a party to an agreement pursuant to subsection (1)

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shall have a preferential right to purchase water from the regional water supply authority for use by such county, 2 special district, or municipality. 3 4 Section 7. Subsection (5) of section 373.223, Florida Statutes, is amended to read: 5 373.223 Conditions for a permit.--6 7 (5) In the event that a local or regional water supply utility, water supply authority, or other multi-jurisdictional 8 entity as defined in s 373.0361(3), demonstrates the ability 9 10 to design, construct, operate, and maintain one or more 11 alternative water supply projects identified by the district pursuant to s. 373.1961(4), or in the event that more than one 12 13 water utility organizes for the purpose of developing an alternative water supply project as defined in s. 14 15 373.1961(4), the appropriate entity shall be presumed to have 16 a use consistent with the public interest pursuant to the requirements of subsection (1). 17 Section 8. Subsection (4) is added to section 373.236, 18 19 Florida Statutes, to read: 20 373.236 Duration of permits; compliance reports.--21 (4) Permits approved for development of alternative 22 water supplies shall be granted for a term of at least 20 years, and up to such period of time as may be required for 23 24 the retirement of bonds for the construction of facilities which provide alternative water supplies. 25 Section 9. Present subsections (2), (3), and (4) of 26 section 373.459, Florida Statutes, are redesignated as 27 subsections (3), (4), and (5), and a new subsection (2) is 28 29 added to that section to read: 373.459 Funds for surface water improvement and 30 31 management.--

1	(2) All entities receiving state funding for the
2	implementation of programs specified in ss. 373.451-373.459,
3	including water management districts, federal, local, and
4	regional agencies, universities, and non-profit or private
5	organizations, shall provide a fifty percent match in cash or
6	in-kind services towards the implementation of the specific
7	project for which it is contracting.
8	Section 10. Paragraph (c) of subsection (6) of section
9	163.3177, Florida Statutes, is amended to read:
10	163.3177 Required and optional elements of
11	comprehensive plan; studies and surveys
12	(6) In addition to the requirements of subsections
13	(1)-(5), the comprehensive plan shall include the following
14	elements:
15	(c) A general sanitary sewer, solid waste, drainage,
16	potable water, and natural groundwater aquifer recharge
17	element correlated to principles and guidelines for future
18	land use, indicating ways to provide for future potable water,
19	drainage, sanitary sewer, solid waste, and aquifer recharge
20	protection requirements for the area. The element may be a
21	detailed engineering plan including a topographic map
22	depicting areas of prime groundwater recharge. The element
23	shall describe the problems and needs and the general
24	facilities that will be required for solution of the problems
25	and needs. The element shall also include a topographic map
26	depicting any areas adopted by a regional water management
27	district as prime groundwater recharge areas for the Floridan
28	or Biscayne aquifers, pursuant to s. 373.0395. These areas
29	shall be given special consideration when the local government
30	is engaged in zoning or considering future land use for said
31	designated areas. For areas served by septic tanks, soil

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surveys shall be provided which indicate the suitability of soils for septic tanks. By December 1, 2006, the element must 2. be consistent with consider the appropriate water management 3 district's regional water supply plan approved pursuant to s. 5 373.0361. If the local government chooses to prepare its own water supply analysis, it shall submit a description of the 7 data and methodology utilized to generate the analysis to the department with its plan when the plan is due for compliance 8 review unless it has submitted it for advance review. The 10 department will evaluate the application of the methodology 11 utilized by a local government in preparing its own water supply analysis and determine whether the particular 12 13 methodology is professionally accepted. The department shall provide its findings to the local government within sixty 14 15 days. The department shall be guided by the applicable water management district in its review of any methodology proposed 16 by a local government. The element must identify the water 17 18 supply sources, including conservation and reuse, necessary to 19 meet existing and projected water use demand and include a 20 work plan, covering the comprehensive plan's established at least a 10-year planning period, for building public, private 21 22 and regional water supply facilities, including development of 23 alternative water supplies, that are identified in the element 2.4 as necessary to serve existing and new development and for which the local government is responsible. The work plan shall 25 be updated, at a minimum, every 5 years within 12 months after 26 the governing board of a water management district approves an 27 28 updated regional water supply plan. Local governments, public 29 and private utilities, regional water supply authorities and water management districts are encouraged to cooperatively 30 plan for the development of multi-jurisdictional water supply

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- (6) CALCULATION AND ALLOCATION. --
- (a) Calculation of total maximum daily load.
- 1. Prior to developing a total maximum daily load calculation for each water body or water body segment on the list specified in subsection (4), the department shall coordinate with applicable local governments, water management districts, the Department of Agriculture and Consumer Services, other appropriate state agencies, local soil and water conservation districts, environmental groups, regulated interests, and affected pollution sources to determine the information required, accepted methods of data collection and analysis, and quality control/quality assurance requirements. The analysis may include mathematical water quality modeling using approved procedures and methods.
- 2. The department shall develop total maximum daily load calculations for each water body or water body segment on the list described in subsection (4) according to the priority ranking and schedule unless the impairment of such waters is due solely to activities other than point and nonpoint sources of pollution. For waters determined to be impaired due solely to factors other than point and nonpoint sources of pollution,

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no total maximum daily load will be required. A total maximum daily load may be required for those waters that are impaired predominantly due to activities other than point and nonpoint sources. The total maximum daily load calculation shall establish the amount of a pollutant that a water body or water body segment may receive from all sources without exceeding water quality standards, and shall account for seasonal variations and include a margin of safety that takes into account any lack of knowledge concerning the relationship between effluent limitations and water quality. The total maximum daily load may be based on a pollutant load reduction goal developed by a water management district, provided that such pollutant load reduction goal is promulgated by the department in accordance with the procedural and substantive requirements of this subsection.

(b) Allocation of total maximum daily loads. —The total maximum daily loads shall include establishment of reasonable and equitable allocations of the total maximum daily load between or among point and nonpoint sources that will alone, or in conjunction with other management and restoration activities, provide for the attainment of the pollutant reductions established pursuant to paragraph (a) to restore the designated uses water quality standards and the restoration of impaired waters. The allocations may establish the maximum amount of the water pollutant from a given source or category of sources that may be discharged or released into the water body or water body segment in combination with other discharges or releases. Allocations may also be made to individual basins and sources or as a whole to all basins and sources or categories of sources of inflow to the water body 31 or water body segments. A preliminary allocation of allowable

1	pollutant loads between or among point and nonpoint sources
2	may be developed as part of the total maximum daily load.
3	However, in such cases, the final allocation to specific point
4	sources and specific categories of nonpoint sources shall be
5	established in the basin management action plan pursuant to
6	subsection (7). The preliminary and final allocations shall be
7	designed to attain the pollutant reductions established
8	pursuant to paragraph (a) water quality standards and shall be
9	based on consideration of the following:
10	1. Existing treatment levels and management practices;
11	2. Best management practices established and
12	implemented pursuant to paragraph (7)(c);
13	3. Enforceable treatment levels established pursuant
14	to state or local law, or permit;
15	4.2. Differing impacts pollutant sources may have on
16	water quality;
17	5.3. The availability of treatment technologies,
18	management practices, or other pollutant reduction measures;
19	6.4. Environmental, economic, and technological
20	feasibility of achieving the allocation;
21	7.5. The cost benefit associated with achieving the
22	allocation;
23	8.6. Reasonable timeframes for implementation;
24	9.7. Potential applicability of any moderating
25	provisions such as variances, exemptions, and mixing zones;
26	and
27	10.8. The extent to which nonattainment of water
28	quality standards is caused by pollution sources outside of
29	Florida, discharges that have ceased, or alterations to water
30	bodies prior to the date of this act.
31	(c) Not later than February 1, 2001, the department

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shall submit a report to the Governor, the President of the 2 Senate, and the Speaker of the House of Representatives containing recommendations, including draft legislation, for 3 any modifications to the process for allocating total maximum 5 daily loads, including the relationship between allocations and the watershed or basin management planning process. Such  ${\color{red} \textbf{recommendations}} {\color{red} \textbf{shall}} {\color{red} \textbf{be}} {\color{red} \textbf{developed}} {\color{red} \textbf{by}} {\color{red} \textbf{the}} {\color{red} \textbf{department}} {\color{red} \textbf{in}}$ 7 8 cooperation with a technical advisory committee which includes representatives of affected parties, environmental 9 10 organizations, water management districts, and other 11 appropriate local, state, and federal government agencies. The technical advisory committee shall also include such members 12 13 as may be designated by the President of the Senate and the 14 Speaker of the House of Representatives. 15 (c)(d) Adoption of rules. -- The total maximum daily 16 load calculations and allocations established under this subsection for each water body or water body segment shall be 17 adopted by rule by the secretary pursuant to ss. 120.536(1), 18 120.54, and 403.805. Where additional data collection and 19 analysis are needed to increase the scientific precision and 20 21 accuracy of the total maximum daily load, the department is 22 authorized to adopt phased total maximum daily loads until the additional data is available. The rules adopted pursuant to 23 24 this paragraph shall not be subject to approval by the Environmental Regulation Commission. As part of the rule 25 development process, the department shall hold at least one 26 public workshop in the vicinity of the water body or water 27 28 body segment for which the total maximum daily load is being 29 developed. Notice of the public workshop shall be published not less than 5 days nor more than 15 days before the public 30 workshop in a newspaper of general circulation in the county

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1 | or counties containing the water bodies or water body segments for which the total maximum daily load calculation and allocation are being developed.

(7) DEVELOPMENT OF BASIN MANAGEMENT ACTION PLANS AND IMPLEMENTATION OF TOTAL MAXIMUM DAILY LOADS. --

### (a) Basin Management Action Plans

1. In developing and implementing the total maximum daily load for a water body, the department, or the department in conjunction with a water management district, may develop a basin management action plan that addresses some or all of the watersheds and basins tributary to the water body. Such a plan shall integrate the appropriate management strategies to achieve the total maximum daily loads and the restoration of designated uses and shall provide for phased implementation of these management strategies to promote timely, cost-effective actions as provided for in s. 403.151. The plan shall establish a schedule for implementing the management strategies, establish a basis for evaluating the effectiveness of the plan, and identify feasible funding strategies to implement the plan's management strategies. The management strategies may include regional treatment systems or other public works, where appropriate, to achieve the needed pollutant load reductions.

2. A basin management action plan shall equitably allocate, pursuant to paragraph (6)(b), pollutant reductions to individual basins, as a whole to all basins, or to each identified point source or category of nonpoint sources, as appropriate. For nonpoint sources for which best management practices have been adopted, the initial requirement specified by the plan shall be those practices developed pursuant to paragraph (c). Where appropriate, the plan may provide

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pollutant-load-reduction credits to dischargers that have implemented management strategies to reduce pollutant loads, 2 including best management practices, prior to the development 3 4 of the basin management action plan. The plan also shall identify the mechanisms by which potential future sources of 5 6 pollution will be addressed, whether the future source is a 7 result of the expansion of or increased loading from an existing source, a land use change, a new discharge, or 8 similar circumstances. 9 10 3. The basin management action planning process is 11 intended to involve the broadest possible range of interested parties, with the objective of encouraging the greatest amount 12 13 of cooperation and consensus possible. In developing a basin management action plan, the department shall assure that key 14 15 stakeholders, including but not limited to, applicable local governments, water management districts, the Department of 16 Agriculture and Consumer Services, other appropriate state 17 18 agencies, local soil and water conservation districts, 19 environmental groups, regulated interests, and affected 20 pollution sources, are invited to participate in the process. 21 The department shall hold at least one public meeting in the 22 vicinity of the watershed or basin to discuss and receive 23 comments during the planning process and shall otherwise 24 encourage public participation to the greatest practical extent. Notice of the public meeting shall be published in a 2.5 newspaper of general circulation in each county in which the 26 watershed or basin lies not less than 5 days nor more than 15 2.7 days before the public meeting. A basin management action plan 28 29 shall not supplant or otherwise alter any assessment made under subsections (3) or (4), or any calculation or 30 preliminary allocation made under subsection (6) except

through rulemaking.

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4. The department shall adopt all or any part of a basin management action plan by secretarial order pursuant to chapter 120 to implement the provisions of this subsection. If a basin management action plan alters the calculation or preliminary allocation made under subsection (6), the revised calculation or final allocation shall be adopted by rule.

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5. The basin management action plan shall be evaluated on a periodic basis to determine whether its management strategies are leading to pollutant load reductions in a timely manner and whether revisions are needed to achieve the pollutant load reductions specified in the adopted total maximum daily load calculation or allocation. Revisions to the basin management action plan shall be made by the department in cooperation with basin stakeholders. Revisions to the management strategies required for nonpoint sources shall follow the procedures set forth in subparagraph (c)4. Revised basin management action plans shall be adopted pursuant to subparagraph 4...

(b) Total Maximum Daily Load Implementation.

1. (a) The department shall be the lead agency in coordinating the implementation of the total maximum daily loads through basin management action plans, and water quality protection programs. Application of a total maximum daily load by a water management district shall be consistent with this section and shall not require the issuance of an order or a separate action pursuant to s. 120.536(1) or s. 120.54 for adoption of the calculation and allocation previously established by the department. Management strategies to achieve the total maximum daily load Such programs may 31 | include, but are not limited to:

1	$\underline{\text{a.1.}}$ Permitting and other existing regulatory
2	programs;
3	$\underline{b.2.}$ Nonregulatory and incentive-based programs,
4	including best management practices, cost sharing, waste
5	minimization, pollution prevention, agreements established
6	pursuant to s. 403.061(21), and public education;
7	c.3. Other water quality management and restoration
8	activities, for example surface water improvement and
9	management plans approved by water management districts or
10	watershed or basin management <u>action</u> plans developed pursuant
11	to this subsection;
12	$\underline{d.4.}$ Pollutant trading or other equitable economically
13	based agreements;
14	$\underline{\text{e.5.}}$ Public works including capital facilities; or
15	f.6. Land acquisition.
16	g. Water quality based effluent limitations.
17	2. For a basin management action plan adopted pursuant
18	to subparagraph(a)4., any management strategies and pollutant
19	reduction requirements associated with a pollutant of concern
20	for which a total maximum daily load was developed, including
21	effluent limits set forth for a discharger subject to NPDES
22	permitting, if any, shall be included, in a timely manner, in
23	subsequent NPDES permits or permit modifications for that
24	discharger. For holders of NPDES municipal separate storm
25	sewer system permits and other stormwater sources,
26	implementation of a total maximum daily load or basin
27	management action plan shall be achieved, to the maximum
28	extent practicable, through the use of best management
29	practices or other management measures.
30	a. The department shall not impose in a NPDES permit
31	additional pollution reduction requirements for a pollutant of 37

1	concern until such time as the total maximum daily load or the
2	basin management action plan is revised, the NPDES permit
3	expires, or the NPDES permit holder modifies its discharge.
4	b. The basin management action plan does not relieve
5	the discharger from any requirement to obtain, renew, or
6	modify a NPDES permit or to abide by other requirements of the
7	permit, including effluent limits and other requirements
8	associated with other pollutants.
9	c. Management strategies set forth in a basin
10	management action plan to be implemented by a discharger
11	subject to permitting by the department shall be completed
12	pursuant to the schedule set forth in the basin management
13	action plan. This implementation schedule may extend beyond
14	the 5-year term of a NPDES permit.
15	d. Management strategies and pollution reduction
16	requirements set forth in a basin management action plan for a
17	specific pollutant of concern shall not be subject to
18	challenge under chapter 120 at the time it is incorporated, in
19	an identical form, into a subsequent NPDES permit or permit
20	modification.
21	e. For non-agricultural pollutant sources not subject
22	to NPDES permitting but permitted pursuant to other state,
23	regional, or local water quality programs, the pollutant
24	reduction actions adopted in a basin management action plan
25	shall be implemented to the maximum extent practicable as part
26	of those permitting programs.
27	f. A nonpoint source discharger included in a basin
28	management action plan may demonstrate compliance with the
29	pollutant reductions established pursuant to paragraph (6) by
30	either implementing the appropriate best management practices
31	established pursuant to paragraph (c) or conducting water
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quality monitoring prescribed by the department or a water 2 management district. g. A nonpoint source discharger included in a basin 3 4 management action plan may be subject to enforcement action by the department or a water management district based upon the 5 failure to implement the responsibilities set forth in 7 subparagraph f. h. A nonpoint pollutant source discharger included in 8 a basin management action plan shall timely implement the 9 appropriate best management practices established pursuant to 10 11 paragraph (c) to attain the pollutant reductions established pursuant to paragraph (6)(a). 12 13 i. A landowner, discharger, or other responsible person who is implementing applicable management strategies 14 15 specified in an adopted basin management action plan shall not be required by permit, enforcement action, or otherwise to 16 implement additional management strategies to reduce pollutant 17 loads to attain the pollutant reductions pursuant to paragraph 18 (6)(a), and shall be deemed to be in compliance with this 19 section. This subparagraph does not limit the authority of the 20 21 department to amend a basin management action plan as 22 specified in subparagraph (a)5. (b) In developing and implementing the total maximum 23 24 daily load for a water body, the department, or the department 25 in conjunction with a water management district, may develop a 26 watershed or basin management plan that addresses some or all 27 of the watersheds and basins tributary to the water body. 28 These plans will serve to fully integrate the management 29 strategies available to the state for the purpose of 30 implementing the total maximum daily loads and achieving water 31 quality restoration. The watershed or basin management

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planning process is intended to involve the broadest possible range of interested parties, with the objective of encouraging the greatest amount of cooperation and consensus possible. The department or water management district shall hold at least one public meeting in the vicinity of the watershed or basin to discuss and receive comments during the planning process and shall otherwise encourage public participation to the greatest practical extent. Notice of the public meeting shall be published in a newspaper of general circulation in each county in which the watershed or basin lies not less than 5 days nor more than 15 days before the public meeting. A watershed or basin management plan shall not supplant or otherwise alter any assessment made under s. 403.086(3) and (4), or any calculation or allocation made under s. 403.086(6).

#### (c) Best Management Practices.

1. The department, in cooperation with the water management districts and other interested parties, as appropriate, may develop suitable interim measures, best management practices, or other measures necessary to achieve the level of pollution reduction established by the department for nonagricultural nonpoint pollutant sources in allocations developed pursuant to <u>subsections</u> (6) and this <u>subsection</u> paragraph (6)(b). These practices and measures may be adopted by rule by the department and the water management districts pursuant to ss. 120.536(1) and 120.54, and <u>where adopted by rule, shall may</u> be implemented by those parties responsible for nonagricultural nonpoint <u>source pollution</u>. <del>pollutant sources and the department and the water management districts shall assist with implementation. Where interim measures, best management practices, or other measures are adopted by rule,</del>

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the effectiveness of such practices in achieving the levels of 2 pollution reduction established in allocations developed by the department pursuant to paragraph (6)(b) shall be verified 3 by the department. Implementation, in accordance with applicable rules, of practices that have been verified by the 5 6 department to be effective at representative sites shall 7 provide a presumption of compliance with state water quality standards and release from the provisions of s. 376.307(5) for 8 those pollutants addressed by the practices, and the 10 department is not authorized to institute proceedings against 11 the owner of the source of pollution to recover costs or damages associated with the contamination of surface or ground 12 13 water caused by those pollutants. Such rules shall also 14 incorporate provisions for a notice of intent to implement the 15 practices and a system to assure the implementation of the practices, including recordkeeping requirements. Where water 16 quality problems are detected despite the appropriate 17 18 implementation, operation, and maintenance of best management 19 practices and other measures according to rules adopted under 20 this paragraph, the department or the water management 21 districts shall institute a reevaluation of the best 22 management practice or other measures. 2.<del>(d)1.</del> The Department of Agriculture and Consumer 23 24 Services may develop and adopt by rule pursuant to ss. 120.536(1) and 120.54 suitable interim measures, best 25 management practices, or other measures necessary to achieve 26 the level of pollution reduction established by the department 27 for agricultural pollutant sources in allocations developed 28 29 pursuant to <u>subsections</u> (6) and this <u>subsection</u> paragraph 30  $\frac{(6)(b)}{(b)}$ . These practices and measures may be implemented by 31 | those parties responsible for agricultural pollutant sources 41

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and the department, the water management districts, and the Department of Agriculture and Consumer Services shall assist 2 3 with implementation. Where interim measures, best management 4 practices, or other measures are adopted by rule, the 5 effectiveness of such practices in achieving the levels of pollution reduction established in allocations developed by 7 the department pursuant to paragraph (6)(b) shall be verified by the department. Implementation, in accordance with 8 applicable rules, of practices that have been verified by the 9 10 department to be effective at representative sites shall 11 provide a presumption of compliance with state water quality 12 standards and release from the provisions of s. 376.307(5) for 13 those pollutants addressed by the practices, and the 14 department is not authorized to institute proceedings against 15 the owner of the source of pollution to recover costs or 16 damages associated with the contamination of surface or ground water caused by those pollutants. In the process of developing 17 and adopting rules for interim measures, best management 18 19 practices, or other measures, the Department of Agriculture and Consumer Services shall consult with the department, the 20 21 Department of Health, the water management districts, 22 representatives from affected farming groups, and environmental group representatives. Such rules shall also 23 24 incorporate provisions for a notice of intent to implement the 25 practices and a system to assure the implementation of the practices, including recordkeeping requirements. Where water 26 27 quality problems are detected despite the appropriate implementation, operation, and maintenance of best management 28 29 practices and other measures according to rules adopted under this paragraph, the Department of Agriculture and Consumer 30 Services shall institute a reevaluation of the best management

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practice or other measure.

3. Where interim measures, best management practices, 2 or other measures are adopted by rule, the effectiveness of 3 4 such practices in achieving the levels of pollution reduction established in allocations developed by the department 5 6 pursuant to subsection (6) and this subsection shall be 7 verified at representative sites by the department. The department shall use best professional judgment in making the 8 initial verification that the best management practices are 9 10 effective and, where applicable, shall notify the appropriate 11 water management district and the Department of Agriculture and Consumer Services prior to the adoption of a rule proposed 12 pursuant to this paragraph in the event it is unable to make 13 such verification. Implementation, in accordance with rules 14 15 adopted under this paragraph, of practices that have been initially verified to be effective, or verified to be 16 effective by monitoring at representative sites, by the 17 18 department, shall provide a presumption of compliance with 19 state water quality standards and release from the provisions of s. 376.307(5) for those pollutants addressed by the 20 practices, and the department is not authorized to institute 21 22 proceedings against the owner of the source of pollution to 23 recover costs or damages associated with the contamination of 2.4 surface or ground water caused by those pollutants. 4. Where water quality problems are demonstrated in 25 the development or amendment of a basin management action 26 plan, despite the appropriate implementation, operation, and 2.7 maintenance of best management practices and other measures 28 29 according to rules adopted under this paragraph, the department, a water management district, or the Department of 30 Agriculture and Consumer Services, shall institute a

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reevaluation of the best management practice or other measure. Should the reevaluation determine that the best management 2 practice or other measure requires modification, the 3 4 department, a water management district, or the Department of Agriculture and Consumer Services, as appropriate, shall 5 revise the rule to require implementation of the modified 7 practice within a reasonable time period as specified in the 8 rule. 9 5. 2. Individual agricultural records relating to 10 processes or methods of production, or relating to costs of 11 production, profits, or other financial information which are otherwise not public records, which are reported to the 12 13 Department of Agriculture and Consumer Services pursuant to subparagraphs 3. and 4. this paragraph or pursuant to any rule 14 15 adopted pursuant to subparagraph 2. this paragraph shall be confidential and exempt from s. 119.07(1) and s. 24(a), Art. I 16 of the State Constitution. Upon request of the department or 17 any water management district, the Department of Agriculture 18 19 and Consumer Services shall make such individual agricultural 20 records available to that agency, provided that the confidentiality specified by this subparagraph for such 21 22 records is maintained. This subparagraph is subject to the Open Government Sunset Review Act of 1995 in accordance with 23 2.4 s. 119.15, and shall stand repealed on October 2, 2006, unless reviewed and saved from repeal through reenactment by the 25 Legislature. 26 6.(e) The provisions of subparagraphs 1. and 2. 27 28 paragraphs (c) and (d) shall not preclude the department or 29 water management district from requiring compliance with water quality standards or with current best management practice 30 31 requirements set forth in any applicable regulatory program

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authorized by law for the purpose of protecting water quality.

Additionally, subparagraphs 1. and 2. paragraphs (c) and (d)

are applicable only to the extent that they do not conflict

with any rules adopted promulgated by the department that are

necessary to maintain a federally delegated or approved

program.

- (8) RULES.--The department is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54 for:
- (a) Delisting water bodies or water body segments from the list developed under subsection (4) pursuant to the guidance under subsection (5);
- (b) Administration of funds to implement the total maximum daily load <u>and basin management action planning</u> programs;
- (c) Procedures for pollutant trading among the pollutant sources to a water body or water body segment, including a mechanism for the issuance and tracking of pollutant credits. Such procedures may be implemented through permits or other authorizations and must be legally binding.

  No rule implementing a pollutant trading program shall become effective prior to review and ratification by the Legislature; and
- (d) The implementation of basin management action plans through permitting or other programs under this chapter and chapter 373.
- (e)(d) The total maximum daily load calculation in accordance with paragraph (6)(a) immediately upon the effective date of this act, for those eight water segments within Lake Okeechobee proper as submitted to the United States Environmental Protection Agency pursuant to subsection (2).

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1 (f) Implementation of other specific provisions. 2 Prior to adopting rules for pollutant trading under paragraph 3 (c), and no later than November 30, 2006, the Department of Environmental Protection shall submit a report to the 5 Governor, the President of the Senate, and the Speaker of the 7 House of Representatives containing recommendations on such rules, including the proposed basis for equitable economically 8 based agreements and the tracking and accounting of pollution 10 <u>credits or other similar mechanisms. Such recommendations</u> 11 shall be developed in cooperation with a technical advisory committee that includes experts in pollutant trading and 12 13 representatives of potentially affected parties. (11) IMPLEMENTATION OF ADDITIONAL PROGRAMS. --14 15 (a) The department shall not implement, without prior legislative approval, any additional regulatory authority 16 pursuant to s. 303(d) of the Clean Water Act or 40 C.F.R. part 17 130, if such implementation would result in water quality 18 19 discharge regulation of activities not currently subject to 20 regulation. 21 (b) Interim measures, best management practices, or 22 other measures may be developed and voluntarily implemented pursuant to subparagraphs (7)(c) 1. and 2. or paragraph (7)(d) 23 24 for any water body or segment for which a total maximum daily 25 load or allocation has not been established. The implementation of such pollution control programs may be 26 27 considered by the department in the determination made 28 pursuant to subsection (4). 29 Section 12. Paragraph (c) of subsection (3) of section 373.4595, Florida Statutes, is amended to read: 30 373.4595 Lake Okeechobee Protection Program.--31

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1	(3) LAKE OKEECHOBEE PROTECTION PROGRAMA protection
2	program for Lake Okeechobee that achieves phosphorus load
3	reductions for Lake Okeechobee shall be immediately
4	implemented as specified in this subsection. The program shall
5	address the reduction of phosphorus loading to the lake from
6	both internal and external sources. Phosphorus load reductions
7	shall be achieved through a phased program of implementation.
8	Initial implementation actions shall be technology-based,
9	based upon a consideration of both the availability of
10	appropriate technology and the cost of such technology, and
11	shall include phosphorus reduction measures at both the source
12	and the regional level. The initial phase of phosphorus load
13	reductions shall be based upon the district's Technical
14	Publication 81-2 and the district's WOD program, with
15	subsequent phases of phosphorus load reductions based upon the
16	total maximum daily loads established in accordance with s.
17	403.067. In the development and administration of the Lake
18	Okeechobee Protection Program, the coordinating agencies shall
19	maximize opportunities provided by federal cost-sharing
20	programs and opportunities for partnerships with the private
21	sector.
22	(c) Lake Okeechobee Watershed Phosphorus Control

Program. -- The Lake Okeechobee Watershed Phosphorus Control Program is designed to be a multifaceted approach to reducing phosphorus loads by improving the management of phosphorus sources within the Lake Okeechobee watershed through continued implementation of existing regulations and best management practices, development and implementation of improved best management practices, improvement and restoration of the 30 hydrologic function of natural and managed systems, and 31 utilization of alternative technologies for nutrient

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reduction. The coordinating agencies shall facilitate the application of federal programs that offer opportunities for water quality treatment, including preservation, restoration, or creation of wetlands on agricultural lands.

- 1. Agricultural nonpoint source best management practices, developed in accordance with s. 403.067 and designed to achieve the objectives of the Lake Okeechobee Protection Program, shall be implemented on an expedited basis. By March 1, 2001, the coordinating agencies shall develop an interagency agreement pursuant to ss. 373.046 and 373.406(5) that assures the development of best management practices that complement existing regulatory programs and specifies how those best management practices are implemented and verified. The interagency agreement shall address measures to be taken by the coordinating agencies during any best management practice reevaluation performed pursuant to sub-subparagraph d. The department shall use best professional judgment in making the initial determination of best management practice effectiveness.
- a. As provided in s. 403.067(7)(c)(d), by October 1, 2000, the Department of Agriculture and Consumer Services, in consultation with the department, the district, and affected parties, shall initiate rule development for interim measures, best management practices, conservation plans, nutrient management plans, or other measures necessary for Lake Okeechobee phosphorus load reduction. The rule shall include thresholds for requiring conservation and nutrient management plans and criteria for the contents of such plans. Development of agricultural nonpoint source best management practices shall initially focus on those priority basins listed in subparagraph (b)1. The Department of Agriculture and Consumer

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Services, in consultation with the department, the district, and affected parties, shall conduct an ongoing program for improvement of existing and development of new interim measures or best management practices for the purpose of adoption of such practices by rule.

- b. Where agricultural nonpoint source best management practices or interim measures have been adopted by rule of the Department of Agriculture and Consumer Services, the owner or operator of an agricultural nonpoint source addressed by such rule shall either implement interim measures or best management practices or demonstrate compliance with the district's WOD program by conducting monitoring prescribed by the department or the district. Owners or operators of agricultural nonpoint sources who implement interim measures or best management practices adopted by rule of the Department of Agriculture and Consumer Services shall be subject to the provisions of s. 403.067(7). The Department of Agriculture and Consumer Services, in cooperation with the department and the district, shall provide technical and financial assistance for implementation of agricultural best management practices, subject to the availability of funds.
- c. The district or department shall conduct monitoring at representative sites to verify the effectiveness of agricultural nonpoint source best management practices.
- d. Where water quality problems are detected for agricultural nonpoint sources despite the appropriate implementation of adopted best management practices, the Department of Agriculture and Consumer Services, in consultation with the other coordinating agencies and affected parties, shall institute a reevaluation of the best management 31 practices and make appropriate changes to the rule adopting

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best management practices.

- 2. Nonagricultural nonpoint source best management practices, developed in accordance with s. 403.067 and designed to achieve the objectives of the Lake Okeechobee Protection Program, shall be implemented on an expedited basis. By March 1, 2001, the department and the district shall develop an interagency agreement pursuant to ss. 373.046 and 373.406(5) that assures the development of best management practices that complement existing regulatory programs and specifies how those best management practices are implemented and verified. The interagency agreement shall address measures to be taken by the department and the district during any best management practice reevaluation performed pursuant to sub-subparagraph d.
- a. The department and the district are directed to work with the University of Florida's Institute of Food and Agricultural Sciences to develop appropriate nutrient application rates for all nonagricultural soil amendments in the watershed. As provided in s. 403.067(7)(c), by January 1, 2001, the department, in consultation with the district and affected parties, shall develop interim measures, best management practices, or other measures necessary for Lake Okeechobee phosphorus load reduction. Development of nonagricultural nonpoint source best management practices shall initially focus on those priority basins listed in subparagraph (b)1. The department, the district, and affected parties shall conduct an ongoing program for improvement of existing and development of new interim measures or best management practices. The district shall adopt technology-based standards under the district's WOD program for nonagricultural nonpoint sources of phosphorus.

- b. Where nonagricultural nonpoint source best management practices or interim measures have been developed by the department and adopted by the district, the owner or operator of a nonagricultural nonpoint source shall implement interim measures or best management practices and be subject to the provisions of s. 403.067(7). The department and district shall provide technical and financial assistance for implementation of nonagricultural nonpoint source best management practices, subject to the availability of funds.
- c. The district or the department shall conduct monitoring at representative sites to verify the effectiveness of nonagricultural nonpoint source best management practices.
- d. Where water quality problems are detected for nonagricultural nonpoint sources despite the appropriate implementation of adopted best management practices, the department and the district shall institute a reevaluation of the best management practices.
- 3. The provisions of subparagraphs 1. and 2. shall not preclude the department or the district from requiring compliance with water quality standards or with current best management practices requirements set forth in any applicable regulatory program authorized by law for the purpose of protecting water quality. Additionally, subparagraphs 1. and 2. are applicable only to the extent that they do not conflict with any rules promulgated by the department that are necessary to maintain a federally delegated or approved program.
- 4. Projects which reduce the phosphorus load originating from domestic wastewater systems within the Lake Okeechobee watershed shall be given funding priority in the department's revolving loan program under s. 403.1835. The

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department shall coordinate and provide assistance to those local governments seeking financial assistance for such priority projects.

- 5. Projects that make use of private lands, or lands held in trust for Indian tribes, to reduce nutrient loadings or concentrations within a basin by one or more of the following methods: restoring the natural hydrology of the basin, restoring wildlife habitat or impacted wetlands, reducing peak flows after storm events, increasing aquifer recharge, or protecting range and timberland from conversion to development, are eligible for grants available under this section from the coordinating agencies. For projects of otherwise equal priority, special funding priority will be given to those projects that make best use of the methods outlined above that involve public-private partnerships or that obtain federal match money. Preference ranking above the special funding priority will be given to projects located in a rural area of critical economic concern designated by the Governor. Grant applications may be submitted by any person or tribal entity, and eligible projects may include, but are not limited to, the purchase of conservation and flowage easements, hydrologic restoration of wetlands, creating treatment wetlands, development of a management plan for natural resources, and financial support to implement a management plan.
- 6.a. The department shall require all entities disposing of domestic wastewater residuals within the Lake Okeechobee watershed and the remaining areas of Okeechobee, Glades, and Hendry Counties to develop and submit to the department an agricultural use plan that limits applications 31 based upon phosphorus loading. By July 1, 2005, phosphorus

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concentrations originating from these application sites shall not exceed the limits established in the district's WOD program.

b. Private and government-owned utilities within Monroe, Dade, Broward, Palm Beach, Martin, St. Lucie, Indian River, Okeechobee, Highlands, Hendry, and Glades Counties that dispose of wastewater residual sludge from utility operations and septic removal by land spreading in the Lake Okeechobee watershed may use a line item on local sewer rates to cover wastewater residual treatment and disposal if such disposal and treatment is done by approved alternative treatment methodology at a facility located within the areas designated by the Governor as rural areas of critical economic concern pursuant to s. 288.0656. This additional line item is an environmental protection disposal fee above the present sewer rate and shall not be considered a part of the present sewer rate to customers, notwithstanding provisions to the contrary in chapter 367. The fee shall be established by the county commission or its designated assignee in the county in which the alternative method treatment facility is located. The fee shall be calculated to be no higher than that necessary to recover the facility's prudent cost of providing the service. Upon request by an affected county commission, the Florida Public Service Commission will provide assistance in establishing the fee. Further, for utilities and utility authorities that use the additional line item environmental protection disposal fee, such fee shall not be considered a rate increase under the rules of the Public Service Commission and shall be exempt from such rules. Utilities using the provisions of this section may immediately include in their sewer invoicing the new environmental protection disposal fee.

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Proceeds from this environmental protection disposal fee shall be used for treatment and disposal of wastewater residuals, 2 including any treatment technology that helps reduce the volume of residuals that require final disposal, but such proceeds shall not be used for transportation or shipment costs for disposal or any costs relating to the land application of residuals in the Lake Okeechobee watershed.

- c. No less frequently than once every 3 years, the Florida Public Service Commission or the county commission through the services of an independent auditor shall perform a financial audit of all facilities receiving compensation from an environmental protection disposal fee. The Florida Public Service Commission or the county commission through the services of an independent auditor shall also perform an audit of the methodology used in establishing the environmental protection disposal fee. The Florida Public Service Commission or the county commission shall, within 120 days after completion of an audit, file the audit report with the President of the Senate and the Speaker of the House of Representatives and shall provide copies to the county commissions of the counties set forth in sub-subparagraph b. The books and records of any facilities receiving compensation from an environmental protection disposal fee shall be open to the Florida Public Service Commission and the Auditor General for review upon request.
- 7. The Department of Health shall require all entities disposing of septage within the Lake Okeechobee watershed and the remaining areas of Okeechobee, Glades, and Hendry Counties to develop and submit to that agency, by July 1, 2003, an agricultural use plan that limits applications based upon 31 phosphorus loading. By July 1, 2005, phosphorus concentrations 54

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originating from these application sites shall not exceed the limits established in the district's WOD program.

- 8. The Department of Agriculture and Consumer Services shall initiate rulemaking requiring entities within the Lake Okeechobee watershed and the remaining areas of Okeechobee, Glades, and Hendry Counties which land-apply animal manure to develop conservation or nutrient management plans that limit application, based upon phosphorus loading. Such rules may include criteria and thresholds for the requirement to develop a conservation or nutrient management plan, requirements for plan approval, and recordkeeping requirements.
- 9. Prior to authorizing a discharge into works of the district, the district shall require responsible parties to demonstrate that proposed changes in land use will not result in increased phosphorus loading over that of existing land uses.
- 10. The district, the department, or the Department of Agriculture and Consumer Services, as appropriate, shall implement those alternative nutrient reduction technologies determined to be feasible pursuant to subparagraph (d)6.
- Section 13. Subsection (1) of section 570.085, Florida Statutes, is amended to read:
- 570.085 Department of Agriculture and Consumer Services; agricultural water conservation.—The department shall establish an agricultural water conservation program that includes the following:
- (1) A cost-share program, coordinated where appropriate with the United States Department of Agriculture and other federal, state, regional, and local agencies, for irrigation system retrofit and application of mobile irrigation laboratory evaluations for water conservation as

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provided in this section and, where applicable, for water quality improvement pursuant to s. 403.067(7)(c)(d).

Section 14. Section 403.885, Florida Statutes, is amended to read:

403.885 <u>Storm water management; wastewater management;</u>
Water Quality Improvement and Water Restoration Grant
Program.--

- develop and administer a competitive grant program to use funds transferred pursuant to s. 212.20 to the Ecosystem

  Management and Restoration Trust Fund or other moneys as appropriated by the Legislature for storm water management;

  wastewater management, water quality improvement and water restoration project grants. Eligible recipients of such grants include counties, municipalities, water management districts, and special districts that have legal responsibilities for water quality improvement, water management, storm water management, wastewater management, and sewer system operations, and lake and river water restoration projects.

  Drinking water projects are not eligible for funding pursuant to this section.
- (2) The <del>competitive</del> grant program shall provide for the evaluation of annual grant proposals. The department shall evaluate such proposals to determine if they:
  - (a) Protect public health and the environment.
- (b) Implement plans developed pursuant to the Surface Water Improvement and Management Act created in part IV of chapter 373, other water restoration plans required by law, management plans prepared pursuant to s. 403.067, or other plans adopted by local government for water quality improvement and water restoration.

1	(3) <u>In addition to meeting the criteria in subsection</u>
2	(2), annual grant proposals must also meet the following
3	requirements:
4	(a) An application for a storm water management
5	project may be funded only if the application is approved by
6	the water management district with jurisdiction in the project
7	area. District approval must be based on a determination that
8	the project provides a benefit to a priority water body.
9	(b) Except as provided in paragraph (c), an
10	application for a wastewater management project may be funded
11	only if:
12	1. The project has been funded previously through a
13	line item in the General Appropriations Act, and
14	2. The project is under construction.
15	(c) An application for a wastewater management project
16	that would qualify as a water pollution control project and
17	activity in s. 403.1838 may be funded only if the project
18	sponsor has submitted an application to the department for
19	funding pursuant to that section.
20	(4) All project applicants must provide local matching
21	funds as follows:
22	(a) An applicant for state funding of a storm water
23	management project shall provide local matching funds equal to
24	at least 50 percent of the total cost of the project; and
25	(b) An applicant for state funding of a wastewater
26	management project shall provide matching funds equal to at
27	least 25 percent of the total cost of the project.
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29	The requirement for matching funds may be waived if the
30	applicant is a financially disadvantaged small local
31	government as defined in subsection (5). The department shall
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evaluate the annual grant proposals and present the annual list of projects recommended to be funded to the Governor and the Legislature as part of its annual budget request submitted pursuant to chapter 216 beginning with fiscal year 2003-2004.

(5)(4) Each fiscal year, at least 20 percent of the funds available pursuant to this section subsection (1) shall be used for projects to assist financially disadvantaged small local governments. For purposes of this section, the term "financially disadvantaged small local government" means a municipality having a population of 7,500 or less, a county having a population of 35,000 or less, according to the latest decennial census and a per capita annual income less than the state per capita annual income as determined by the United States Department of Commerce, or a county in an area designated by the Governor as a rural area of critical economic concern pursuant to s. 288.0656. Grants made to these eligible local governments shall not require matching local funds.

(6)(5) No later than February 1 of Each year, storm water management and wastewater management water quality improvement projects and water restoration projects submitted for funding through the legislative process shall be submitted to the department by the appropriate fiscal committees of the House of Representatives and the Senate. The department shall review the projects for funding eligibility and must, no later than March 1 of each year, provide each fiscal committee with a list of projects that appear to meet the eligibility requirements under this grant program.

(6) The department may adopt rules necessary to administer this section, including, but not limited to, rules governing timeframes for submitting grant applications,

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evaluation criteria, forms, matching criteria, maximum grant 2 amounts, and allocation of appropriated funds based upon project and applicant size. 3 Section 15. Section 403.890, Florida Statutes, is 4 created to read: 5 6 403.890 Water Protection and Sustainability Funding 7 Program; intent; goals; purposes.--(1) Revenues transferred from the Department of 8 Revenue pursuant to s. 215.6197 shall be deposited into the 9 Water Protection and Sustainability Program Trust Fund in the 10 Department of Environmental Protection. Revenues shall be 11 distributed by the Department of Environmental Protection in 12 the following manner: 13 (a) Forty-five percent to the Department of 14 15 Environmental Protection for the implementation of an 16 alternative water supply grant program as provided in s. 373.1961. 17 (b) Twenty-five percent for the implementation of best 18 19 management practices and capital project expenditures necessary for the implementation of the goals of the total 20 21 maximum daily loads program established in s. 403.067. Of 22 these funds, eighty-five percent shall be transferred to the credit of the Department of Environmental Protection Water 23 24 Quality Assurance Trust Fund to address water quality impacts associated with nonagricultural nonpoint sources. Fifteen 25 percent of these funds shall be transferred to the Department 26 of Agriculture and Consumer Services General Inspection Trust 27 Fund to address water quality impacts associated with 28 29 agricultural nonpoint sources. These funds shall be used for research, development, demonstration, and implementation of 30 suitable best management practices or other measures used to

1	achieve water quality standards in surface waters and water
2	segments identified pursuant to ss. 303(d) of the Clean Water
3	Act, Pub. L. No. 92-500, 33 U.S.C. ss. 1251 et seq.
4	Implementation of best management practices and other measures
5	may include cost-share grants, technical assistance,
6	implementation tracking, and conservation leases or other
7	agreements for water quality improvement. The Department of
8	Environmental Protection and the Department of Agriculture and
9	Consumer Services may adopt rules governing the distribution
10	of funds for implementation of best management practices.
11	These funds shall not be used to abrogate the financial
12	responsibility of those point and nonpoint sources that have
13	contributed to the degradation of water or land areas.
14	Increased priority shall be given by the department and the
15	water management district governing boards to those projects
16	that have secured a cost-sharing agreement allocating
17	responsibility for the cleanup of point and nonpoint sources.
18	(c) Fifteen percent shall be disbursed for the
19	purposes of funding projects pursuant to ss. 373.451 - 373.459
20	or surface water restoration activities in water management
21	district designated priority water bodies. The Secretary of
22	Environmental Protection shall ensure that each water
23	management district receives the following percentage of funds
24	annually:
25	1. Thirty-five percent to the South Florida Water
26	Management District,
27	2. Twenty-five percent to the Southwest Florida Water
28	Management District,
29	3. Twenty-five percent to the St. John's River Water
30	Management District,
31	4. Seven and one-half percent to the Suwannee River 60
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1	Water Management District, and
2	5. Seven and one-half percent to the Northwest Florida
3	Water Management District.
4	(d) Fifteen percent to the Department of Environmental
5	Protection for the implementation of the stormwater, drinking
6	water, and wastewater programs. These funds shall be divided
7	equally among the following programs:
8	1. The Clean Water State Revolving Loan Grants Program
9	as provided in s. 403.1835.
10	2. The Drinking Water State Revolving Loan Grant
11	Program as provided in s. 403.8532, and
12	3. The Disadvantaged Small Community Wastewater Grant
13	Program as provided in s. 403.1838.
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15	Prior to the end of the 2008 Regular Session, the Legislature
16	must review the distribution of funds under the Water
17	Protection and Sustainability Program to determine if
18	revisions to the funding formula are required. At the
19	discretion of the President of the Senate and the Speaker of
20	the House of Representatives, the appropriate substantive
21	committees of the Legislature may conduct an interim project
22	to review the Water Protection and Sustainability Program and
23	the funding formula, and make written recommendations to the
24	Legislature proposing necessary changes, if any.
25	Section 16. This act shall take effect upon becoming a
26	law.
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29	======== T I T L E A M E N D M E N T =========
30	And the title is amended as follows:
31	Delete everything before the enacting clause 61

1	and insert:
2	An act relating to the development of water
3	supplies; amending s. 201.15, F.S.; providing
4	for the distribution of certain excise taxes on
5	documents to the Water Protection and
6	Sustainability Program Trust Fund of the
7	Department of Environmental Protection;
8	creating s. 215.6197, F.S.; establishing the
9	Water Protection and Sustainability Program;
10	authorizing the issuance of bonds, establishing
11	criteria for distribution of bonds for a
12	specified period, prohibiting sale of bonds
13	under certain conditions; authorizing the
14	issuance of the water protection and
15	sustainability bonds in the best interest of
16	the state; amending s. 373.196, F.S.;
17	encouraging cooperation in the development of
18	water supplies; providing for alternative water
19	supply development; establishing the primary
20	roles of the water management district in water
21	supply development; establishing the primary
22	roles of local governments, regional water
23	supply authorities, special districts, and
24	publicly owned and privately owned water
25	utilities in water supply development;
26	encouraging municipalities, counties and
27	special districts to create regional water
28	supply authorities; requiring the Legislature
29	to identify a recurring and dedicated source of
30	statewide funds to provide economic incentives
31	to local water suppliers; requiring that the
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water management districts develop a plan to
provide economic incentives for alternative
water supply development by January 1, 2006;
requiring that state funds made available for
alternative water supply development must be
matched by the entity receiving the funds;
requiring the development of cost-effective
alternative water supplies in areas where
traditional sources of water are inadequate for
existing and future uses; requiring that
appropriate rate-setting authorities establish
rate structure for all water facilities in a
service area that receives state and water
management district financial assistance for
alternative water supply development; amending
s. 373.1961, F.S.; providing general powers and
duties of the water management districts in
water production; requiring that the water
management districts include the amount needed
to implement the water supply development
projects in each annual budget; establishing
general funding criteria for state or water
management district funding assistance;
establishing economic incentives for
alternative water supply development; defining
"alternative water supplies"; creating a
funding formula for the distribution of state
funds to the water management districts for
alternative water supply development; requiring
that funding assistance for alternative water
supply development is limited to a percentage 63
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of the local capital costs of an approved project; defining "capitol costs"; requiring that the alternative water supplies grants advisory committee rand and recommend alternative water supply projects for grant funding; establishing criteria; establishing criteria for funding assistance for water reuse systems; amending s. 373.1962, F.S.; clarifying that counties, municipalities, and special districts may executed interlocal agreements to create regional water supply authorities; amending s. 373.223, F.S.; establishing criteria for certain water supply entities to be presumed to have a use consistent with the public interest for consumptive use permitting requirements; amending s. 373.236, F.S.; providing permits of at least 20 years for development of alternative water supplies under certain conditions; amending s. 373.459, F.S.; to require that entities receiving state funding for implementation of surface water improvement and management projects provide a 50 percent match of cash or in-kind services; amending s. 163.3177(6) providing that local government submit a water supply analysis to the department; establishing criteria; encouraging multi-jurisdictional water supply facilities to develop alternative water sources; amending s. 403.067, F.S.; providing that preliminary allocation of allowable pollutant loads between point and nonpoint

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sources may be developed as part of a total maximum daily load; establishing criteria for establishing preliminary and final allocations to attain pollutant reductions; authorizing the Department of Environmental Protection to adopt phased total maximum daily loads that establish incremental total maximum daily loads under certain conditions; requiring the development of basin management action plans; requiring that basin management action plans integrate the appropriate management strategies to achieve the total maximum daily loads and the restoration of designated uses; requiring that the plans establish a schedule for implementing management strategies, establish a basis for evaluating the plans' effectiveness, and identify feasible water unding strategies; requiring that a basin management action plan equitably allocate pollutant reductions to individual basins; authorizing that plans may provide pollutant load reduction credits to dischargers that have implemented strategies to reduce pollutant loads prior to the development of the basin management action plan; requiring that the plan identify mechanisms by which potential future sources of pollution will be addressed; requiring that the department assure key stakeholder participation in the basin management action planning process; requiring that the department hold at least one public meeting to discuss and receive comments during

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the planning process; providing notice requirements; requiring that the department adopt all or part of a basin management action plan by secretarial order pursuant to chapter 120; requiring that basin management action plans which alter that calculation or preliminary allocation of a total maximum daily load, the revised calculation or preliminary allocation must be adopted by rule; requiring periodic evaluation of basin management action plans; requiring that revisions to plans be made by the department in cooperation with stakeholders; providing for basin plan revisions regarding nonpoint pollutant sources; authorizing the department's use of additional strategies, including an adopted basin plan, to implement pollutant load reductions; requiring that adopted basin management action plans be included in subsequent NPDES permits or permit modifications; providing that implementation of a total maximum daily load or basin management action plan for holders of a NPDES municipal separate storm water sewer system permit may be achieved through the use of best management practices; requiring the department o impose additional pollution reduction requirements for a pollutant of concern in a NPDES permit until such time as the total maximum daily load or the basin management action plan is revised, the NPDES permit expires, or the NPDES permit holder modifies its discharge; providing that

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basin management action plans do not relieve a
discharger from the requirement to obtain,
renew, or modify a NPDES permit or to abide by
other requirements of the permit; requiring
that plan management strategies be completed
pursuant to the schedule set forth in the basin
management action plan and providing that the
implementation schedule may extend beyond the
term of a NPDES permit; providing that
management strategies and pollution reduction
requirements in a basin management action plan
for a specific pollutant of concern are not
subject to a challenge under chapter 120 at the
time they are incorporated, in identical form,
into a subsequent NPDES permit or permit
modification; requiring timely adoption and
implementation of pollutant reduction actions
for non-agricultural pollutant sources not
subject to NPDES permitting but regulated
pursuant to other state, regional, or local
regulatory programs; requiring timely
implementation of best management practices for
agricultural or non-agricultural nonpoint
pollutant source dischargers not subject to
permitting at the time a basin management
action plan is adopted; providing an exemption;
providing for presumption of compliance under
certain circumstances; providing for
enforcement action by the department or a water
management district; requiring that a
landowner, discharger or other responsible 67
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person that is implementing management
strategies specified in an adopted basin
management action plan will not be required by
permit, enforcement action, or otherwise to
implement additional management strategies to
reduce pollutant loads; providing that the
authority of the department to amend a basin
management plan is not limited; requiring that
the department verify at representative sites
the effectiveness of interim measures, best
management practices, and other measures
adopted by rule; requiring that the department
use best professional judgment in making
initial verifications that best management
practices are not effective; requiring notice
to the appropriate water management district or
the department of Agriculture and consumer
Services under certain conditions; establishing
a presumption of compliance for implementation
of practices initially verified to be effective
or verified to be effective at representative
sites; limiting the institution of proceedings
by the department against the owner of a source
of pollution to recover costs or damages
associated with the contamination of surface or
ground water caused by those pollutants;
requiring the Department of Agriculture and
Consumer Services to institute a reevaluation
of best management practices or other measures
where water quality problems are detected, or
predicted during the development or amendment 68

1	of a basin management action plan; providing
2	for ule revisions; providing the department
3	with rulemaking authority; requiring a report
4	be submitted to the Governor, the President of
5	the Senate, and the Speaker of the House of
6	Representatives containing recommendations on
7	rules for pollutant trading prior to the
8	adoption of those rules; requiring that
9	recommendations be adopted in cooperation with
10	a technical advisory committee containing
11	experts in pollutant trading and
12	representatives of potentially affected
13	parties; deleting a requirement that no
14	pollutant trading program shall become
15	effective prior to review and ratification by
16	the Legislature; amending ss. 373.4595 and
17	570.085, F.S.; correcting cross references;
18	amending s. 403.885, F.S.; revising
19	requirements relating to the department's grant
20	program for water quality improvement and water
21	restoration project grants; eliminating grants
22	for water quality improvement, water
23	management, and drinking water projects;
24	authorizing grants for wastewater management;
25	creating additional criteria for funding storm
26	water grants; requiring local matching funds;
27	providing an exception from matching fund
28	requirements for financially disadvantaged
29	small local governments; creating s. 403.890,
30	establishing the Water Protection and
31	Sustainability Funding Program; establishing a

1	funding formula for the distribution of
2	revenues generated by the bonding provisions as
3	provided in s. 215.6197, F.S.; establishing
4	funding for alternative water supply
5	development as provided in s. 373.1961, the
6	development and implementation of total maximum
7	daily load projects as provided in s. 403.067,
8	F.S.; surface water improvement and management
9	plans and programs as provided in ss. 373.451
10	and 373.459, F.S.; the Clean Water State
11	Revolving Loan Grants Program as provided in s.
12	403.1835, F.S.; the Drinking water State
13	Revolving Loan Grant Program as provided in s.
14	403.8532, F.S.; and the Disadvantaged Small
15	Community Wastewater Grant Program as provided
16	in s. 403.1838, F.S.; providing an effective
17	date.
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