

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

BILL: CS/SR 1078

SPONSOR: Natural Resources Committee and Senator Lynn

SUBJECT: Water Resources

DATE: March 22, 2004 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Kiger</u>	<u>Kiger</u>	<u>NR</u>	<u>Fav/CS</u>
2.	_____	_____	<u>RC</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This resolution recognizes the Senate’s opposition to any modification to Chapter 373, Florida Statutes, as it relates to the current “local sources first” policy, and encourages the members of the Florida House of Representatives and the Governor to oppose a change in this policy.

II. Present Situation:

The term “local sources first” refers to the principle that water users should first consume water sources within their immediate geographic area, including alternative sources such as desalination and reclaimed water, before tapping into more remote water sources.

In 1998, the Legislature enacted Chapter 98-88, Laws of Florida, to incorporate a “local sources first” principle into Florida water law. Specifically, the act created s. 373.223(3), F.S., to require the Department of Environmental Protection (DEP) or the water management districts (WMDs) to consider certain factors when evaluating whether a potential transport and use of ground or surface water across county boundaries is consistent with the public interest. These factors include:

- (a) The proximity of the proposed water source to the area of use or application.
- (b) All impoundments, streams, groundwater sources, or watercourses that are geographically closer to the area of use or application than the proposed source, and that are technically and economically feasible for the proposed transport and use.

- (c) All economically and technically feasible alternatives to the proposed source, including, but not limited to, desalination, conservation, reuse of nonpotable reclaimed water and stormwater, and aquifer storage and recovery.
- (d) The potential environmental impacts that may result from the transport and use of water from the proposed source, and the potential environmental impacts that may result from use of the other water sources identified in paragraphs (b) and (c).
- (e) Whether existing and reasonably anticipated sources of water and conservation efforts are adequate to supply water for existing legal uses and reasonably anticipated future needs of the water supply planning region in which the proposed water source is located.
- (f) Consultations with local governments affected by the proposed transport and use.
- (g) The value of the existing capital investment in water-related infrastructure made by the applicant.

The statute also provides that these agencies shall use districtwide water supply assessments and regional water supply plans, where available, as the basis for their consideration of factors found in s. 373.223(3), F.S. However, the statute acknowledges the need to transport water from distant sources for certain reasons, and exempts certain water uses, sources and areas of the state from application of the “local sources first” policy. These exemptions include the transport and use of water supplied by the Central and Southern Florida Flood Control Project, the transport and use of water anywhere in the state supplied exclusively for bottled water, and self-suppliers of water for which the proposed water source and area of use are located on contiguous private properties.

The Legislature amended s. 373.016, F.S., to recognize water as a public resource benefiting the entire state which should be managed on a state and regional basis. Currently, the Legislature directs DEP and the WMDs to encourage the use of water sources nearest the area of use by promoting the use of all naturally occurring water sources and all alternative water sources whenever practicable. These sources include, but are not limited to, desalination, conservation, reuse of non-potable reclaimed water and stormwater, and aquifer storage and recovery.

In September 2003, the Florida Council of 100 released a report entitled, *Improving Florida’s Water Supply Management Structure*. According to the Florida Council of 100, the purpose of this report is to, “recommend statewide water management policies that foster sustainable and environmentally sound water supplies and resources that are economically feasible to meet current and future Florida needs.” In the report, the Council of 100 recommended a comprehensive analysis to determine the practicality of a statewide water distribution system that ensures all safeguards for future growth and protection of the environment. The Council of 100 stated:

“Developing a system that enables water distribution from water-rich areas to water-poor areas seems to make good environmental and economic sense. Florida has vast resources of water in certain areas of the state. A statewide water distribution system would

establish an economic value to water and water would become a general revenue source for the state of Florida and sending areas. Many argue that a statewide water distribution system from water-rich areas to water-poor areas is more environmentally sound and cost effective than other alternative water supplies, such as desalination. However, until a comprehensive analysis is conducted, we will not know the answer to this argument for certain. The analysis might well involve the private sector in a public/private solution.”

Recently, several county and city commissions, as well as interest groups, have expressed their concern and opposition to any modification to Florida’s current “local sources first” policy.

These groups include, but are not limited to:

- Clay County Board of County Commissioners
- Marion County Board of County Commissioners
- Putnam County Board of County Commissioners
- Volusia County Council
- City of Dunnellon City Council
- City of Green Cove Springs City Council
- City of Keystone Heights City Council
- City of Palatka City Commission
- Town of Pierson Town Council
- City of Ocala City Council
- Clay County Legislative Delegation
- Putnam County Legislative Delegation
- Apalachee Regional Planning Council
- North Central Florida Regional Planning Council
- League of Women Voters of Florida
- Save Our Suwannee, Inc.

III. Effect of Proposed Changes:

This resolution does not call for any changes to the law from its current form. This resolution recognizes the Senate’s opposition to any modification to Chapter 373, Florida Statutes, as it relates to the current “local sources first” policy, and encourages the members of the Florida House of Representatives and the Governor to oppose a change in this policy.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None

C. Government Sector Impact:

None

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
