HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS

BILL #:	CS/CS/HB 573	**FINAL HOUSE FLOOR ACTION:**			
SUBJECT/SHORT TITLE	Water Protection and Sustainability	115	**Y's**	0	**N's**
SPONSOR(S):	Agriculture & Natural Resources Appropriations Subcommittee; Natural Resources & Public Lands Subcommittee; Burton and others	**GOVERNOR'S ACTION:**		Approved	
COMPANION BILLS:	CS/SB 928				

SUMMARY ANALYSIS

CS/CS/HB 573 passed the House on April 28, 2017, and subsequently passed the Senate on May 1, 2017.

Counties, municipalities, or special districts may enter into interlocal agreements to create a regional water supply authority (RWSA) for the purpose of developing, recovering, storing, and supplying water for county or municipal purposes that will give priority to reducing adverse environmental effects of excessive or improper withdrawals of water from concentrated areas. In June 2016, Polk County and 15 municipalities within the county entered into an interlocal agreement to create a RWSA known as the Polk Regional Water Cooperative (cooperative).

The bill creates the "Heartland Headwaters Protection and Sustainability Act" and establishes legislative findings and intent. The bill requires the cooperative to prepare an annual report identifying water resource projects within its jurisdiction for state funding consideration. The bill requires the report to include certain information for each listed project and requires the cooperative to submit the report to the Governor, Legislature, Department of Environmental Protection, and appropriate water management districts (WMD) by December 1, 2017, and annually thereafter. The bill also requires the cooperative to annually coordinate with the appropriate WMD to submit a status report on projects receiving priority state funding to be included in the WMD consolidated annual report.

The bill does not appear to have a fiscal impact on state or local government.

The bill was approved by the Governor on June 14, 2017, ch. 2017-111, L.O.F., and will become effective on July 1, 2017.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

The Floridan Aquifer

The Floridan Aquifer is one of the most productive aquifers in the world, underlying approximately 100,000 square miles in southern Alabama, southeastern Georgia, southern South Carolina, and all of Florida. It is a multiple-use aquifer system. Where it contains freshwater, it is the principal source of water supply for several large cities (e.g., Savannah and Brunswick in Georgia; Jacksonville, Tallahassee, Orlando, and St. Petersburg in Florida) and for hundreds of thousands in smaller communities and rural areas.[1]

In places where the Floridan Aquifer contains saltwater (e.g., along the southeastern coast of Florida), treated sewage and industrial wastes are often injected into it as a disposal method. Near Orlando, drainage wells divert surface water runoff into the Floridan. South of Lake Okeechobee, where the aquifer contains saltwater, some is withdrawn for cooling purposes or converted to freshwater by desalinization plants. Desalinization is especially important in the Florida Keys where freshwater is only available to the area by pipeline.[2]

The Green Swamp

The Green Swamp includes portions of Polk, Lake, Sumter, Hernando, and Pasco counties. The region consists of 560,000 acres of wetlands, flatlands, and low ridges bound by prominent sandy ridgelines that form the headwaters of the Withlacoochee River in northwestern Polk and southern Sumter counties,[3] the Ocklawaha River near Lake Apopka in Orange County,[4] the Hillsborough River in southeast Pasco County,[5] and the Peace River in northern Polk County.[6] The Peace and Hillsborough Rivers are potable water sources for Tampa and Sarasota. The Ocklawaha, Withlacoochee, and Hillsborough Rivers are designated Outstanding Florida Waters.[7]

The Green Swamp is elevated above outlying areas and the Floridan Aquifer rises very close to the land surface, which causes the region to function as the pressure head for the aquifer, helping maintain free-flowing springs, rivers, and abundant high quality drinking water. Accordingly, protecting the Green Swamp is vital to protecting the quality and quantity of Florida's water supply.

The state, in 1979, designated 322,690 acres of the Green Swamp as an area of critical state concern recognizing the statewide significance of this area's valuable hydrologic functions, second only to that

[1] USGS. *Floridan Aquifer System*, https://pubs.usgs.gov/ha/ha730/ch_g/G-text6.html (last visited Mar. 2, 2017).
[2] *Id.*
[3] Southwest Florida WMD. *Green Swamp Interactive*, https://www.swfwmd.state.fl.us/education/interactive/greenswamp/rivers.html (last visited Mar. 8, 2017).
[4] *Id.*
[5] *Id.*
[6] Southwest Florida WMD. *The Peace River*, http://www.swfwmd.state.fl.us/education/interactive/peaceriver/natural.php; Southwest Florida WMD. *Green Swamp Interactive*, https://www.swfwmd.state.fl.us/education/interactive/greenswamp/rivers.html (last visited Mar. 8, 2017).
[7] DEO. *Green Swamp Area*, http://www.floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/areas-of-critical-state-concern/the-green-swamp (last visited Mar. 2, 2017); "Outstanding Florida Waters" are waters designated by the Environmental Regulation Commission as being worthy of special protection because of their natural attributes; rule 62-302.200(26), F.A.C.

of the Everglades, and the need to specifically regulate encroaching development that would imperil these functions.[8] The designated area is located in northern Polk and southern Lake counties.[9]

Regional Water Supply Planning

In 1998, Florida's five water management districts (WMD) prepared water supply assessments to determine the existing and future water needs of the state and evaluated the adequacy of existing and potential sources to meet reasonable-beneficial needs and sustain natural systems for the following 20-year period. At that time, four of the five WMDs determined that sources were inadequate to meet future needs while sustaining the natural resources and were required to prepare a regional water supply plan (RWSP).[10]

By 2015, the South Florida WMD, the St. Johns River WMD, and the Southwest Florida WMD developed RWSPs for all regions within their districts and were working on their next five-year updates. The Northwest Florida WMD currently has two RWSPs. Additionally, in areas where groundwater basins (GWBs) are shared between WMDs, inter-district water supply planning efforts are developed, such as the Central Florida Water Initiative (CFWI) and the North Florida Regional Water Supply Partnership involving the Suwannee River WMD and the St. Johns River WMD.[11]

Regional water supply planning must be conducted in an open public process, in coordination and cooperation with local governments, regional water supply authorities,[12] government-owned and privately-owned water and wastewater utilities, multijurisdictional water supply entities, self-suppliers, reuse utilities, the Department of Environmental Protection (DEP), the Department of Agriculture and Consumer Services (DACS), and other affected and interested parties.[13] It is based on a 20-year planning period and includes a water supply development component (e.g., development of fresh ground water and surface water, demineralization of brackish ground water, desalination of seawater, reuse of reclaimed water, water conservation), and a water resource development component (e.g., increasing water storage capabilities through surface reservoirs, aquifer storage and recovery) that could meet the projected reasonable-beneficial needs.[14]

Central Florida Water Initiative

The CFWI is a collaborative process involving DEP, the St. Johns River WMD, the South Florida WMD, the Southwest Florida WMD, DACS, regional public water supply utilities, and other stakeholders to address the current and long-term water supply needs of central Florida without causing harm to the

[8] Sections 380.05(2) and 380.0551, F.S.; Southwest Florida WMD. *Green Swamp Wilderness Preserve*, http://www.swfwmd.state.fl.us/recreation/areas/greenswamp.html (last visited Mar. 2, 2017); DEO. *Green Swamp Area*, http://www.floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/areas-of-critical-state-concern/the-green-swamp (last visited Mar. 2, 2017); Southwest Florida WMD *Green Swamp Interactive*, https://www.swfwmd.state.fl.us/education/interactive/greenswamp/textonly.html (last visited Mar. 2, 2017).

[9] DEO. *Green Swamp Area*, http://www.floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/areas-of-critical-state-concern/the-green-swamp (last visited Mar. 2, 2017).

[10] Section 373.709(1), F.S.; DEP. *Regional Water Supply Planning*, http://www.dep.state.fl.us/water/waterpolicy/rwsp.htm (last visited Mar. 5, 2017).

[11] DEP. *Regional Water Supply Planning Fact Sheet*, http://www.dep.state.fl.us/water/waterpolicy/docs/factsheets/wrfss-regional-water-supply-planning.pdf (last visited Mar. 5, 2017).

[12] A regional water supply authority is created pursuant to s. 373.713, F.S.; It can be an "agency" under ch. 120, F.S.; *see* s. 120.52(1), F.S.; A "governmental authority" under ch. 367, F.S.; *see* s 367.021(7), F.S.

[13] Sections 373.709(1) and 373.036(2), F.S.

[14] Section 373.709(2), F.S.; DEP. *Regional Water Supply Planning*, http://www.dep.state.fl.us/water/waterpolicy/rwsp.htm (last visited Mar. 5, 2017).

water resources and associated natural systems.[15] The CFWI area includes all of Orange, Osceola, Polk, and Seminole counties and southern Lake County.[16]

The CFWI encompasses the headwaters of seven river systems: the Alafia in Polk County,[17] the Hillsborough in the Green Swamp in southeast Pasco County,[18] the Kissimmee, the Ocklawaha in the Green Swamp near Lake Apopka in Orange County,[19] the Peace in the Green Swamp in northern Polk County,[20] the St. Johns in Indian River and Brevard counties,[21] and the Withlacoochee in the Green Swamp in northwestern Polk and southern Sumter counties.[22] The CWFI includes four GWBs: the Northern West-Central Florida GWB, Volusia GWB, East-Central Florida GWB, and West-Central GWB. These GWBs meet in north-central Polk County, which represents an important area of recharge with groundwater flow radiating out in all directions. The CFWI also encompasses seven regional wetlands systems: the Green Swamp, Reedy Creek Swamp, Davenport Creek Swamp, Big Bend Swamp, Cat Island Swamp, Boggy Creek Swamp, and Shingle Creek Swamp.[23]

Portions of Polk County are within the CFWI and the Southern Water Use Caution Area (SWUCA). The Southwest Florida WMD has already adopted rules for the SWUCA that are as restrictive, if not more restrictive, than those in the CFWI. Accordingly, only the portion of Polk County that is outside the SWUCA is subject to the CFWI rules.[24]

Southern Water Use Caution Area

The SWUCA was established in 1992 in response to growing water demands from public supply, agriculture, mining, power generation, and recreational uses and environmental concerns related to these ground water withdrawals.[25] It is an area of approximately 5,100 square miles in the Southern West-Central GWB that includes all of Desoto, Hardee, Manatee, and Sarasota counties and parts of Charlotte, Highlands, Hillsborough, and Polk counties.[26]

In 2006, the Southwest Florida WMD adopted the SWUCA Recovery Strategy. The recovery strategy goals are to achieve minimum flows in the upper Peace River; achieve minimum lake levels in lakes along the Lake Wales Ridge, which extends roughly 90 miles along the center of the state in Polk and

---

[15] Section 373.0465(1)(c), F.S.; CFWI. *Central Florida Water Initiative Guiding Document* (Jan. 2015), http://cfwiwater.com/pdfs/CFWI_Guiding_Document_2015-01-30.pdf (last visited Mar. 3, 2017).
[16] Section 373.0465(2)(a), F.S.; CFWI. *Central Florida Water Initiative Guiding Document* (Jan. 2015), http://cfwiwater.com/pdfs/CFWI_Guiding_Document_2015-01-30.pdf (last visited Mar. 3, 2017).
[17] USGS. Gerold Morrison and Holly Greening, *Freshwater Flows* ch. 6, p. 169, https://pubs.usgs.gov/circ/1348/pdf/ (Jan. 2012) (last visited Mar. 6, 2017).
[18] Southwest Florida WMD. *Green Swamp Interactive*, https://www.swfwmd.state.fl.us/education/interactive/greenswamp/rivers.html (last visited Mar. 8, 2017).
[19] *Id.*
[20] Southwest Florida WMD. *The Peace River*, http://www.swfwmd.state.fl.us/education/interactive/peaceriver/natural.php; Southwest Florida WMD. *Green Swamp Interactive*, https://www.swfwmd.state.fl.us/education/interactive/greenswamp/rivers.html (last visited Mar. 8, 2017).
[21] St. Johns River WMD. *Upper St. Johns River Basin*, http://www.sjrwmd.com/upperstjohnsriver/ (last visited Mar. 8, 2017).
[22] Southwest Florida WMD. *Green Swamp Interactive*, https://www.swfwmd.state.fl.us/education/interactive/greenswamp/rivers.html (last visited Mar. 8, 2017).
[23] CFWI. *Central Florida Water Initiative Regional Water Supply Plan Public Draft,* http://cfwiwater.com/pdfs/plans/CFWI_RWSP_DrftPblc2_VolIa_5-1-15.pdf (last visited Mar. 3, 2017).
[24] *Id.*
[25] Section 373.0363(2)(a), F.S.; Southwest Florida WMD. *Southern Water Use Caution Area*, https://www.swfwmd.state.fl.us/projects/swuca/ (last visited Mar. 6, 2017); Southwest Florida WMD. *Southern Water Use Caution Area Recovery Strategy* (Mar. 2006), https://www.swfwmd.state.fl.us/documents/plans/swuca_recovery_strategy.pdf (last visited Mar. 3, 2017).
[26] Section 373.0363(1)(c), F.S.; Southwest Florida WMD. *Southern Water Use Caution Area Recovery Strategy* (Mar. 2006), https://www.swfwmd.state.fl.us/documents/plans/swuca_recovery_strategy.pdf (last visited Mar. 3, 2017).

Highlands counties; achieve the saltwater intrusion minimum aquifer level; and ensure water supply needs are met for existing and projected reasonable and beneficial uses.[27]

Although groundwater withdrawals have stabilized in the SWUCA, and water supply needs for the region are being met as a result of regional water supply planning and management efforts, depressed aquifer levels continue to cause saltwater intrusion into the Floridan Aquifer and also contribute to reduced flows in the upper Peace River and lowered lake levels of some of the lakes in the upland areas of Polk and Highlands counties.[28] The Southwest Florida WMD formed two separate stakeholder workgroups to assist in identifying additional options for achieving these goals.[29]

Heartland Water Supply Planning Region

The Heartland water supply planning region covers approximately 2,569 square miles and includes Hardee County and the portions of Polk and Highlands counties within the Southwest Florida WMD.[30] The remaining portions of Polk and Highlands counties are within the South Florida WMD and are in separate water supply planning regions, the Upper Kissimmee and Lower Kissimmee, respectively.[31]

Consolidated WMD Annual Report

Each year, each WMD must prepare and submit to DEP, the Governor, and the Legislature a consolidated WMD annual report on the management of water resources. Copies must be provided to all legislative committee chairs having substantive or fiscal jurisdiction over the WMDs and the governing board of each county in the WMD having jurisdiction or deriving any funds for operations of the WMD. Copies must also be made available to the public, either in printed or electronic format.[32]

Among other requirements, the consolidated WMD annual report must contain information on all projects related to water quality or water quantity as part of a five-year work program, including:

- A list of all specific projects identified to implement a basin management action plan or a recovery or prevention strategy;
- A priority ranking for each listed project for which state funding through the water resources development work program is requested, which must be made available to the public for comment at least 30 days before submission of the consolidated annual report;
- The estimated cost for each listed project;
- The estimated completion date for each listed project;
- The source and amount of financial assistance to be made available by DEP, WMD, or other entity for each project; and
- A quantitative estimate of each listed project's benefit to the watershed, water body, or water segment in which it is located.[33]

---

[27] Southwest Florida WMD. *Southern Water Use Caution Area*, https://www.swfwmd.state.fl.us/projects/swuca/ (last visited Mar. 6, 2017).
[28] Section 373.0363(2)(b), F.S.; Southwest Florida WMD. *Southern Water Use Caution Area Recovery Strategy* (Mar. 2006), https://www.swfwmd.state.fl.us/documents/plans/swuca_recovery_strategy.pdf (last visited Mar. 3, 2017); CFWI. *Central Florida Water Initiative Regional Water Supply Plan Public Draft,* http://cfwiwater.com/pdfs/plans/CFWI_RWSP_DrftPblc2_VolIa_5-1-15.pdf (last visited Mar. 3, 2017).
[29] Southwest Florida WMD. *Southern Water Use Caution Area*, https://www.swfwmd.state.fl.us/projects/swuca/ (last visited Mar. 6, 2017).
[30] Southwest Florida WMD. *Regional Water Supply Plan*, https://www.swfwmd.state.fl.us/documents/plans/RWSP/heartland.php (last visited Mar. 6, 2017).
[31] Southwest Florida WMD. *Florida's Water Management Districts*, http://www.swfwmd.state.fl.us/about/wmds.php (last visited Mar. 5, 2017).
[32] Section 373.036(7)(a), F.S.
[33] Section 373.036(7)(b)8.a.-f., F.S.

Regional Water Supply Authorities

Counties, municipalities, or special districts may enter into interlocal agreements to create a regional water supply authority (RWSA) for the purpose of developing, recovering, storing, and supplying water for county or municipal purposes that will give priority to reducing adverse environmental effects of excessive or improper withdrawals of water from concentrated areas. These agreements must be approved by DEP to ensure that the agreement will be in the public interest and complies with the intent and purposes of the Florida Interlocal Cooperation Act.[34] Currently, four RWSAs exist in Florida: Tampa Bay Water (formerly known as the West Coast RWSA), Peace River/Manasota RWSA, Withlacoochee RWSA, and Walton/Okaloosa/Santa Rosa Regional Utility Authority.[35]

Polk Regional Water Cooperative

In June 2016, Polk County and 15 municipalities within Polk County[36] entered into an interlocal agreement to create a RWSA known as the Polk Regional Water Cooperative (cooperative).[37] The role of the cooperative is to proactively identify alternative water resources and projects that ensure the future sustainability of the regional water supply. The cooperative will specifically identify sustainable groundwater sources, develop strategies that meet water demands, determine needed infrastructure, and establish consistent rules.[38]

Effect of the Bill

The bill creates the "Heartland Headwaters Protection and Sustainability Act." The bill creates section 373.462, F.S., to establish legislative findings and intent.

The bill also creates section 373.463, F.S., to require a heartland headwaters annual report. The bill requires the cooperative, in coordination with its member county and municipal governments, to prepare a comprehensive annual report for water resource projects identified for state funding consideration within its members' jurisdictions. The bill requires the report to include, at a minimum, a list of projects identified by the cooperative for state funding consideration for drinking water supply, wastewater, stormwater and flood control, environmental restoration, and conservation, and allows a project to be listed in more than one category; a priority ranking for each listed project that will be ready to proceed in the upcoming fiscal year, identified by category; the estimated cost and completion date of each project; and the source and amount of financial assistance to be provided by the cooperative, the member county or municipal governments, or other entities for each project. The bill requires the cooperative to submit the report to the Governor, Legislature, DEP, and appropriate WMD by December 1, 2017, and annually thereafter. The bill also requires the cooperative to annually coordinate with the appropriate WMD to submit a status report on projects receiving priority state funding for inclusion in the WMD consolidated annual report.

[34] Sections 373.713(1) and 163.01, F.S.
[35] DEO. *Water Supply Planning*, http://www.floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/water-supply-planning (last visited Mar. 5, 2017).
[36] The City of Auburndale, City of Bartow, City of Davenport, Town of Dundee, City of Eagle Lake, City of Fort Meade, City of Frostproof, Haines City, City of Lake Alfred, Town of Lake Hampton, City of Lakeland, City of Lake Wales, City of Mulberry, Polk City, and City of Winter Haven; Polk Regional Water Cooperative. *Members*, http://www.prwcwater.org/Members.aspx (last visited Mar. 3, 2017).
[37] Polk Regional Water Cooperative. *Interlocal Agreement Relating to the Establishment of the Polk Regional Water Cooperative*, http://www.prwcwater.org/boccsite/WorkArea/DownloadAsset.aspx?id=11306 (last visited Mar. 3, 2017).
[38] Polk Regional Water Cooperative. *Homepage*, http://www.prwcwater.org/ (last visited Mar. 3, 2017).

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.