

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Environmental Preservation and Conservation

BILL: SB 1686

INTRODUCER: Senator Simmons

SUBJECT: Reclaimed Water

DATE: March 21, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Mitchell</u>	<u>Rogers</u>	<u>EP</u>	<u>Pre-meeting</u>
2.	_____	_____	<u>AP</u>	_____
3.	_____	_____	<u>RC</u>	_____

I. Summary:

SB 1686 requires a report by the State Board of Administration (Board) that summarizes potential water supply investments that the Board could make that will increase water supply in the state on a regional basis. A parallel requirement of the bill mandates the Office of Program Policy Analysis and Government Accountability (OPPAGA) to perform an annual review of investments made in Florida-based potential water supply projects by the Board. The review must include:

- The dollar amount and percentage share of potential water supply investments in the state made by the Board during the previous year;
- A list of identified potential water supply investments, within each asset class;
- An estimate of the amount of water that will become available through each potential investment, based on the region of the state; and
- An analysis of the direct and indirect economic benefits to the state resulting from the potential water supply investments.

The bill authorizes water management districts (WMDs) to adopt rules providing water reuse incentives in consumptive use permitting and requires that water supply development projects for the beneficial reuse of reclaimed water be included in regional water supply plans. It also requires certain reclaimed water facilities to develop reclaimed water utilization plans that phase out discharges of reclaimed water into surface waters.

The bill defines direct potable reuse (DPR) as the use of reclaimed water that:

- Is purified sufficiently to meet or exceed federal and state drinking water standards;
- Is safe for human consumption; and
- Is distributed directly into a potable water supply distribution system.

The bill also requires the Department of Environmental Protection (DEP) to submit a report by December 31, 2018 to the Governor and the Legislature with recommendations for criteria for the regulation of DPR. DEP is authorized to initiate rulemaking no earlier than July 1, 2019 to adopt criteria for DPR. Finally, the bill limits the purposes for which funds in the Water Protection and Sustainability Program Trust Fund may be used to the implementation of an alternative water supply program.

II. Present Situation:

State Board of Administration

The State Board of Administration (Board) is composed of the Governor, as chair, the Chief Financial Officer, and the Attorney General. The Board is responsible for the investment of funds in various trust funds, including the Florida Retirement System trust fund, and other funds required by law to be invested by the Board.¹ The Board must invest each fund to the fullest extent that is consistent with the cash requirements, trust agreement, and investment objectives of the fund.² On or before January 1 each year, the Board must provide a report to the Legislature on each fund which has been entrusted to the Board for investment. The report must include the following for each fund:

- A schedule of the annual beginning and ending asset values and changes and sources of changes in the asset value;³
- A description of the investment policy and changes in investment policy since the previous annual report;
- A description of compliance with investment strategy;
- A description of the risks inherent in investing in financial instruments of the major asset classes held in the fund;
- A summary of the type and amount of technology and growth investments held by each fund; and
- Other information deemed of interest by the Board's executive director.⁴

Office of Program Policy Analysis and Government Accountability Review

In 2008, the Legislature enacted a law requiring the Office of Program Policy Analysis and Government Accountability (OPPAGA) to perform an annual review of technology and growth investments made in Florida-based companies by the Board and to submit its findings to the Board, the President of the Senate, and the Speaker of the House of Representatives. OPPAGA is authorized to consult with the Board, the Department of Revenue, the Office of Economic and Demographic Research, and other entities as necessary to obtain and evaluate the information OPPAGA needs to perform its review. The review must include:

¹ Florida State Board of Administration website, *available at* <https://www.sbafla.com/fsb/default.aspx>.

² Section 215.44(1), F.S.

³ The report must also include a schedule of the annual beginning and ending asset values and changes and sources of changes in the asset value of each asset class and portfolio within the Florida Retirement System Trust Fund.

⁴ Section 215.44, F.S.

- The dollar amount of technology and growth investments in the state made by the Board during the previous year ending June 30, and the investment's percentage share of the system trust fund's current net assets;⁵
- A list of investments in the state which are identified by the Board as technology and growth investments, within each asset class; and
- An analysis of the direct and indirect economic benefits to the state resulting from the technology and growth investments.⁶

Water Supply and Constraints

By 2030, Florida's population is estimated to reach 23,609,000 – almost a 26 percent increase over 2010.⁷ Fresh water demand is projected to reach 7.7 billion gallons per day by 2030, an additional 1.3 billion gallons more than the water use for the state in 2010.⁸ In Florida, groundwater accounts for about 90 percent of public and domestic water supply.⁹ Over 50 percent of all other water needs including agricultural, industry, mining, and electric power generation are supplied by ground water resources.¹⁰ The major source of groundwater supply in Florida is the Floridan Aquifer System, which underlies the entire state.¹¹

Water Management Districts (WMDs) are required to ensure an adequate supply of water and water resources for all citizens and natural features, provide protection and improvement of natural systems and water quality, minimize harm to water resources, and promote the reuse of reclaimed water.¹² The WMDs set minimum flows and minimum levels (MFLs) for surface waters and groundwater, respectively. The purpose of setting MFLs is to prevent significant harm to the water resources or ecology of an area as a result of water withdrawals.¹³ The WMDs

⁵ The system trust fund is the trust fund established in the State Treasury by ch. 121, F.S., for the purpose of holding and investing the contributions paid by members and employers of the Florida Retirement System and paying the benefits to which members or their beneficiaries may become entitled. *See* Section 121.021, F.S.

⁶ Section 215.474, F.S.

⁷ DEP, *Report on Expansion of Beneficial Use of Reclaimed Water, Stormwater and Excess Surface Water*, 11 (December 1, 2015) available at <http://www.dep.state.fl.us/water/reuse/docs/sb536/SB536-Report.pdf>.

⁸ DEP, *Report on Expansion of Beneficial Use of Reclaimed Water, Stormwater and Excess Surface Water*, 11 (December 1, 2015) available at <http://www.dep.state.fl.us/water/reuse/docs/sb536/SB536-Report.pdf>.

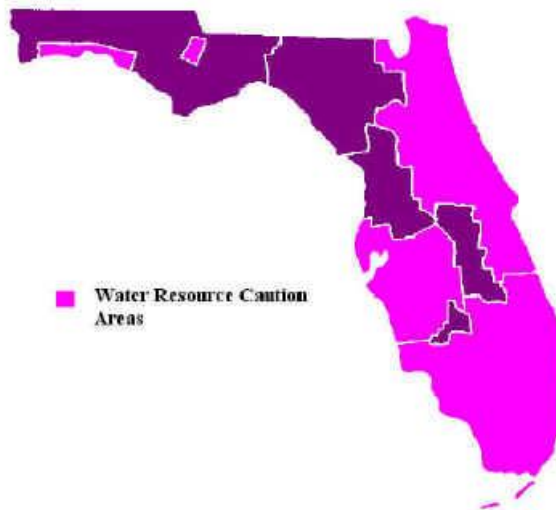
⁹ *Id.* at 14.

¹⁰ DEP, *Ground Water Program*, available at <http://www.dep.state.fl.us/water/groundwater/> (last visited March 3, 2017).

¹¹ DEP, *Aquifers*, available at <https://fldep.dep.state.fl.us/swapp/Aquifer.asp#> (last visited March 3, 2017).

¹² Section 373.036, F.S.

¹³ Section 373.042, F.S.



regulate consumptive use of water through a permitting process.¹⁴ WMD Governing Boards are required to conduct regional water supply planning for areas where existing water sources are insufficient to meet projected 20-year demands while sustaining water resources and related natural systems. Those areas are also to be designated as Water Resource Caution Areas. Chapter 62-40 of the Florida Administrative Code, requires the reuse of reclaimed water in these areas.¹⁵

Consumptive Use Permits (CUPs)

A consumptive use permit (CUP) establishes the duration and type of water use as well as the maximum amount of water that may be withdrawn daily. Pursuant to s. 373.219, F.S., each CUP must be consistent with the objectives of the issuing WMD or the Department

of Environmental Protection (DEP) and may not be harmful to the water resources of the area. To obtain a CUP, an applicant must establish that the proposed use of water satisfies the statutory test, commonly referred to as “the three-prong test.” Specifically, the proposed water use must:

- Be a “reasonable-beneficial use”;¹⁶
- Not interfere with any presently existing legal use of water; and
- Be consistent with the public interest.¹⁷

If two or more competing applications qualify equally, the applicable WMD or the DEP must give preference to a renewal application over an initial application.¹⁸ If neither application is a renewal, preference is given to the applicant nearest the source.¹⁹

Reclaimed Water

Section 373.019(17), F.S., defines the term “reclaimed water” as “water that has received at least secondary treatment and basic disinfection and is reused after flowing out of a domestic wastewater treatment facility.” Water conservation and the promotion of reuse of reclaimed water have been established as formal state objectives in ss. 403.064 and 373.250, F.S. There are

¹⁴ Section 373.219, F.S. Note that a water management district may not require a permit for the use of reclaimed water. Section 373.250 (3)(b), F.S.

¹⁵ See also s. 403.064(2), F.S.

¹⁶ 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.” See also Fla. Admin. Code R. 62-40.410(2) for additional factors to help determine if a water use is a reasonable-beneficial use.

¹⁷ Fla. Admin. Code R. 62-40.410(1).

¹⁸ Section 373.233(2), F.S.

¹⁹ *Id.*

over 524 wastewater treatment facilities in Florida.²⁰ Florida tracks its reuse inventory in an annual report compiled by DEP.²¹ In 2015, a total of 478 domestic wastewater treatment facilities reported making reclaimed water available for reuse.²² The 738 million gallons per day (mgd) of reclaimed water use represents approximately 44 percent of the total domestic wastewater flow in the state.²³ The 1,668 mgd of reuse capacity represents approximately 65 percent of the total domestic wastewater treatment capacity in the state.²⁴ Reclaimed water from these systems was used to irrigate 362,737 residences, 537 golf courses, 1022 parks, and 369 schools.²⁵ Over 13,290 acres of edible crops on 68 farms were reported to be irrigated with reclaimed water.²⁶ Approximately 46 wastewater treatment facilities do not provide reuse of any kind.²⁷ Reclaimed water is a type of alternative water supply as defined in s. 373.019(1), F.S., and is eligible for alternative water supply funding.

Originally, water reuse was required only within water resource caution areas, unless such reuse was not economically, environmentally, or technically feasible as determined by a reuse feasibility study. Currently, ch. 62-40 of the Florida Administrative Code requires use of reclaimed water statewide. A domestic wastewater facility located within, discharging within, or serving a population within designated water resource caution areas is required to prepare a reuse feasibility study before receiving a domestic wastewater permit.²⁸ Section 403.064, F.S., provides that if the study shows that reuse is feasible, the permit applicant must give significant consideration to making reuse available.

Discharges of Reclaimed Water into Surface Waters

DEP may issue permits for backup discharges. A “backup discharge” is a surface water discharge that occurs as part of a functioning reuse system which has been permitted under DEP rules and which provides reclaimed water for irrigation of public access areas, residential properties, or edible food crops, or for industrial cooling or other acceptable reuse purposes. Backup discharges may occur during periods of reduced demand for reclaimed water in the reuse system. Backup discharges of reclaimed water meeting advanced water treatment standards are presumed to be allowable and are permitted in all waters in the state at a reasonably accessible point where such discharge results in minimal negative impact.²⁹

²⁰ DEP, *2015 Reuse Inventory*, available at http://www.dep.state.fl.us/water/reuse/docs/inventory/2015_reuse-report.pdf (last visited March 3, 2017) (note that this report tracks wastewater facilities with permitted capacities of 0.1 million gallons per day or greater).

²¹ See DEP, *2015 Reuse Inventory*, available at http://www.dep.state.fl.us/water/reuse/docs/inventory/2015_reuse-report.pdf (last visited March 3, 2017); compiled from reports collected pursuant to Fla. Admin. Code R. Ch. 62-610.

²² DEP, *2015 Reuse Inventory*, 2 available at http://www.dep.state.fl.us/water/reuse/docs/inventory/2015_reuse-report.pdf (last visited March 3, 2017).

²³ *Id.* at 3.

²⁴ *Id.*

²⁵ *Id.* at 2.

²⁶ *Id.*, noting that “[a]round 80 percent of the farmland was dedicated to the production of citrus (i.e., oranges, tangerines, grapefruit, etc.).”

²⁷ *Id.* at 3.

²⁸ *Id.* at 20

²⁹ Section 403.086, F.S.

The Safe Drinking Water Act

The Safe Drinking Water Act (SDWA) is the federal law that protects public drinking water supplies throughout the nation.³⁰ Under the SDWA, the U.S. Environmental Protection Agency (EPA) sets standards for drinking water quality and, with its partners, implements various technical and financial programs to ensure drinking water safety.³¹ Florida has the primary authority to implement the SDWA, having adopted a Florida SDWA that has been demonstrated to be at least as stringent as EPA.³² These statutes direct DEP to formulate and enforce rules pertaining to drinking water. These rules adopt the national primary and secondary drinking water standards of the Federal Government and create additional rules to fulfill state requirements. Drinking water standards are set out in ch. 62-550 of the Florida Administrative Code.

Direct Potable Reuse

As drought and long-term water shortages have occurred worldwide, reclaimed water has been investigated as a potable (drinking water) source. Confidence in advanced water treatment has increased as the costs and regulatory conditions for wastewater disposal have become more burdensome. The result has been an increased consideration of direct potable reuse (DPR), which would provide a direct or nearly direct connection of purified reclaimed water systems to potable water facilities.³³ Several high profile potable reuse projects have been underway in western states and in other countries which involve the process of treating reclaimed water to state and federal or national drinking water standards so that it can be recycled for potable water supply uses. Examples of notable DPR projects that are in operation or under construction include the Singapore NEWater Project, the Colorado River Municipal Water District's Big Spring Project, the Wichita Falls Texas Project, and the Cloudcroft New Mexico Project.³⁴

In 2011, the WateReuse Foundation and WateReuse California published a report, *Direct Potable Reuse – A Path Forward*.³⁵ This report cited various factors that recommend consideration of DPR as a supply source, including that DPR:

- Is lower in cost than indirect potable reuse;
- Is a “feasible alternative approach” for water supply; and
- Can be a reliable source of supply “through a combination of monitoring, storage, and treatment reliability measures.”³⁶

If direct reuse of purified water becomes a viable alternative source of potable water, it presents significant opportunities for water savings. DPR is the most efficient reuse activity at 100 percent

³⁰ The Public Health Service Act, 42 U.S. ss. 300f to 300j-26 (2016).

³¹ U.S. Environmental Protection Agency, *Safe Water Drinking Act (SDWA)*, available at <https://www.epa.gov/sdwa> (last visited March 3, 2017).

³² Sections 403.850-403.864, F.S.

³³ Fla. Admin. Code R. 62-610.200(27).

³⁴ DEP, Office of Water Policy, *Report on Expansion of Beneficial Use of Reclaimed Water, Stormwater and Excess Surface Water (Senate Bill 536)*, <http://dep.state.fl.us/water/reuse/docs/sb536/SB536-Report.pdf> (last visited March 6, 2017).

³⁵ WateReuse Research Foundation, *Direct Potable Reuse – A Path Forward* (2011), available at <http://aim.prepared-fp7.eu/viewer/doc.aspx?id=39>.

³⁶ DEP, Office of Water Policy, *Report on Expansion of Beneficial Use of Reclaimed Water, Stormwater and Excess Surface Water (Senate Bill 536)*, <http://dep.state.fl.us/water/reuse/docs/sb536/SB536-Report.pdf> (last visited March 6, 2017).

potable quality water offset.³⁷ As such, implementation of DPR would extend water supplies to a greater extent than other types of reuse.³⁸

There are a number of constraints on DPR, however, including:

- The relative availability and lower costs of surface and ground water supplies;
- The established regulatory and testing requirements generally being based on using “natural” sources of water supply without a clear regulatory structure for DPR;
- Concerns regarding the sustained reliability of purified water systems;
- Concerns regarding the impacts of commercial and industrial discharges on water quality; and
- Public perception - “yuck factor.”³⁹

Florida rule defines indirect potable reuse as the planned discharge of reclaimed water to surface waters to augment the supply of water available for drinking water and other uses.⁴⁰ According to EPA, DPR refers to the introduction of purified water, derived from municipal wastewater directly into a municipal water supply system after extensive treatment and monitoring to assure that strict water quality requirements are met.⁴¹ At present, Florida does not have specific regulations for DPR.

A large supply of uncommitted excess reclaimed water exists statewide. More than 883 mgd of unused reclaimed water were not reused in 2013, disposed of primarily into surface waters or deep injection wells. In addition, traditional water resources have been identified as limited in large portions of the state.⁴² The largest opportunities for DPR are in areas of Florida in which the following two circumstances occur:

- Utilities exist with large uncommitted (excess/unused/disposed) reclaimed water supplies; and
- Where traditional water sources are limited.⁴³

Both of these conditions occur together in six counties. The following six urban coastal counties account for more than 80 percent of the excess reclaimed water disposed of by release into surface waters and/or by pumping into deep injection wells (Miami-Dade, Broward, Palm Beach, Hillsborough, Duval, and Pinellas). Maximization of DPR development in these six counties alone would approximately double Florida’s total statewide reclaimed water use.⁴⁴

³⁷ DEP, Office of Water Policy, *Report on Expansion of Beneficial Use of Reclaimed Water, Stormwater and Excess Surface Water (Senate Bill 536)*, <http://dep.state.fl.us/water/reuse/docs/sb536/SB536-Report.pdf> (last visited March 6, 2017) (citing to The Reuse Coordinating Committee, 2003).

³⁸ DEP, Office of Water Policy, *Report on Expansion of Beneficial Use of Reclaimed Water, Stormwater and Excess Surface Water (Senate Bill 536)*, <http://dep.state.fl.us/water/reuse/docs/sb536/SB536-Report.pdf> (last visited March 6, 2017).

³⁹ *Id.*

⁴⁰ Fla. Admin. Code R. 62-610.200(27).

⁴¹ DEP, Office of Water Policy, *Report on Expansion of Beneficial Use of Reclaimed Water, Stormwater and Excess Surface Water (Senate Bill 536)*, <http://dep.state.fl.us/water/reuse/docs/sb536/SB536-Report.pdf> (last visited March 6, 2017).

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.*

Water Protection and Sustainability Program

The Water Protection and Sustainability Program is supported by the Water Protection and Sustainability Program Trust Fund which is used to fund various programs.⁴⁵ DEP is required to distribute revenues deposited into or appropriated to the trust fund in the following manner:

- 65 percent to DEP for the implementation of an alternative water supply program;
 - 22.5 percent for the implementation of best management practices and capital project expenditures necessary for the implementation of the goals of the total maximum daily load program; and
 - 12.5 percent to DEP for the Disadvantaged Small Community Wastewater Grant Program.⁴⁶
- Since 2009, the State has not used this trust fund to allocate moneys for these types of projects.

Alternative Water Supply Development

One of the ways water demands can be met is through the development of alternative water supplies (AWSs).⁴⁷ Alternative water supplies include:

- Salt water;
- Brackish surface water and groundwater;
- Sources made available through the addition of new storage capacity for surface or groundwater, water that has been reclaimed after one or more public supply, municipal, industrial, commercial, or agricultural uses;
- The downstream augmentation of waterbodies with reclaimed water;
- Stormwater; and
- Any other water supply source that is designated as a nontraditional source for a water supply planning region in a regional water supply plan.⁴⁸

Funding for the development of AWSs is a shared responsibility between water suppliers and users, the state, and the WMDs.⁴⁹ Water suppliers and users have the primary responsibility for providing funding, while the state and WMDs have the responsibility to provide funding assistance.⁵⁰

AWS development projects may receive state funding through specific appropriation or through the Water Protection and Sustainability Program (WPSP) if funded by the Legislature.⁵¹

Applicants for projects that receive funding through the WPSP are required to pay at least 60 percent of the project's construction costs.⁵² A WMD may waive this requirement for projects developed by financially disadvantaged small local governments. Additionally, a WMD may, at its discretion, use ad valorem or federal revenues to assist a project applicant in meeting the match requirement.⁵³

⁴⁵ Section 403.890, F.S.

⁴⁶ Section 403.890(1), (2), and (3), F.S.

⁴⁷ Sections 373.707, F.S.

⁴⁸ Section 373.019(1), F.S.

⁴⁹ Section 373.707(2)(c), F.S.

⁵⁰ *Id.*

⁵¹ Section 373.707(1)(d), and (6), F.S.

⁵² Section 373.707(8)(e), F.S.

⁵³ *Id.*

Office of Economic and Demographic Research

The Office of Economic and Demographic Research (EDR) performs research for the Florida Legislature, principally focused on forecasting economic and social trends that affect policy making, revenues, and appropriations.⁵⁴ The EDR also researches projects for legislative committees, and works with agencies, statewide commissions, and task forces that have legislators among their membership to assess the impact of proposals they are considering submitting to the Legislature.⁵⁵ In 2016, the Legislature enacted s. 403.928, F.S., to evaluate historic, current, and present expenditures associated with water resources and conservation lands.

III. Effect of Proposed Changes:

SB 1686 makes legislative findings related to the need for the development and improvement of available water supplies.

State Board of Administration Report

The bill requires the State Board of Administration (Board) to include in the report it provides to the Legislature on the management of its funds a summary of potential water supply investments that will increase water supply in the state on a regional basis that could be made from each fund entrusted to the Board for investment. The summary must identify the types and amounts of potential investments.

Office of Program Policy Analysis and Government Accountability Review

The bill requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) to perform an annual review of investments made in Florida-based potential water supply projects by the Board and submit its findings to the Board, the President of the Senate, and the Speaker of the House of Representatives by January 15 of each year. The findings may be combined with the findings OPPAGA is required to submit from its annual review of technology and growth investments made in Florida-based companies by the Board. OPPAGA is authorized to consult with the Board, DEP, the water management districts (WMDs), the Office of Economic and Demographic Research, and other entities as necessary to obtain and evaluate the information OPPAGA needs to perform its review. The bill requires the annual review to include:

- The dollar amount of potential water supply investments in the state made by the Board during the previous year ending June 30, and that investment's percentage share of the system trust fund's current net assets;⁵⁶
- A list of investments in the state which are identified by the Board as potential water supply investments, within each asset class;

⁵⁴ EDR, *Welcome*, <http://edr.state.fl.us/Content/> (last visited March 6, 2017).

⁵⁵ EDR, *Functions of EDR*, <http://edr.state.fl.us/Content/about/functions.cfm> (last visited March 6, 2017).

⁵⁶ The system trust fund is the trust fund established in the State Treasury by ch. 121, F.S., for the purpose of holding and investing the contributions paid by members and employers of the Florida Retirement System and paying the benefits to which members or their beneficiaries may become entitled. *See* Section 121.021, F.S.

- An estimate of the amount of water that will become available through each potential investment, based on the region of the state; and
- An analysis of the direct and indirect economic benefits to the state resulting from the potential water supply investments.

Reuse of Reclaimed Water

The bill provides legislative findings that direct potable reuse (DPR) of water may provide the state with a valuable tool to ensure that it has the water supplies necessary to meet growing water demands. The bill also authorizes WMDs to adopt rules providing water reuse incentives in consumptive use permitting, including limited permit extensions.

The bill requires that a water supply development project for the beneficial reuse of reclaimed water that is proposed for listing as an alternative water supply project be included on the list of water supply development project options that are part of the WMD's regional water supply plan. A reclaimed water facility that discharges reclaimed water into surface waters must submit a reclaimed water utilization plan to the WMD. The plan must include the steps to be taken to eliminate discharges of reclaimed water. This requirement applies to reclaimed water facilities located within regional water supply plan areas. It also applies regardless of any provisions authorizing discharges to surface waters in ch. 373, F.S., or ch. 403, F.S.

The bill defines DPR in the Safe Drinking Water Act (SDWA) as the use of reclaimed water that:

- Is purified sufficiently to meet or exceed federal and state drinking water standards;
- Is safe for human consumption; and
- Is distributed directly into a potable water supply distribution system.

The bill requires DEP to submit a report by December 31, 2018 to the Governor and the Legislature with recommendations for criteria for the regulation of DPR. The report must be developed in coordination with the State Surgeon General, the Department of Health, and stakeholders and the general public and must include recommendations that are protective of human health and the environment. The bill specifies other requirements for the process used to develop the report. DEP is authorized to initiate rulemaking not before July 1, 2019 to adopt criteria for DPR. The rule may not become effective until the conclusion of the next regular session of the Legislature following its adoption.

Finally, the bill amends the water protection and sustainability program by eliminating all of the distributions of funds from the Water Protection and Sustainability Program Trust Fund except for distributions for the implementation of an alternative water supply program.

The bill takes effect July 1, 2017.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Utility rates may increase as a result of increasing reuse requirements.

C. Government Sector Impact:

DEP will have an indeterminate cost associated with rulemaking.

VI. Technical Deficiencies:

In section 7 of the bill, at line 343, it is recommended that the word “final” be removed in order to clarify that website publication on October 1, 2018, upon which the public may comment, is publication of a draft and not the final report.

The definition of reclaimed water includes the requirement that it be reused after flowing out of the treatment facility. Line 215 of the bill refers to reclaimed water discharged into surface waters. Technically, such water would not fall under the definition of reclaimed water as it is not reused.

VII. Related Issues:

The State Board of Administration (Board) does not directly invest in water supply infrastructure in Florida.⁵⁷ Therefore the bill requirement that OPPAGA perform an annual review of

⁵⁷ Email message dated March 15, 2017, from John Kuczanski, Communications Manager and Legislative Affairs, State Board of Administration (on file with the Senate Committee on Environmental Preservation and Conservation).

investments made in Florida-based potential water supply projects would not be possible as the Board has no such investments.

Line 215 of the bill requires certain reclaimed water facilities to plan for the elimination of any discharges of reclaimed water into surface waters. If the intent is to promote water supply, the reference to discharges to surface waters could be modified to refer to discharges to tide. In some areas of the state, discharges to surface waters may support water supply via aquifer recharge or increased surface water flows.

VIII. Statutes Affected:

This bill creates section 215.4745 of the Florida Statutes.

This bill substantially amends sections 215.44, 373.250, 373.709, 403.852, 403.853, and 403.890 of the Florida Statutes.

IX. Additional Information:

A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. **Amendments:**

None.