

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

BILL: SB 904

SPONSOR: Senator Latvala and others

SUBJECT: Surface Water Improvement and Management Trust Fund

DATE: March 8, 1999 REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Branning</u>	<u>Voigt</u>	<u>NR</u>	<u>Fav/1 amendment</u>
2.	<u>Hendon</u>	<u>Hadi</u>	<u>FP</u>	<u>Favorable</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

## I. Summary:

This bill creates the Surface Water Improvement and Management (SWIM) Trust Fund within the Department of Environmental Protection. Provides an effective date contingent upon the passage of another bill and requires a three-fifths vote of each house of the Legislature.

## II. Present Situation:

In 1987, the Legislature recognizing that the water quality of many of the State's surface water bodies had been degraded or was in danger of being degraded, passed the Surface Water Improvement and Management Act or SWIM Act. The SWIM Act directed each water management district to prepare and maintain a list which prioritized water bodies of regional or statewide significance within each water management district. That list is to be reviewed and updated every 3 years.

In addition, the SWIM Act named certain water bodies within the water management districts that had the highest priority for restoration and protection. Those water bodies include Lake Okeechobee, Biscayne Bay, the Indian River Lagoon system, Tampa Bay, Lake Apopka, and the Lower St. Johns River.

The 1987 SWIM Act also created a Surface Water Improvement and Management Trust Fund which was to be used as a nonlapsing fund for the deposit of funds appropriated by the Legislature for SWIM activities. These funds could only be used for detailed planning and implementation of programs prepared for priority surface waters. The SWIM act prohibited expenditure of moneys from this fund for planning for, or construction or expansion of, treatment facilities for domestic or industrial waste disposal.

For a couple of years, a portion of the proceeds from the Advance Disposal Fee were deposited into the SWIM Trust Fund. In 1995, the Advance Disposal Fee was repealed. Other than the Advance Disposal Fee proceeds, this trust fund had no permanent dedicated funding source. Each

year, the Legislature appropriated General Revenue Funds which were deposited into this trust fund and then they were subsequently transferred to the Water Management Districts.

In 1996, in response to a constitutionally mandated review of all trust funds, the Legislature abolished the SWIM Trust Fund and provided that the Ecosystem Management and Restoration Trust Fund would be used for the deposit of funds appropriated by the Legislature for SWIM activities.

### **III. Effect of Proposed Changes:**

This bill is one of three Senate bills introduced that would implement the Florida Forever Program. Senate Bill 908 provides that a portion of the proceeds from the documentary stamp tax is to be used by the water management districts for fixed capital outlay projects, including wastewater treatment and stormwater management facilities, which implement surface water improvement and management plans in effect on July 1, 2000. This bill establishes the Surface Water Improvement and Management Trust Fund within the Department of Environmental Protection. The fund is to be credited with that portion of the documentary stamp tax that will be used by the water management districts as provided in s. 201.15(6), F.S., as amended by SB 908.

This bill takes effect on the effective date of SB 908, which is July 1, 2000, but it shall not be effective unless it is enacted by a three-fifths vote of the membership of each house of the Legislature and unless SB 908 becomes a law.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

This bill complies with the requirement in s. 19(f)(1), Art. III of the State Constitution, that trust funds must be created by a separate bill and must pass by a three-fifths vote of each house of the Legislature.

### **V. Economic Impact and Fiscal Note:**

#### **A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

This bill would provide a special trust fund to allow the water management districts to use the designated portions of the documentary stamp tax for needed wastewater treatment and stormwater management facilities to be used to implement SWIM plans approved pursuant to s. 373.456, F.S. Ultimately, the public benefit is in the protection of drinking water supplies.

**C. Government Sector Impact:**

This trust fund allows the water management districts to use the designated portions of the documentary stamp tax for certain fixed capital outlay projects which would otherwise have to be funded by water management district funds, by direct appropriations by the Legislature, or by local government tax revenues.

According to current estimates of the documentary stamp revenues, approximately \$40 million would be deposited into the Surface Water Improvement and Management Trust Fund. As a result, the amount currently being deposited into the Water Management Lands Trust Fund and the Conservation and Recreation Lands Trust Fund would be reduced by \$20 million for each of these trust funds.

**VI. Technical Deficiencies:**

This bill is contingent on the passage of SB 908. At the time of introduction, that bill number was not known. A technical amendment is needed to insert the appropriate bill number on lines 21 and 23 of the bill.

**VII. Related Issues:**

None.

**VIII. Amendments:**

#1 by Natural Resources:

Technical amendment to insert SB 908 as the bill that must pass for this bill to become effective.