

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1063 Water Supply

SPONSOR(S): Agriculture & Natural Resources Subcommittee, Hutson and others

TIED BILLS: None **IDEN./SIM. BILLS:** SB 948

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Agriculture & Natural Resources Subcommittee	13 Y, 0 N, As CS	Renner	Blalock
2) Agriculture & Natural Resources Appropriations Subcommittee			
3) State Affairs Committee			

SUMMARY ANALYSIS

Current law provides that water management districts (WMDs) are required to develop a regional water supply plan in areas where they have determined that available water sources are not sufficient to meet existing and future water supply needs within a 20-year planning period. The plans include projected water supply needs for all users, including agriculture. The WMDs employ different methods in making such projections for agricultural users and use a combination of common and unique data sources. The Department of Agriculture and Consumer Services (DACS) participates in the regional water supply planning process and can provide input regarding agricultural water supply demand projection, but has no formal role in determining future water supply needs for agriculture.

The bill adds utility companies, private landowners, water consumers, and DACS to the list of entities that should cooperate in order to meet the water needs of rural and rapidly urbanizing areas. The bill adds “self-suppliers” to the list of entities the governing boards of WMDs must assist in meeting water supply needs and to the list of entities governing boards can join with for the purpose of carrying out its duties and contract with to finance acquisitions, construction, operation, and maintenance, provided such contracts are consistent with the public interest. The bill defines the term “self-supplier” to mean persons who obtain surface or groundwater from a source other than a public water supply.

The bill includes DACS in the list of entities the governing boards of the WMDs must coordinate and cooperate with when conducting water supply planning for water supply planning regions. The bill provides that agricultural demand projections used for determining the needs of agricultural self-suppliers must be based upon the best available data. The WMD must consider the data indicative of future water supply demands provided by DACS when determining the best available data for agricultural self-supplied water needs. Any adjustment of or deviation from the data provided by DACS must be fully described, and the original data must be presented along with the adjusted data.

The bill directs DACS to establish an agricultural water supply planning program that includes the development of data indicative of future agricultural water supply demands, which must be based on at least a 20-year planning period. The data on future agricultural water supply demands, which are provided to each WMD, must include certain provisions (See Effect of Proposed Changes). In developing the data of future agricultural water supply needs, DACS must consult with the agricultural industry, the University of Florida’s Institute of Food and Agricultural Sciences, DEP, the WMDs, the National Agricultural Statistics Service, and the U.S. Geological Survey. Lastly, DACS must coordinate with each WMD to establish a schedule for providing the data on agricultural water supply needs.

The bill appears to have a significant fiscal impact on state government expenditures. DACS is requesting \$1.5 million in non-recurring General Revenue as part of its 2013-2014 legislative budget request to fund the provisions of the bill. The bill does not appear to have a fiscal impact on local government.

FULL ANALYSIS

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1063a.ANRS

DATE: 3/22/2013

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Section 373.701, F.S., provides that it is the policy of the Legislature to:

- Promote the availability of sufficient water for all existing and future reasonable-beneficial uses and natural systems;
- Provide that those waters be managed on a state and regional basis; and
- Provide that cooperative efforts between municipalities, counties, water management districts (WMDs), and the Department of Environmental Protection (DEP) are mandatory in order to meet the water needs.

Section 373.703, F.S., provides for certain powers and duties of the governing board of a WMD.

Section 373.709(1), F.S., provides that each WMD must conduct water supply planning for any water supply planning region within the district where it determines that existing sources of water are not adequate to supply water for all existing and future reasonable-beneficial uses¹ and to sustain the water resources and related natural systems for the planning period. The planning must be conducted in an open public process and in coordination and cooperation with local governments, regional water supply authorities, government-owned and privately owned water and wastewater utilities, multijurisdictional water supply entities, self-suppliers, reuse utilities, DEP, and other affected and interested parties. A determination by the governing board that initiation of a regional water supply plan for a specific planning region is not needed must be reevaluated by the WMD governing board at least once every 5 years and must initiate a regional water supply plan, if needed.

Section 373.709(2), F.S., provides that each regional water supply plan must be based on at least a 20-year planning period, and include:

- A water supply development component;
- A water resource development component;
- A recovery and prevention strategy;
- A funding strategy;
- The impacts on the public interest, costs, natural resources, etc.;
- Technical data and information;
- Any MFLs established for the planning area;
- Reservations of water adopted within each planning region;
- The water resources for which future MFLs must be developed.; and
- An analysis of where variances may be used to create water supply development or water resource development projects.

Regional water supply plans include projected water supply needs for all users, including agriculture. The WMDs employ different methods in making such projections for agricultural users and use a combination of common and unique data sources. The Department of Agriculture and Consumer Services (DACS) participates in the regional water supply planning process and can provide input regarding agricultural water supply demand projection, but has no formal role in determining future water supply needs for agriculture.²

The regional water supply plans typically list water resource development and water supply development options that can meet the projected reasonable-beneficial use needs of the water supply

¹ Section 373.019(16), F.S., defines reasonable-beneficial use as “the use of water in such quantity as is necessary for economic and efficient utilization for a purpose and in a manner which is both reasonable and consistent with the public interest.”

² DACS 2013 analysis. On file with staff.

region. The plans normally include a mix of traditional and alternative water supply options.³ Traditional water supplies come from surface water sources, such as lakes and rivers, and from groundwater withdrawals. Alternative water supplies include activities such as treating wastewater for agricultural use, desalination of saltwater or brackish water to produce drinking water, and surface and rain water storage. Water consumers either purchase or self-supply water. Self-supplied water often comes from on-site wells or through surface water retention, among other methods.

Pursuant to s. 570.085, F.S., DACS must establish an agricultural water conservation program that includes:

- A cost-share program, between the U.S. Dept. of Agriculture and other federal, state, regional, and local agencies for irrigation system retrofit and the application of mobile irrigation laboratory evaluations for water conservation.
- The development and implementation of voluntary interim measures or best management practices which provide for increased efficiencies in the use and management of water for agricultural production. In the process of developing and adopting rules for interim measures or best management practices, DACS must consult with DEP and the WMDs.
- Provide assistance to the WMDs in the development and implementation of a consistent methodology for the efficient allocation of water for agricultural irrigation.

Effect of Proposed Changes

The bill amends s. 373.701, F.S., to include utility companies, private landowners, water consumers, and DACS to the list of entities that should cooperate in order to meet the water needs of rural and rapidly urbanizing areas.

The bill amends s. 373.703, F.S., to add “self-suppliers” to the list of entities the governing boards of WMDs must engage in planning in order to assist in meeting water supply needs. The bill also adds self-suppliers to the list of entities the governing boards must assist in meeting water supply needs. In addition, the bill adds self-suppliers to the list of entities the governing boards can join with for the purpose of carrying out its powers, and can contract with to finance acquisitions, construction, operation, and maintenance, provided such contracts are consistent with the public interest. The bill defines the term “self-supplier” to mean persons who obtain surface or groundwater from a source other than a public water supply.

The bill amends s. 373.709, F.S., to include DACS in the list of entities the governing boards of the WMDs must coordinate and cooperate with when conducting water supply planning for water supply planning regions. The bill provides that a water supply development component for each water supply planning region identified by the district must include agricultural demand projections used for determining the needs of agricultural self-suppliers. Such agricultural demand projections must be based upon the best available data. The WMD must consider the data indicative of future water supply demands provided by the DACS when determining the best available data for agricultural self-supplied water needs. Any adjustment of or deviation from the data provided by DACS must be fully described, and the original data must be presented along with the adjusted data. The bill also includes the term “self-suppliers” in the list of entities that WMDs are to assist in developing multijurisdictional approaches to water supply project development.

The bill amends s. 570.085, F.S., directing DACS to establish an agricultural water supply planning program that includes the following:

- The development of data indicative of future agricultural water supply demands which must be:
 - Based on at least a 20-year planning period.
 - Provided to each WMD.
 - Considered by each WMD when developing WMD water management plans.

³ DEP website on “Regional Water Supply Planning.” See <http://www.dep.state.fl.us/water/waterpolicy/rwsp.htm>
STORAGE NAME: h1063a.ANRS
DATE: 3/22/2013

- The data on future agricultural water supply demands, which are provided to each WMD, must include, but not be limited to:
 - Applicable agricultural crop types or categories.
 - Historic, current, and future estimates of irrigated acreage for each applicable crop type or category, spatially for each county, including the historic and current methods and assumptions used to generate the spatial acreage estimates and projections.
 - Crop type or category water use coefficients for a 1-in-10 year drought average used in calculating historic, current, and future water demands, including data, methods, and assumptions used to generate the coefficients. Estimates of historic and current water demands must take into account actual metered data as available. Projected future water demands must incorporate appropriate potential water conservation factors based upon data collected as part of DACS agricultural water conservation program pursuant to s. 570.085(1), F.S.
 - An evaluation of significant uncertainties affecting agricultural production which may require a range of projections for future agricultural water supply demands.
- In developing the data of future agricultural water supply needs, DACS must consult with the agricultural industry, the University of Florida's Institute of Food and Agricultural Sciences, DEP, the WMDs, the National Agricultural Statistics Service, and the U.S. Geological Survey.
- DACS must coordinate with each WMD to establish a schedule for provision of data on agricultural water supply needs.

B. SECTION DIRECTORY:

Section 1. Amends s. 373.701, F.S., relating to a declaration of policy for water needs; providing a definition.

Section 2. Amends s. 373.703, F.S., relating to water production.

Section 3. Amends s. 373.709, F.S., relating to regional water supply planning.

Section 4. Amends s. 570.076, F.S., conforming a cross-reference.

Section 5. Amends s. 570.085, F.S., relating to agricultural water conservation under the Department of Agriculture and Consumer Services.

Section 6. Provides an effective date of July 1, 2013.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:
See Fiscal Comments Section.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
None.
2. Expenditures:
None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

DACS is requesting \$1.5 million in non-recurring General Revenue as part of its 2013-2014 legislative budget request to fund this activity.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:
Not applicable. This bill does not appear to affect county or municipal governments.
2. Other:
None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 20, 2013, the Agriculture & Natural Resources Subcommittee amended and reported HB 1063 favorably as a committee substitute (CS). The CS does the following:

- Provides that when the governing board of a WMD may contract with other entities to meet water supply demands, the contracts are consistent with the public interest. The public interest requires that the proposed water use is reasonable and beneficial and does not interfere with another legal existing user.
- Restores existing language requiring that regional water supply plans include appropriate lists of water supply and alternative water supply projects.
- Provides that future water demand projects developed by DACS for agricultural land uses must include appropriate water conservation factors.
- Provides a definition of the term "self-supplier."