

Agriculture & Natural Resources Subcommittee

Wednesday, February 20, 2013 9:00 A.M. Reed Hall (102 HOB)

MEETING PACKET

Committee Meeting Notice HOUSE OF REPRESENTATIVES

Agriculture & Natural Resources Subcommittee

Start Date and Time:

Wednesday, February 20, 2013 09:00 am

End Date and Time:

Wednesday, February 20, 2013 11:00 am

Location:

Reed Hall (102 HOB)

Duration:

2.00 hrs

Consideration of the following bill(s):

HB 7 Water Management Districts by Porter, Pilon
HB 375 Onsite Sewage Treatment and Disposal Systems by Roberson, K.
HB 423 Tax On Sales, Use, & Other Transactions by Adkins
HB 4007 Department of Environmental Protection by Nelson

Introduction of Adam Putnam, Commissioner, Florida Department of Agriculture and Consumer Services

Presentations by the following on water supply development:

- Department of Environmental Protection
- Department of Agriculture and Consumer Services
- Peace River Manasota Regional Water Supply Authority
- Florida Water Advocates

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HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #:

HB 7 Water Management Districts

SPONSOR(S): Porter and Pilon

TIED BILLS: None IDEN./SIM. BILLS: SB 244

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Agriculture & Natural Resources Subcommittee		RennerSR	Blalock AFB
2) Rulemaking Oversight & Repeal Subcommittee			
3) State Affairs Committee			

SUMMARY ANALYSIS

Under current law, each of the five water management districts (WMDs) must submit to the Department of Environmental Protection (DEP) for review and approval a priority list and schedule for the establishment of minimum flows and levels (MFLs) for surface watercourses, aquifers, and surface waters within the district. If the existing flow or level of a water body is below or projected within 20 years to fall below established MFLs, then a WMD must implement either a recovery strategy to restore the system to the established MFLs or a prevention strategy to prevent the system from falling below the established MFLs. MFLs are adopted by rule by the WMDs and are subject to administrative challenges.

The bill provides that the priority list and schedule submitted to the DEP by the WMDs also identify any reservations proposed by the WMDs to be established, and identify those listed water bodies that have the potential to be affected by withdrawals in an adjacent WMD for which the DEP's adoption of a reservation or a MFL may be appropriate.

The bill also provides that a WMD must provide the DEP with technical information and staff support for the development of a reservation, minimum flow or level, or recovery or prevention strategy to be adopted by rule by the DEP. A WMD must apply any reservation, minimum flow or level, or recovery or prevention strategy adopted by the DEP by rule without the WMD's adoption by rule of such reservation, minimum flow or level, or recovery or prevention strategy.

In addition, the bill provides that if the geographic area of a resource management activity, study, or project crosses WMD boundaries, the affected WMDs are authorized to designate a single affected district by interagency agreement to conduct all or part of the applicable resource management responsibilities. If funding assistance is provided to a resource management activity, study, or project, the WMD providing the funding must ensure that some or all the benefits accrue to the funding WMD. This provision does not impair any interagency agreement in effect on July 1, 2013.

The bill also provides that cooperative funding programs are not subject to the rulemaking requirements of chapter 120, F.S. However, any portion of an approved program which affects the substantial interests of a party would be subject to the hearing procedures established under section 120.569, F.S.

Lastly, the bill requires all WMDs, not just the Southwest Florida Water Management District, to jointly develop, together with the regional water supply authority, the water supply development component of a regional water supply plan, when the plan deals with or affects public utilities and public water supply for those areas served by a regional water supply authority.

The bill appears to have an indeterminate negative fiscal impact on state government (See Fiscal Analysis Section). The bill has a potentially positive fiscal impact on WMDs who enter into interagency agreements by reducing the duplication of services and promoting streamlining. The bill also appears to have a negative fiscal impact on WMDs by requiring them to provide technical information and staff support to the DEP for the development of a reservation, minimum flow or level, or recovery or prevention strategy.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives. STORAGE NAME: h0007.ANRS.DOCX

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Minimum Flows and Levels

Current Situation

The Department of Environmental Protection (DEP) and each Water Management District (WMD) are required to establish minimum flows for surface watercourses and minimum levels for ground water and surface waters within the district.¹ "Minimum flow" is the limit at which further water withdrawals from a given watercourse would significantly harm the water resources or ecology of the area.² "Minimum level" is the level of groundwater in an aquifer or the level of a surface water body at which further withdrawals will significantly harm the water resources of the area.³

Section 373.042(2), F.S., requires that each WMD submit annually to the DEP for review and approval a priority list and schedule for the establishment of minimum flows or levels for surface watercourses, aquifers, and surface waters within the WMD. The priority list and schedule must identify those water bodies for which the WMD will voluntarily undertake independent scientific peer review.

A person who will be substantially affected by a proposed minimum flow or minimum level may request that the DEP or the governing board of the WMD submit for independent scientific peer review all of the information and data on which the proposed flow or level is based. The request must be made in writing prior to the flow or level being established and prior to the filling of any petition for administrative hearing related to the flow or level.⁴ The statute provides a process for conducting such review and states that the final report is admissible in evidence in any subsequent administrative challenge to establishing the minimum flow or level.⁵

The DEP has the sole authority to review rules of WMDs to ensure consistency with the DEP's water resource implementation rule. This review must begin within 30 days of the adoption or revision of a rule by a WMD.

Effect of Proposed Changes

The bill amends s. 373.042(2), F.S., to provide that the priority list and schedule submitted to the DEP by the WMDs for the establishment of MFLs and reservations also identify:

• Any reservations proposed by the WMD to be established under s. 373.223(4), F.S.; and

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¹ Section 373.042(1), F.S.

² Section 373.042(1)(a), F.S.

³ Section 373.042(1)(b), F.S.

⁴ Section 373.042(4)(a), F.S.

⁵ Section 373.042(5), F.S. This subsection also requires the Administrative Law Judge to render the order within 120 days after the petition is filed.

⁶ Section 373.114(2), F.S. The Water Resource Implementation Rule is promulgated as Chapter 62-40, F.A.C.

⁷ Section 373.223(4), F.S., provides that the governing board or the DEP, can reserve from use by permit applicants, water in such locations and quantities, and for such seasons of the year, as in its judgment may be required for the protection of fish and wildlife or the public health and safety. These reservations must be subject to periodic review and revision in light of changed conditions. However, all presently existing legal uses of water must be protected so long as such use is not contrary to the public interest.

 Those listed water bodies that have the potential to be affected by withdrawals in an adjacent WMD for which the DEP adoption of a reservation or a minimum flow or level may be appropriate.

The bill also provides that a WMD must provide the DEP with technical information and staff support for the development of a reservation, minimum flow or level, or recovery or prevention strategy to be adopted by rule by the DEP. A WMD must apply any reservation, minimum flow or level, or recovery or prevention strategy adopted by the DEP by rule without the WMD's adoption by rule of such reservation, minimum flow or level, or recovery or prevention strategy.

Interagency Agreements

Current Situation

Pursuant to chapter 373, F.S., the state regulates various activities that affect surface waters and wetlands through the Environmental Resource Permit (ERP) program. The program is implemented jointly by the DEP and the five WMDs.⁸ Operating Agreements between DEP and the WMDs outline specific responsibilities to each agency for any given application. Under those agreements, the DEP generally reviews and takes actions on applications involving:

- Solid waste, hazardous waste, domestic waste, and industrial waste facilities;
- Mining;
- Power plants, transmission and communication cables and lines, natural gas and petroleum exploration, production, and distribution lines and facilities;
- Docking facilities and attendant structures and dredging that are not part of a larger plan of residential or commercial development;
- Navigational dredging conducted by governmental entities, except when part of a larger project that a WMD has the responsibility to permit;
- Systems serving only one single-family dwelling unit or residential unit not part of a larger common plan of development;
- Systems located in whole or in part seaward of the coastal construction control line:
- Seaports: and
- Smaller, separate water-related activities not part of a larger plan of development (such as boat ramps, mooring buoys, and artificial reefs).

The WMDs have regulatory authority over reviewing and taking action on all other applications, mostly larger commercial and residential developments. Chapter 373, F.S., also grants the WMDs with the authority to implement the water supply and planning policies of the state, and to issue permits for the consumptive use of water. Each WMD is also responsible for water resource management and development. Section 373.705, F.S., provides that it is the intent of the legislature that WMDs take the lead in identifying and implementing water resource development projects, and be responsible for securing necessary funding for regionally significant water resource development projects. The WMDs are encouraged to implement water resource development projects as expeditiously as possible in areas subject to regional water supply plans. Each WMD governing board is required to include in its annual budget the amount needed for the fiscal year to implement water resource development projects, as prioritized in its regional water supply plans.

Section 373.046(4), F.S., authorizes the DEP and the WMDs to modify their division of responsibilities agreement and to enter into further interagency agreements by rulemaking pursuant to chapter 120, F.S., to provide for greater efficiency and to avoid duplication in the administration of part IV of chapter 373, F.S. (management and storage of surface waters). In developing the interagency agreements, the

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⁸ The five water management districts include Northwest Florida WMD, Suwannee River WMD, St. Johns River WMD, Southwest Florida WMD, and South Florida WMD.

WMDs and the DEP must take into consideration the technical and fiscal ability of each WMD to implement all or some of the provisions of part IV of chapter 373, F.S.

Section 373.046(6), F.S., provides that when the geographic area of a regulatory activity crosses WMD boundaries, the affected WMDs may designate a single affected WMD by interagency agreement to carry out the WMD's regulatory responsibilities within that geographic area.

WMDs do not have the same statutory authority to enter into similar agreements for non-regulatory resource management activities, studies, or projects. In addition, a WMD may not fund resource management activities in another WMD even if some benefits inure to it from the activities.

Effect of Proposed Changes

The bill creates s. 373.046(7), F.S., providing that when the geographic area of a resource management activity, study, or project crosses WMD boundaries, the affected WMDs are authorized to designate a single affected district by interagency agreement to conduct all or part of the applicable resource management responsibilities, not including those regulatory responsibilities that are subject to s. 373.046(6), F.S., discussed above. Under the bill, if funding assistance is provided to a resource management activity, study, or project, the WMD providing the funding must ensure that some or all the benefits accrue to the funding WMD. The provisions in this new subsection will not impair any interagency agreement in effect on July 1, 2013.

Rules/Cooperative Funding Programs

Current Situation

WMDs have cooperative funding programs in which local governments cost share for projects that create sustainable water resources, provide flood protection, and enhance conservation efforts.9 According to emails from the Southwest Florida Water Management District (SWFWMD). 10 these are not regulatory programs, which, by definition, are subject to rulemaking. The SWFWMD also states that if a WMD were required to adopt rules for all of the procedures and policies in a cooperative funding program, it would not be able to adopt and modify the program as necessary or be able to implement the program as efficiently.¹¹

Effect of Proposed Changes

The bill creates s. 373.171(5), F.S., to specify that cooperative funding programs are not subject to the rulemaking requirements of chapter 120, F.S. However, any portion of an approved program that affects the substantial interests of a party would be subject to the administrative hearing provisions under s. 120.569, F.S.¹²

Regional Water Supply Planning

Current Situation

Section 373.709, F.S., requires WMDs to conduct water supply needs assessments. A WMD that determines existing resources will not be sufficient to meet reasonable-beneficial uses for the planning period must prepare a regional water supply plan. The plans must contain:

⁹ Section 373.0363, F.S., provides for a cooperative funding program in the Southern Water use Caution Area, which is implemented by the SWFWMD. This program is the most robust cooperative funding program, but all WMDs have cooperative funding programs to some degree.

10 Email on file with staff.

¹¹ Email on file with staff.

¹² A party whose substantial interests are affected by the proposed agency action of a WMD is entitled to a hearing under the basic procedures set out in s. 120.569, F.S.

- 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;
- 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.

Currently, only the Southwest Florida WMD is required to jointly develop, with the regional water supply authority, the water supply development component of a regional water supply plan where such plan deals with or affects public utilities and public water supply for those areas served by a regional water supply authority.

Effect of Proposed Changes

The bill amends s. 373.709(3), F.S., to require all WMDs to jointly develop, together with the regional water supply authority, the water supply development component of a regional water supply plan that deals with or affects public utilities and public water supply for those areas served by a regional water supply authority.

B. SECTION DIRECTORY:

- Section 1. Amends s. 373.042, F.S., relating to minimum flows and levels.
- **Section 2.** Amends s. 373.046, F.S., relating to interagency agreements.
- **Section 3.** Amends s. 373.171, F.S., relating to rules adopted by water management district governing boards.
- Section 4. Amends s. 373.709, F.S., relating to regional water supply planning.
- **Section 5.** Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill requires the priority list and schedule that is submitted to the DEP for establishing minimum flows and levels for certain water bodies to also include those water bodies that have the potential to be affected by withdrawals in an adjacent WMD, which may result in the DEP having to adopt additional reservations, minimum flows or levels, and recovery and prevention strategies. This provision in the bill could result in an indeterminate negative fiscal impact on the DEP.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

The bill requires WMDs to provide technical information and staff support to the DEP for the development of a reservation, minimum flow or level, or recovery or prevention strategy for adoption by rule by the DEP. This could result in an indeterminate negative fiscal impact on the WMDs.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill may potentially have a positive fiscal impact on WMDs who enter into interagency agreements by reducing the duplication of services and promoting streamlining.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

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:

The bill authorizes certain reservations, minimum flows and levels, and recovery or prevention strategies adopted by the DEP to be applied by the WMDs without requiring the WMDs to adopt them by rule. The bill also provides that cooperative funding programs are not subject to the rulemaking requirements of chapter 120, F.S. However, a party whose substantial interests are affected by any portion of an approved program would be entitled to seek a hearing under the provisions of s. 120.569, F.S.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.

STORAGE NAME: h0007.ANRS.DOCX DATE: 2/15/2013

1 A bill to be entitled 2 An act relating to water management districts; 3 amending s. 373.042, F.S.; requiring water management 4 districts to include certain reservations and water 5 bodies in priority lists and schedules; providing for 6 the adoption of certain reservations and minimum flows 7 and levels by the Department of Environmental 8 Protection; requiring water management districts to 9 apply, without adopting by rule, the reservations, minimum flows and levels, and recovery and prevention 10 11 strategies adopted by the department; amending s. 12 373.046, F.S.; authorizing water management districts 13 to enter into interagency agreements for resource 14 management activities under specified conditions; providing applicability; amending s. 373.171, F.S.; 15 16 exempting cooperative funding programs from certain 17 rulemaking requirements; amending s. 373.709, F.S., 18 relating to regional water supply planning; removing a 19 reference to the Southwest Florida Water Management 20 District; requiring a regional water supply authority 21 and the applicable water management district to 22 jointly develop the water supply component of the 23 regional water supply plan; providing an effective 24 date. 25 26 Be It Enacted by the Legislature of the State of Florida: 27 28 Subsections (4) and (5) of section 373.042, Section 1.

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CODING: Words stricken are deletions; words underlined are additions.

Florida Statutes, are renumbered as subsections (5) and (6), respectively, a new subsection (4) is added to that section, and subsection (2) of that section is amended, to read:

373.042 Minimum flows and levels.

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By November 15, 1997, and annually thereafter, each water management district shall submit to the department for review and approval a priority list and schedule for the establishment of minimum flows and levels for surface watercourses, aquifers, and surface waters within the district. The priority list and schedule shall also identify those listed water bodies for which the district will voluntarily undertake independent scientific peer review; any reservations proposed by the district to be established pursuant to s. 373.223(4); and those listed water bodies that have the potential to be affected by withdrawals in an adjacent district for which the department's adoption of a reservation pursuant to s. 373.223(4) or a minimum flow or level pursuant to subsection (1) may be appropriate. By March 1, 2006, and annually thereafter, each water management district shall include its approved priority list and schedule in the consolidated annual report required by s. 373.036(7). The priority list shall be based upon the importance of the waters to the state or region and the existence of or potential for significant harm to the water resources or ecology of the state or region, and shall include those waters which are experiencing or may reasonably be expected to experience adverse impacts. Each water management district's priority list and schedule shall include all first magnitude springs, and all second magnitude springs within state

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or federally owned lands purchased for conservation purposes. The specific schedule for establishment of spring minimum flows and levels shall be commensurate with the existing or potential threat to spring flow from consumptive uses. Springs within the Suwannee River Water Management District, or second magnitude springs in other areas of the state, need not be included on the priority list if the water management district submits a report to the Department of Environmental Protection demonstrating that adverse impacts are not now occurring nor are reasonably expected to occur from consumptive uses during the next 20 years. The priority list and schedule is shall not be subject to any proceeding pursuant to chapter 120. Except as provided in subsection (3), the development of a priority list and compliance with the schedule for the establishment of minimum flows and levels pursuant to this subsection satisfies shall satisfy the requirements of subsection (1).

department with technical information and staff support for the development of a reservation, minimum flow or level, or recovery or prevention strategy to be adopted by the department by rule. A water management district shall apply any reservation, minimum flow or level, or recovery or prevention strategy adopted by the department by rule without the district's adoption by rule of such reservation, minimum flow or level, or recovery or prevention strategy.

Section 2. Subsection (7) is added to section 373.046, Florida Statutes, to read:

373.046 Interagency agreements.-

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(7) If the geographic area of a resource management activity, study, or project crosses water management district boundaries, the affected districts may designate a single affected district to conduct all or part of the applicable resource management responsibilities under this chapter, with the exception of those regulatory responsibilities that are subject to subsection (6). If funding assistance is provided to a resource management activity, study, or project, the district providing the funding must ensure that some or all of the benefits accrue to the funding district. This subsection does not impair any interagency agreement in effect on July 1, 2013.

Section 3. Subsection (5) is added to section 373.171, Florida Statutes, to read:

373.171 Rules.-

- (5) Cooperative funding programs are not subject to the rulemaking requirements of chapter 120. However, any portion of an approved program which affects the substantial interests of a party is subject to s. 120.569.
- Section 4. Subsection (3) of section 373.709, Florida Statutes, is amended to read:
 - 373.709 Regional water supply planning.-
- (3) The water supply development component of a regional water supply plan which deals with or affects public utilities and public water supply for those areas served by a regional water supply authority and its member governments within the boundary of the Southwest Florida Water Management District shall be developed jointly by the authority and the applicable water management district. In areas not served by regional water

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supply authorities, or other multijurisdictional water supply entities, and where opportunities exist to meet water supply needs more efficiently through multijurisdictional projects identified pursuant to paragraph (2)(a), water management districts are directed to assist in developing multijurisdictional approaches to water supply project development jointly with affected water utilities, special districts, and local governments.

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Section 5. This act shall take effect July 1, 2013.

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HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 375 Onsite Sewage Treatment and Disposal Systems

SPONSOR(S): Roberson

TIED BILLS: None IDEN./SIM. BILLS: None

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Agriculture & Natural Resources Subcommittee		Renner 🎉	Blalock AFB
2) Health Quality Subcommittee		,	*
3) State Affairs Committee			

SUMMARY ANALYSIS

The Bureau of Onsite Sewage Programs (Bureau), within the Department of Health (DOH), develops statewide rules and provides training and standardization for county health department employees responsible for issuing permits for the installation and repair of septic systems within the state. The Bureau also licenses septic system contractors, approves continuing education courses and courses provided for septic tank contractors, funds a hands-on training center, and mediates onsite sewage treatment and disposal system contracting complaints.

Aerobic treatment units (ATUs) are similar to septic tanks, except that air is introduced and mixed with the wastewater inside the tank. ATUs require the removal and disposal of solids that accumulate in the tank. Therefore, routine maintenance is necessary for them to function properly.

Current law provides that owners of ATUs are required to maintain a maintenance service agreement with a maintenance entity permitted by the DOH. That agreement must initially be for a period of at least two years and subsequent maintenance agreement renewals must be for, at a minimum, one-year periods for the life of the system. The maintenance entity must obtain a system operating permit from the DOH for each ATU under service contract. The maintenance entity, which sets the fee for service contracts, must inspect each ATU at least twice each year and report quarterly to the DOH the number of ATUs inspected and serviced.

Furthermore, maintenance entities are required to provide documentation that they have been trained by the ATU manufacturer, who set the maintenance requirements, and have access to required manuals and spare repairs. Maintenance entities are also required to be registered as either a state-licensed septic tank contractor or a state licensed plumber. Homeowners are exempt from the contractor registration requirement, but must be permitted as a maintenance entity by the DOH and be trained and certified by the manufacturer. The annual maintenance entity permit fee is \$25.

The bill amends current law by providing that a maintenance entity must inspect each ATU system at least twice each year for the initial two years of the maintenance service agreement, but then only once a year thereafter. The bill also provides that a maintenance entity must report semiannually, instead of quarterly, to the DOH the number of ATU systems inspected and serviced. The maintenance entity service agreements must conspicuously disclose that a property owner of an owner-occupied single-family residence is exempt from the registration requirements for performing construction, maintenance, or repairs on a residence, but is subject to all permitting requirements.

The bill appears to have a potentially insignificant negative fiscal impact of \$5,000 on the DOH as a result of having to amend their rule. The fiscal impact to the private sector is indeterminate because it cannot be determined if reducing the inspection requirement will provide any reduced cost to home owners. The reduced inspections requirement may also result in a reduction in the number of inspections performed by maintenance entities. The bill does not appear to have a fiscal impact on local governments.

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FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

The Bureau of Onsite Sewage Programs (Bureau), within the Department of Health (DOH), develops statewide rules and provides training and standardization for county health department employees responsible for issuing permits for the installation and repair of septic systems within the state.¹ The Bureau also licenses septic system contractors, approves continuing education courses and courses provided for septic tank contractors, funds a hands-on training center, and mediates onsite sewage treatment and disposal system contracting complaints.²

In Florida, septic systems are referred to as Onsite Sewage Treatment and Disposal Systems (OSTDS). An OSTDS can contain any one of the following components: septic tank; subsurface drainfield; aerobic treatment unit (ATU); graywater tank; laundry wastewater tank; grease interceptor; pump tank; waterless, incinerating or organic waste-composting toilet; and sanitary pit privy.³ Septic tanks are tanks in the ground that treat sewage without the presence of oxygen. Sewage flows from a home or business through a pipe into the first chamber, where solids are removed. The liquid then flows into the second chamber where anaerobic bacteria in the sewage break down the organic matter, allowing cleaner water to flow out of the second chamber.⁴ ATUs are similar to septic tanks, except that air is introduced and mixed with the wastewater inside the tank.⁵ Aerobic (requiring oxygen) bacteria consume the organic matter in the sewage.⁶ The effluent discharge from an aerobic system is typically released through a sub-surface distribution system or may be disinfected and discharged directly into surface water.⁷

ATUs require the removal and disposal of solids that accumulate in the tank. Therefore, routine maintenance is necessary for them to function properly. The National Sanitation Foundation⁸ requires ATU manufacturers to provide an initial two-year warranty with two inspections per year. According to the DOH analysis, there are 11,600 ATUs in operation in Florida, with 8,770 in four counties: Brevard, Charlotte, Franklin, and Monroe.

Pursuant to s. 381.0065, F.S., and Rule 64E-6.012, F.A.C., owners of ATUs are required to enter into a maintenance entity service agreement with a maintenance entity that is permitted by the DOH. That agreement must initially be for a period of at least two years and subsequent maintenance agreement renewals must be for at least one-year periods for the life of the system. The maintenance entity must obtain a system operating permit from the DOH for each ATU under service contract. The

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¹ The DOH does not permit the use of OSTDS where the estimated domestic sewage flow from the establishment is over 10,000 gallons per day (gpd) or the commercial sewage flow is over 5,000 gpd; where there is a likelihood that the system will receive toxic, hazardous or industrial wastes; where a sewer system is available; or of any system or flow from the establishment is currently regulated by the DEP. The DEP issues the permits for systems that discharge more than 10,000 gpd.

² Description of the Bureau of Onsite Sewage from the DOH website. See http://www.doh.state.fl.us/environment/ostds/OSTDSdescription.htm.

³ Department of Environmental Protection (DEP) website on septic systems. See http://www.dep.state.fl.us/water/wastewater/dom/septic.htm

The EPA's Primer for Municipal Wastewater Treatment Systems, 2004. On file with staff.

⁵ *Id.*

⁶ *Id*.

⁷ ld.

⁸ The National Sanitation Foundation is an "independent, not-for-profit organization that provides standards development, product certification, auditing, education, and risk management for public health and the environment". *See* http://www.nsf.org/business/about NSF/

maintenance entity, which sets the fee for service contracts, must inspect each ATU at least twice year and report quarterly to the DOH the number of ATUs inspected and serviced.

Furthermore, maintenance entities are required to provide documentation that they have been trained by the ATU manufacturer, who sets the maintenance requirements, and have access to required manuals and spare repairs. Maintenance entities are also required to be registered as either a state-licensed septic tank contractor or a state-licensed plumber. Homeowners are exempt from the contractor registration requirement, but must be permitted as a maintenance entity by the DOH and be trained and certified by the manufacturer. The annual maintenance entity permit fee is \$25.

Effect of Proposed Changes

The bill amends s. 381.0065 (4)(u), F.S., to provide that a maintenance entity must inspect each ATU system at least twice each year for the initial two years of the maintenance service agreement, but then only once a year thereafter. The bill also provides that the maintenance entity must report semiannually, instead of quarterly, to the DOH the number of ATU systems inspected and serviced. Maintenance entity service agreements must conspicuously disclose that a property owner of an owner-occupied single-family residence is exempt from the registration requirements for performing construction, maintenance, or repairs on a residence, but is subject to all permitting requirements.

B. SECTION DIRECTORY:

Section 1. Amends s. 381.0065 (4)(u), F.S., reducing the frequency of inspections that a maintenance entity must perform on an ATU under a maintenance entity service agreement, and requiring that a maintenance entity service agreement include certain disclosures.

Section 2. 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.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

According to the DOH analysis, the fiscal impact to the private sector is indeterminate because it cannot be determined if reducing the inspection requirement will provide any reduced cost to home owners. The reduced inspections requirement may also result in a reduction in the number of inspections performed by maintenance entities.

D. FISCAL COMMENTS:

The DOH would have to amend Rule 64E-6.012, F.A.C. to comply with the changes in the bill and the DOH estimates the cost of notices and meetings will be \$5,000.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

- Applicability of Municipality/County Mandates Provision:
 Not applicable. The bill does not appear to affect county or municipal governments.
- 2. Other:

None.

B. RULE-MAKING AUTHORITY:

The DOH would have to amend Rule 64E-6.012, F.A.C., to comply with the changes to reduce the inspection requirements.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.

STORAGE NAME: h0375.ANRS.DOCX DATE: 2/18/2013

HB 375 2013

A bill to be entitled

An act relating to onsite sewage treatment and disposal systems; amending s. 381.0065, F.S.; revising the frequency of inspections that owners of aerobic treatment unit systems must provide for under service agreements with certain maintenance entities permitted by the Department of Health; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Paragraph (u) of subsection (4) of section 381.0065, Florida Statutes, is amended to read:

14 381.0065 Onsite sewage treatment and disposal systems; 15 regulation.-

(4)PERMITS; INSTALLATION; AND CONDITIONS.—A person may not construct, repair, modify, abandon, or operate an onsite sewage treatment and disposal system without first obtaining a permit approved by the department. The department may issue permits to carry out this section, but shall not make the issuance of such permits contingent upon prior approval by the Department of Environmental Protection, except that the issuance of a permit for work seaward of the coastal construction control line established under s. 161.053 shall be contingent upon receipt of any required coastal construction control line permit from the Department of Environmental Protection. A construction permit is valid for 18 months from the issuance date and may be extended by the department for one 90-day period under rules

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adopted by the department. A repair permit is valid for 90 days from the date of issuance. An operating permit must be obtained prior to the use of any aerobic treatment unit or if the establishment generates commercial waste. Buildings or establishments that use an aerobic treatment unit or generate commercial waste shall be inspected by the department at least annually to assure compliance with the terms of the operating permit. The operating permit for a commercial wastewater system is valid for 1 year from the date of issuance and must be renewed annually. The operating permit for an aerobic treatment unit is valid for 2 years from the date of issuance and must be renewed every 2 years. If all information pertaining to the siting, location, and installation conditions or repair of an onsite sewage treatment and disposal system remains the same, a construction or repair permit for the onsite sewage treatment and disposal system may be transferred to another person, if the transferee files, within 60 days after the transfer of ownership, an amended application providing all corrected information and proof of ownership of the property. There is no fee associated with the processing of this supplemental information. A person may not contract to construct, modify, alter, repair, service, abandon, or maintain any portion of an onsite sewage treatment and disposal system without being registered under part III of chapter 489. A property owner who personally performs construction, maintenance, or repairs to a system serving his or her own owner-occupied single-family residence is exempt from registration requirements for performing such construction, maintenance, or repairs on that

Page 2 of 4

CODING: Words stricken are deletions; words underlined are additions.

HB 375 2013

residence, but is subject to all permitting requirements. A municipality or political subdivision of the state may not issue a building or plumbing permit for any building that requires the use of an onsite sewage treatment and disposal system unless the owner or builder has received a construction permit for such system from the department. A building or structure may not be occupied and a municipality, political subdivision, or any state or federal agency may not authorize occupancy until the department approves the final installation of the onsite sewage treatment and disposal system. A municipality or political subdivision of the state may not approve any change in occupancy or tenancy of a building that uses an onsite sewage treatment and disposal system until the department has reviewed the use of the system with the proposed change, approved the change, and amended the operating permit.

(u) The owner of an aerobic treatment unit system shall maintain a current maintenance service agreement with an aerobic treatment unit maintenance entity permitted by the department. The maintenance entity shall obtain a system operating permit from the department for each aerobic treatment unit under service contract. The maintenance entity shall inspect each aerobic treatment unit system at least twice each year for the initial 2 years of the maintenance service agreement and at least once a year thereafter and shall report semiannually quarterly to the department on the number of aerobic treatment unit systems inspected and serviced. Maintenance entity service agreements must conspicuously disclose that a property owner of an owner-occupied single-family residence is exempt from

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registration requirements for performing such construction,
maintenance, or repairs on such residence, but is subject to all
permitting requirements. The owner shall allow the department to
inspect during reasonable hours each aerobic treatment unit
system at least annually, and such inspection may include
collection and analysis of system-effluent samples for
performance criteria established by rule of the department.
Section 2. This act shall take effect July 1, 2013.

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HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #:

HB 423

Tax On Sales, Use, & Other Transactions

SPONSOR(S): Adkins

TIED BILLS: None IDEN./SIM. BILLS: None

ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
	Kaiser d	Blalock AFB
	ACTION	

SUMMARY ANALYSIS

Under current law, a tax of six percent is levied on the sales price of each gallon of diesel fuel purchased for use in a vessel. Current law also provides that the sale of diesel fuel to the owner, operator, or the owner's agent or representative of vessels operated to transport persons or property for hire in interstate or foreign commerce or for commercial fishing purposes is subject to a reduced tax. The tax rate is based on the ratio of intrastate mileage to interstate or foreign mileage traveled by a carrier's vessels that were used in interstate or foreign commerce and that had at least some Florida mileage during the carrier's previous fiscal year. This ratio is determined at the close of the carrier's fiscal year.

Dyed diesel fuel is generally used in equipment for construction and agriculture that are not intended for use on roads and highways. The fuel is typically dyed red so the U.S. Department of Transportation can easily tell the difference to ensure that vehicles on the highway are not using the dyed fuel. The dyed fuel is less expensive because it is not subject to the state sales tax described above.

The bill provides an exemption from the above tax for dyed diesel fuel that is placed in the storage tank of vessels designed, constructed and used exclusively for the taking of shrimp from salt and fresh waters for sale. The exemption only applies when the purchaser of the dyed diesel fuel provides the seller with a written statement, signed by the purchaser, verifying that the dyed fuel is to be used by the vessel expressly for the purpose of the taking of shrimp from salt and fresh waters for sale. Any fuel not used exclusively for this purpose is subject to the sales tax levied due and payable by the purchaser.

The Revenue Estimating Conference estimates that the provisions of this legislation will result in a negative fiscal impact of \$700,000 to state government¹ in FY 2013-2014. The effective date of this legislation is July 1, 2013.

¹ This represents a reduction in the State Transportation Trust Fund.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Section 212.05(1)(k), F.S., provides for a tax of six percent to be levied on each gallon of diesel fuel that is purchased for use in a vessel. However, s. 212.08(4)(a)2., F.S., provides that motor fuels and diesel fuels used by railroad locomotives or vessels to transport persons or property in interstate or foreign commerce are afforded a partial exemption based on the ratio of intrastate mileage to interstate or foreign mileage traveled by a carrier's locomotives or vessels that were used in interstate or foreign commerce and that had at least some Florida mileage during the carrier's previous fiscal year. This ratio, known as the mileage apportionment factor, is determined at the close of the carrier's fiscal year.

During the fiscal year in which the carrier begins its initial operations in the state, the carrier's mileage apportionment factor may be determined using an estimated ratio of anticipated miles to be traveled in Florida to anticipated total miles for that year. Subsequently, additional tax on the motor fuel and diesel fuels may be required, or a refund may be applied for, based on the actual ratio of the carrier's vessels' miles in Florida to its total miles for that year. This ratio is applied each month to the total motor and diesel fuel purchases made in Florida to determine what portion of the total was used or consumed in intrastate movement and subject to tax under chapter 212, F.S. Fuels used exclusively in intrastate commerce do not qualify for the proration of tax.

Dyed diesel fuel is generally used in equipment for construction and agriculture that are not intended for use on roads and highways. The fuel is typically dyed red so the U.S. Department of Transportation can easily tell the difference to ensure that vehicles on the highway are not using the dyed fuel. The dyed fuel is less expensive because it is not subject to the sales and use taxes provided in chapter 212, F.S.

Rule 12A-1.0641(6)(a), F.A.C., provides that the sale of dyed diesel fuel to the owner, operator, or the owner's agent or representative of vessels operated to transport persons or property for hire in interstate or foreign commerce or for commercial fishing purposes is subject to the partial exemption provided in s. 212.08(4)(a)2., F.S. The tax imposed is based on the vessel owner's mileage apportionment factor described above.

Effect of Proposed Changes

The bill provides a full tax exemption for dyed diesel fuel that is placed in the storage tanks of vessels designed, constructed, and used exclusively for the taking of shrimp from salt and fresh waters for sale. The exemption only applies when the purchaser of the dyed diesel fuel provides the seller with a written statement, signed by the purchaser, verifying that the dyed fuel is to be used by the vessel exclusively for the purpose of the taking of shrimp from salt and fresh waters for sale. Any fuel not used exclusively for this purpose is subject to the tax levied under s. 212.05(1)(k), F.S., due and payable by the purchaser.

B. SECTION DIRECTORY:

Section 1: Amends s. 212.05, F.S.; providing an exemption from sales, storage and use tax for dyed diesel fuel used in vessels designed for the taking of shrimp from salt or fresh waters for sale.

Section 2: Amends s. 212.08, F.S.; providing an exemption for dyed fuel used in a vessel designed for the taking of shrimp from salt or fresh waters for sale; requiring purchaser to provide the seller with a written statement verifying the dye is to be used exclusively for the taking of shrimp from specified

waters for specified reason; and providing that dyed fuel not used exclusively for purpose prescribed is subject to tax.

Section 3: Provides an effective date of July 1, 2013.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comment section.

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Commercial shrimpers will benefit from the reduced tax assessment on dyed diesel fuel used to operate their commercial shrimp boats.

D. FISCAL COMMENTS:

The Revenue Estimating Conference estimates that the provisions of this legislation will result in a negative fiscal impact of \$700,000 to state government² in FY 2013-2014.

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

PAGE: 3

² This represents a reduction in the State Transportation Trust Fund. STORAGE NAME: h0423,ANRS.DOCX DATE: 2/15/2013

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None

STORAGE NAME: h0423.ANRS.DOCX DATE: 2/15/2013

HB 423 2013

A bill to be entitled

An act relating to the tax on sales, use, and other transactions; amending ss. 212.05 and 212.08, F.S.; providing an exemption from the tax for dyed diesel fuel used in certain vessels in a specified manner and for a specified purpose; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Paragraph (k) of subsection (1) of section 212.05, Florida Statutes, is amended to read:

212.05 Sales, storage, use tax.—It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state, including the business of making mail order sales, or who rents or furnishes any of the things or services taxable under this chapter, or who stores for use or consumption in this state any item or article of tangible personal property as defined herein and who leases or rents such property within the state.

- For the exercise of such privilege, a tax is levied on each taxable transaction or incident, which tax is due and payable as follows:
- (k) At the rate of 6 percent of the sales price of each gallon of diesel fuel not taxed under chapter 206 purchased for use in a vessel, except dyed diesel fuel that is exempt pursuant to s. 212.08(4)(a)4.
 - Section 2. Paragraph (a) of subsection (4) of section

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HB 423 2013

212.08, Florida Statutes, is amended to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

- (4) EXEMPTIONS; ITEMS BEARING OTHER EXCISE TAXES, ETC.-
- (a) Also exempt are:

- 1. Water delivered to the purchaser through pipes or conduits or delivered for irrigation purposes. The sale of drinking water in bottles, cans, or other containers, including water that contains minerals or carbonation in its natural state or water to which minerals have been added at a water treatment facility regulated by the Department of Environmental Protection or the Department of Health, is exempt. This exemption does not apply to the sale of drinking water in bottles, cans, or other containers if carbonation or flavorings, except those added at a water treatment facility, have been added. Water that has been enhanced by the addition of minerals and that does not contain any added carbonation or flavorings is also exempt.
- 2. All fuels used by a public or private utility, including any municipal corporation or rural electric cooperative association, in the generation of electric power or energy for sale. Fuel other than motor fuel and diesel fuel is taxable as provided in this chapter with the exception of fuel expressly exempt herein. Motor fuels and diesel fuels are taxable as provided in chapter 206, with the exception of those

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motor fuels and diesel fuels used by railroad locomotives or vessels to transport persons or property in interstate or foreign commerce, which are taxable under this chapter only to the extent provided herein. The basis of the tax shall be the ratio of intrastate mileage to interstate or foreign mileage traveled by the carrier's railroad locomotives or vessels that were used in interstate or foreign commerce and that had at least some Florida mileage during the previous fiscal year of the carrier, such ratio to be determined at the close of the fiscal year of the carrier. However, during the fiscal year in which the carrier begins its initial operations in this state, the carrier's mileage apportionment factor may be determined on the basis of an estimated ratio of anticipated miles in this state to anticipated total miles for that year, and subsequently, additional tax shall be paid on the motor fuel and diesel fuels, or a refund may be applied for, on the basis of the actual ratio of the carrier's railroad locomotives' or vessels' miles in this state to its total miles for that year. This ratio shall be applied each month to the total Florida purchases made in this state of motor and diesel fuels to establish that portion of the total used and consumed in intrastate movement and subject to tax under this chapter. The basis for imposition of any discretionary surtax shall be set forth in s. 212.054. Fuels used exclusively in intrastate commerce do not qualify for the proration of tax.

- 3. The transmission or wheeling of electricity.
- 4. Dyed diesel fuel placed into the storage tank of a vessel designed, constructed, and used exclusively for the

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CODING: Words stricken are deletions; words underlined are additions.

HB 423 2013

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taking of shrimp from salt and fresh waters for sale. The exemption does not apply unless the purchaser of the dyed diesel fuel provides the seller with a written statement, signed by the purchaser, verifying that the dyed diesel fuel is to be used by the vessel exclusively for the taking of shrimp from salt and fresh waters for sale. Any dyed diesel fuel that is not used exclusively as verified in such statement is subject to the tax levied under s. 212.05(1)(k), due and payable by the purchaser.

Section 3. This act shall take effect July 1, 2013.

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HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #:

HB 4007

Department of Environmental Protection

SPONSOR(S): Nelson

TIED BILLS: None IDEN./SIM. BILLS: SB 326

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Agriculture & Natural Resources Subcommittee		Renner/R	Blalock Mag
2) Appropriations Committee			
3) State Affairs Committee			

SUMMARY ANALYSIS

The Cross Florida Barge Canal Project began in 1933. Thousands of acres of land were acquired to create a commercial shipping channel across the Florida peninsula connecting the Atlantic Ocean to the Gulf of Mexico. There were two major efforts to construct the canal, first from 1933 to 1935, and then from 1964 to 1990. The canal was never completed due to insufficient funds and concerns over potential environmental impacts. Congress officially de-authorized the project in 1990 and all federal canal lands and structures were transferred to the state to be managed as a conservation and recreation area. The canal land was officially named the Marjorie Harris Carr Cross Florida Greenway (CFG) and is now managed by the Office of Greenways and Trails. The CFG is a multi-use area and provides natural resource-based recreation including fishing, camping, hunting, boating, bicycling, and horseback riding.

CFG lands are subject to the following specific surplus procedures that were created in order to generate funds needed to refund counties the ad valorem taxes that the counties paid to the Cross Florida Canal Navigation District:

- The county where the surplus land is located has the first right of refusal to acquire the land at current appraised value by buying it or subtracting the value from its reimbursement;
- The original owner of the land or the original owner's heirs have second right of refusal to acquire the land at current appraised value;
- Any person having a leasehold interest in the land has the third right of refusal to acquire the land at current appraised value;
- Surplus land that is not acquired as stated above is offered in a public sale to the highest bidder. The minimum acceptable bid is the current appraised value;
- Proceeds from the sale of CFG land are refunded to the counties for ad valorem taxes paid by the counties to the Cross Florida Canal Navigation District;
- Interest refunded to the counties is compounded annually at rates specified in s. 253.0783(2)(f), F.S.; and
- Any excess funds from the sale of surplus lands may be used for the maintenance of the greenway corridor.

The bill repeals the specific CFG surplus and exchange procedures, which will allow the Department of Environmental Protection's (DEP) Office of Greenways and Trails to follow current DEP Division of State Lands procedures for the surplus and exchange of conservation lands.

The bill appears to have an indeterminate positive fiscal impact on DEP by not having a separate procedure for surplussing CFG lands. The bill does not have a fiscal impact on local governments or the private sector.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives. STORAGE NAME: h4007.ANRS.DOCX

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Cross Florida Greenway

The Cross Florida Barge Canal Project began in 1933. Thousands of acres of land were acquired to create a commercial shipping channel across the Florida peninsula connecting the Atlantic Ocean to the Gulf of Mexico. There were two major efforts to construct the canal, first from 1933 to 1935, and then from 1964 to 1990. The canal was never completed due to insufficient funds and concerns over potential environmental impacts. Congress officially de-authorized the project in 1990, and all federal canal lands and structures were transferred to the state to be managed as a conservation and recreation area. The canal land was officially named the Marjorie Harris Carr Cross Florida Greenway (CFG) and is now managed by the Office of Greenways and Trails. The CFG is a multi-use area and provides natural resource-based recreation including fishing, camping, hunting, boating, bicycling, and horseback riding.¹

The CFG extends through portions of Marion County, requiring that Marion County receive right-of-way access across portions of the CFG. Section 253.7827(3), F.S., provides that Marion County may purchase right-of-way access at fair market value, or that the value of the right-of-way be subtracted from the amount of reimbursement due to the county, pursuant to s. 253.783, F.S.

Water Resource Development Act of 1990

Section 402 of the Water Resources Development Act of 1990 (Act) amended sec. 1114(b)(5) of the Water Resources Development Act of 1986.² In addition to de-authorizing the project, the Act transferred all federal lands, interests, and facilities to the state without consideration, provided the state:

- Holds the federal government harmless for claims arising from operation of federal lands and facilities;
- Maintains the corridor as a public greenway for compatible recreation purposes, including specified areas;
- Agrees to preserve, enhance, interpret, and manage the natural and cultural resources contained in specified areas;
- Pays Citrus, Clay, Duval, Levy, Marion, and Putnam Counties a minimum aggregate sum of \$32 million, or at the option of the counties, payment by conveyance of surplus barge canal lands selected by the state at current appraised values;
- Uses any remaining funds generated from the sale of surplus CFG lands to acquire fee title or
 easements to other lands along the project route. Any remaining funds generated from the sale
 of surplus CFG lands *must* be used for the improvement and management of the greenway
 corridor. It does not dictate the procedures the state must use to surplus CFG lands, only how
 the funds from the sale of surplus land are to be managed.

The Act provides for certain legal remedies if the State fails to comply with the above requirements.3

¹ DEP, Marjorie Harris Carr Cross Florida Greenway Management Plan, (June 15, 2007), http://www.dep.state.fl.us/gwt/cfg/Plan_PDF/CFG_LMP_Final.pdf.

² U.S. Fish & Wildlife Service, *Water Resource Development Acts*, http://www.fws.gov/habitatconservation/Omnibus/WRDA1990.pdf.

See Sec. 1114(d) of the Water Resource Development Act of 1986 as amended by Sec. 402 of the Water Resource Development Act of 1990, available at http://www.fws.gov/habitatconservation/Omnibus/WRDA1990.pdf.
STORAGE NAME: h4007.ANRS.DOCX

Cross Florida Greenway Surplus Procedures

CFG lands are subject to specific surplus procedures that were created in order to generate funds needed to refund counties the ad valorem taxes that the counties paid to the Cross Florida Canal Navigation District. Section 253.783(2), F.S., provides the following CFG-specific surplus procedures:⁴

- The county where the surplus land is located has the first right of refusal to acquire the land at current appraised value by buying it or subtracting the value from its reimbursement;
- The original owner of the land or the original owner's heirs have second right of refusal to acquire the land at current appraised value;
- Any person having a leasehold interest in the land has the third right of refusal to acquire the land at current appraised value;
- Surplus land that is not acquired as stated above is offered in a public sale to the highest bidder. The minimum acceptable bid is the current appraised value;
- Proceeds from the sale of CFG land are refunded to the counties for ad valorem taxes paid by the counties to the Cross Florida Canal Navigation District;
- Interest refunded to the counties is compounded annually at rates specified in s. 253.0783(2)(f),
 F.S.; and
- Any excess funds from the sale of surplus lands may be used for the maintenance of the greenway corridor.

The last bulleted provision is in conflict with the requirements of the Act.

Conservation Land Surplus Procedures

The Board of Trustees of the Internal Improvement Trust Fund (Board of Trustees) has the authority to surplus conservation land if it is determined that the land is no longer needed for conservation purposes. Section 253.034(6), F.S., outlines the surplus procedures for conservation lands as follows:⁵

- The Acquisition and Restoration Council must first confirm that the request to surplus conservation land is consistent with the resource values and management objectives of the land:
- The Board of Trustees approves the surplus by a vote of at least three members;
- State agencies, colleges, and universities are given priority to lease the surplus land;
- State, county, or local governments are offered second right of refusal to purchase the surplus land:
- If government agencies, colleges, and universities opt out of purchasing surplus land, then the land is available for sale on the private market;
- The sale price is negotiated or competitively bid (determined by market value) pursuant to s. 253.034(6)(g), F.S., and Rule 18-2.020, F.A.C.; and
- Proceeds from the sale of surplus land are deposited into the fund from which the lands were acquired. If the trust fund from which the lands were acquired no longer exists, the funds are deposited into an appropriate account to be used for land management.

Effect of Proposed Changes

The bill repeals s. 253.783, F.S., and allows the surplus procedures of the CFG lands to be consistent with current Board of Trustees surplus procedures. This provides for better management of CFG lands and will close ownership gaps within the CFG boundary. The repeal provides consistency between the

⁴ See s. 253.783, F.S.

⁵ See s. 253.034, F.S.

federal requirements for the funds acquired from the surplus of CFG lands and the manner in which the state manages funds. The bill also amends s. 253.7827, F.S., conforming cross-references.

B. SECTION DIRECTORY:

Section 1. Repeals s. 253.783, F.S., relating to the powers and duties of DEP to dispose of surplus lands acquired for the construction, operation, or promotion of a canal across the peninsula of the state and refund payments to counties.

Section 2. Amends s. 253.7827, F.S., conforming cross-references.

Section 3. Provides an effective date of July 1, 2013.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comments.

2. Expenditures:

See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

There may be an indeterminate cost savings to DEP by not having a separate procedure for surplussing CFG lands. The current procedure for surplussing CFG lands may require multiple public notices placed in newspapers and lengthy legal determinations on the rights of people claiming to be heirs or those claiming a leasehold interest in the lands.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The repeal of s. 253.0783(2) F.S., implies that the sale and exchange of surplus CFG lands may continue under the existing process for conservation lands titled in the Board of Trustees as outlined in s. 253.034(6), F.S.; however, the bill does not explicitly state this.

In addition, the current surplus procedures outlined in s. 253.783(2), F.S., violate the Water Resource Development Act of 1990. The Act specifies any remaining funds from surplus lands after acquisition of fee title or easements must be used for maintenance of the greenway, while s. 253.783(2)(e), F.S., is permissive for such remaining funds. Repeal of this section remedies this violation. However, the bill does not specify that the funds generated from surplussing former federal CFG lands must adhere to the Act's requirements when using the usual surplussing procedures outlined in s. 253.034(6), F.S. As stated above, if the state fails to follow the Act's requirements, it may be subject to certain legal remedies.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.

STORAGE NAME: h4007.ANRS.DOCX DATE: 2/18/2013

HB 4007 2013

A bill to be entitled

An act relating to the Department of Environmental Protection; repealing s. 253.783, F.S., relating to the powers and duties of the department to dispose of surplus lands acquired for the construction, operation, or promotion of a canal across the peninsula of the state and refund payments to counties; amending s. 253.7827, F.S.; conforming provisions; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

- Section 1. Section 253.783, Florida Statutes, is repealed.
- Section 2. Subsection (3) of section 253.7827, Florida Statutes, is amended to read:
- 253.7827 Transportation and utility crossings of greenways lands.—
- expressed by Marion County to provide for the southerly extension of Sixtieth Avenue between State Road 200 and Interstate 75 and for the extension to cross the greenways lands to allow for the orderly growth and development of Marion County. Right-of-way for this extension across greenways lands shall be designed to mitigate the impacts to the extent practical, and the value of such lands shall be paid based on fair market value or, at the option of Marion County, the value can be subtracted from the amount of reimbursement due the county pursuant to s. 253.783.

Page 1 of 2

HB 4007 2013

29 Section 3. This act shall take effect July 1, 2013.

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CODING: Words stricken are deletions; words underlined are additions.

hb4007-00

Florida Department of Environmental Protection



February 20, 2013







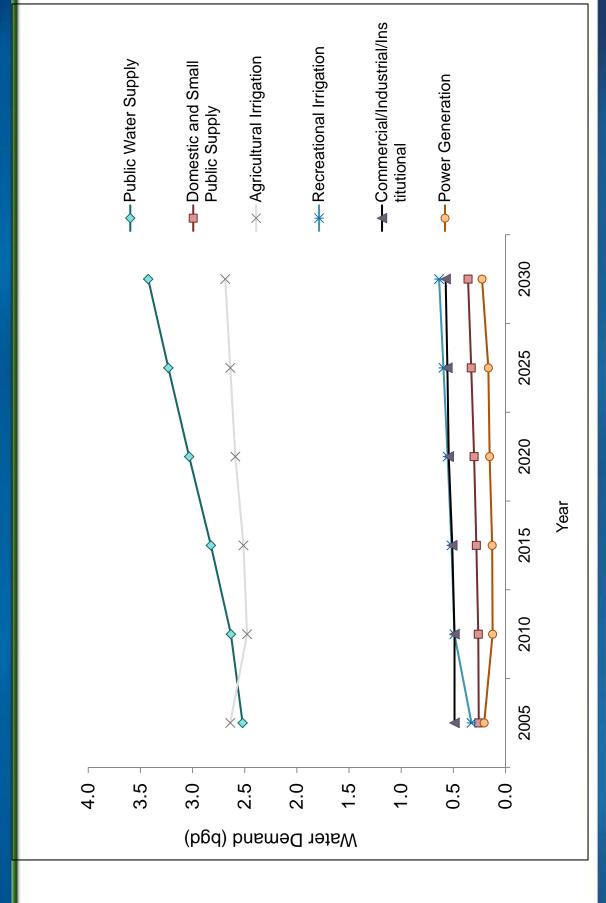








Projected Water Demand By Sector





Roles and Responsibilities

Per Ch. 373.705 (1), F.S

Water Management Districts

- Planning
- Water Resource Development (may assist with water supply development).

Local Water Suppliers:

Water Supply Development (may assist with water resource development).



Funding Assistance

DEP State Revolving Fund (SRF)

- Since 1989
- Low interest loans for wastewater and drinking water systems, including alternative water supply

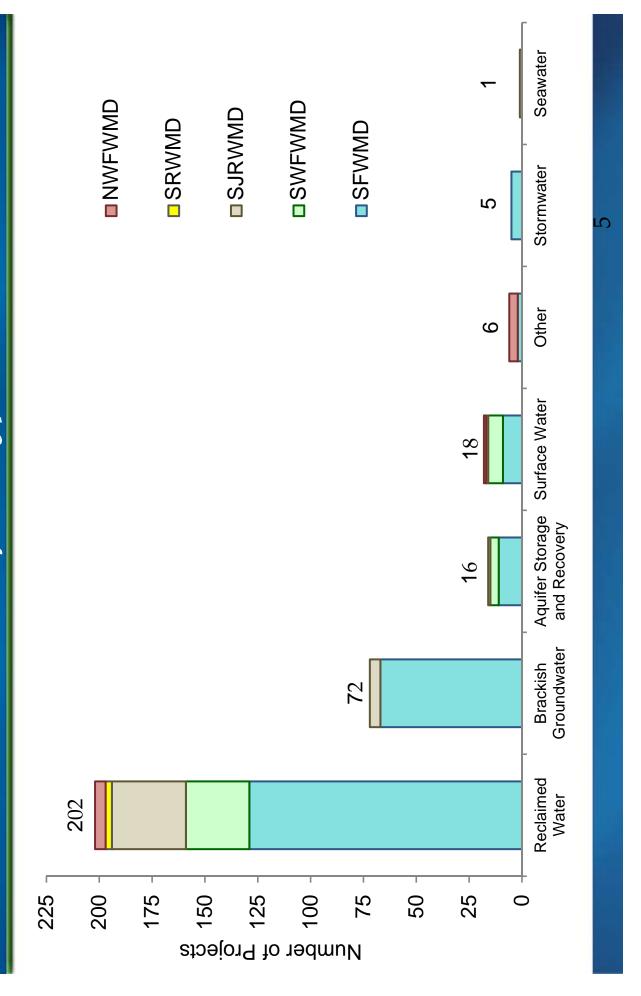
WMD ad valorem

- Cost share funding assistance for alternative water supply projects and conservation
- Water Protection and Sustainability Program
- State funding, matched by WMD ad valorem
- Cost share funding for alternative water supply projects
- FY 2005 2008

2/19/2013

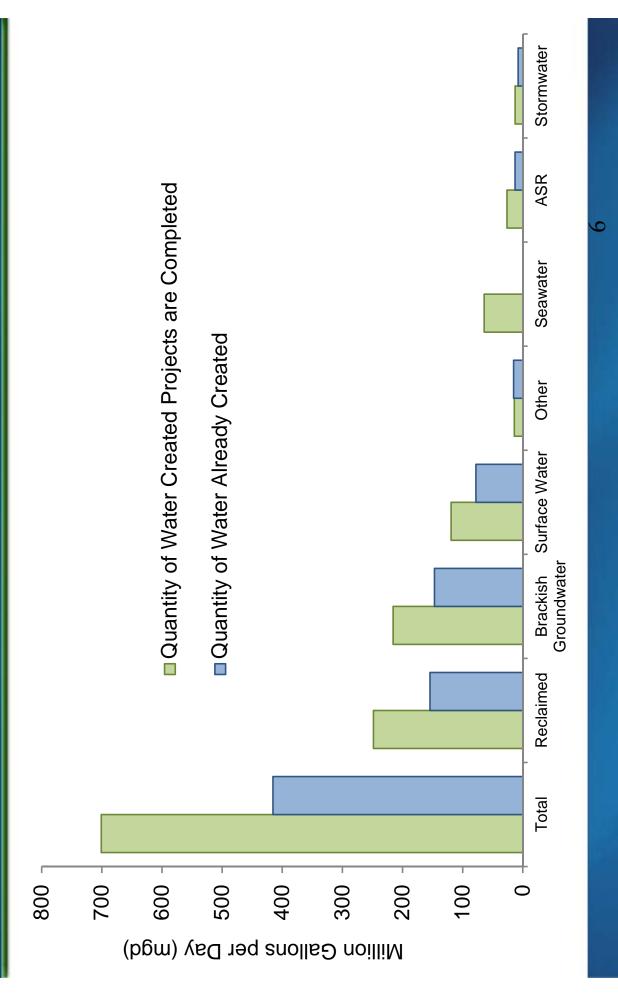


AWS Project Types Funded



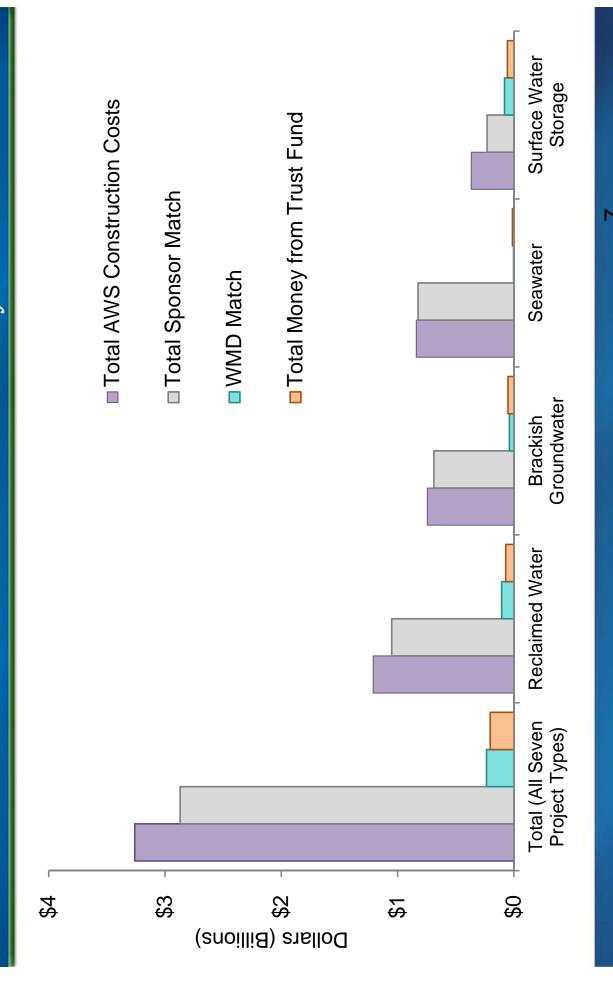
How Much Water Will Projects Provide?







How Much Will the Projects Cost?





Priority for WMD Funding Assistance

Per Ch. 373.705(3), F.S.

- Consistent with Regional Water Supply Plan and:
- Dependable, sustainable water supply that is not otherwise financially feasible.
- Prevents or limits water resource impacts, but not economically competitive with other options, or
- Implements reuse, storage, recharge, or conservation.
- First priority if meets above, plus:
- Assists with MFL recovery
- Helps eliminate a domestic wastewater ocean outfall



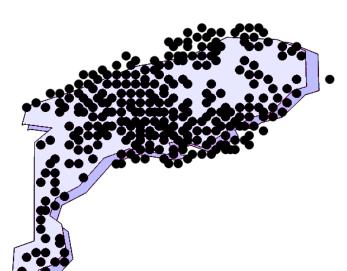
Reuse in Florida

• 434 Reuse Facilities Statewide

722 MGD Reused in 2011

49% of Wastewater Flow reused

National Leader in Reuse



We're # 1!



Incentives



• Funding for AWS and Water Conservation projects

Reuse Credits in CUP program

CUP permit extensions for successful water conservation



Contact

Janet G. Llewellyn
Policy Administrator
Office of Water Policy
Janet.Llewellyn@dep.state.fl.us
850/245-3139



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FDACS Role in Water Supply Conservation Development and

February 20, 2013

House Agriculture and Natural Resources Subcommittee Rep. Matt Caldwell, Chair Florida Department of Agriculture and Consumer Services Commissioner Adam H. Putnam

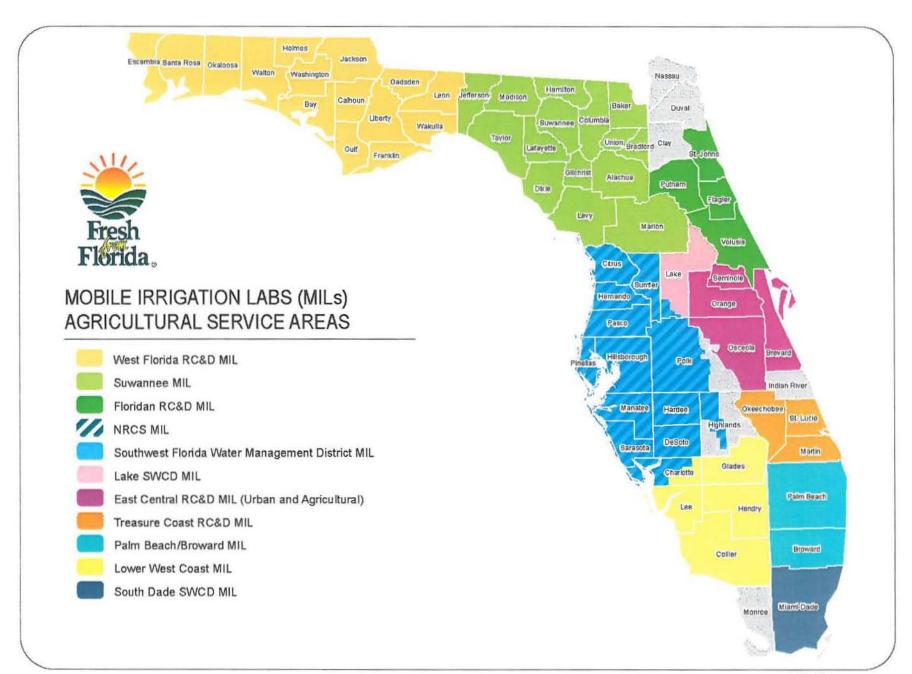
Rich Budell, Director Office of Agricultural Water Policy

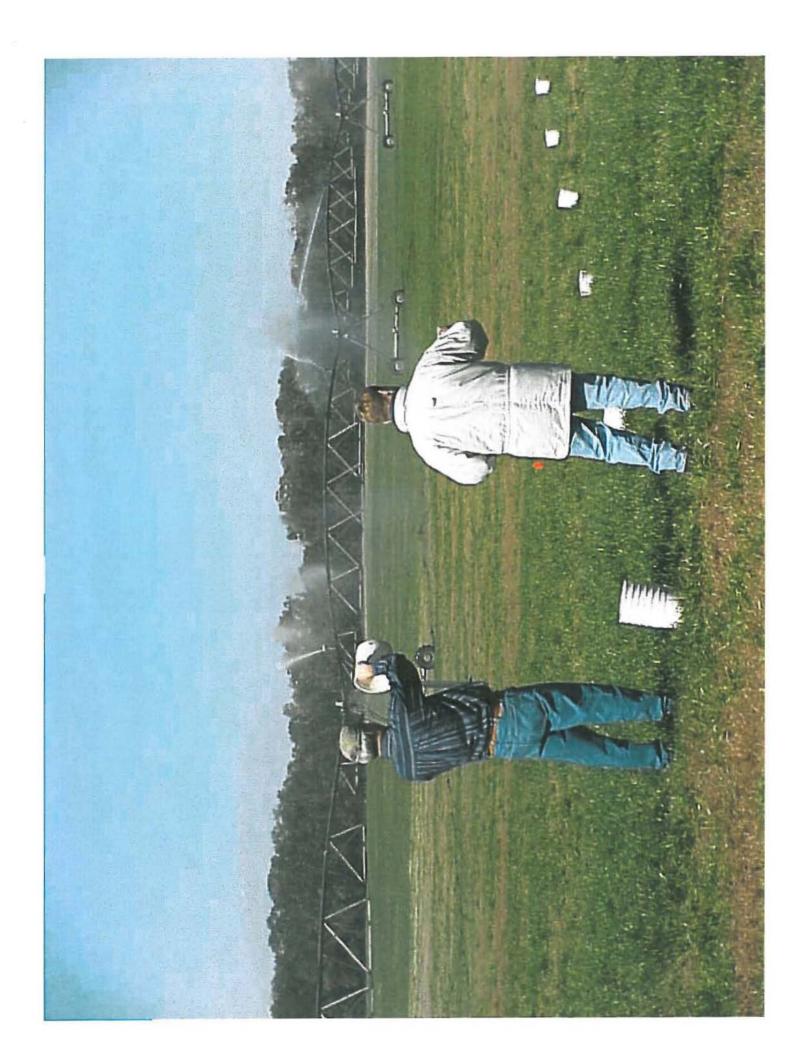
Water Supply & Conservation

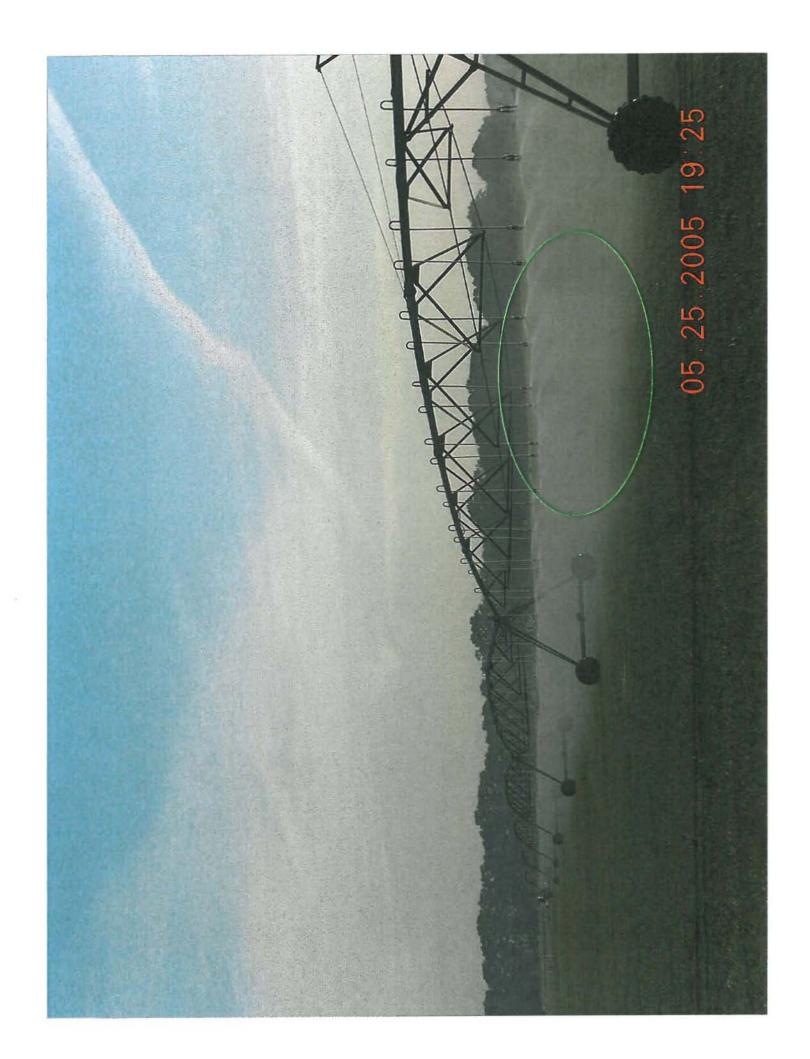
- Agriculture is second largest user of fresh water in Florida
- Access to adequate quantities of fresh water is critical
- Participation in long-range water supply planning
- Commitment to conservation/efficiency (Mobile Irrigation Laboratories)
- In partnership with water management districts and FDEP to develop alternative water supply projects

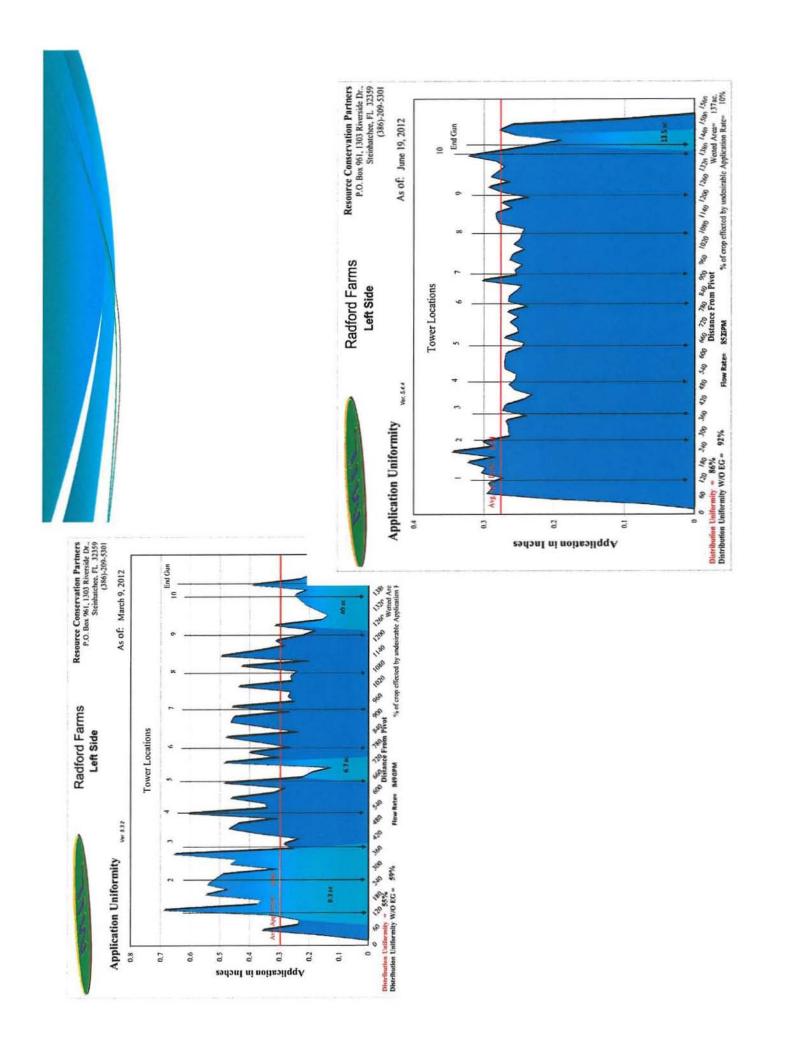
Water Supply & Conservation

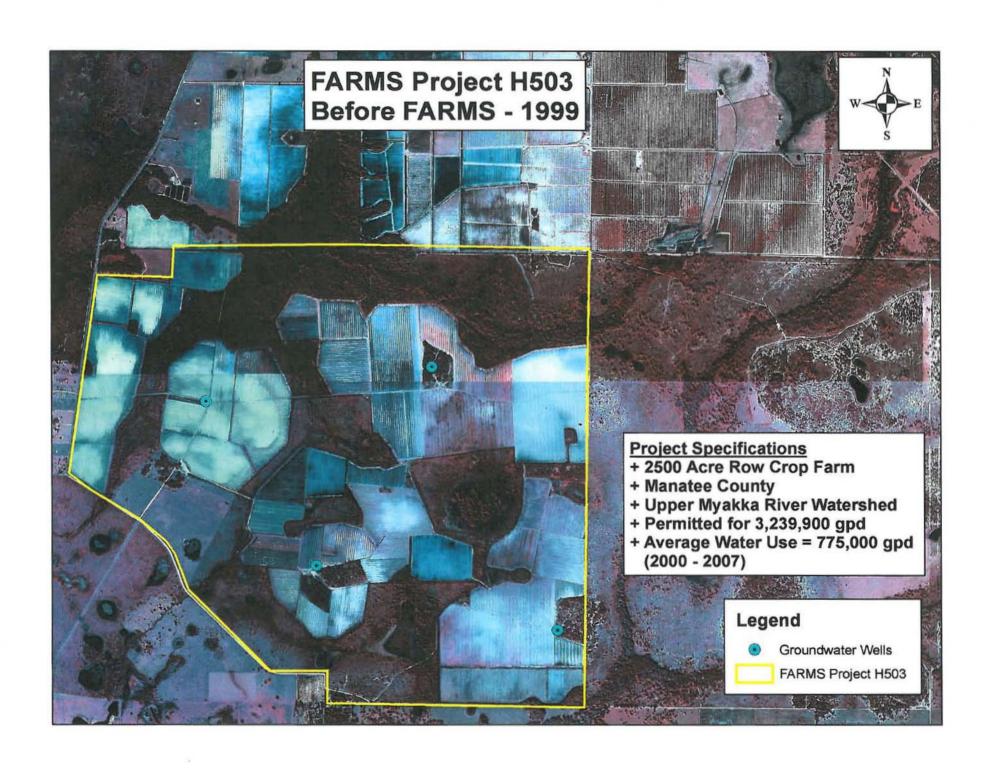
- Nearly 90% of agricultural water use is for food production
- Preserving agricultural lands is critical for water storage and treatment, ground water recharge, and wildlife corridors
- Participate with stakeholders to develop innovative water storage programs on private lands
- Cooperatively develop programs to compensate landowners for providing environmental benefit to the public

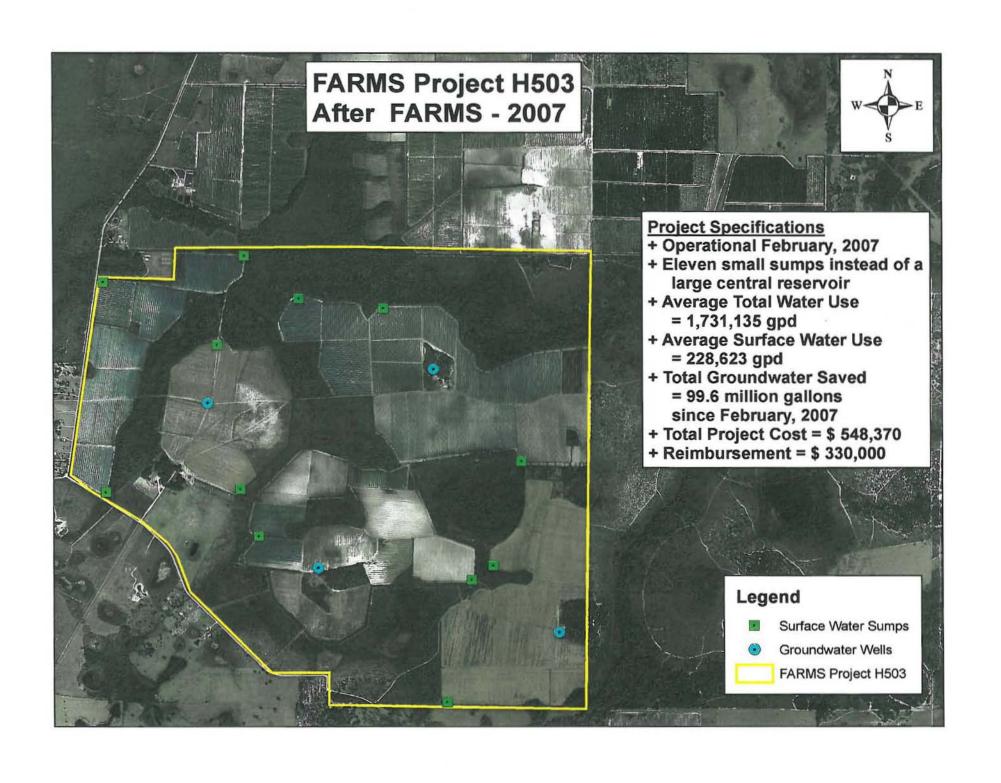














Policy Challenges

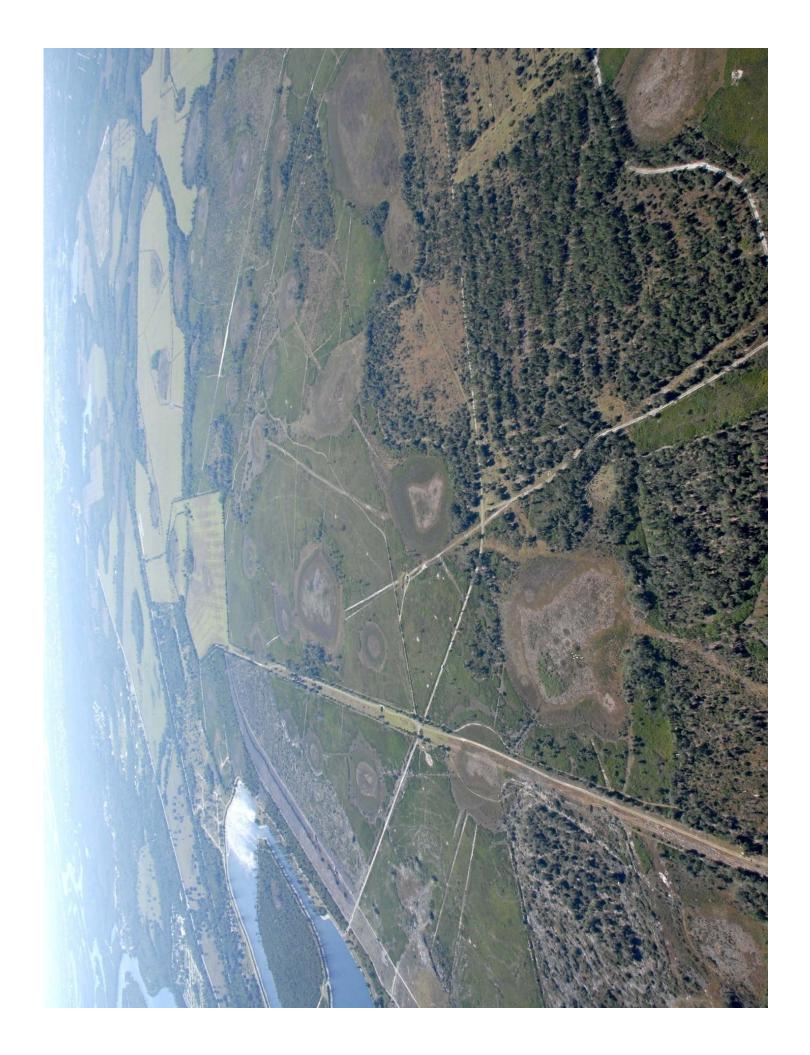
- Agriculture is a "self-supplier" of water cannot pass on the costs of wells, pumps, etc.
- Only 2.8% of all water on the planet is fresh
 - 75% of which is tied up in ice caps and glaciers
 - Remaining 25% of fresh water is ground water and surface water
 - A whopping 0.7% of all the water on the earth....
- Projected population growth from 7 to 9 billion by 2050
- Food production will have to increase 70%
- Water available for agriculture will decrease

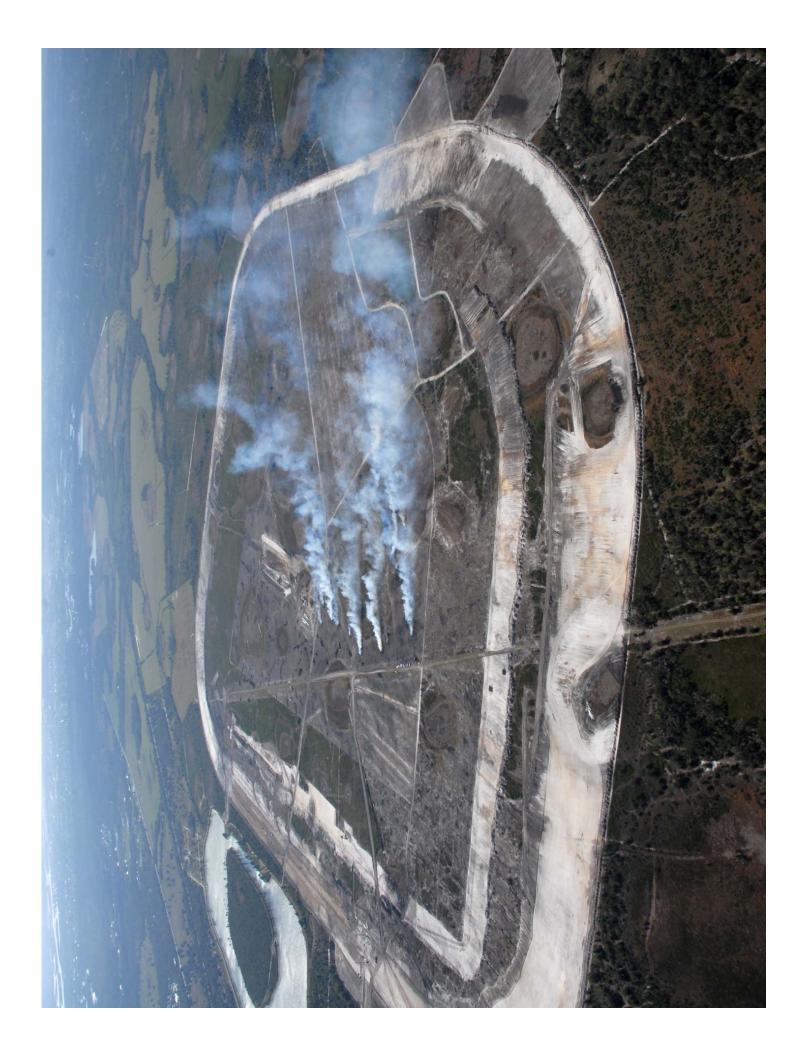
"We live in a highly industrialized and urban culture, but it is important to remember that there is no such thing as a post-agricultural society. Policy decisions concerning agriculture, our environment, water supply and land use need to reflect this fundamental truth."

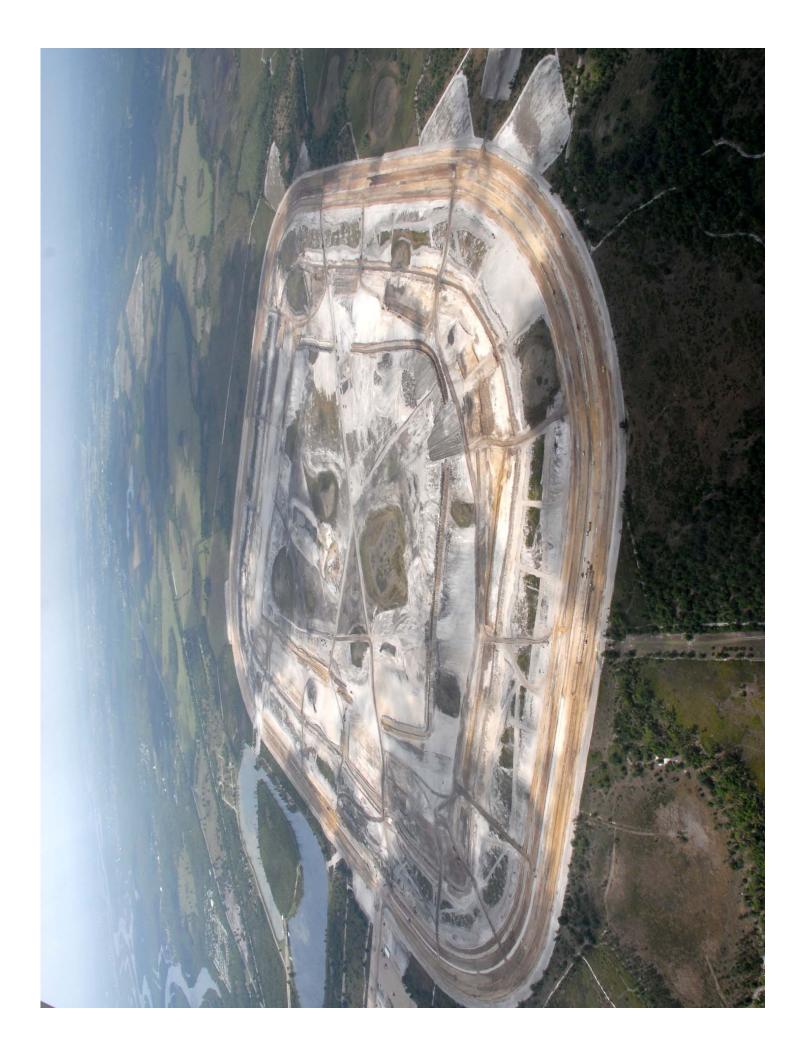
- Timothy Weiskel 1990

Questions?

Rich Budell, Director Office of Agricultural Water Policy Florida Department of Agriculture and Consumer Services Commissioner Adam H. Putnam







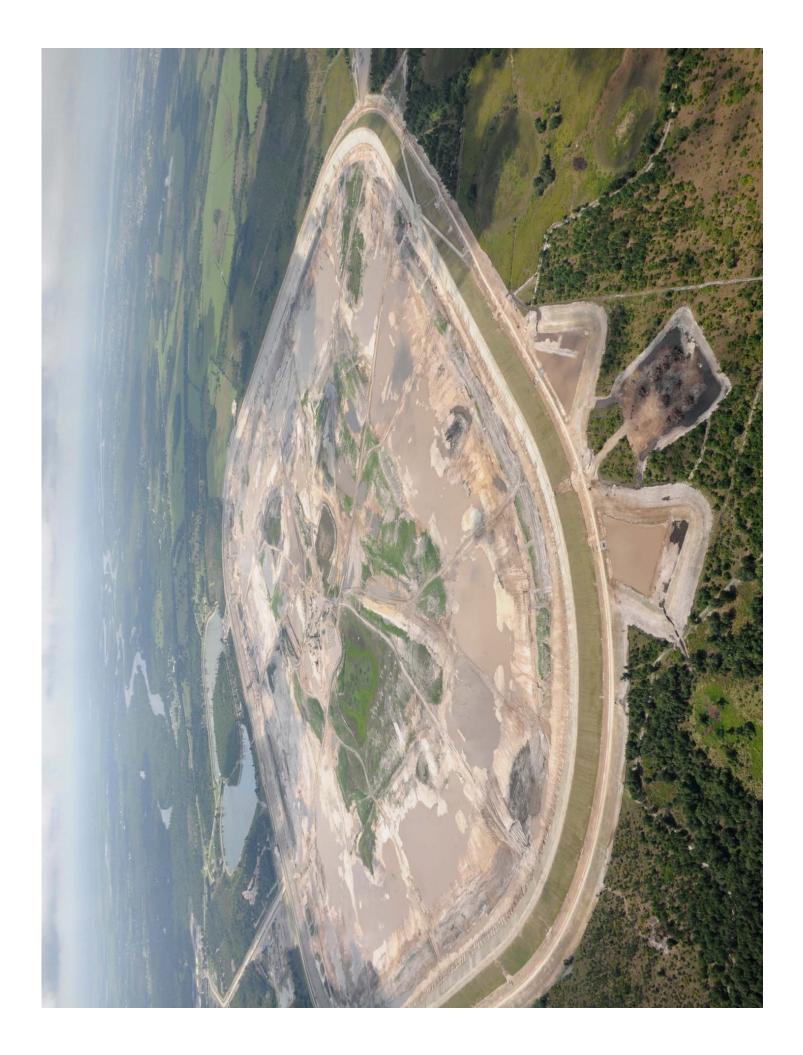


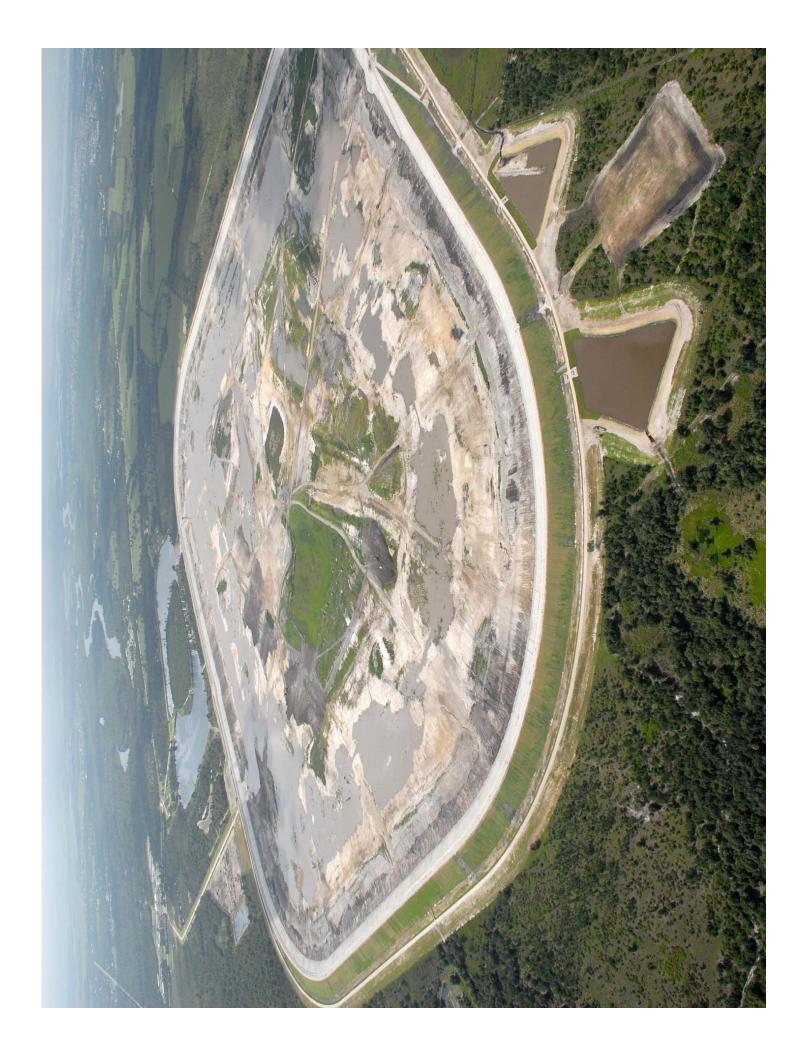


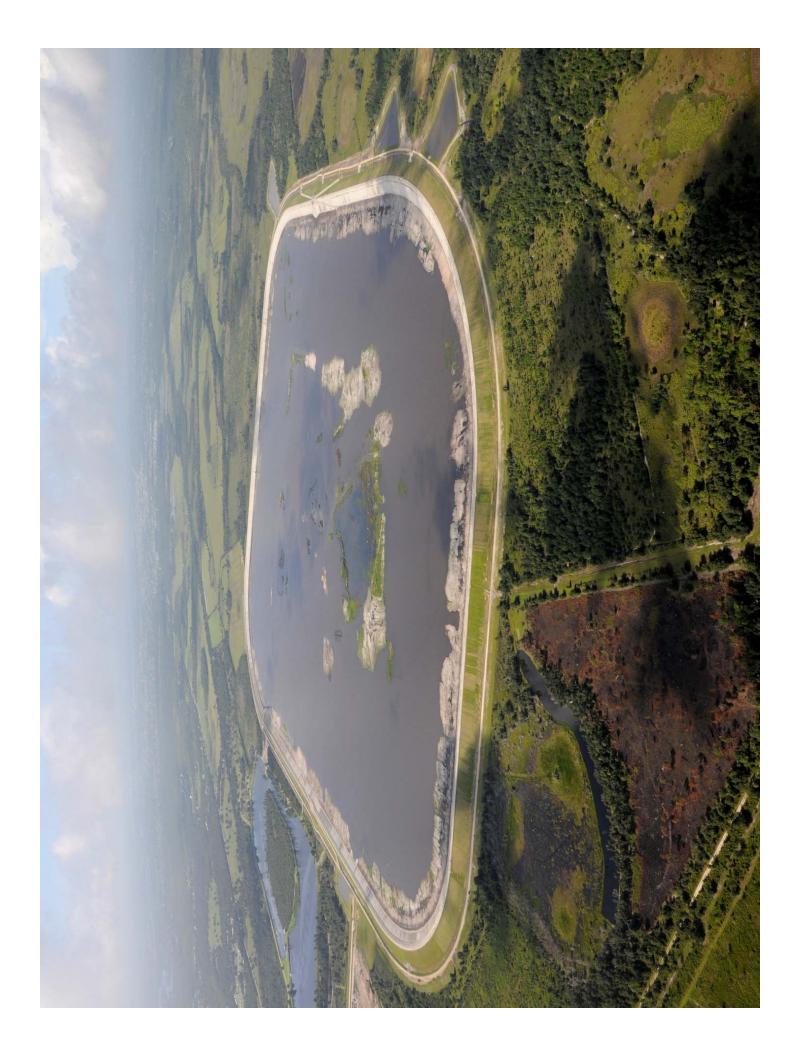


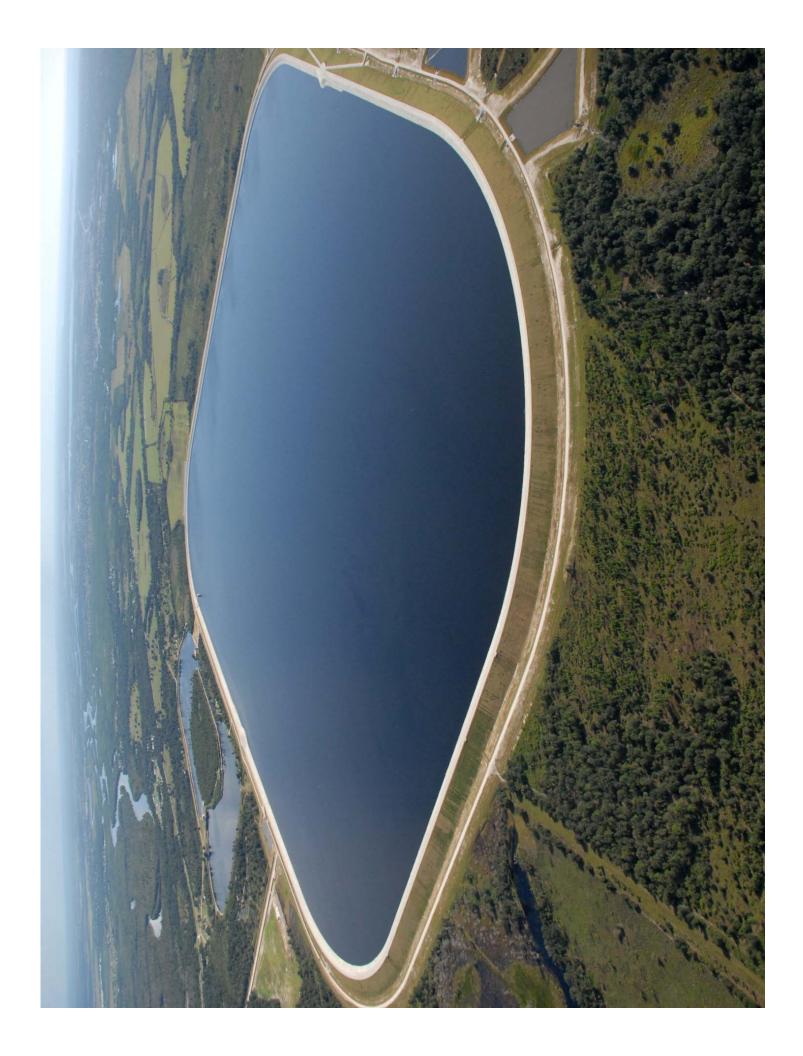


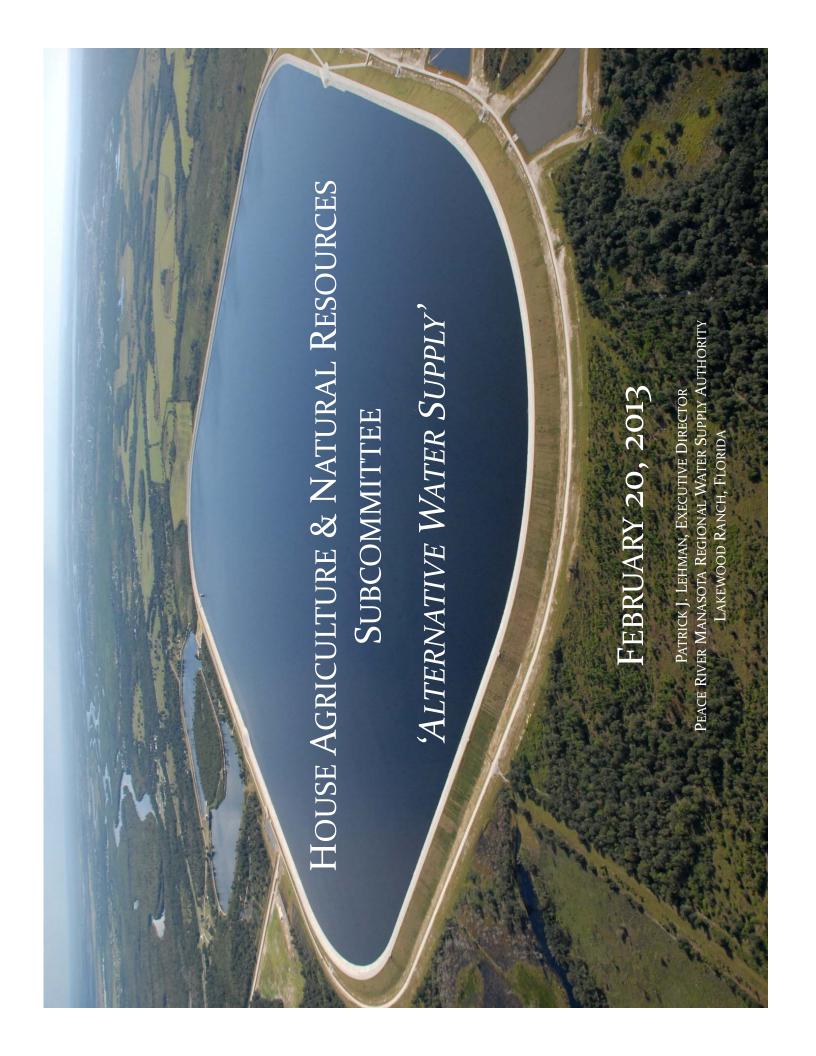






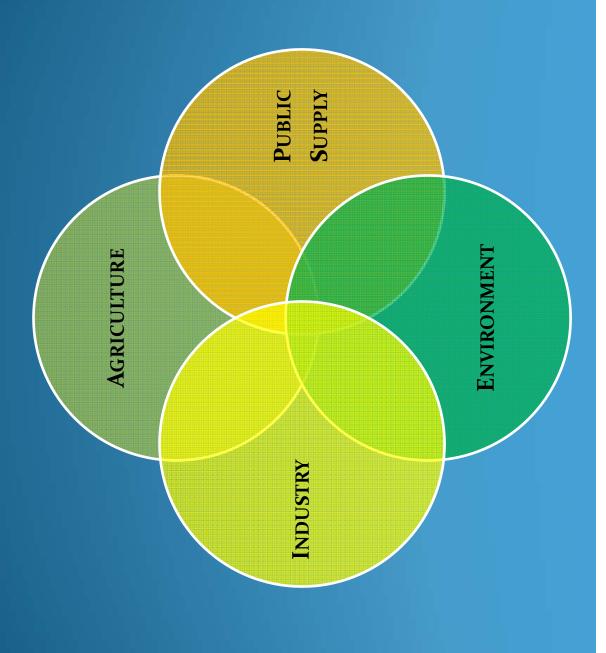


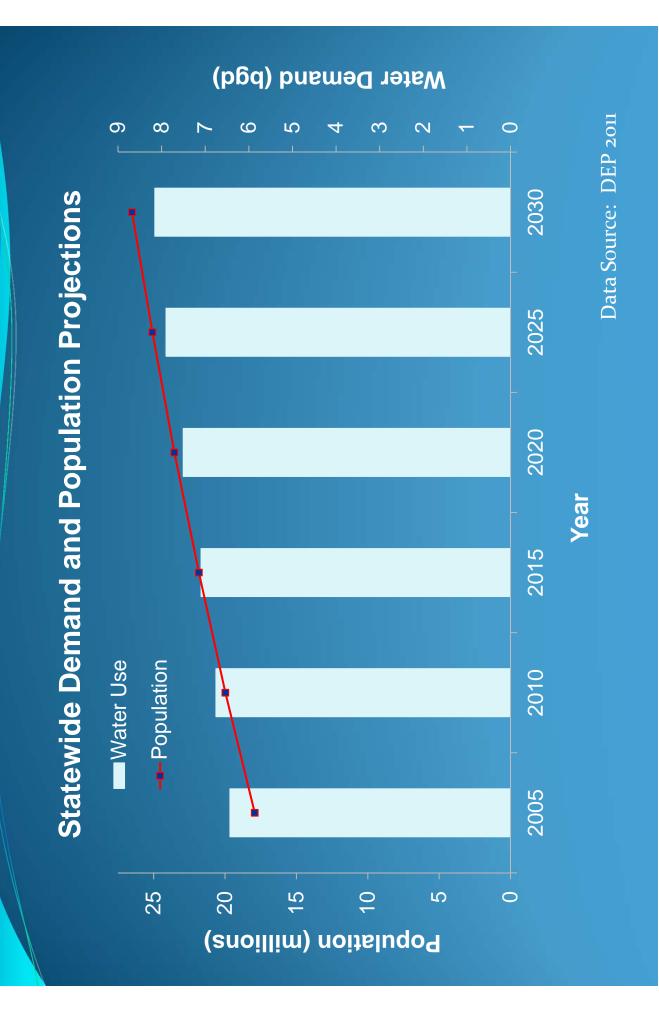




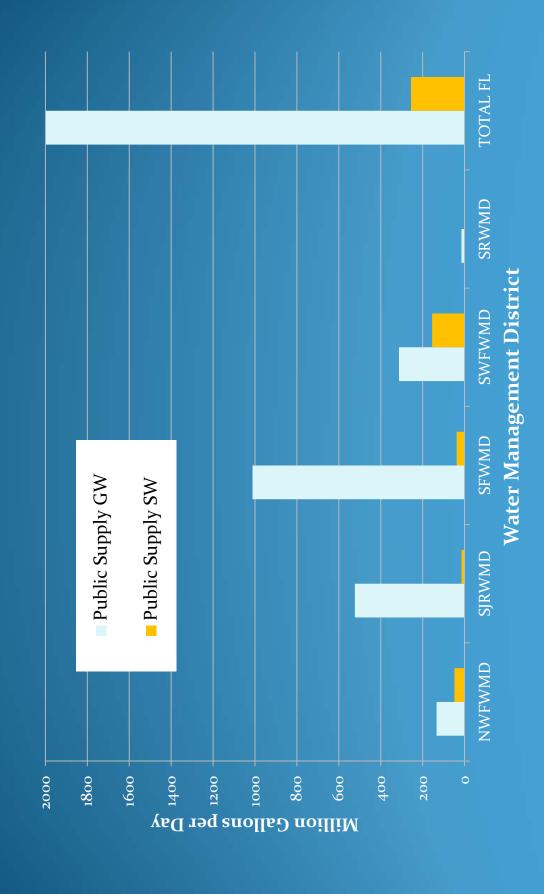


Multiple Water Users

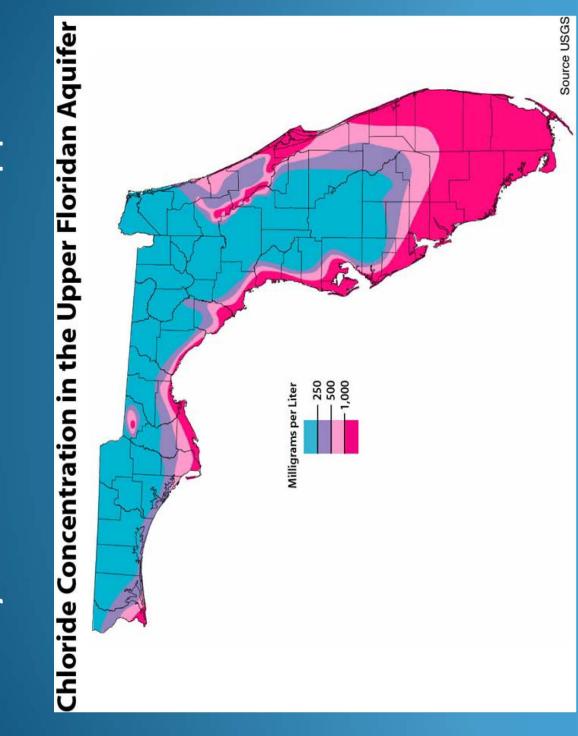




2010 Public Supply Water Use (draft USGS)

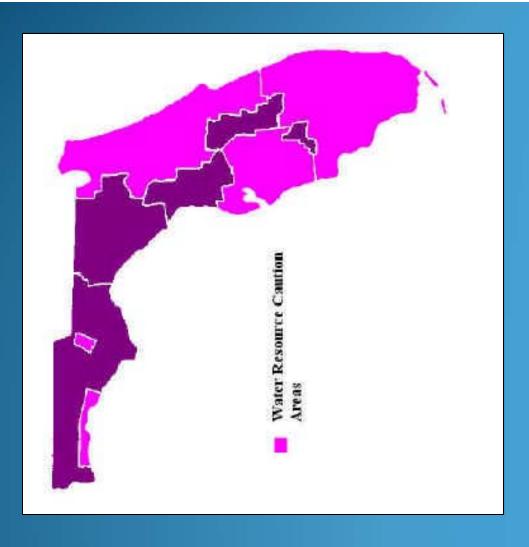


Why Alternative Water Supplies



Why Alternative Water Supplies

Water resource caution areas are areas that have critical water supply problem or are projected to have critical water supply problems within the next 20 years as required by Chapter 62-40, F.A.C.



Why Alternative Water Supplies

Chapter 373.707(1)(b):

"There is a need for development of alternative water supplies for Florida to sustain its economic growth, economic viability, and natural resource."



What are Alternative Water Supplies

Alternative water supplies include sources such as:

- Seawater
- Brackish groundwater
- Surface Water
- Stormwater
- Reclaimed water
- Conservation



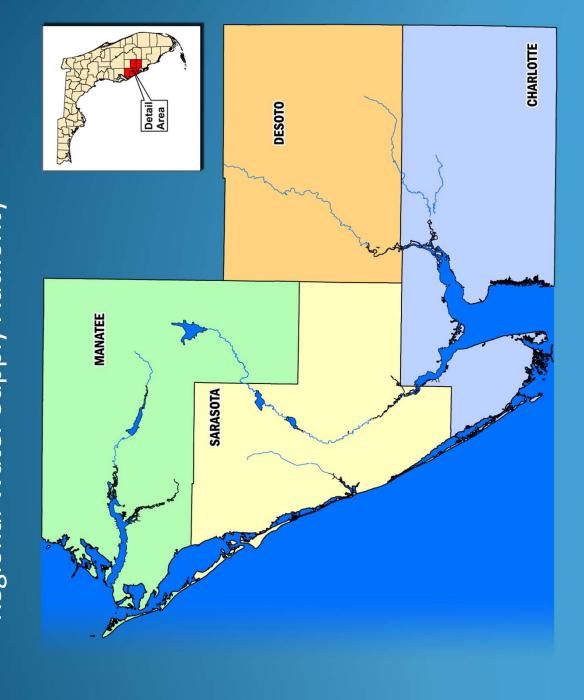
Who Pays for Alternative Water Supplies

Chapter 373.707(2)(c):

"Funding for development of alternative water supplies shall be a shared responsibility of water suppliers and users, the State of Florida, and the water management districts..."

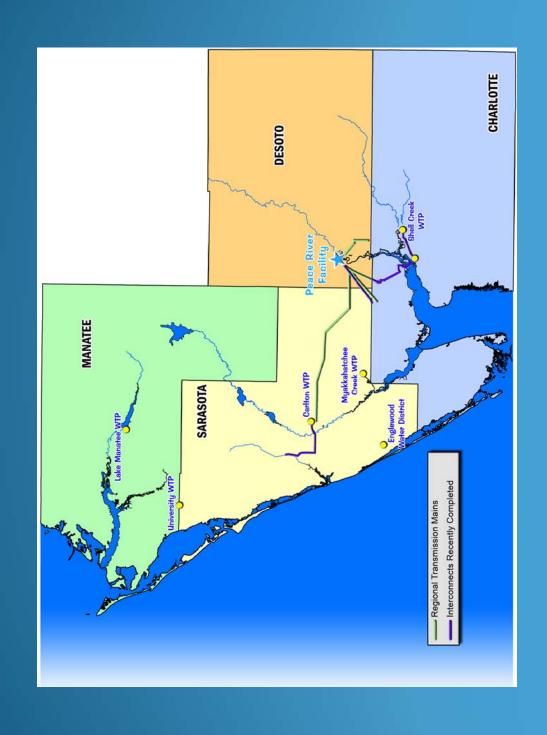


Peace River Manasota Regional Water Supply Authority





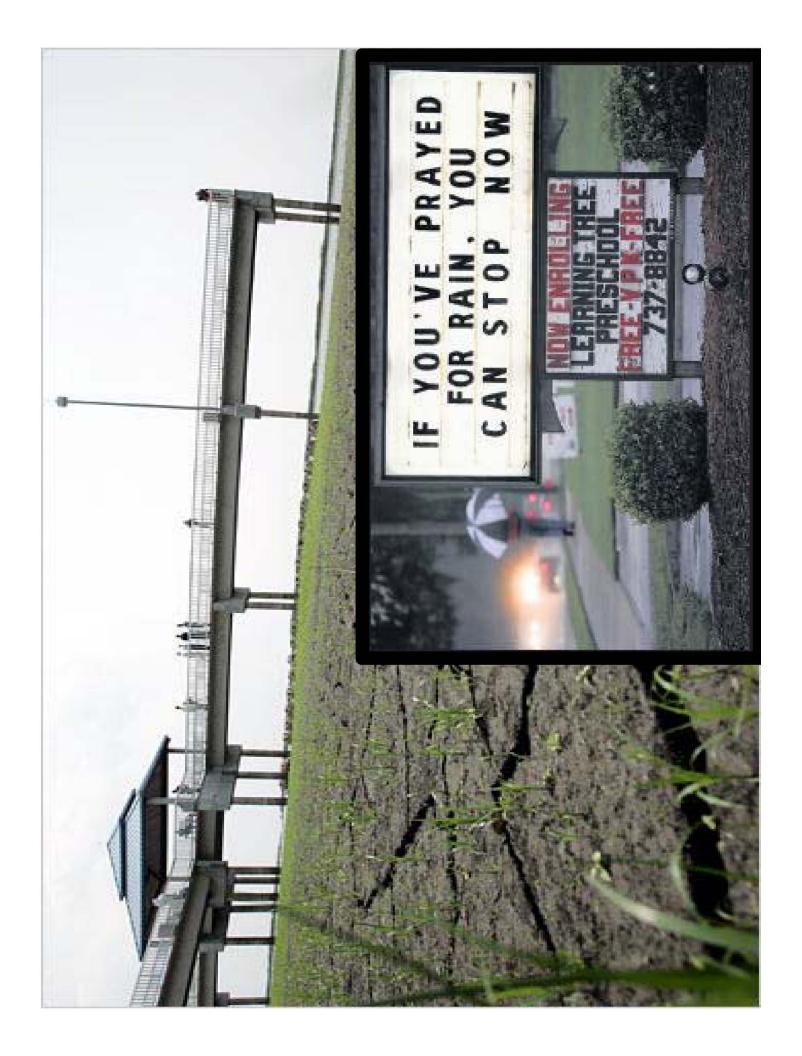
Water Transmission Existing Regional System

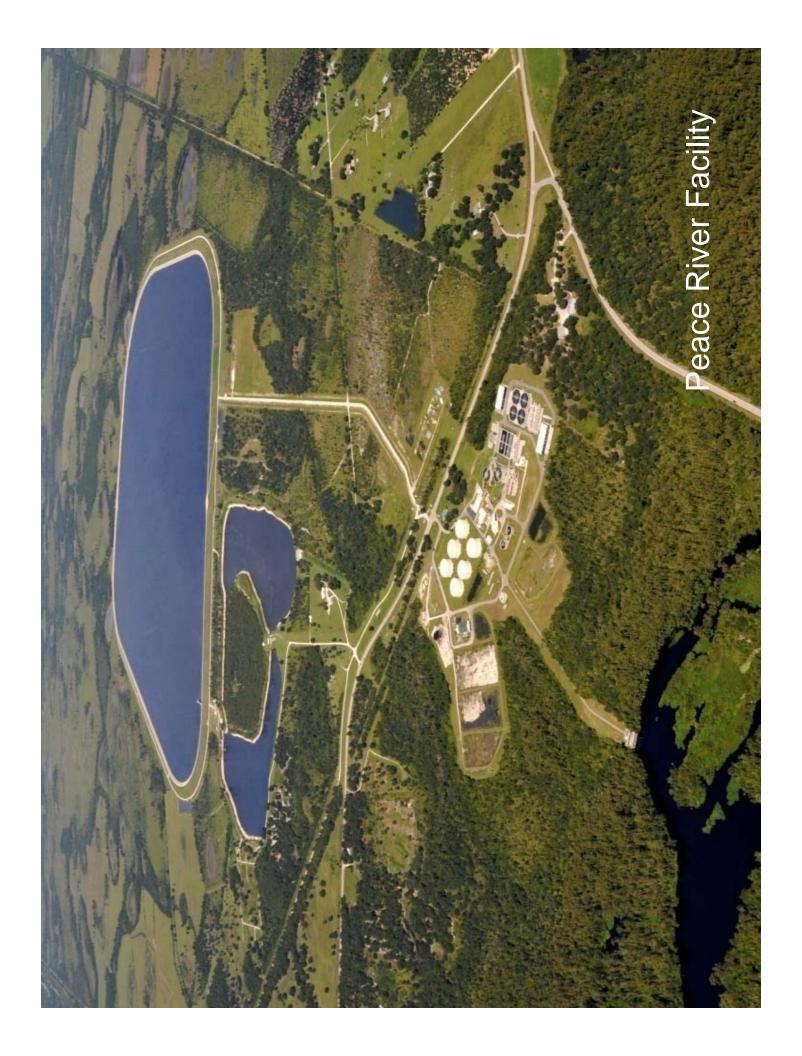


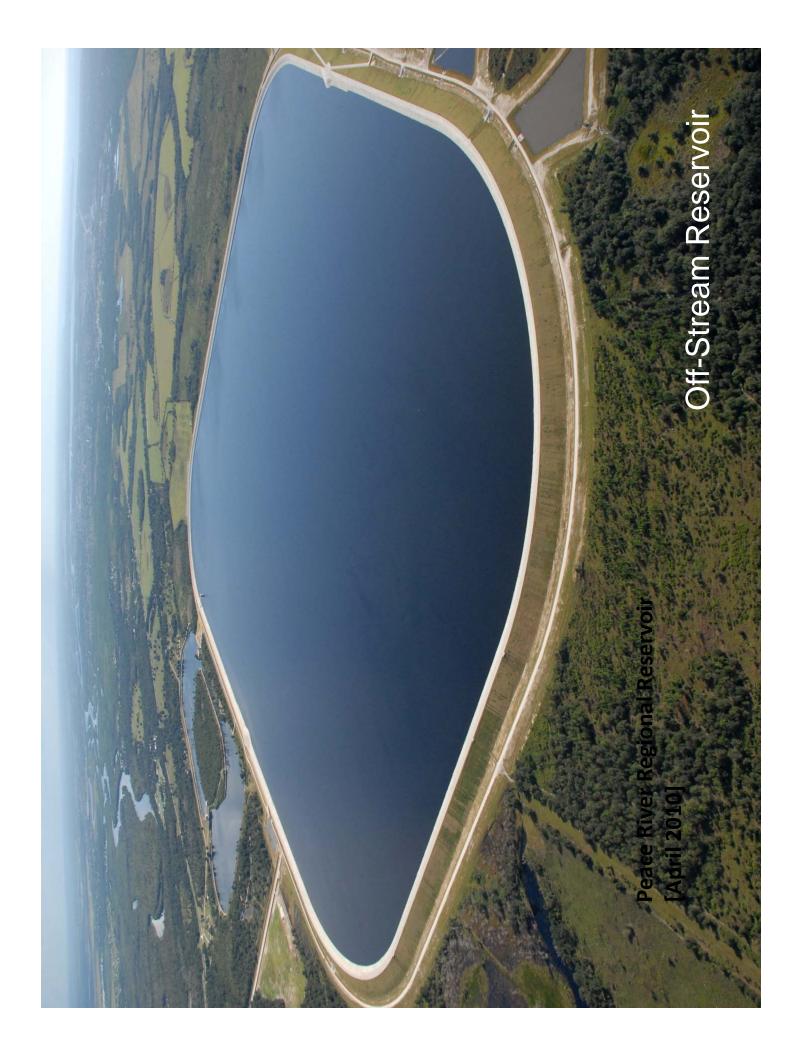
Southern Water Use Caution Area

"The Recovery Strategy focuses on <u>supplying the</u> majority of the water needs of the residential and commercial land uses with surface water (mostly captured high flows of rivers), reclaimed water and desalinated seawater."

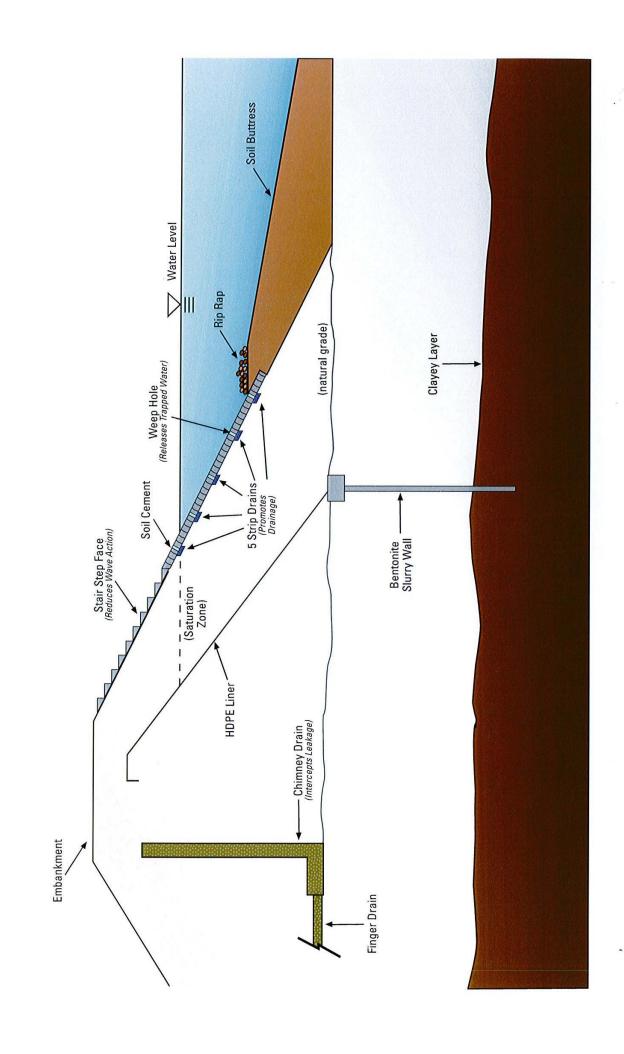






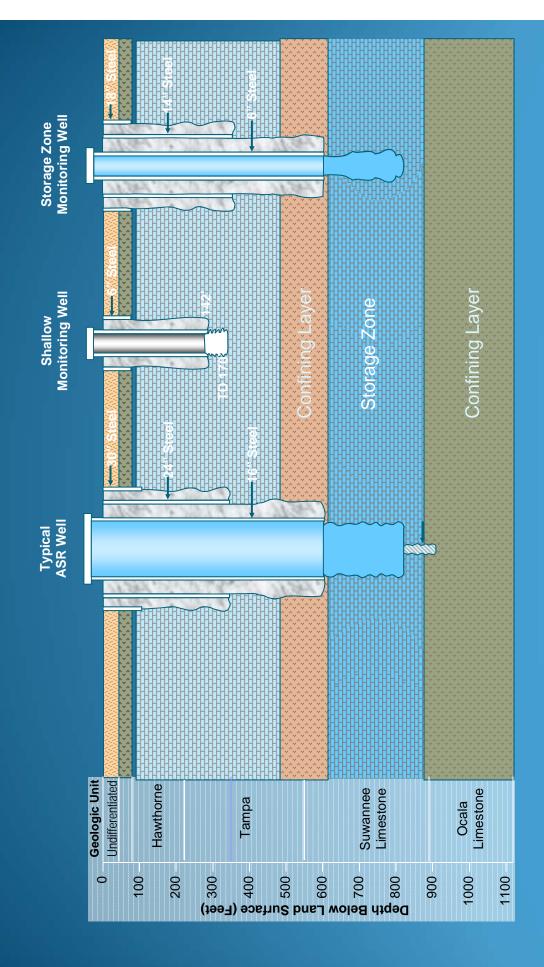


Peace River Manasota Regional Water Supply Authority Reservoir No. 2 - Cross Section





Typical ASR

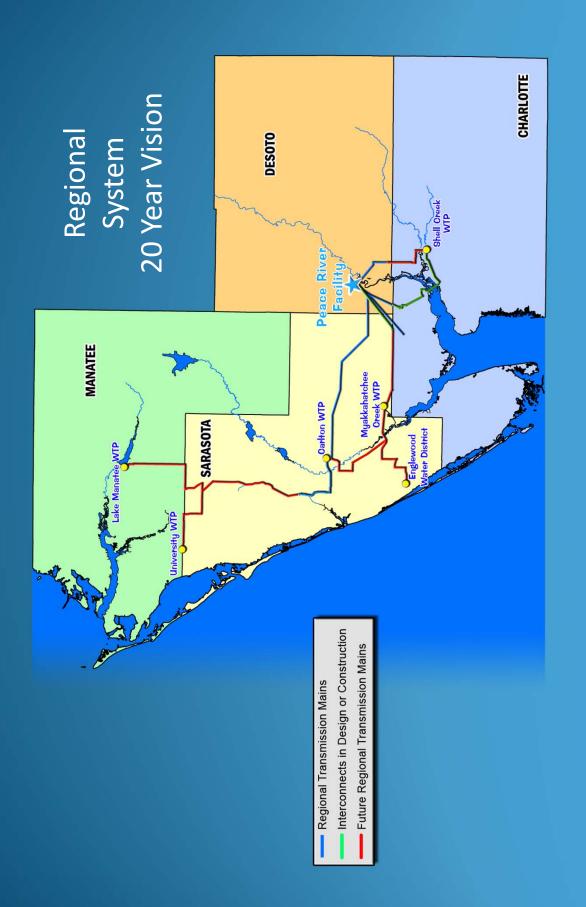


Peace River Manasota Regional Water Supply Authority

Expansion Program Source of Funds	Amount
Authority Funds	\$ 190 M
SWFWMD Grant Funds	\$ 110 M
SB444 Funds	\$ 26 M
WRAP Funds	\$ 5 M
U.S EPA Grant Funds	W 6 \$
	\$ 335 M



Peace River Manasota Regional Water Supply Authority



Fla. ag chief: Water a balanding act

By GREG MARTIN

STAFF WRITER

Commissioner Adam Putuam spoke of a need for regional stakeholders to work together to balance water allocations among urban residents, agriculture and the environment. ARCADIA — From the foot of a reservoir so big it could hold 400,000 swimming pools, Florida Agriculture

"This (water) is important to every Horidian," he said. "Agriculture clearly understands; they are the biggest loser and the first losers when it comes to

water wars."

Putnam was speaking as guest of putnam was speaking as guest of was honor at the Peace River/Manasota Regional Water Supply Authority's annual barbecue Friday, About 150 hatended, including numerous representatives from several of the authority's seriatives from several of the authority's seriatives from several of the authority's seriatives from several of the public four members — Charlotte, DeSoto.

ahead of its time and should be a model "project was way for the state" and Manatee counties. It was sponsored by Friends of Peace River Water, which is a group of the authority's contractors. This year's barbecue came amid the ture or the environment
"If you look around here today, first serious dry spell sill thority's 6 billion-gallon completed at a cost of 57 million in 2009. All per Peace River has gon lack of rainfall and low the authority still has er supply, 27 million gallon more than 190 days.
Pat Lehman, authorit director, said he often g possible to meet the pu without sacrificing wat

hope you can see the answer. He said.
He was referring to the authority's strategy of scalping high flows from the Peace and storing them for

WATER 8

Florida Agriculture Adam Putnam

tells a group of local government officials and utility of balancing demands for water consultants of the importance

resources between urban, agricultural and environmental interests. PEACE RIVER IN

Ed Copeland of HDR, left, talks with Tom Dobbs, construction manager for the Peace River/Manasota Regional Water Supply management practices for water conservation that saved 1 billion gallons per

The authority's projects are not just remarkable

are noteworthy because representatives from the regon's four counties teamed up with the Southwest Florida Water Management District to fund them.

"It's a huge thing to be able to withstand a long period of drought," he said. for their size, said Dorian Popescu, an engineer with the DMK firm. They also

Email: gmartin@sun-herald.com

"authority's reservoir visionary and exciting"

FROM PAGE 1

state's commissioner of

111 in the U.S.

reservoir "visionary and

exciting.

helps preserve groundwa-ter for agriculture and at least some stream flow for low-flow periods. That

"This Manasota project was way ahead of its time and should be a model for Putnam also spoke against a long-standing the state," he said. Bartow resident, served from 1996 to 2000 in the Florida House, and from aquatic life. Putnam, a lifelong

resources to one agency in Tallahassee. management districts and transfer control over water movement to dismantle the state's five water-He was elected the agriculture in 2010. He called the authority's

"Nothing's ever apo-lifical, but (the districts) are as much apolitical as anything can be," he said. He noted the districts are established along water-shed boundaries.

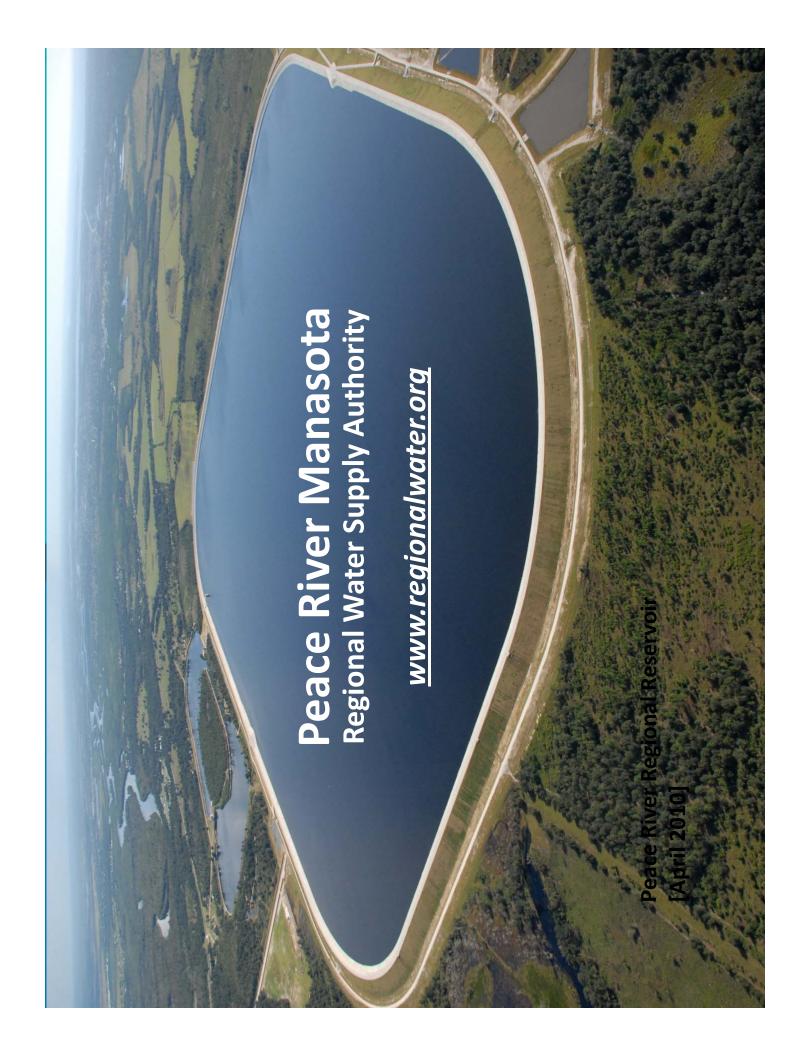
areas in another. North Florida likely would win in a battle drawn over those lines because it has more clout, he said. opposed to one proposal that would allow water to be exported from rural ar-eas in one region to urban He said he also was

cooperate on projects en-tailing desalination, reuse, Instead, regions should

surface-water reservoirs and conservation, he said. The agriculture depart-ment established best-

year, he said.
"Make no mistake, getting it right impacts every
Floridian," he said.

Port Charlotte Sun Herald; April 28, 2012



Florida's Water Challenge

Presentation for

House Agriculture and Natural Resources Committee February 20th, 2013

Ву

Florida Water Advocates



essential water infrastructure." "There has never been a more critical time to invest in our

Jeff Eger, Executive Director Water Environment Federation US Conference of Mayors January 22, 2013





A Recognized National Crisis:

- AWWA "Buried No Longer: Confronting America's Infrastructure Crisis" Report http://www.awwa.org/Portals/0/files/legreg/documents/BuriedNoLonger.pdf
- National Association of Water Companies (NAWC) and U.S. Chamber of Commerce effort on water infrastructure, "Water is Your Business"
- http://waterisyourbusiness.org
- American Society of Civil Engineers report on the future economic costs of failing to act on infrastructure needs
- http://www.asce.org/uploadedFiles/Infrastructure/Failure to Act/Failure to Act Report.pdf
- Congressional Research Service Water Infrastructure Needs and Investment: Review and Analysis of Key Issues
- http://www.fas.org/sgp/crs/homesec/RL31116.pdf
- Drinking Water Infrastructure Needs Survey and Assessment | Drinking Water Infrastructure Needs Survey | US EPA
- http://water.epa.gov/infrastructure/drinkingwater/dwns/index.cfm



Florida's Water Resources Priorities

- Protecting State's economy & quality of life.
- Safeguarding fragile environments (rivers, wetlands, lakes, springs & estuaries) that drive our tourism and recreational industries.
- Ensuring adequate supplies to support Florida's agriculture & economic growth.
- Developing alternative supplies of water to support safe growth.
- Restoring our already impacted natural systems.
- Repairing or replacing aging infrastructure.



Florida Faces A Daunting Challenge

- \$24.09 Billion in new drinking water and wastewater infrastructure by 2020. (FWEA: 9/2012)
- \$1.0 to \$3.2 Billion per year to implement EPA Numeric Nutrient Criteria Rules. (FWQC / Cardno Entrix: 11/2010)
- distribution water and wastewater infrastructure over next \$7.2 Billion to repair or replace aging transmission and 20 years. (EPA Report to Congress 2007)
- \$750 million dollars are needed over the next 10 years for capital improvements and long term maintenance programs to support flood control. (ASCE: 10/2012)

Florida Water Protection and **Sustainability Program**

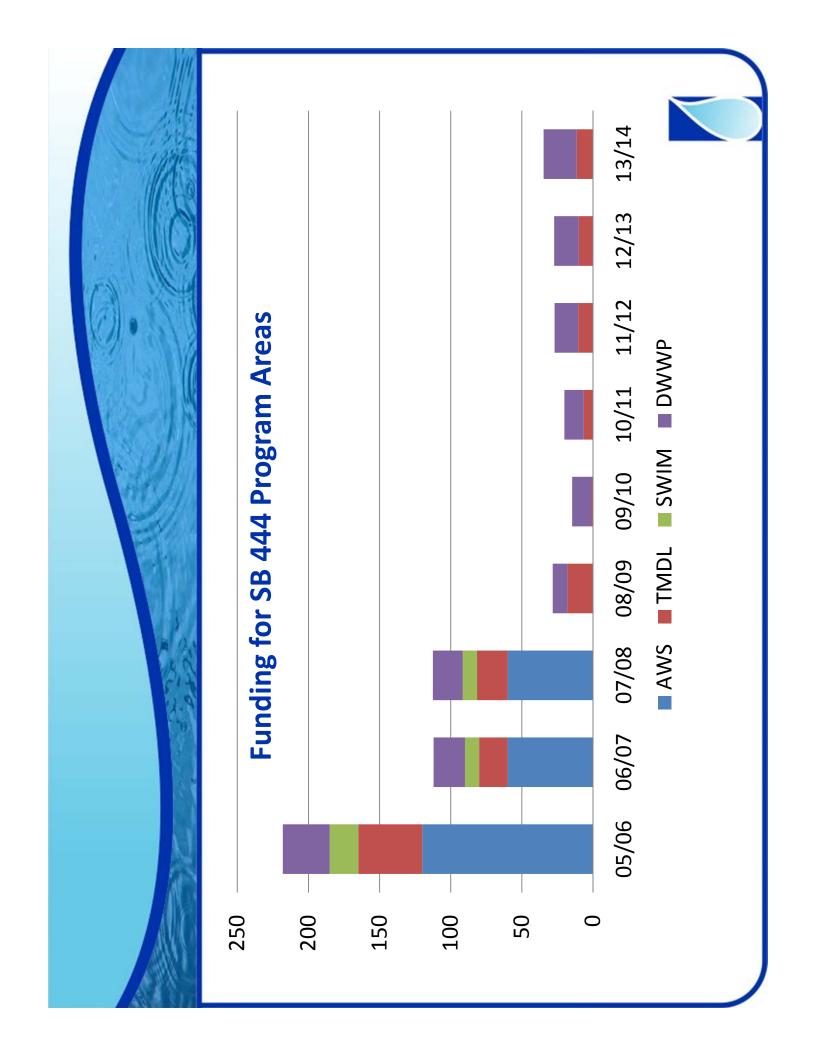
Enacted in 2005 (SB 444) with universal support

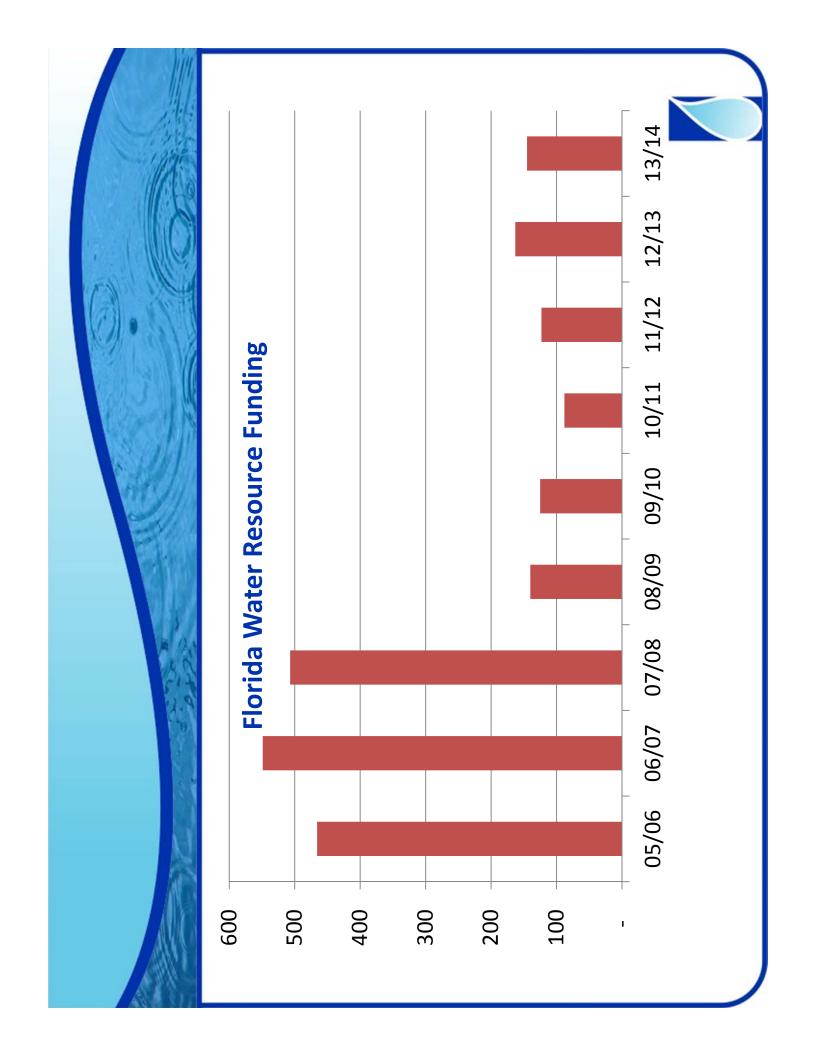
(Chs. 403.890 & 373.707, f.s.)

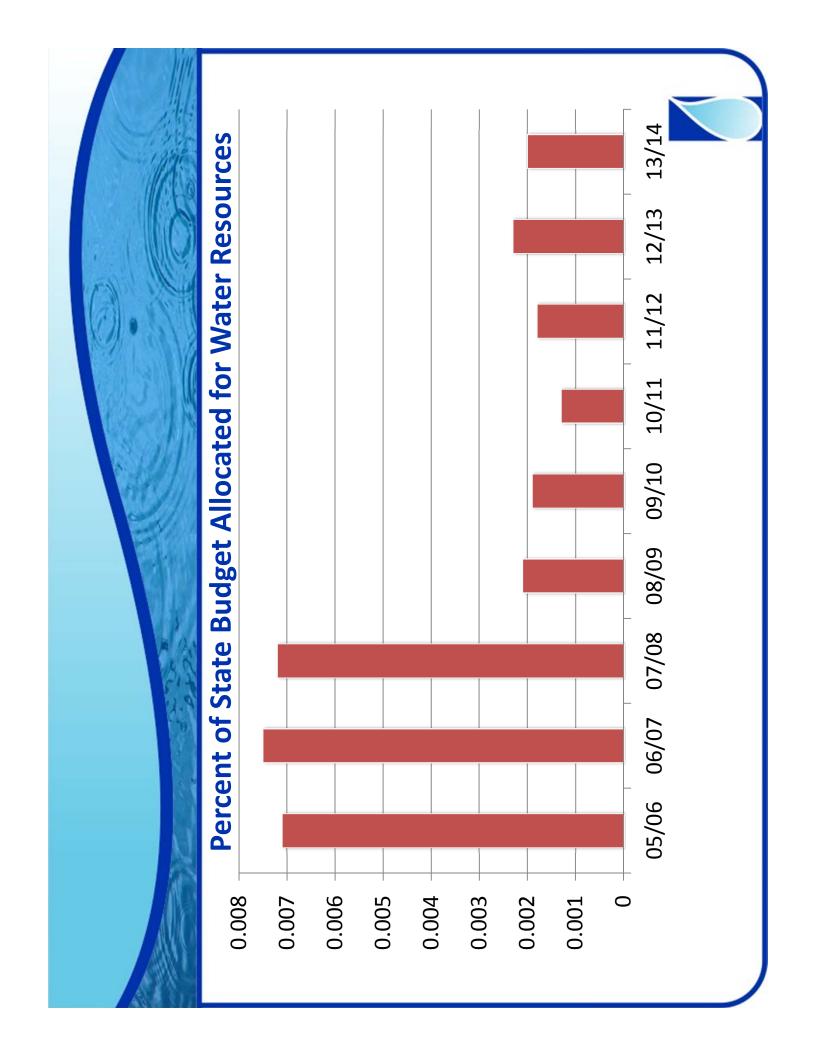
Recurring \$100 Million for:

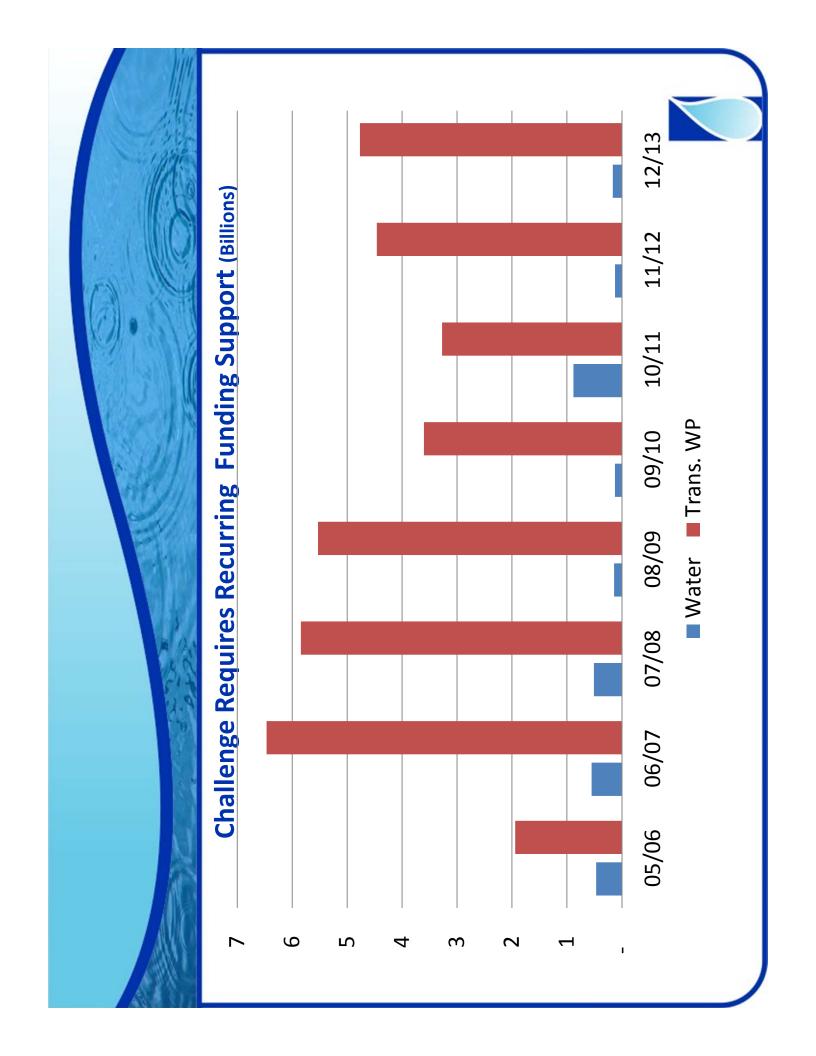
- Alternative Water Supply Development
- Development and Implementation of TMDLs
- Surface Water Improvement Project Support
- Small Disadvantaged Community Wastewater Projects.







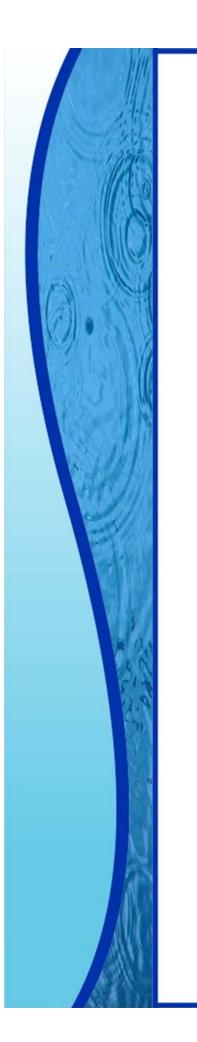




WATER: It is Our Business

a Texas company announces it's moving to Florida or Ohio because of water "I don't want to reach a day where issues." Joe Straus Speaker Texas House of Representatives January 2013





QUESTIONS?

Floridawateradvocates.com

Florida Water Resources Funding

	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14
2600	5001	2800	5001	2600	5001	2000	5001	Gov Prop
80,785,583	170.433.274	118.934.000	a /	·	-	1,250,000	6,850,000	4
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			18,000,000	1,000,000	6,463,233	10,385,000	9,892,250	11,385,000
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20,000,000	1 2 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	District Section		*	(**)	4	163	9
19,500,000	19,000,000		9,100,000	2	14,680,000	3,030,000		E
7,000,000	20,000,000	#G	-1	8		37,713,87,37,07	50,000,000	
23,500,000	29,400,000	23,500,000	4,900,000	11,000,000	5,000,000	5,000,000	5,000,000	7,551,000
49,210,000	65,700,000	70,145,900	71,990,000	90,474,000	62,400,000	91,053,594	68,079,716	72,928,158
101,199,737	95,800,000	91,000,000	125,070,000	163,386,374	95,173,516	164,346,724	131,820,672	142,713,270
13,000,000	12,000,000	11,000,000	10,300,000	13,600,000	13,600,000	16,600,000	17,350,000	23,301,810
96	28,928,051	€	S-1	2	(#)	2	7.00	19
2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	4,400,000	4,400,000
100,000,000	135,000,000	200,000,000	50,000,000	50,000,000	10,000,000	29,955,500	30,000,000	60,000,000
	***************************************			3,000,000	3,000,000	3,000,000	3,000,000	7,551,000
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1/25				2,300,000	200		16	- 4
601,195,320	678,261,325	636,209,390	302,625,696	337,723,374	218,892,749	331,771,818	327,043,638	322,279,238
120,327,790	129,200,000	128,916,720	157,648,000	203,088,299	126,058,813	204,320,254	159,920,310	172,513,142
15,000,000	15,000,000	15,000,000	4,500,000	10,000,000	4,500,000	4,500,000	4,500,000	4,551,000
-				2,300,000		-		
465,867,530	549,061,325	507,292,670	140,477,696	124,635,075	88,333,936	122,951,564	162,623,328	145,215,096
65 429 000 000	73 636 900 000	70 831 300 000	66 250 500 000	66 505 900 000	70 259 000 000	69 155 600 000	69.962.700.000	74,200,000,000
0.007120199	0.007456334	0.007161984	0.002120402	0.001874045	0.001257262	0.001777897	0.002324429	0.00195707
	80,785,583 120,000,000 45,000,000 20,000,000 19,500,000 7,000,000 23,500,000 49,210,000 101,199,737 13,000,000 2,000,000 100,000,000 100,000,000 601,195,320 120,327,790 15,000,000 465,867,530	80,785,583 170,433,274 120,000,000 60,000,000 45,000,000 10,000,000 20,000,000 10,000,000 19,500,000 19,000,000 23,500,000 29,400,000 49,210,000 65,700,000 101,199,737 95,800,000 101,199,737 95,800,000 13,000,000 12,000,000 - 28,928,051 2,000,000 135,000,000 100,000,000 135,000,000	80,785,583	80,785,583	80,785,583	80,785,583	80,785,583	80,785,583

Water Protection and Sustainability Program State Revolving Loan Programs

^{*} NOTE: This spreadsheet is intended to reflect the total amount of revenues invested by the State of Florida. It does not includes any of the State's political subdivisions, including water management districts, special districts, counties or municipalities.



Agriculture & Natural Resources Subcommittee

Wednesday, February 20, 2013 9:00 AM Reed Hall (102 HOB)

AMENDMENTS



Bill No. HB 375 (2013)

Amendment No.

COMMITTEE	/SUBCOMMITTEE	ACTION
ADOPTED		(Y/N)
ADOPTED AS AME	NDED	(Y/N)
ADOPTED W/O OB	JECTION	(Y/N)
FAILED TO ADOP	т	(Y/N)
WITHDRAWN		(Y/N)
OTHER		

Committee/Subcommittee hearing bill: Agriculture & Natural

Resources Subcommittee

Representative Roberson, K. offered the following:

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Amendment (with title amendment)

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Remove lines 77-91 and insert:

service contract. The maintenance entity shall inspect each aerobic treatment unit system at least twice each year and shall report quarterly to the department on the number of aerobic treatment unit systems inspected and serviced. Reports may be submitted electronically. A property owner of an owner-occupied single-family residence may be approved and permitted by the department as a maintenance entity for his or her own system upon written certification from the manufacturer or the manufacturer's approved representative that they have received training on the proper installation and service of the unit.

Maintenance entity service agreements must conspicuously disclose that a property owner of an owner-occupied single-family residence has the right to maintain their own system and is exempt from contractor registration requirements for

403047 - Amendment 1.docx

Published On: 2/19/2013 6:26:35 PM



Bill No. HB 375 (2013)

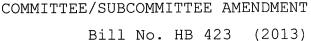
Amendment No.

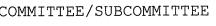
performing such construction, maintenance, or repairs on such system, but is subject to all permitting requirements. A septic tank contractor licensed under Part III of chapter 489 shall not be denied the access to training and spare parts by the manufacturer, for maintenance entities. Component parts for the aerobic treatment units after the original warranty period may be replaced with parts that meet manufacturer's specifications but are manufactured by others. The owner shall allow the department to inspect during reasonable hours each aerobic treatment unit system at least annually, and such inspection may include collection and analysis of system-effluent samples for performance criteria established by rule of the department.

TITLE AMENDMENT

Remove lines 3-7 and insert:

disposal systems; amending s. 381.0065, F.S.; providing that property owners of an owner-occupied single-family residence may be approved as a maintenance entity under certain conditions; providing that maintenance entity agreements must disclose that property owners of an owner-occupied single-family residence may be approved and permitted as a maintenance entity and is exempt from registration requirements, but is subject to all permitting requirements under the Department of Health; providing an effective





Amendment No.

COMMITTEE/SUBCOMMITTE	EE	ACTION
ADOPTED		(Y/N)
ADOPTED AS AMENDED		(Y/N)
ADOPTED W/O OBJECTION		(Y/N)
FAILED TO ADOPT		(Y/N)
WITHDRAWN		(Y/N)
OTHER -		

Committee/Subcommittee hearing bill: Agriculture & Natural Resources Subcommittee

Representative Adkins offered the following:

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Amendment (with title amendment)

Remove everything after the enacting clause and insert:

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Section 1. Paragraph (k) of subsection (1) of section 212.05, Florida Statutes, is amended to read:

212.05 Sales, storage, use tax.—It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state, including the business of making mail order sales, or who rents or furnishes any of the things or services taxable under this chapter, or who stores for use or consumption in this state any item or article of tangible personal property as defined herein and who leases or rents such property within the state.

181547 - HB 423 Adkins amendment ANR.docx Published On: 2/19/2013 6:42:54 PM Page 1 of 5





Bill No. HB 423 (2013)

Amendment No.

20 l

- (1) For the exercise of such privilege, a tax is levied on each taxable transaction or incident, which tax is due and payable as follows:
- (k) At the rate of 6 percent of the sales price of each gallon of diesel fuel not taxed under chapter 206 purchased for use in a vessel, except dyed diesel fuel that is exempt pursuant to s. 212.08(4)(a)4.

Section 2. Subsection (4) of section 212.0501, Florida Statutes, is amended to read:

212.0501 Tax on diesel fuel for business purposes; purchase, storage, and use.—

(4) Except as otherwise provided in s. 212.05(1)(k), a licensed sales tax dealer may elect to collect such tax pursuant to this chapter on all sales to each person who purchases diesel fuel, except dyed diesel fuel used for commercial fishing and aquacultural purposes listed in s. 206.41(4)(c)3., for consumption, use, or storage by a trade or business. When the licensed sales tax dealer has not elected to collect such tax on all such sales, the purchaser or ultimate consumer shall be liable for the payment of tax directly to the state.

Section 3. Paragraph (a) of subsection (4) of section 212.08, Florida Statutes, is amended to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.



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- (4) EXEMPTIONS; ITEMS BEARING OTHER EXCISE TAXES, ETC.-
- (a) Also exempt are:
- 1. Water delivered to the purchaser through pipes or conduits or delivered for irrigation purposes. The sale of drinking water in bottles, cans, or other containers, including water that contains minerals or carbonation in its natural state or water to which minerals have been added at a water treatment facility regulated by the Department of Environmental Protection or the Department of Health, is exempt. This exemption does not apply to the sale of drinking water in bottles, cans, or other containers if carbonation or flavorings, except those added at a water treatment facility, have been added. Water that has been enhanced by the addition of minerals and that does not contain any added carbonation or flavorings is also exempt.
- 2. All fuels used by a public or private utility, including any municipal corporation or rural electric cooperative association, in the generation of electric power or energy for sale. Fuel other than motor fuel and diesel fuel is taxable as provided in this chapter with the exception of fuel expressly exempt herein. Motor fuels and diesel fuels are taxable as provided in chapter 206, with the exception of those motor fuels and diesel fuels used by railroad locomotives or vessels to transport persons or property in interstate or foreign commerce, which are taxable under this chapter only to the extent provided herein. The basis of the tax shall be the ratio of intrastate mileage to interstate or foreign mileage traveled by the carrier's railroad locomotives or vessels that were used in interstate or foreign commerce and that had at



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least some Florida mileage during the previous fiscal year of the carrier, such ratio to be determined at the close of the fiscal year of the carrier. However, during the fiscal year in which the carrier begins its initial operations in this state, the carrier's mileage apportionment factor may be determined on the basis of an estimated ratio of anticipated miles in this state to anticipated total miles for that year, and subsequently, additional tax shall be paid on the motor fuel and diesel fuels, or a refund may be applied for, on the basis of the actual ratio of the carrier's railroad locomotives' or vessels' miles in this state to its total miles for that year. This ratio shall be applied each month to the total Florida purchases made in this state of motor and diesel fuels to establish that portion of the total used and consumed in intrastate movement and subject to tax under this chapter. The basis for imposition of any discretionary surtax shall be set forth in s. 212.054. Fuels used exclusively in intrastate commerce do not qualify for the proration of tax.

- 3. The transmission or wheeling of electricity.
- 4. Dyed diesel fuel placed into the storage tank of a vessel used exclusively for the commercial fishing and aquacultural purposes listed in s. 206.41(4)(c)3.
 - Section 4. This act shall take effect July 1, 2013.

TITLE AMENDMENT

Remove everything before the enacting clause and insert:



Bill No. HB 423 (2013)

Amendment No. An act relating to the tax on sales, use, and other
transactions; amending s. 212.05, F.S.; providing an exception
to sales tax for dyed diesel fuel used in vessels for commercial
fishing and aquacultural purposes; amending s. 212.0501, F.S.;
providing an exception from sales tax collected by a licensed
sales tax dealer for dyed diesel fuel used in vessels for
commercial fishing and aquacultural purposes; amending s.
212.08, F.S.; providing a sales tax exemption for dyed diesel
fuel used in vessels for commercial fishing and aquacultural
purposes; providing an effective date.



Bill No. HB 4007 (2013)

Amendment No.

COMMITTEE/SUBCOMMITTE	EE ACTION
ADOPTED _	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN _	(Y/N)
OTHER _	

Committee/Subcommittee hearing bill: Agriculture & Natural Resources Subcommittee

Representative Nelson offered the following:

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Amendment (with title amendment)

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Remove everything after the enacting clause and insert: Section 1. Subsection (3) of section 253.7827, Florida Statutes, is amended to read:

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253.7827 Transportation and utility crossings of greenways lands.—

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(3) Furthermore, the Legislature recognizes the needs expressed by Marion County to provide for the southerly extension of Sixtieth Avenue between State Road 200 and Interstate 75 and for the extension to cross the greenways lands to allow for the orderly growth and development of Marion County. Right-of-way for this extension across greenways lands shall be designed to mitigate the impacts to the extent practical, and the value of such lands shall be paid based on fair market value or, at the option of Marion County, the value



Remove lines 3-9 and insert:

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 4007 (2013)

Amendment No.

can be subtracted from the amount of reimbursement due the county pursuant to s. 253.783

Section 2. <u>Subsection (2) of section 253.783, Florida</u>
Statutes, is repealed.

Section 3. This act shall take effect July 1, 2013.

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date.

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TITLE AMENDMENT

Department of Environmental Protection; amending s. 253.7827,

F.S.; removing an obsolete reference for purposes of calculating the reimbursement for transportation and utility crossings of greenways lands in Marion County; repealing s. 253.783(2), F.S., relating to additional powers and duties of the department to dispose of surplus lands that were for the construction, operation, or promotion of a canal across the peninsula of the state and refund payments to counties; providing an effective