By the Committees on Agriculture; and Environmental Preservation and Conservation; and Senator Latvala

575-04268A-11 20111514c2 1 A bill to be entitled 2 An act relating to environmental regulation; amending 3 s. 373.019, F.S.; redefining the term "alternative 4 water supplies" to exclude the development of 5 nonbrackish groundwater supplies; amending s. 373.236, 6 F.S.; requiring the Department of Environmental 7 Protection or governing board of a water management 8 district to limit its review following issuance of a 9 consumptive use permit and make only one request for additional information; providing for the governing 10 11 board rather than the district to grant permits for 12 certain projects; extending the term to 10 years from 13 5 years for submitting compliance reports; allowing a 14 permit to be issued for a shorter period if requested 15 by the applicant; providing for the modification of 16 existing consumptive use permits under certain 17 conditions; amending s. 373.250, F.S.; providing 18 requirements for water management districts in 19 evaluating applications for the consumptive use of water in mandatory reuse zones; providing 20 21 applicability; amending ss. 373.2234 and 373.243, 22 F.S.; conforming cross-references; amending s. 23 373.41492, F.S.; authorizing the use of proceeds from 24 the water treatment plant upgrade fee to pay for specified mitigation projects; requiring proceeds from 25 26 the water treatment plant upgrade fee to be 27 transferred by the Department of Revenue to the South 28 Florida Water Management District and deposited into 29 the Lake Belt Mitigation Trust Fund for a specified

Page 1 of 15

| 1 | 575-04268A-11 20111514c2 |
|----|---|
| 30 | period of time; providing, after that period, for the |
| 31 | proceeds of the water treatment plant upgrade fee to |
| 32 | return to being transferred by the Department of |
| 33 | Revenue to a trust fund established by Miami-Dade |
| 34 | County for specified purposes; conforming a term; |
| 35 | amending s. 373.707, F.S.; providing an additional |
| 36 | weighting factor that the governing board may consider |
| 37 | when determining which alternative water supply |
| 38 | projects to select for financial assistance; directing |
| 39 | each water management district to consult with the |
| 40 | Department of Environmental Protection to examine |
| 41 | options for improving the coordination between the |
| 42 | consumptive use permitting process and the water |
| 43 | supply planning process by extending and reconciling |
| 44 | certain permitting provisions; requiring each water |
| 45 | management district to provide a report to the |
| 46 | Governor and the Legislature; providing an effective |
| 47 | date. |
| 48 | |
| 49 | Be It Enacted by the Legislature of the State of Florida: |
| 50 | |
| 51 | Section 1. Subsection (1) of section 373.019, Florida |
| 52 | Statutes, is amended to read: |
| 53 | 373.019 DefinitionsWhen appearing in this chapter or in |
| 54 | any rule, regulation, or order adopted pursuant thereto, the |
| 55 | term: |
| 56 | (1) "Alternative water supplies" means salt water; brackish |
| 57 | surface and groundwater; surface water captured predominately |
| 58 | during wet-weather flows; sources made available through the |
| | |

Page 2 of 15

575-04268A-11 20111514c2 59 addition of new storage capacity for surface or groundwater; 60 water that has been reclaimed after one or more public supply, municipal, industrial, commercial, or agricultural uses; the 61 62 downstream augmentation of water bodies with reclaimed water; 63 stormwater; and any other water supply source that is designated 64 as nontraditional for a water supply planning region in the 65 applicable regional water supply plan. The term does not include 66 nonbrackish groundwater supply development. Section 2. Subsections (4), (6), and (7) of section 67 68 373.236, Florida Statutes, are amended, and subsection (8) is 69 added to that section, to read: 70 373.236 Duration of permits; compliance reports.-71 (4) Where necessary to maintain reasonable assurance that 72 the conditions for issuance of a 20-year permit can continue to 73 be met, the governing board or department, in addition to any 74 conditions required pursuant to s. 373.219, may require a 75 compliance report by the permittee every 10 years during the 76 term of a permit. This review shall be limited to a 3-month 77 period from the 10-year date. During the review, the department 78 or governing board may make only one request for additional 79 information. The Suwannee River Water Management District may 80 require a compliance report by the permittee every 5 years 81 through July 1, 2015, and thereafter every 10 years during the 82 term of the permit. This review shall be limited to a 3-month period from the 10-year date. During the review, the department 83 84 or governing board may make only one request for additional 85 information. This report shall contain sufficient data to maintain reasonable assurance that the initial conditions for 86 87 permit issuance are met. Following review of this report, the

Page 3 of 15

575-04268A-11 20111514c2 88 governing board or the department may modify the permit to 89 ensure that the use meets the conditions for issuance. Permit 90 modifications pursuant to this subsection shall not be subject 91 to competing applications, provided there is no increase in the 92 permitted allocation or permit duration, and no change in 93 source, except for changes in source requested by the district. 94 This subsection shall not be construed to limit the existing 95 authority of the department or the governing board to modify or revoke a consumptive use permit. 96 97 (6) (a) The Legislature finds that the need for alternative 98 water supply development projects to meet anticipated public 99 water supply demands of the state is so important that it is 100 essential to encourage participation in and contribution to 101 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 109 up to 50 years to municipalities, counties, special districts, 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

Page 4 of 15

575-04268A-11 20111514c2 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 120 that period for which there is sufficient data to provide 121 reasonable assurance that the conditions for permit issuance 122 will be met. Such a permit shall require a compliance report by 123 the permittee every 10 $\frac{5}{5}$ years during the term of the permit. 124 The 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 128 department may modify the permit to ensure that the use meets 129 the conditions for issuance. This subsection does not limit the 130 existing authority of the department or the governing board to 131 modify or revoke a consumptive use permit.

132 (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 137 request based on the anticipated life of the facility if there 138 is sufficient data to provide reasonable assurance that the 139 conditions for permit issuance will be met for the duration of 140 the permit; otherwise, a permit may be issued for a shorter 141 duration if requested by the applicant 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 (8) If requested by an existing consumptive use

145 permitholder, the governing board shall modify the permit to

Page 5 of 15

| | 575-04268A-11 20111514c2 |
|-----|--|
| 146 | bring it into compliance with this section. |
| 147 | Section 3. 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, |
| | |

Page 6 of 15

575-04268A-11 20111514c2 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 4. Section 373.2234, Florida Statutes, is amended 186 to read: 187 373.2234 Preferred water supply sources.-The governing 188 board of a water management district is authorized to adopt

189 rules that identify preferred water supply sources for 190 consumptive uses for which there is sufficient data to establish 191 that a preferred source will provide a substantial new water 192 supply to meet the existing and projected reasonable-beneficial uses of a water supply planning region identified pursuant to s. 193 194 373.709(1), while sustaining existing water resources and 195 natural systems. At a minimum, such rules must contain a 196 description of the preferred water supply source and an 197 assessment of the water the preferred source is projected to 198 produce. If an applicant proposes to use a preferred water supply source, that applicant's proposed water use is subject to 199 200 s. 373.223(1), except that the proposed use of a preferred water 201 supply source must be considered by a water management district 202 when determining whether a permit applicant's proposed use of 203 water is consistent with the public interest pursuant to s.

Page 7 of 15

575-04268A-11 20111514c2 204 373.223(1)(c). A consumptive use permit issued for the use of a 205 preferred water supply source must be granted, when requested by 206 the applicant, for at least a 20-year period and may be subject 207 to the compliance reporting provisions of s. 373.236(4). Nothing 208 in this section shall be construed to exempt the use of 209 preferred water supply sources from the provisions of ss. 210 373.016(4) and 373.223(2) and (3), or be construed to provide 211 that permits issued for the use of a nonpreferred water supply 212 source must be issued for a duration of less than 20 years or 213 that the use of a nonpreferred water supply source is not 214 consistent with the public interest. Additionally, nothing in 215 this section shall be interpreted to require the use of a 216 preferred water supply source or to restrict or prohibit the use 217 of a nonpreferred water supply source. Rules adopted by the 218 governing board of a water management district to implement this 219 section shall specify that the use of a preferred water supply 220 source is not required and that the use of a nonpreferred water 221 supply source is not restricted or prohibited.

222 Section 5. Subsection (4) of section 373.243, Florida 223 Statutes, is amended to read:

224 373.243 Revocation of permits.—The governing board or the 225 department may revoke a permit as follows:

(4) For nonuse of the water supply allowed by the permit for a period of 2 years or more, the governing board or the department may revoke the permit permanently and in whole unless the user can prove that his or her nonuse was due to extreme hardship caused by factors beyond the user's control. For a permit issued pursuant to s. 373.236(5)(7), the governing board or the department may revoke the permit only if the nonuse of

Page 8 of 15

| | 575-04268A-11 20111514c2 |
|-----|--|
| 233 | the water supply allowed by the permit is for a period of 4 |
| 234 | years or more. |
| 235 | Section 6. Subsections (2) and (3), paragraph (a) of |
| 236 | subsection (4), and paragraph (a) of subsection (6) of section |
| 237 | 373.41492, Florida Statutes, are amended to read: |
| 238 | 373.41492 Miami-Dade County Lake Belt Mitigation Plan; |
| 239 | mitigation for mining activities within the Miami-Dade County |
| 240 | Lake Belt |
| 241 | (2) To provide for the mitigation of wetland resources lost |
| 242 | to mining activities within the Miami-Dade County Lake Belt |
| 243 | Plan, effective October 1, 1999, a mitigation fee is imposed on |
| 244 | each ton of limerock and sand extracted by any person who |
| 245 | engages in the business of extracting limerock or sand from |
| 246 | within the Miami-Dade County Lake Belt Area and the east one- |
| 247 | half of sections 24 and 25 and all of sections 35 and 36, |
| 248 | Township 53 South, Range 39 East. The mitigation fee is imposed |
| 249 | for each ton of limerock and sand sold from within the |
| 250 | properties where the fee applies in raw, processed, or |
| 251 | manufactured form, including, but not limited to, sized |
| 252 | aggregate, asphalt, cement, concrete, and other limerock and |
| 253 | concrete products. The mitigation fee imposed by this subsection |
| 254 | for each ton of limerock and sand sold shall be 12 cents per ton |
| 255 | beginning January 1, 2007; 18 cents per ton beginning January 1, |
| 256 | 2008; 24 cents per ton beginning January 1, 2009; and 45 cents |
| 257 | per ton beginning close of business December 31, 2011. <u>To pay</u> |
| 258 | for seepage mitigation projects, including hydrological |
| 259 | structures, as authorized in an environmental resource permit |
| 260 | issued by the department for mining activities within the Miami- |
| 261 | Dade County Lake Belt Area, and to upgrade a water treatment |
| | |

Page 9 of 15

575-04268A-11 20111514c2 262 plant that treats water coming from the Northwest Wellfield in 263 Miami-Dade County, a water treatment plant upgrade fee is 264 imposed within the same Lake Belt Area subject to the mitigation 265 fee and upon the same kind of mined limerock and sand subject to 266 the mitigation fee. The water treatment plant upgrade fee 267 imposed by this subsection for each ton of limerock and sand 268 sold shall be 15 cents per ton beginning on January 1, 2007, and 269 the collection of this fee shall cease once the total amount of 270 proceeds collected for this fee reaches the amount of the actual 271 moneys necessary to design and construct the water treatment 272 plant upgrade, as determined in an open, public solicitation 273 process. Any limerock or sand that is used within the mine from 274 which the limerock or sand is extracted is exempt from the fees. 275 The amount of the mitigation fee and the water treatment plant 276 upgrade fee imposed under this section must be stated separately 277 on the invoice provided to the purchaser of the limerock or sand 278 product from the limerock or sand miner, or its subsidiary or 279 affiliate, for which the fee or fees apply. The limerock or sand 280 miner, or its subsidiary or affiliate, who sells the limerock or 281 sand product shall collect the mitigation fee and the water 282 treatment plant upgrade fee and forward the proceeds of the fees 283 to the Department of Revenue on or before the 20th day of the 284 month following the calendar month in which the sale occurs. As 285 used in this section, the term "proceeds of the fee" means all 286 funds collected and received by the Department of Revenue under 287 this section, including interest and penalties on delinquent 288 fees. The amount deducted for administrative costs may not 289 exceed 3 percent of the total revenues collected under this 290 section and may equal only those administrative costs reasonably

Page 10 of 15

575-04268A-11

20111514c2

291 attributable to the fees.

292 (3) The mitigation fee and the water treatment plant 293 upgrade fee imposed by this section must be reported to the 294 Department of Revenue. Payment of the mitigation and the water 295 treatment plant upgrade fees must be accompanied by a form 296 prescribed by the Department of Revenue. The proceeds of the 297 mitigation fee, less administrative costs, must be transferred 298 by the Department of Revenue to the South Florida Water 299 Management District and deposited into the Lake Belt Mitigation 300 Trust Fund. Beginning January 1, 2012, and ending December 31, 301 2017, or upon issuance of water quality certification by the 302 department for mining activities within Phase II of the Miami-303 Dade County Lake Belt Plan, whichever occurs later, the proceeds 304 of the water treatment plant upgrade fee, less administrative 305 costs, must be transferred by the Department of Revenue to the 306 South Florida Water Management District and deposited into the 307 Lake Belt Mitigation Trust Fund. Beginning January 1, 2018, the 308 proceeds of the water treatment plant upgrade fee, less 309 administrative costs, must be transferred by the Department of 310 Revenue to a trust fund established by Miami-Dade County, for 311 the sole purpose authorized by paragraph (6) (a). As used in this 312 section, the term "proceeds of the fee" means all funds 313 collected and received by the Department of Revenue under this section, including interest and penalties on delinquent fees. 314 315 The amount deducted for administrative costs may not exceed 3 316 percent of the total revenues collected under this section and 317 may equal only those administrative costs reasonably 318 attributable to the fees. 319 (4) (a) The Department of Revenue shall administer, collect,

Page 11 of 15

575-04268A-11

20111514c2

320 and enforce the mitigation and water treatment plant upgrade 321 fees authorized under this section in accordance with the 322 procedures used to administer, collect, and enforce the general 323 sales tax imposed under chapter 212. The provisions of chapter 324 212 with respect to the authority of the Department of Revenue to audit and make assessments, the keeping of books and records, 325 326 and the interest and penalties imposed on delinquent fees apply 327 to this section. The fees may not be included in computing estimated taxes under s. 212.11, and the dealer's credit for 328 329 collecting taxes or fees provided for in s. 212.12 does not 330 apply to the fees imposed by this section.

331 (6) (a) The proceeds of the mitigation fee must be used to 332 conduct mitigation activities that are appropriate to offset the 333 loss of the value and functions of wetlands as a result of 334 mining activities and must be used in a manner consistent with 335 the recommendations contained in the reports submitted to the 336 Legislature by the Miami-Dade County Lake Belt Plan 337 Implementation Committee and adopted under s. 373.4149. Such 338 mitigation may include the purchase, enhancement, restoration, 339 and management of wetlands and uplands, the purchase of 340 mitigation credit from a permitted mitigation bank, and any 341 structural modifications to the existing drainage system to 342 enhance the hydrology of the Miami-Dade County Lake Belt Area. 343 Funds may also be used to reimburse other funding sources, including the Save Our Rivers Land Acquisition Program, the 344 345 Internal Improvement Trust Fund, the South Florida Water 346 Management District, and Miami-Dade County, for the purchase of 347 lands that were acquired in areas appropriate for mitigation due 348 to rock mining and to reimburse governmental agencies that

Page 12 of 15

575-04268A-11 20111514c2 349 exchanged land under s. 373.4149 for mitigation due to rock 350 mining. The proceeds of the water treatment plant upgrade fee 351 that are deposited into the Lake Belt Mitigation Trust Fund 352 shall be used solely to pay for seepage mitigation projects, 353 including groundwater or surface water management structures, as 354 authorized in an environmental resource permit issued by the 355 department for mining activities within the Miami-Dade County 356 Lake Belt Area. The proceeds of the water treatment plant 357 upgrade fee that are transferred to a trust fund established by 358 Miami-Dade County shall be used to upgrade a water treatment 359 plant that treats water coming from the Northwest Wellfield in 360 Miami-Dade County. As used in this section, the terms "upgrade a 361 water treatment plant" or "water treatment plant upgrade" means 362 those works necessary to treat or filter a surface water source 363 or supply or both. 364 Section 7. Paragraph (f) of subsection (8) of section 365 373.707, Florida Statutes, is amended to read: 366 373.707 Alternative water supply development.-367 (8) 368 (f) The governing boards shall determine those projects 369 that will be selected for financial assistance. The governing 370 boards may establish factors to determine project funding; 371 however, significant weight shall be given to the following

372 factors:

373 1. Whether the project provides substantial environmental 374 benefits by preventing or limiting adverse water resource 375 impacts.

376 2. Whether the project reduces competition for water377 supplies.

Page 13 of 15

| 1 | 575-04268A-11 20111514c2 |
|-----|--|
| 378 | 3. Whether the project brings about replacement of |
| 379 | traditional sources in order to help implement a minimum flow or |
| 380 | level or a reservation. |
| 381 | 4. Whether the project will be implemented by a consumptive |
| 382 | use permittee that has achieved the targets contained in a goal- |
| 383 | based water conservation program approved pursuant to s. |
| 384 | 373.227. |
| 385 | 5. The quantity of water supplied by the project as |
| 386 | compared to its cost. |
| 387 | 6. Projects in which the construction and delivery to end |
| 388 | users of reuse water is a major component. |
| 389 | 7. Whether the project will be implemented by a |
| 390 | multijurisdictional water supply entity or regional water supply |
| 391 | authority. |
| 392 | 8. Whether the project implements reuse that assists in the |
| 393 | elimination of domestic wastewater ocean outfalls as provided in |
| 394 | s. 403.086(9). |
| 395 | 9. Whether the county or municipality, or the multiple |
| 396 | counties or municipalities, in which the project is located has |
| 397 | implemented a high-water recharge protection tax assessment |
| 398 | program as provided in s. 193.625. |
| 399 | 10. Whether the project provides additional storage |
| 400 | capacity of surface water flows to ensure sustainability of the |
| 401 | public water supply. |
| 402 | Section 8. In consultation with the Department of |
| 403 | Environmental Protection, each water management district is |
| 404 | directed to examine options for improving the coordination |
| 405 | between the consumptive use permitting process under part II of |
| 406 | chapter 373, Florida Statutes, and the water supply planning |
| | |

Page 14 of 15

| | 575-04268A-11 20111514c2 |
|-----|--|
| 407 | process under part VII of chapter 373, Florida Statutes, by |
| 408 | extending and reconciling the duration of issued consumptive use |
| 409 | permits to provide for the simultaneous expiration and renewal |
| 410 | of the permits, at the request of an applicant, on a rolling |
| 411 | basin-specific basis. Each water management district shall |
| 412 | report its findings and recommendations to the Governor, the |
| 413 | President of the Senate, and the Speaker of the House of |
| 414 | Representatives by January 1, 2012. This section does not affect |
| 415 | the term of any consumptive use permit issued in accordance with |
| 416 | Florida law. |
| 417 | Section 9. This act shall take effect July 1, 2011. |

Page 15 of 15