Florida Senate - 2005

CS for SB 486

 $\mathbf{B}\mathbf{y}$ the Committee on Environmental Preservation; and Senator Dockery

592-1922-05

1	A bill to be entitled
2	An act relating to phosphate mine reclamation;
3	amending s. 378.034, F.S.; deleting an obsolete
4	provision relating to the use of reclamation
5	funds; amending s. 378.035, F.S.; deleting an
6	obsolete provision authorizing the Department
7	of Environmental Protection to expend certain
8	funds; amending s. 373.414, F.S.; requiring
9	financial responsibility for wetlands
10	mitigation; specifying the financial
11	responsibility demonstration for permitted
12	activities occurring over a period of 3 years
13	or more of mining activities; providing an
14	effective date.
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16	Be It Enacted by the Legislature of the State of Florida:
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18	Section 1. Section 378.034, Florida Statutes, is
19	amended to read:
20	378.034 Submission of a reclamation program request;
21	procedures
22	(1) The department shall establish by rule procedures
23	for a nonbinding preapplication review to assist a landowner
24	in submitting a reclamation program request.
25	(2) Landowners shall reclaim all nonmandatory lands
26	which were put into use as clay settling areas after July 1,
27	1975, and on or before July 1, 1984, under the nonmandatory
28	land reclamation program, pursuant to the provisions of this
29	act. A landowner shall submit a reclamation program
30	application within 180 days after the land ceases to be used
31	as a clay settling area. The requirements of this subsection
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1 are expressly contingent upon the availability of sufficient 2 funds in the Nonmandatory Land Reclamation Trust Fund established pursuant to s. 211.3103. 3 4 (3)(a) Landowners shall submit reclamation program applications to the department by November 1 of each year for 5 6 funding consideration during the following year. 7 (b) Each reclamation program application shall include 8 a timetable for completion of the program and a completion 9 date. 10 (4) The department staff shall review each reclamation program application to determine whether it complies with the 11 12 standards and criteria for a reclamation program or for land 13 acquisition and to determine its consistency with the master reclamation plan. 14 (5)(a) The department staff shall, by February 1 of 15 each year, present to the committee for its consideration 16 17 those reclamation program applications received by the 18 preceding November 1. (b) The department staff shall recommend an order of 19 priority for the reclamation program applications that is 20 21 consistent with subsection (6). 22 (c) The recommendation of the department staff shall 23 include an estimate of the cost of each reclamation program or land acquisition. 2.4 (6) The committee shall recommend approval, 25 modification, or denial of the reclamation program 26 27 applications, associated cost estimates, and the department 2.8 staff's recommended prioritized list. Recommendations on the order of priority shall be based, among other criteria, on the 29 following criteria; however, the committee may give greater 30 31

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1 weight to one or more of the criteria depending on the overall 2 needs of the nonmandatory land reclamation program: (a) Whether health and safety hazards exist; and, if 3 so, such hazards shall be given the greatest weight; 4 5 (b) Whether the economic or environmental utility or б the aesthetic value of the land will return naturally within a 7 reasonable period of time; 8 (c) Whether there is a reasonable geographic and applicant diversity in light of previously awarded reclamation 9 contracts, reclamation program applications before the 10 committee, and the remaining eligible lands; 11 12 (d) Whether reclamation is in the public interest; 13 (e) Whether the land has been naturally reclaimed or is eligible for acquisition by the state for hunting, fishing, 14 or other outdoor recreation purposes or for wildlife 15 16 preservation; 17 (f) Whether the land is to be reclaimed for 18 agricultural use and the applicant has agreed to maintain the land in agricultural use for at least 5 years after the 19 completion of the reclamation; 20 21 (g) Whether the program, alone or in conjunction with 22 other reclamation programs, will provide a substantial 23 regional benefit; (h) Whether the program, alone or in conjunction with 2.4 25 other reclamation programs, will benefit regional drainage 26 patterns; 27 (i) Whether the land is publicly owned and will be 2.8 reclaimed for public purposes; 29 (j) Whether the program includes a donation or 30 agreement to sell a portion of the program application area to 31

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1 the state for outdoor recreational or wildlife habitat 2 protection purposes; (k) Whether the program is cost-effective in achieving 3 the goals of the nonmandatory land reclamation program; and 4 5 (1) Whether the program will reclaim lands described б in subsection (2). 7 (7) Until 1995, the funds available for approved 8 reclamation contracts and acquisitions of nonmandatory lands 9 shall not exceed 20 percent of the uncommitted fund balance of the trust fund at the beginning of each year. The prioritized 10 list approved by the committee may contain more reclamation 11 12 program applications than there are funds available during the 13 year. (8) Each year, 15 percent of the funds available for 14 approved reclamation contracts, as set forth in subsection 15 (7), shall be reserved for reclamation programs which are 16 17 submitted by applicants other than corporations primarily 18 engaged in the mining or processing of phosphate ores to create lands to be actively used for agricultural activities. 19 In the event that, in any given year, there are insufficient 20 21 applicants that meet the department criteria for approval to 2.2 use the funds reserved under this subsection, the remaining 23 moneys may be made available to other applicants. (9) The committee recommendations shall be submitted 2.4 to the secretary by April 1 of each year for final agency 25 action by June 1 of that year. The secretary shall approve, in 26 27 whole or in part, the list of reclamation program applications 2.8 in the order of priority in which the applications are 29 presented. 30 (10) Any approved reclamation program application that was not funded shall, at the request of the applicant, be 31 4

1 considered by the committee at its next meeting called for 2 that purpose, together with other reclamation program applications received by November 1 of the next year. 3 (11)(a) After receiving the approval of the secretary, 4 the department shall offer a reclamation contract to an 5 б applicant within 30 days after the applicant's reclamation 7 program has been approved. The contracts shall be offered to 8 the applicants in their approved order on the priority list to the extent funds are available. Each applicant shall have 30 9 days in which to execute a reclamation contract. If the 10 contract is not executed within 30 days, the application shall 11 12 be dropped from the approved list for the current year. 13 (b) Reclamation contracts may not be signed and available funds may not be committed after June 30 of the year 14 15 in which a reclamation program application is approved by the 16 secretary. 17 (c) The amount of reimbursement for reclamation 18 activities allowed in the contract shall be a grant of money equal to the estimated cost of the program as approved by the 19 secretary. In no event, however, shall the grant amount exceed 20 21 the maximum amounts specified in s. 378.037(1)(b). 22 (d) After receiving the approval of the Governor and 23 Cabinet, each reclamation program application for the acquisition of land shall be transferred to the Division of 2.4 State Lands, which shall acquire the lands in compliance with 25 the acquisition procedures of s. 253.025. 26 27 (12) The department shall require by rule that owners 2.8 of eligible properties who intend to seek approval of a reclamation program submit, not later than December 31, 1993, 29 a notice of intent to file an application for approval, 30 indicating the date upon which the application will be filed. 31 5

1 Section 2. Section 378.035, Florida Statutes, is 2 amended to read: 3 378.035 Department responsibilities and duties with respect to Nonmandatory Land Reclamation Trust Fund .--4 5 (1) The department shall administer the Nonmandatory б Land Reclamation Trust Fund. 7 (2)(a) The department shall verify that reclamation 8 activities or portions thereof have been accomplished in accordance with the reclamation contract and shall certify the 9 cost of such reclamation activities to the Chief Financial 10 Officer for reimbursement. 11 12 (b) Beginning in 1985, the department shall determine 13 the maximum dollar amount a landowner may be reimbursed per reclaimed acre under an approved reclamation program. 14 (c) Nothing in this act precludes a landowner from 15 performing the reclamation pursuant to the approved 16 17 reclamation program, provided the landowner complies with the provisions of this act. 18 (3) If an applicant who has signed a reclamation 19 contract abandons the reclamation program prior to substantial 20 21 completion of the program, the department may spend the 22 remaining balance of funds not expended under the contract to 23 complete the program. (a) The contract amount and any amounts spent by the 2.4 department in excess of the remaining balance of the funds 25 under the contract become a lien upon the property, 26 27 enforceable pursuant to chapter 85. The moneys received as a 2.8 result of a lien foreclosure or as repayment shall be 29 deposited into the trust fund. 30 (b) If the land acquired pursuant to the lien foreclosure has recreational or wildlife value, the department 31 6

may retain ownership as with other property acquired pursuant 1 2 to s. 378.036. If the department sells the property, the department shall deposit the proceeds of the sale into the 3 trust fund. 4 5 (4) Interest on moneys deposited in the Nonmandatory 6 Land Reclamation Trust Fund shall accrue to that fund. 7 (5) Funds within the Nonmandatory Land Reclamation 8 Trust Fund are also authorized for use by the department for 9 the following purposes: 10 (a) To reclaim lands disturbed by the severance of phosphate rock on or after July 1, 1975, in the event that a 11 12 mining company ceases mining and the associated reclamation 13 prior to all lands disturbed by the operation being reclaimed. Moneys expended by the department to accomplish reclamation 14 pursuant to this subsection shall become a lien upon the 15 property enforceable pursuant to chapter 85. The moneys 16 17 received as a result of a lien foreclosure or as repayment 18 shall be deposited into the trust fund. In the event the money received as a result of lien foreclosure or repayment is less 19 than the amount expended for reclamation, the department shall 20 21 use all means available to recover, for the use of the fund, 22 the difference from the affected parties. Paragraph (3)(b) 23 shall apply to lands acquired as a result of a lien foreclosure. 2.4 (b) For the abatement of an imminent hazard as 25 provided by s. 403.4154(4) and for the purpose of closing an 26 27 abandoned phosphogypsum stack system and carrying out 2.8 postclosure care as provided by s. 403.4154(6). (c) For the purpose of funding basic management or 29 protection of reclaimed, restored, or preserved phosphate 30 lands: 31

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1 1. Which have wildlife habitat value as determined by 2 the Bureau of Mine Reclamation; 3 2. Which have been transferred by the landowner to a public agency or a private, nonprofit land conservation and 4 management entity in fee simple, or which have been made 5 6 subject to a conservation easement pursuant to s. 704.06; and 7 3. For which other management funding options are not available. 8 9 10 These funds may, after the basic management or protection has been assured for all such lands, be combined with other 11 12 available funds to provide a higher level of management for 13 such lands. (d) For the sole purpose of funding the department's 14 implementation of: 15 1. The NPDES permitting program authorized by s. 16 17 403.0885, as it applies to phosphate mining and beneficiation facilities, phosphate fertilizer production facilities, and 18 phosphate loading and handling facilities; 19 2. The regulation of dams in accordance with 20 21 department rule 62-672, Florida Administrative Code; and 22 3. The phosphogypsum management program pursuant to s. 23 403.4154 and department rule 62-673, Florida Administrative 2.4 Code. 25 (6) Should the nonmandatory land reclamation program encumber all the funds in the Nonmandatory Land Reclamation 26 27 Trust Fund except those reserved by subsection (5) prior to 2.8 funding all the reclamation applications for eligible parcels, the funds reserved by subsection (5) shall be available to the 29 30 program to the extent required to complete the reclamation of 31

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1 all eligible parcels for which the department has received 2 applications. 3 (7) The department may not accept any applications for nonmandatory land reclamation programs after January 1, 2005. 4 5 (8) The Bureau of Mine Reclamation shall review the б sufficiency of the Nonmandatory Land Reclamation Trust Fund to 7 support the stated objectives and report to the secretary 8 annually with recommendations as appropriate. (9) For the 2003 2004 fiscal year only, 9 10 notwithstanding the provisions of subsections (5) and (6), the department is authorized to expend the moneys appropriated in 11 12 the General Appropriations Act for the abatement of imminent 13 hazards caused by, and for the closure of, abandoned phosphogypsum stack systems as provided in subsections (3) and 14 (5) of s. 403.4154, respectively. This subsection expires July 15 16 $\frac{1}{2004}$ 17 18 For the 2003 2004 fiscal year the department may not approve or encumber nonmandatory reclamation projects in amounts 19 greater than \$15 million. 20 21 Section 3. Subsection (19) is added to section 22 373.414, Florida Statutes, to read: 23 373.414 Additional criteria for activities in surface waters and wetlands.--2.4 25 (19)(a) Financial responsibility for wetlands mitigation required by a permit issued pursuant to part IV for 26 27 phosphate mining operations shall be provided and must be 28 approved by the department prior to the initiation of mining operations under the permit occurring. For permitted 29 activities occurring over a period of three years or more of 30 mining operations, the financial responsibility demonstration 31

1 shall be in an amount equal to 110 percent of the estimated 2 mitigation costs for wetlands affected in the first year of operation under the permit, and shall be updated annually to 3 4 provide an amount equal to 110 percent of the estimated mitigation costs for the next year of operations under the 5 б permit. 7 (b) The mechanisms for providing financial 8 responsibility pursuant to the permit shall, at the discretion of the applicant, include the following: 9 10 1. Cash or cash equivalent deposited in an escrow 11 account. 12 2. Irrevocable letter of credit. 13 3. Performance bond. 4. Trust fund agreement. 14 5. Guarantee bond. 15 6. Insurance certificate. 16 17 7. A demonstration that the applicant meets the 18 financial test and corporate guarantee requirements set forth <u>in 40 C.F.R. s. 264.143(f).</u> 19 8. A demonstration that the applicant meets the self 20 21 bonding provision set forth in 30 C.F.R. s. 800.23. 22 23 The financial responsibility mechanism for the permit must be approved by the department during the permitting process. 2.4 25 (c) Financial responsibility amounts shall be adjusted annually to include estimated mitigation costs for wetlands 26 27 areas to be disturbed in the following year under the permit 2.8 and to release portions of the financial responsibility 29 mechanism in accordance with applicable rules. (d) The provisions of this subsection shall not apply 30 to any wetlands mitigation that is required pursuant to a 31

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1	permit or permits issued by the department or district prior
2	<u>to January 1, 2005.</u>
3	(e) Nothing provided herein supersedes or modifies the
4	financial responsibility requirements of s. 378.209.
5	Section 4. This act shall take effect July 1, 2005.
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7	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
8	COMMITTEE SUBSTITUTE FOR <u>Senate Bill 486</u>
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10	The committee substitute provides that financial
11	responsibility must be provided for permitted phosphate mining activities that affect wetlands. In cases where the permitted
12	activities cover a period of 3 years or more, the financial responsibility must equal 110 percent of the estimated mitigation costs for the first year of wetlands impacts. The financial responsibility costs are to be updated annually to
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14	include the following year of impacts.
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