By the Committee on Environmental Preservation and Conservation; and Senator Latvala

592-03431-11

20111514c1

A bill to be entitled 1 2 An act relating to permitting of consumptive uses of 3 water; amending s. 373.236, F.S.; requiring 4 consumptive use permits to be issued for a period of 5 20 years; providing exceptions; deleting legislative 6 findings requiring the Department of Environmental 7 Protection to provide certain information to 8 agricultural applicants; eliminating requirements for 9 permit compliance reports; removing the authority of 10 the department and the water management district 11 governing boards to request permit compliance reports 12 and to modify or revoke consumptive use permits; 13 providing for the modification of existing consumptive 14 use permits under certain conditions; amending s. 15 373.250, F.S.; providing requirements for water 16 management districts in evaluating applications for 17 the consumptive use of water in mandatory reuse zones; 18 providing applicability; creating s. 373.255, F.S.; 19 requiring water management districts to implement a 20 sustainable water use permit program for public water 21 utilities; providing program criteria; providing 22 permit application and issuance requirements; 23 providing requirements for permit monitoring, 24 compliance, and performance metrics; amending ss. 373.2234 and 373.243, F.S.; conforming cross-25 26 references; amending s. 373.707, F.S.; providing an 27 additional weighting factor that the governing board 28 may consider when determining which alternative water 29 supply projects to select for financial assistance;

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30	directing each water management district to consult
31	with the Department of Environmental Protection to
32	examine options for improving the coordination between
33	the consumptive use permitting process and the water
34	supply planning process by extending and reconciling
35	certain permitting provisions; requiring each water
36	management district to provide a report to the
37	Governor and the Legislature; providing an effective
38	date.
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40	Be It Enacted by the Legislature of the State of Florida:
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42	Section 1. Section 373.236, Florida Statutes, is amended to
43	read:
44	373.236 Duration of permits ; compliance reports
45	(1) Permits shall be granted for a period of 20 years
46	unless an applicant requests that the permit be issued for a
47	shorter period of time, if requested for that period of time, if
48	there is sufficient data to provide reasonable assurance that
49	the conditions for permit issuance will be met for the duration
50	of the permit; otherwise, permits may be issued for shorter
51	durations which reflect the period for which such reasonable
52	assurances can be provided. The governing board or the
53	department may base the duration of permits on a reasonable
54	system of classification according to source of supply or type
55	of use, or both.
56	(2) The Legislature finds that some agricultural landowners
57	remain unaware of their ability to request a 20-year consumptive
58	use permit under subsection (1) for initial permits or for

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592-03431-11 20111514c1 renewals. Therefore, the water management districts shall inform 59 60 agricultural applicants of this option in the application form. (2) (3) The governing board or the department may authorize 61 a permit of duration of up to 50 years in the case of a 62 municipality or other governmental body or of a public works or 63 public service corporation where such a period is required to 64 provide for the retirement of bonds for the construction of 65 waterworks and waste disposal facilities. 66 (4) Where necessary to maintain reasonable assurance that 67 68 the conditions for issuance of a 20-year permit can continue to 69 be met, the governing board or department, in addition to any 70 conditions required pursuant to s. 373.219, may require a 71 compliance report by the permittee every 10 years during the 72 term of a permit. The Suwannee River Water Management District 73 may require a compliance report by the permittee every 5 years 74 through July 1, 2015, and thereafter every 10 years during the 75 term of the permit. This report shall contain sufficient data to 76 maintain reasonable assurance that the initial conditions for 77 permit issuance are met. Following review of this report, the 78 governing board or the department may modify the permit to ensure that the use meets the conditions for issuance. Permit 79 modifications pursuant to this subsection shall not be subject 80 to competing applications, provided there is no increase in the 81 permitted allocation or permit duration, and no change in 82 source, except for changes in source requested by the district. 83 This subsection shall not be construed to limit the existing 84 85 authority of the department or the governing board to modify or 86 revoke a consumptive use permit. 87 (3) (3) (5) Permits approved for the development of alternative

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592-03431-11 20111514c1 88 water supplies shall be granted for a term of at least 20 years. 89 However, if the permittee issues bonds for the construction of 90 the project, upon request of the permittee prior to the 91 expiration of the permit, that permit shall be extended for such 92 additional time as is required for the retirement of bonds, not including any refunding or refinancing of such bonds, provided 93 that the governing board determines that the use will continue 94 95 to meet the conditions for the issuance of the permit. Such a permit is subject to compliance reports under subsection (4). 96

97 (4) (6) (a) The Legislature finds that the need for 98 alternative water supply development projects to meet 99 anticipated public water supply demands of the state is so 100 important that it is essential to encourage participation in and 101 contribution to these projects by private-rural-land owners who 102 characteristically have relatively modest near-term water 103 demands but substantially increasing demands after the 20-year 104 planning period in s. 373.709. Therefore, where such landowners 105 make extraordinary contributions of lands or construction funding to enable the expeditious implementation of such 106 107 projects, the governing board water management districts and the 108 department may grant permits for such projects for a period of up to 50 years to municipalities, counties, special districts, 109 regional water supply authorities, multijurisdictional water 110 supply entities, and publicly or privately owned utilities, with 111 the exception of any publicly or privately owned utilities 112 113 created for or by a private landowner after April 1, 2008, which 114 have entered into an agreement with the private landowner for 115 the purpose of more efficiently pursuing alternative public 116 water supply development projects identified in a district's

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592-03431-11 20111514c1 117 regional water supply plan and meeting water demands of both the 118 applicant and the landowner. 119 (b) A permit under paragraph (a) may be granted only for that period for which there is sufficient data to provide 120 121 reasonable assurance that the conditions for permit issuance will be met. Such a permit shall require a compliance report by 122 123 the permittee every 5 years during the term of the permit. The 124 report shall contain sufficient data to maintain reasonable 125 assurance that the conditions for permit issuance applicable at 126 the time of district review of the compliance report are met. 127 After review of this report, the governing board or the department may modify the permit to ensure that the use meets 128 the conditions for issuance. This subsection does not limit the 129 130 existing authority of the department or the governing board to 131 modify or revoke a consumptive use permit. 132 (5) (7) A permit approved for a renewable energy generating 133 facility or the cultivation of agricultural products on lands 134 consisting of 1,000 acres or more for use in the production of 135 renewable energy, as defined in s. 366.91(2)(d), shall be 136 granted for a term of at least 25 years at the applicant's request based on the anticipated life of the facility if there 137 138 is sufficient data to provide reasonable assurance that the 139 conditions for permit issuance will be met for the duration of 140

140 the permit; otherwise, a permit may be issued for a shorter 141 duration <u>if requested by the applicant</u> that reflects the longest 142 period for which such reasonable assurances are provided. Such a 143 permit is subject to compliance reports under subsection (4).

144 (6) If requested by an existing consumptive use permit
145 holder, the governing board shall modify the permit to bring it

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146	into compliance with this section.
147	Section 2. Present subsections (4), (5), and (6) of section
148	373.250, Florida Statutes, are renumbered as subsections (5),
149	(6), and (7), respectively, and a new subsection (4) is added to
150	that section, to read:
151	373.250 Reuse of reclaimed water
152	(4)(a) In evaluating an application for the consumptive use
153	of water, other than for an agricultural use on land that has
154	been classified as agricultural pursuant to s. 193.461, a water
155	management district shall recognize a mandatory reuse zone that
156	is created by the local government or a special district
157	pursuant to applicable law and that requires persons specified
158	by the local government or special district to connect to a
159	reclaimed water system for irrigation and other nonpotable uses,
160	as follows:
161	1. Where reclaimed water is available and technically and
162	environmentally feasible for the proposed use, the water
163	management district shall presume that reclaimed water is
164	economically feasible in a mandatory reuse zone, and an
165	applicant bears the burden of overcoming the presumption;
166	2 Any applicant in a mandatory reuse zone seeking
167	authorization for a nonpotable use shall consider the
168	feasibility of using available reclaimed water. This requirement
169	applies to all regulated water uses, regardless of type of
170	permit or authorization, excluding exemptions from permitting;
171	and
172	3. In a mandatory reuse zone, the use of reclaimed water
173	shall be prioritized over other water sources for nonpotable
174	uses and shall be required if determined to be technically,

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175	environmentally, and economically feasible.
176	(b) This subsection does not limit the ability of a reuse
177	utility, the local government, or a special district to restrict
178	the use of potable water supplied by the potable water
179	distribution system serving its customers for the purposes of
180	irrigation or other nonpotable uses that may be met by reclaimed
181	water. This subsection does not affect the authority of a water
182	management district to consider the feasibility of using
183	reclaimed water in any permit application for the agricultural
184	use of water.
185	Section 3. Section 373.255, Florida Statutes, is created to
186	read:
187	<u>373.255</u> Sustainable water use permit
188	(1) Each water management district shall implement a
189	sustainable water use permit program for public water utilities
190	that:
191	(a) Provides a single permitting process authorizing the
192	use of water from multiple water sources.
193	(b) Encourages and facilitates the use of alternative water
194	sources.
195	(c) Stores excess captured surface water flow or water from
196	an alternative water supply as defined in s. 373.019(20) in off-
197	stream reservoirs, aquifer storage and recovery wellfields, or
198	other means of storage for recovery.
199	(d) Recovers stored water in order to reliably meet public
200	demand.
201	(e) Provides for use of traditional groundwater as a
202	supplemental source during drought conditions when stored water
203	is reduced, to the extent necessary to meet the public demand

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204	for water in a reliable and efficient manner.
205	(f) Preserves traditional water supply sources for use by
206	future generations.
207	(2) A public water utility applying for a sustainable water
208	use permit must identify each source from which water is
209	proposed to be withdrawn and demonstrate for each source that
210	the withdrawal is a reasonable-beneficial use as defined in s.
211	373.019, is consistent with the public interest, and will not
212	interfere with any presently existing legal use of water.
213	(3) A sustainable water use permit:
214	(a) Shall specify all sources from which water may be
215	withdrawn and the conditions under which such withdrawals may be
216	made in order to meet the reasonable public water supply demands
217	of the utility.
218	(b) May be issued without specifying the quantity of water
219	that is permitted to be withdrawn from any individual source.
220	(c) Shall be issued for a period of not less than 20 years,
221	with the reasonable expectation of renewal in the absence of
222	readily quantifiable changed conditions.
223	(4) Monitoring, compliance, and performance metrics for
224	sustainable water use permits shall acknowledge and accommodate
225	the natural variability and inherent uncertainty of the climate,
226	weather, and hydrology of the relevant region while
227	simultaneously enabling public water supply utilities to meet
228	the potable water demands of their customers in a reliable,
229	efficient, and cost-effective manner.
230	Section 4. Section 373.2234, Florida Statutes, is amended
231	to read:
232	373.2234 Preferred water supply sources.—The governing

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592-03431-11 20111514c1 233 board of a water management district is authorized to adopt 234 rules that identify preferred water supply sources for 235 consumptive uses for which there is sufficient data to establish 236 that a preferred source will provide a substantial new water 237 supply to meet the existing and projected reasonable-beneficial uses of a water supply planning region identified pursuant to s. 238 239 373.709(1), while sustaining existing water resources and natural systems. At a minimum, such rules must contain a 240 description of the preferred water supply source and an 241 242 assessment of the water the preferred source is projected to 243 produce. If an applicant proposes to use a preferred water 244 supply source, that applicant's proposed water use is subject to 245 s. 373.223(1), except that the proposed use of a preferred water 246 supply source must be considered by a water management district 247 when determining whether a permit applicant's proposed use of 248 water is consistent with the public interest pursuant to s. 249 373.223(1)(c). A consumptive use permit issued for the use of a 250 preferred water supply source must be granted, when requested by 251 the applicant, for at least a 20-year period and may be subject 252 to the compliance reporting provisions of s. 373.236(4). Nothing 253 in this section shall be construed to exempt the use of 254 preferred water supply sources from the provisions of ss. 255 373.016(4) and 373.223(2) and (3), or be construed to provide that permits issued for the use of a nonpreferred water supply 256 257 source must be issued for a duration of less than 20 years or 258 that the use of a nonpreferred water supply source is not 259 consistent with the public interest. Additionally, nothing in 260 this section shall be interpreted to require the use of a 261 preferred water supply source or to restrict or prohibit the use

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592-03431-11 20111514c1 262 of a nonpreferred water supply source. Rules adopted by the 263 governing board of a water management district to implement this 264 section shall specify that the use of a preferred water supply 265 source is not required and that the use of a nonpreferred water 266 supply source is not restricted or prohibited. 267 Section 5. Subsection (4) of section 373.243, Florida 268 Statutes, is amended to read: 269 373.243 Revocation of permits.-The governing board or the 270 department may revoke a permit as follows: 271 (4) For nonuse of the water supply allowed by the permit 272 for a period of 2 years or more, the governing board or the 273 department may revoke the permit permanently and in whole unless 274 the user can prove that his or her nonuse was due to extreme 275 hardship caused by factors beyond the user's control. For a 276 permit issued pursuant to s. 373.236(5)(7), the governing board 277 or the department may revoke the permit only if the nonuse of 278 the water supply allowed by the permit is for a period of 4 279 years or more. 280 Section 6. Paragraph (f) of subsection (8) of section 281 373.707, Florida Statutes, is amended to read: 282 373.707 Alternative water supply development.-283 (8) 284 (f) The governing boards shall determine those projects that will be selected for financial assistance. The governing 285 boards may establish factors to determine project funding; 286 287 however, significant weight shall be given to the following 288 factors: 289 1. Whether the project provides substantial environmental 290 benefits by preventing or limiting adverse water resource

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291	impacts.
292	2. Whether the project reduces competition for water
293	supplies.
294	3. Whether the project brings about replacement of
295	traditional sources in order to help implement a minimum flow or
296	level or a reservation.
297	4. Whether the project will be implemented by a consumptive
298	use permittee that has achieved the targets contained in a goal-
299	based water conservation program approved pursuant to s.
300	373.227.
301	5. The quantity of water supplied by the project as
302	compared to its cost.
303	6. Projects in which the construction and delivery to end
304	users of reuse water is a major component.
305	7. Whether the project will be implemented by a
306	multijurisdictional water supply entity or regional water supply
307	authority.
308	8. Whether the project implements reuse that assists in the
309	elimination of domestic wastewater ocean outfalls as provided in
310	s. 403.086(9).
311	9. Whether the county or municipality, or the multiple
312	counties or municipalities, in which the project is located has
313	implemented a high-water recharge protection tax assessment
314	program as provided in s. 193.625.
315	10. Whether the project provides additional storage
316	capacity of surface water flows to ensure sustainability of the
317	public water supply.
318	Section 7. In consultation with the Department of
319	Environmental Protection, each water management district is

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320	directed to examine options for improving the coordination
321	between the consumptive use permitting process under part II of
322	chapter 373, Florida Statutes, and the water supply planning
323	process under part VII of chapter 373, Florida Statutes, by
324	extending and reconciling the duration of issued consumptive use
325	permits to provide for the simultaneous expiration and renewal
326	of the permits, at the request of an applicant, on a rolling
327	basin-specific basis. Each water management district shall
328	report its findings and recommendations to the Governor, the
329	President of the Senate, and the Speaker of the House of
330	Representatives by January 1, 2012. This section does not affect
331	the term of any consumptive use permit issued in accordance with
332	Florida law.
333	Section 8. This act shall take effect July 1, 2011.