

STORAGE NAME: h3439.wrm

DATE: February 6, 1998

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
WATER & RESOURCE MANAGEMENT
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 3439

RELATING TO: Lake Panasoffkee

SPONSOR(S): Rep. Kelly

COMPANION BILL(S): SB 592 (s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) WATER & RESOURCE MANAGEMENT
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

Lake Panasoffkee is a 4,460-acre waterbody in Sumter County whose once-prized bass fishing has been diminished in recent years by sedimentation build-up along the shoreline, excessive growth of aquatic plants, and extended periods of low water levels.

HB 3439 would create the Lake Panasoffkee Restoration Council to review the various studies and other research already available about the lake, evaluate whether additional studies are needed, explore funding options for cleaning up the lake, and make recommendations to the Southwest Florida Water Management District (SWFWMD) on how best to restore the lake. SWFWMD would be the lead agency in coordinating the restoration activities, and should the Legislature appropriate funds for the project, award contracts on a competitive-bid basis for getting the work done.

Additionally, the restoration council is directed to report to the Legislature by January 15, 1999, any recommendations for fiscal year 1999-2000.

HB 3439 would take effect July 1 of the year enacted.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Lake Panasoffkee, from two Indian words that mean "deep valley or ravine," is an integral component of the complex Withlacoochee River Watershed. In effect, Lake Panasoffkee is a surface exposure of the Floridan Aquifer. Also fed by watershed runoff, small tributaries and precipitation, the lake is one of the primary contributors to the Withlacoochee River, particularly in periods of low rainfall.

Over the decades, attempts to maintain a lake level suitable for navigation purposes even during cyclical periods of drought have resulted in an altered shoreline. Evidence exists that Indian villagers built dams at the lake's outlets to maintain water levels. A rock weir was built an estimated 100 to 150 years ago near the lake's natural connection (called "Outlet River") to the Withlacoochee River system to maintain lake levels, but has long since fallen into disrepair. At other points in the distant past, a cut was made along the southern shore of where the lake connects with Outlet River, and along both the northern and southern shores fill was dumped to try and narrow the connection's opening. Another attempt to regulate Lake Panasoffkee's water levels was the installation in 1964 of an inflatable fabric "dam" on the Withlacoochee, about two miles downstream of the Outlet River. This Wysong Dam had to be inflated with water during low elevations and deflated at high elevations -- a time-consuming operation, and expensive as well, taking into account repairs and other safety precautions to thwart vandalism. The dam was removed in 1988 because the fabric had deteriorated beyond repair. Since then, supporters of the Wysong Dam have lobbied for a replacement, despite three engineering studies over the last 20 years that concluded the dam had a minimal effect on maintaining Lake Panasoffkee's water levels, which normally range from 3 feet to 10 feet within the lake.

Other factors -- extended periods of drought, development along the western shoreline, and hydrological impacts of mining elsewhere in the watershed -- also have affected Lake Panasoffkee, to varying degrees.

As a result of natural and man-made factors, large quantities of silt have accumulated in Lake Panasoffkee, nuisance aquatic vegetation has invaded, and large tussocks (floating islands of plants, detritus and silt) have lodged against the natural shoreline. While biologists say the lake's water quality is acceptable, the waterbody's value as a fisheries habitat is declining. Bass and other fish prefer hard-pan soil along shorelines on which to lay their eggs. In Lake Panasoffkee, layer upon layer of sedimentation has covered the natural hard pan, ruining the nursery habitat.

In 1992, SWFWMD created the Withlacoochee River Work Group to examine the inter-related problems of the river and the lakes associated with it. The group, which began with 24 members and grew larger, issued a report on July 1, 1994, that called for a broad range of research activities and recommendations. SWFWMD also has a Surface Water Improvement and Management (SWIM) plan, currently being updated, for the lake.

The primary restoration activity proposed for the lake is dredging pockets of sedimentation and removing the shoreline tussocks, some of which extend out into the

STORAGE NAME: h3439.wrm

DATE: February 6, 1998

PAGE 3

lake a quarter-mile. The latest estimated cost of the restoration is \$22 million; earlier estimates ranged from \$18 million to \$30 million.

B. EFFECT OF PROPOSED CHANGES:

HB 3439 would create the 11-member Lake Panasoffkee Restoration Council. The membership would be comprised of:

- o One representative from each of the following agencies -- SWFWMD, the Department of Environmental Protection, the Department of Transportation, the Florida Game and Fresh Water Fish Commission, and the U.S. Army Corps of Engineers -- who is trained in biology or some other scientific discipline; and
- o Two people representing Lake Panasoffkee property owners; one environmental engineer; one person with training in biology or other scientific discipline; one person representing a municipality in the vicinity of the lake; and a representative of the sportfishing industry. All of these people will be appointed by the Sumter County Commission.

The council members would serve two-year terms, select their officers, and be eligible for reimbursement of their travel expenses and per-diem incurred in the course of doing council business.

Among the duties of the council would be to review all audits, reports and data related to restoration of Lake Panasoffkee; evaluate whether additional studies are needed; explore all possible sources of funding for the restoration project; advise the SWFWMD governing board on the lake's restoration project; and report its recommendations to the Legislature by January 15, 1999.

SWFWMD is directed to provide staff to the council, and to be the lead agency in selecting the appropriate restoration activities, and in assigning tasks to accomplish the restoration. Contingent on legislative appropriations, in conjunction with funding provided by other governmental entities, SWFWMD shall award contracts selected through a competitive bid process, for the restoration work.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

- a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

- (2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes. HB 3439 would create the 11-member Lake Panasoffkee Restoration Council, comprised of six private-sector appointees and five government-agency scientists, to review existing studies on how to improve the lake, ask SWFWMD to conduct additional studies, and recommend funding sources for the restoration.

- (3) any entitlement to a government service or benefit?

No.

- b. If an agency or program is eliminated or reduced:

Not applicable.

2. Lower Taxes:

Not applicable.

3. Personal Responsibility:

Not applicable.

4. Individual Freedom:

Not applicable.

5. Family Empowerment:

Not applicable.

D. STATUTE(S) AFFECTED:

None. The legislation, if passed, would appear only as chapter law.

E. SECTION-BY-SECTION RESEARCH:

Section 1: Creates the Lake Panasoffkee Restoration Council. Provides for 11 members, representing specified agencies or interest groups. Provides length of terms; selection of officers; and process for calling meetings. Specifies powers and duties of the council. Directs SWFWMD to provide staff for the council. Specifies that while council members shall receive no compensation for their services, they are entitled for reimbursement for per diem and travel expenses incurred during execution of their duties, pursuant to s. 112.061, F.S.

Section 2: Directs the SWFWMD, in conjunction with DEP, the GFC, the Sumter County Commission and the Lake Panasoffkee Restoration Council, to review existing restoration proposals to determine which ones are the most environmentally sound and economically feasible methods of improving the fisheries and natural systems of the lake. Directs SWFWMD governing board to divide up among certain agencies a number of tasks related to the restoration, such as reviewing water sampling data, evaluating different methods of removing tussocks and other organic matter in the lake, and conducting any additional studies. Directs SWFWMD, contingent on state funding, and in conjunction with funds provided by federal, other state, and local governments, to award competitively bid contracts for the restoration work.

Section 3: Provides that this act shall take effect July 1 of the year in which it was enacted.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

Indeterminable. The six members of the restoration council who are not employees of state or federal agencies would be reimbursed by the state for travel and meal expenses incurred when conducting council business. However, it is likely that these expenses in FY 1998-1999 will be minimal because the members most likely will live in the vicinity of Lake Panasoffkee.

2. Recurring Effects:

Indeterminable. The Lake Panasoffkee Restoration Council must review existing studies on the efforts needed to improve the lake and explore joint funding options, before reporting back to the Legislature in January 1999. Only then will there be sufficiently accurate information about the restoration costs, how long the restoration will take, and how much project supporters will ask the state to provide. SWFWMD has estimated that the restoration will cost \$22 million.

Also, because the council members' terms are for two years, there will per diem and travel costs, to be reimbursed, in FY 1999-2000.

3. Long Run Effects Other Than Normal Growth:

Indeterminate.

4. Total Revenues and Expenditures:

See responses to 1. and 2. above.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

Indeterminate, but probably minimal. Aside from travel and per diem expenses of staff, it is likely that any costs to be incurred by SWFWMD and Sumter County would be recurring.

2. Recurring Effects:

Indeterminate. HB 3439 anticipates that SWFWMD, Sumter County, and possibly other counties or municipalities whose residents enjoy Lake Panasoffkee and would benefit from its restoration will contribute funds to support the multi-year cleanup project. A more likely scenario is that county and city governments may provide in-kind services, such as use of equipment or manpower.

3. Long Run Effects Other Than Normal Growth:

Indeterminate.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

Indeterminate, but probably minimal. As mentioned in III. B. 2., above, local governments which decide to contribute funds to the Lake Panasoffkee restoration project conceivably could raise taxes or fees for that purpose. However, in-kind contributions from local governments are more likely to occur. If so, any costs to be borne by the private sector may be more in line with delays in receiving road-grading or dredging services provided by local governments. Also, it is not anticipated that the state or WMD would raise fees or taxes to finance the restoration project.

2. Direct Private Sector Benefits:

Property owners around Lake Panasoffkee may benefit in terms of increased market values -- or even assessed values -- of their land. Area residents would benefit, in general, from a restored Lake Panasoffkee in terms of better recreational opportunities.

3. Effects on Competition, Private Enterprise and Employment Markets:

If the restoration is successful, the area may experience a boom in sportfishing and other recreational activities, which will benefit area businesses, and thus boost the local economy.

STORAGE NAME: h3439.wrm

DATE: February 6, 1998

PAGE 7

D. FISCAL COMMENTS:

HB 3439 does not include any specific dollar amounts for the council's administrative expenses or the restoration activities. Any legislative appropriations in support of the council and of the restoration project will be handled as proviso language in the Appropriations Act.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The mandates provision is not applicable to a research discussion of HB 3439 because the bill does not require cities or counties to spend funds or to take actions requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

Not applicable.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

Not applicable.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

VII. SIGNATURES:

COMMITTEE ON WATER & RESOURCE MANAGEMENT:

Prepared by:

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Joyce Pugh

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