HOUSE AMENDMENT Bill No. CS for CS for SB 1270, 2nd Eng. Amendment No. \_\_\_\_ (for drafter's use only) CHAMBER ACTION Senate House ORIGINAL STAMP BELOW Representative(s) Pruitt offered the following: Amendment (with title amendment) On page 74, between lines 28 and 29 insert: Section 61. Subsections (4), (6), and (11) of section 373.4136, Florida Statutes, are amended and subsection (12) is added to that section to read: 373.4136 Establishment and operation of mitigation banks.--(4) MITIGATION CREDITS. -- After evaluating the information submitted by the applicant for a mitigation bank permit and assessing the proposed mitigation bank pursuant to the criteria in this section, the department or water management district shall award a number of mitigation credits to a proposed mitigation bank or phase of such mitigation bank. An entity establishing and operating a mitigation bank may apply to modify the mitigation bank permit to seek the award of additional mitigation credits if the mitigation bank 31 results in an additional increase in ecological value over the 1 File original & 9 copies hep0001 04/27/99 09:29 am 01270-0081-492069

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value contemplated at the time of the original permit 1 2 issuance, or the most recent modification thereto involving 3 the number of credits awarded. The number of credits awarded 4 shall be based on the degree of improvement in ecological 5 value expected to result from the establishment and operation of the mitigation bank as determined using a functional б 7 assessment methodology. Each water management district that has responsibility for reviewing and taking final agency 8 action on mitigation bank permit applications pursuant to the 9 10 operating agreements adopted under s. 373.046, and the department, shall adopt a uniform functional assessment 11 12 methodology by rule no later than January 1, 2001. The 13 methodology may account for different ecological communities in different areas of the state, and shall be used by the 14 15 department and the water management districts to award credits and to deduct credits from a mitigation bank. A local 16 17 government that operates an independent wetland regulatory 18 program is not required to use this uniform functional 19 assessment methodology for its program. An entity that received a mitigation bank permit before the adoption of the 20 uniform functional assessment methodology shall have credits 21 22 deducted from its bank pursuant to the credit assessment method in place when the bank was permitted, unless the entity 23 24 elects to have credits deducted pursuant to the uniform functional assessment methodology. Before the adoption of the 25 uniform functional assessment methodology rule and at the 26 27 request of the holder of a mitigation bank permit, impact sites for which credits from that mitigation bank are proposed 28 29 for use as mitigation must be assessed using the same functional assessment methodology as that used to assess and 30 assign credits to the mitigation bank. The environmental 31 2

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resource permit rule mitigation ratios may not be used to 1 2 determine mitigation bank credit requirements for those impact 3 sites in which a functional assessment methodology is used. 4 The uniform functional assessment methodology must, at a 5 minimum, evaluate In determining the degree of improvement in 6 ecological value, each of the following factors, at a minimum, 7 shall be evaluated: 8 (a) The extent to which target hydrologic regimes can 9 be achieved and maintained. 10 (b) The extent to which management activities promote 11 natural ecological conditions, such as natural fire patterns. 12 (C) The proximity of the mitigation bank to areas with 13 regionally significant ecological resources or habitats, such 14 as national or state parks, Outstanding National Resource 15 Waters and associated watersheds, Outstanding Florida Waters and associated watersheds, and lands acquired through 16 17 governmental or nonprofit land acquisition programs for 18 environmental conservation; and the extent to which the mitigation bank establishes corridors for fish, wildlife, or 19 20 listed species to those resources or habitats. (d) The quality and quantity of wetland or upland 21 22 restoration, enhancement, preservation, or creation. (e) The ecological and hydrological relationship 23 24 between wetlands and uplands in the mitigation bank. (f) The extent to which the mitigation bank provides 25 habitat for fish and wildlife, especially habitat for species 26 27 listed as threatened, endangered, or of special concern, or provides habitats that are unique for that mitigation service 28 29 area. 30 (g) The extent to which the lands that are to be 31 preserved are already protected by existing state, local, or 3 File original & 9 copies hep0001 04/27/99 09:29 am

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1 federal regulations or land use restrictions.

2 (h) The extent to which lands to be preserved would be3 adversely affected if they were not preserved.

4 (i) Any special designation or classification of the 5 affected waters and lands.

6 (6) MITIGATION SERVICE AREA. -- The department or water 7 management district shall establish a mitigation service area for each mitigation bank permit. The department or water 8 9 management district shall notify and consider comments 10 received on the proposed mitigation service area from each local government within the proposed mitigation service area 11 12 that operates a wetlands regulatory program. Except as 13 provided herein, mitigation credits may be withdrawn and used only to offset adverse impacts in the mitigation service area. 14 15 The boundaries of the mitigation service area shall depend 16 upon the geographic area where the mitigation bank could 17 reasonably be expected to offset adverse impacts. Α 18 mitigation service area must generally be at least as large as the regional watershed in which the mitigation bank is 19 located.A mitigation service area may be larger than the 20 21 regional watershed if the mitigation bank provides exceptional ecological value such that adverse impacts outside the 22 regional watershed could reasonably be expected to be 23 24 adequately offset by the mitigation bank. In exceptional 25 circumstances, a mitigation service area may be smaller than a regional watershed if adverse impacts throughout the regional 26 27 watershed cannot reasonably be expected to be offset by the 28 mitigation bank because of local ecological or hydrological 29 conditions. Mitigation service areas may overlap, and 30 mitigation service areas for two or more mitigation banks may 31 be approved for a regional watershed.

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In determining the extent to which a mitigation 1 (a) 2 bank provides exceptional ecological value such that adverse 3 impacts outside the regional watershed could reasonably be 4 expected to be adequately offset by the mitigation bank, the 5 department or the water management district shall consider the characteristics, size, and location of the mitigation bank 6 7 and, at a minimum, the extent to which the mitigation bank: 8 Will promote a regional integrated ecological 1. 9 network; 10 2. Will significantly enhance the water quality or restoration of an offsite receiving water body that is 11 12 designated as an Outstanding Florida Water, a Wild and Scenic River, an aquatic preserve, a water body designated in a plan 13 adopted pursuant to s. 373.456 of the Surface Water 14 15 Improvement and Management Act, or a nationally designated 16 estuarine preserve; 17 3. Will provide for the long-term viability of 18 endangered or threatened species or species of special concern; and 19 20 4. Is consistent with the objectives of a regional 21 management plan adopted or endorsed by the department or water management districts. 22 (b) Once a mitigation bank service area has been 23 24 established by the department or a water management district 25 for a mitigation bank, such service area shall be accepted by all water management districts, local governments, and the 26 27 department. (c) If the requirements in s. 373.4135(1)(b) are met, 28 29 the following projects or activities regulated under this part 30 shall be eligible to use a mitigation bank, regardless of whether they are notwithstanding the fact that they are not 31 5 File original & 9 copies hep0001 04/27/99 09:29 am 01270-0081-492069

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completely located within the mitigation service area: 1 2 1. Projects with adverse impacts partially located 3 within the mitigation service area. 4 Linear projects, such as roadways, transmission 2. 5 lines, distribution lines, pipelines, or railways. Projects with total adverse impacts of less than 1 б 3. 7 acre in size. (11) RULES.--The department and water management 8 district may adopt rules to implement the provisions of s. 9 10 373.4135 and this section, which shall include, but not be limited to, provisions: 11 12 (a) Requiring financial responsibility for the 13 construction, operation, and long-term management of a 14 mitigation bank; 15 (b) For the perpetual protection and management of 16 mitigation banks; and 17 (C) For the use of the functional assessment 18 methodology referenced in this section. Establishing a system 19 and methodology for the valuation, assessment, and award of 20 mitigation credits. 21 (12) PROCESSING. -- Mitigation bank permit applications 22 are subject to s. 373.4141. Section 62. Subsection (4) of section 373.4137, 23 24 Florida Statutes, is amended to read: 25 373.4137 Mitigation requirements.--(4) Prior to December 31, 1996, each water management 26 27 district, in consultation with the Department of Environmental 28 Protection, the United States Army Corps of Engineers, and other appropriate federal, state, and local governments, shall 29 30 develop a plan for the primary purpose of complying with the mitigation requirements adopted pursuant to this part and 33 31 6

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U.S.C. s. 1344. This plan shall also address significant 1 2 aquatic and exotic plant problems within wetlands and other 3 surface waters. In developing such plans, the districts shall 4 utilize sound ecosystem management practices to address significant water resource needs. In determining the 5 6 activities to be included in such plans, the districts shall 7 also consider the purchase of credits from public or private 8 mitigation banks permitted under s. 373.4136 and approved in 9 accordance with the Federal Guidance for the Establishment, 10 Use, and Operation of Mitigation Banks (60 Fed. Reg. S8605). To the maximum extent practicable under state and federal law, 11 12 preference shall be given to the use of a mitigation bank when 13 the transportation project impact occurs within the mitigation bank's service area, the mitigation bank has the number and 14 15 type of credits needed to offset the impact, the mitigation 16 bank will this part and shall include such purchase as a part 17 of the mitigation plan when such purchase would offset the 18 impact of the transportation project, provide equal benefits 19 to the water resources as than other mitigation options being considered, and the mitigation bank will provide the most 20 cost-effective mitigation option. The mitigation plan shall 21 22 be preliminarily approved by the water management district governing board and shall be submitted to the secretary of the 23 24 Department of Environmental Protection for review and final 25 approval. At least 30 days prior to preliminary approval, the water management district shall provide a copy of the draft 26 27 mitigation plan to any person who has requested a copy. (a) If the Department of Environmental Protection and 28 29 water management districts are unable to identify mitigation 30 that would offset the impacts of a project included in the inventory, either due to the nature of the impact or the 31

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amount of funds available, that project shall not be addressed
in the mitigation plan and the project shall not be subject to
the provisions of this section.

4 (b) Specific projects may be excluded from the 5 mitigation plan and shall not be subject to this section upon 6 the agreement of the Department of Transportation, the 7 Department of Environmental Protection, and the appropriate 8 water management district that the inclusion of such projects 9 would hamper the efficiency or timeliness of the mitigation 10 planning and permitting process.

(c) Those transportation projects that are proposed to 11 12 commence in fiscal year 1996-1997 shall not be addressed in the mitigation plan, and the provisions of subsection (7) 13 shall not apply to these projects. The Department of 14 15 Transportation may enter into interagency agreements with the 16 Department of Environmental Protection or any water management 17 district to perform mitigation planning and implementation for 18 these projects.

(d) On July 1, 1996, the Department of Transportation 19 shall transfer to the Department of Environmental Protection 20 21 \$12 million from the State Transportation Trust Fund for the purposes of the surface water improvement management program 22 and to address statewide aquatic and exotic plant problems 23 24 within wetlands and other surface waters. Such funds shall be 25 considered an advance upon funds that the Department of Transportation would provide for statewide mitigation during 26 27 the 1997-1998, 1998-1999, and 1999-2000 fiscal years. This use of mitigation funds for surface water improvement 28 management projects or aquatic and exotic plant control may be 29 30 utilized as mitigation for transportation projects to the extent that it complies with the mitigation requirements 31

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adopted pursuant to this part and 33 U.S.C. s. 1344. 1 To the 2 extent that such activities result in mitigation credit for 3 projects permitted in fiscal year 1996-1997, all or part of 4 the \$12 million funding for surface water improvement 5 management projects or aquatic and exotic plant control in fiscal year 1996-1997 shall be drawn from Department of б 7 Transportation mitigation funding for fiscal year 1996-1997 rather than from mitigation funding for fiscal years 8 1997-1998, 1998-1999, and 1999-2000, in an amount equal to the 9 10 cost per acre of impact described in subsection (3), times the acreage of impact that is mitigated by such plant control 11 12 activities. Any part of the \$12 million that does not result 13 in mitigation credit for projects permitted in fiscal year 1996-1997 shall remain available for mitigation credit during 14 15 fiscal years 1997-1998, 1998-1999, or 1999-2000. Section 63. Subsection (8) of section 373.414, Florida 16 17 Statutes, is amended to read: 373.414 Additional criteria for activities in surface 18 waters and wetlands.--19 20 (8) The governing board or the department, in deciding whether to grant or deny a permit for an activity regulated 21 under this part shall consider the cumulative impacts upon 22 surface water and wetlands, as delineated in s. 373.421(1), 23 24 within the same watershed drainage basin as defined in s. 25 373.403(12)<del>373.403(9)</del>, of: The activity for which the permit is sought. 26 (a) 27 Projects which are existing or activities (b) regulated under this part which are under construction or 28 projects for which permits or determinations pursuant to s. 29 30 373.421 or s. 403.914 have been sought. 31 (c) Activities which are under review, approved, or 9

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vested pursuant to s. 380.06, or other activities regulated 1 2 under this part which may reasonably be expected to be located 3 within surface waters or wetlands, as delineated in s. 4 373.421(1), in the same water shed drainage basin as defined in s. 373.403(12)<del>s. 373.403(9)</del>, based upon the comprehensive 5 6 plans, adopted pursuant to chapter 163, of the local 7 governments having jurisdiction over the activities, or 8 applicable land use restrictions and regulations. 9 10 Provided that the mitigation offsets the impacts of the 11 activity regulated under this part, as required by s. 12 373.414(1)(b), the cumulative impacts of an activity regulated 13 under this part shall not be considered unacceptable if the mitigation for that activity will be located within the same 14 15 watershed as the impact. 16 17 ======== TITLE AMENDMENT=========== 18 And the title is amended as follows: 19 20 On page 6, between lines 18 and 19 21 22 insert: amending s. 373.4136, F.S.; requiring the 23 24 adoption of a uniform functional assessment 25 methodology rule; revising standards for determining the boundaries of a mitigation 26 27 service area; providing for the processing of mitigation bank permits; amending s. 373.4137, 28 29 F.S.; authorizing the use of mitigation banks; amending s. 373.414, F.S.; providing for 30 consideration of cumulative impacts; 31 10 04/27/99 09:29 am File original & 9 copies

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