

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: CS/CS/SB 1710

SPONSOR: Fiscal Resource Committee, Natural Resources Committee and Senator Latvala

SUBJECT: Land Acquisition

DATE: April 25, 2000 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Gee</u>	<u>Voigt</u>	<u>NR</u>	<u>Favorable/CS</u>
2.	<u>Keating</u>	<u>Wood</u>	<u>FR</u>	<u>Favorable/CS</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This bill revises funding and land acquisition procedures for the Florida Forever program. It also revises provisions relating to camps in the Everglades, revises the terms of Florida Forever Advisory Council members, adds goals for acquisition requirements, and revises deadlines for the Florida Forever program. The bill revises provisions authorizing payments in lieu of taxes, permits capital expenditures, permits the use of certain rules by the Acquisition and Restoration Council (ARC), and requires public hearings and notice to local governments regarding water management district acquisition plans.

This bill substantially amends the following sections of the Florida Statutes: 201.15, 215.618, 253.03, 253.034, 259.03, 259.0345, 259.035, 259.101, 259.105, 260.018, 373.139, 373.1391, 373.199, 373.59, 375.051, 375.075, 380.507, and 380.510; and repeals subsection (9) of s. 211.3103.

II. Present Situation:

Florida's explosive growth and consequent rapid urbanization have resulted, particularly in recent years, in the destruction or alteration of much of the state's natural resources. As environmental concern about increasing development has grown, there has been general agreement that public acquisition of environmentally sensitive lands and lands for conservation and recreation has proven to be the most effective means of protecting these lands for future generations. There is also substantial concern that the state's water resources may not be sufficiently developed to provide for future needs in all areas of the state.

Florida began acquiring conservation and recreation lands under the bond-financed Environmentally Endangered Lands program in 1972. Florida continued to acquire such lands through the Conservation and Recreation Lands (CARL) program, established in 1979, and the Save Our Rivers program, which dates from 1981.

The 1990 enactment of the Preservation 2000 (P-2000) program provided significantly-increased funding for land acquisition. This ambitious program provides for the annual sale of up to \$300 million in bonds not to exceed a total of \$3 billion over a 10-year period, and the use of the proceeds to acquire lands for conservation and recreation and the provision of open space within urban areas. Although there is no requirement that bonds be sold annually, the Legislature has provided funds from the documentary stamp tax for the issuance of an average of \$271 million in bonds in each year of the 9-year period from 1991 through 1999. The last bonds are to be issued in the spring of 2000.

These successful programs have made Florida a national leader in the conservation of land, and the 1999 Legislature responded to the public's desire for a continued program by enacting ch.99-247, L.O.F., creating the Florida Forever program. This legislation authorizes the issuance of up to \$300 million in bonds in FY 2000-2001 and thereafter with debt service paid from documentary stamp tax revenues; total debt service may not exceed \$300 million for all bonds issued. The amount of debt service for the first fiscal year in which bonds are issued may not exceed \$30 million. The amount of debt service is limited to an additional \$30 million in each fiscal year in which bonds are issued. Funds will be distributed as follows:

- 35 percent (\$105 million) for water management district (WMD) projects. Over the life of the program, at least 50 percent of these funds must be used for land acquisition. Projects will be selected and approved by WMD governing boards, from a 5-year plan.
- 35 percent (\$105 million) for CARL-type projects. Up to 10 percent of the funds may be used for capital project expenditures. Projects will be prioritized and recommended by the Acquisition and Restoration Council (ARC) but must be approved by the Board of Trustees of the Internal Improvement Trust Fund (Trustees).
- 24 percent (\$72 million) for the Florida Communities Trust (FCT). 8 percent (\$5.76 million) of the FCT funding will be used for the Florida Recreation Development Assistance Program. 30 percent of the FCT funding (\$21.6 million) must be used in Standard Metropolitan Statistical Areas (SMSAs) with one-half of that amount being used in built-up areas, while at least 5 percent (\$3.6 million) must be used for recreational trails.
- 1.5 percent (\$4.5 million) each for the Division of Recreation and Parks (DRP), Fish and Wildlife Conservation Commission (FWCC), and Division of Forestry (DOF) for the acquisition of additions and inholdings.
- 1.5 percent (\$4.5 million) for the Greenways and Trails Program (OGT).

The Florida Forever Act created the Acquisition and Restoration Council (ARC), composed of 5 members of the former Land Acquisition and Management Advisory Council and 4 members appointed by the Governor. The ARC will review management plans and recommend CARL-type projects to the Trustees for their approval.

Also created was the Florida Forever Advisory Council (FFAC) comprised of 7 members appointed by the Governor and two non-voting legislators, which will advise the Trustees and Legislature and develop recommended specific goals, performance measures, and selection

processes. The recommendations will be presented to the 2001 Legislature for approval or modification. Other reports are required every two years that will provide recommendations for adjusting goals and funding distributions.

Chapter 99-247, L.O.F., included a number of other provisions relating to land acquisition and management, resulting in a complicated bill enacted very late in the session. Since becoming law, several “glitches” have been identified by various parties, and this bill contains provisions to correct some of the problems, as well as provisions designed to improve land acquisition and management.

The South Florida Water Management District (SFWMD) reports that since the 1950's, people have been building hunt camps in the Everglades. While some of these camps are built on privately owned lands, most of them have been built on state owned or district owned lands. Of the camps built on privately owned lands, only one or two have been built by the owners of the underlying lands. All of the existing camps have been built without permits--either from the state, the district or local governments. Today, there are at least 67 documented camps in Water Conservation Areas 2 and 3. While some of these structures are built on stilts, many are also built on tree islands. None have proper sewage disposal and many camp owners located on tree islands have removed much of the native Everglades vegetation.

Pursuant to ch.99-247, L.O.F., s.253.03, F.S., was amended to allow owners of habitable structures built on or before 1/1/98 located in water conservation areas 2 or 3 to get a 20-year lease if they notify the SFWMD of their existence by 1/1/00, identify the footprint of the dwellings, and their camps do not impede Everglades restoration. The law provides that owners not providing notification shall have their structures determined illegal and subject to immediate removal. In addition, the law provides that structures built in the WCAs after 5/1/99 without the necessary state and District permits shall be illegal and subject to removal. These provisions provide a gap, from January 1, 1998 to May 1, 1999 for which no lease or permit requirements apply. Current law also does not provide for reasonable conditions to be imposed on the owners of such structures.

Chapter 99-247 provided for one-half of one percent of the documentary stamp tax proceeds to be divided equally between the Department of Agriculture and Consumer Services (DACS) and the DEP. The DEP's funds are to be used to address water quality impacts associated with nonagricultural nonpoint sources, and will be deposited into the Grants and Donations Trust Fund. The DEP reports that a better depository is the Water Quality Assurance Trust Fund.

Section 253.034, F.S., provides language conforming with the constitutional amendment adopted in November 1998, regarding disposition of surplus state-owned lands. More specifically, it allows certain lands, in which the title is vested in the Trustees, to be surplus. For those lands which are acquired for conservation purposes, the Trustees have the authority to make a determination that such lands are “no longer needed for conservation purposes” and to dispose of the land with a two-thirds vote (all other lands are disposed of with majority vote.) Any governmental unit seeking to transfer lands must allow the Trustees to reacquire such lands for the price at which they sold the lands.

This section provides that all lands acquired (i.e., core parcels or within original project boundaries) prior to July 1, 1999, using proceeds from the P-2000 bonds, the CARL Trust Fund, the Water Management Lands Trust Fund, Environmentally Endangered Lands Program, and the Save Our Coast Program, and titled with the board, are deemed to be acquired for conservation purposes. For all lands acquired after July 1, 1999, the Trustees will determine which lands shall be designated as having been acquired for conservation purposes. Lands that are no longer needed for conservation purposes may be disposed of by a two-thirds vote by the Trustees. No lands purchased by the Department of Corrections, Department of Management Services, Department of Transportation, state university system, or state community college system are to be designated as having been purchased for conservation purposes.

Also, proceeds from the sale of surplus lands are used by the lead managing agency for management, if the fund from which the land was acquired no longer exists. However, the DEP advises that, once a parcel of land is declared surplus, there is, technically, no longer a lead management agency. This section also exempts land management plans of the Departments of Corrections and Education from review by the Land Acquisition and Management Advisory Council (LAMAC) or its successor.

Pursuant to s. 259.03, F.S., the term “capital improvement” is defined to include the initial removal of invasive plants. Capital improvements are generally considered to be long-term improvements such as structures or roads. Also, the Florida Forever Act uses the term “capital project expenditure” in authorizing capital expenditures to be made from bond funds.

Pursuant to s. 259.032, F.S., payments in lieu of taxes are available from the CARL TF. The Florida Forever Act attempted to address and simplify the payments in lieu of tax provisions. Payments in lieu of taxes are intended to compensate local governments that lose revenue from ad valorem taxes due to the acquisition of conservation and recreation lands. Prior to the enactment of the Florida Forever Act, payments from the CARL and Water Management Lands Trust Funds were available to counties for each year in which the levy of ad valorem tax was at least 8.25 mills or the amount of the tax loss from all completed Preservation 2000 and Save Our Rivers acquisitions in the county exceeds 0.01 percent of the county’s total taxable value, and the population is 75,000 or less and to counties with a population of less than 100,000 which contain all or a portion of an area of critical state concern designated pursuant to chapter 380, F.S. Under this formula, ten counties qualified for payments. The 1999 changes made payments from the CARL Trust Fund available to all counties that have a population of 150,000 or less and in which the amount of tax loss from all completed Preservation 2000 and Florida Forever acquisitions in the county exceeds 0.01 percent of the county’s total taxable value, and to all local governments located in eligible counties. Identical provisions were enacted for payments by water management districts, but were only authorized for lands acquired under the Florida Forever program; therefore the districts are unable to compensate local governments for taxes lost due to P-2000 or Save Our Rivers purchases.

According to information from the Department of Revenue, under the new Florida Forever Act, only Franklin and Lafayette Counties can demonstrate that property exceeding 0.01 percent has been removed from their total taxable value. Previously, eight other counties had qualified apparently because of their population size and millage levies. While these counties would continue to receive the amounts previously received for a period of 10 years, they may not qualify

for any additional amounts until they could demonstrate compliance with the loss of taxable value exceeding 0.01 percent.

Pursuant to s.259.0345, F.S., members of the FFAC appointed by the Governor serve 4-year terms with three of the initial members serving 2-year terms. Because no appointee may serve more than 6 years, members appointed for 4-year terms may not be reappointed. The council is to provide a report by November 1, 2000, to the DEP Secretary who will forward it to the Trustees for approval. Following approval, the report will be submitted to the 2001 Legislature, which may reject, modify, or take no action regarding the goals and performance measures established in the report. The report must:

- Establish specific goals for those identified in s. 259.105(4), F.S.
- Provide recommendations expanding or refining the goals identified in s. 259.105(4), F.S.
- Provide recommendations for the development and identification of performance measures to be used for analyzing the progress made towards the goals established pursuant to s. 259.105(4), F.S.
- Provide recommendations for the process by which projects are to be submitted, reviewed, and approved by the ARC. The advisory council is to specifically examine ways to streamline the process created by the Florida Forever Act.

The council also must report, every two years, to the Legislature its recommendations for adjusting or expanding the goals provided in s. 259.105(4), F.S., recommendations for adjusting the percentage distributions under s. 259.105(3), F.S., and other recommendations relating to the Florida Forever Act.

As of March 1, 2000, s. 250.035, F.S., 1998 Supplement, was substantially reworded to establish the ARC and provide for its membership, duties, and compensation.

The ARC consists of nine voting members, four of which are appointed by the Governor. These four members come from scientific disciplines related to land, water or environmental sciences. These members serve a four-year term, except for two initial members who serve two-year terms. Terms are limited to six years. The remaining five members are: 1) the Secretary of Environmental Protection; 2) the director of the Division of Forestry of the Department of Agriculture and Consumer Services; 3) the executive director of the Fish and Wildlife Conservation Commission; 4) the director of the Division of Historical Resources of the Department of State; and 5) the Secretary of Community Affairs, or their designees. The Governor appoints the chair of the council, and a vice-chair is to be elected among the members. The DEP provides primary staff support and ensures that all meetings are recorded. Four appointees of the Governor receive \$75 per day while engaged in the business of the council as well as travel expenses. This council provides certain assistance to the Trustees relating to state-owned lands pursuant to s. 253.034, F.S.

For the purpose of expending any remaining funds in the P-2000 Trust Fund, ARC may only use funds to acquire lands identified in the annual CARL list as approved by the Trustees in 2000.

The ARC has yet to adopt rules to govern the evaluation, selection, and ranking of CARL projects pursuant to ss. 259.032(3), F.S., and 259.101(4), F.S., or for the use of Florida Forever

funds under s. 259.105(3)(b), F.S. The ARC also, as the successor to the LAMAC, is expected to be able to approve boundary amendments for current projects. There are no procedures provided to authorize such actions.

The final issue of P-2000 bonds has been sold. Pursuant to s. 259.101(3), F.S., the provisions determining the allocation of bond proceeds among the agencies is to be repealed on October 1, 2000. However, it may be advisable to retain the P-2000 Act in its entirety, as a model for other states, until the entire act can be repealed at some future date.

Section 259.105(3), F.S., contains provisions requiring the FCT to fund the acquisition of land protection agreements in the Green Swamp Area of Critical State Concern. These interests in land are titled in either the St. Johns River or Southwest Florida WMD, depending on location.

Section 259.101(9)(f), F.S., provides that, beginning in FY 1999-2000, that portion of the unencumbered balances of each program described in s. 259.101(3)(c), (d), (e), (f), and (g), F.S., which has been on deposit in such program's P-2000 account for more than 3 fiscal years shall be redistributed equally to the DEP's Division of State Lands P-2000 subaccount for the purchase of CARL lands, and the Water Management District's P-2000 subaccount for the purchase of certain water management lands. The programs affected include the FCT, DRP, DOF, FWCC, and the Florida Greenways and Trails Program. The DEP has coordinated with the agencies involved and developed preliminary information that indicates that approximately \$8.3 million may be subject to redistribution. The largest portion of this amount was identified as \$5.9 million from the FCT Program. Most of the amounts identified stem from excess interest earnings on the idle cash in the accounts of agencies subject to this redistribution requirement. Also, these amounts of interest earnings generally exceed the agency's appropriations authority to use these funds.

Pursuant to s. 259.105(3)(c), F.S., the FCT must use 30 percent of its Florida Forever funds in SMSAs. This is a glitch, in that the FCT has always used far more than 30 percent of its funding in SMSAs. The intent was to require at least 30 percent to be used in such areas.

Another apparent glitch in the Florida Forever Act is the absence of authority for the DOF, DRP, FWCC, and OGT to use up to 10 percent of their Florida Forever funding for capital project expenditures, although bond funds for CARL-type projects may be used for such purposes.

The Florida Forever Act requires that CARL-type and WMD projects contribute to the achievement of specified goals. The list of goals does not include goals for water resource development or the acquisition of historical and cultural sites, coastal resources, and buffers to surface waters.

The Florida Forever Act establishes deadlines for various purposes. The FFAC must provide a report containing recommendations for the program and specific goals by November 1, 2000. The report is to be considered by the 2001 Legislature. However, the ARC must begin taking applications on July 1, 2000, prior to the deadline for submission of goals and recommendations. The WMDs must file a report of acquisitions and changes to its 5-year work plan by January 1 of each year. The date for the first Florida Forever report has passed and it appears appropriate to delay the report until the goals and recommendations for the program have been determined.

Section 373.139, F.S., authorizes WMD governing boards to acquire lands for specified purposes. These purposes do not specifically include conservation and protection of natural resources. This section also requires that a public hearing consistent with s. 120.5, F.S., be held prior to the acquisition of lands.

Pursuant to s. 373.1391, F.S., if a dispute arises regarding WMD land management plans that cannot be resolved by a governing board, the issue is to be ultimately resolved by the FFAC. It has been suggested that the FFAC may not be the most appropriate arbiter of such WMD disputes.

Section 373.199, F.S., provides for the Florida Forever Water Management District Workplan. This provision states that in order to further the goals of the Florida Forever Act, the WMD's are to create a five-year plan which identifies projects that meet certain criteria. In developing their lists, each WMD must integrate its surface water improvement and management plans and other specified lists and projects that would assist meeting the goals of Florida Forever. The workplan must be updated annually by January 1. The reports are provided to the Legislature and the Secretary of Environmental Protection.

Section 373.59, F.S., was amended by ch.99-247, L.O.F., to limit payment of bond debt service from the Water Management Lands Trust Fund to bonds issued prior to July 1, 1999. This limitation does not allow for bonds to be issued after that date for refunding bonds.

Pursuant to s. 375.051, F.S., no series of Florida Forever bonds may be issued unless the first year's debt service for the bonds is specifically appropriated in the General Appropriations Act.

Section 375.075, F.S., establishes the Florida Recreation Development Assistance Program (FRDAP) to assist local governments in providing public recreation opportunities. Beginning in FY 2001-2002, the DEP must develop and plan a program based upon funding provided from the Land Acquisition Trust Fund and eight percent of the FCT's annual Florida Forever funding.

The P-2000 program limited the use of FCT funds to land acquisition. Under the Florida Forever program, the FCT's funding is to be available for all the purposes of Part III of ch.380, F.S., which are not limited to land acquisition. However, ch. 99-247, L.O.F., contains contradictory provisions regarding these uses of funds.

Section 211.3103(9), F.S., provides that if a county receives land as a gift for public purposes by phosphate producers, then the value of the land is offset against the value of the tax proceeds returned to the county.

Currently chapter law provides that the Water Management Lands Trust Fund is to allocate \$150,000 to the Florida Forever Advisory Council (FFAC) during fiscal year 1999-2000 for FFAC expenses.

III. Effect of Proposed Changes:

Section 1. Section 201.15, F.S., is amended to require the limitation on Florida Forever bond debt service to be increased by \$30 million annually, regardless of whether bonds are sold in any

particular fiscal year. Other changes require the debt service for the remainder of the fiscal year in which the bonds are issued to be specifically appropriated in the General Appropriations Act. (Existing law requires the first year's debt service to be appropriated).

Section 2. Effective July 1, 2001, s. 201.15, F.S., is amended to continue the provisions described in section 1 of the bill. Also effective July 1, 2001, .25 percent of documentary stamp proceeds is redirected from the DEP's Grants and Donations Trust Fund to its Water Quality Assurance Trust Fund. (These funds will be used by the department to address water quality impacts associated with nonagricultural nonpoint sources). The bill provides that the unobligated balance of funds received from the distribution of such taxes will be excluded when calculating the unobligated balance of the Water Quality Assurance Trust Fund as it relates to the determination of the applicable excise tax rate on fuel and other pollutants.

Section 3. Section 215.618, F.S., is amended to provide that the \$3 billion limitation on the issuance of Florida Forever bonds does not apply to refunding bonds.

Section 4. Section 253.03, F.S., is amended to eliminate the period, from January 1, 1988 to May 1, 1999, during which a builder of a camp over sovereignty lands in Water Conservation Areas 2 and 3 can do so without a permit. The changes set a deadline of January 1, 2001 for owners of habitable structures built on or before May 1, 1999, the existence or use which will not impede Everglades restoration, to notify the SFWMD of their existence and location. The notification will grant the leaseholders a 20-year lease. The amendments also provide that the SFWMD or DEP, as appropriate, may impose reasonable conditions consistent with existing laws and rules. If the structures are located on privately owned lands, the landowners must provide the same notification required for a 20-year permit. Failure to comply with the conditions contained in any such permit or lease agreement makes the structure illegal and subject to removal. Any structure built in any water conservation area on or after July 1, 2000 is also illegal and subject to immediate removal.

This section also clarifies that depending on the owner of the land over which the structures are erected, either a lease or a permit is required and that a local government may, if appropriate, require a lease or permit.

Section 5. Section 253.034, F.S., is amended to provide that, in circumstances in which land has been sold as surplus and the fund from which the original acquisition was made is no longer in existence, the proceeds will be used for land management by the lead managing agency assigned that land prior to the land being declared surplus. This section also exempts land management plans of the Departments of Juvenile Justice and Children and Family Services from review by the LAMAC or its successor.

Also, the ARC is directed to recommend rules to the Trustees, who must adopt rules to carry out the purposes of s. 259.034, F.S. In addition, any proposed sublease of conservation lands must be reviewed by the ARC and any instrument authorizing the use of Trustees-owned land must be reviewed for approval by the Trustees.

The section requires that land management plans to be submitted to the Division of State Lands be for conservation lands rather than any Trustees-owned lands, and that the ARC review such

plans for compliance with ch. 259, F.S. At least every three years, as a component of land management or land use plans, agencies must evaluate and report to the Trustees those lands that are not being used for the purpose for which they were acquired.

Also, when a state agency has acquired land by gift, donation, grant, quit-claim deed, or other such conveyance and no monetary consideration was exchanged, the price of such land sold as surplus may not exceed the fair market value of the lands. Fair market value is to be determined by the average of two separate appraisals. The individual or entity requesting the surplus is to select and use appraisers from the list of approved appraisers maintained by the Division of State Lands of the DEP in accordance with s. 253.025(6)(b), F.S. The individual or entity requesting the surplus is to incur all costs of the appraisals.

Section 6. Section 259.03, F.S., is amended to include the term “capital project expenditure” in the definition of “capital improvement” and delete the initial removal of invasive plants as an activity to be funded as a capital improvement or capital project expenditure. This section also requires that capital improvements or capital project expenditures have a useful life that is at least as long as the debt repayment period of the bond issue from which they were funded.

Section 7. Section 259.032, F.S., is amended to delete the requirement that counties have to have a tax loss from all completed P-2000 and Florida Forever acquisitions in the county in excess of 0.01 percent of the county’s total taxable value in order to receive payments in lieu of taxes. As amended, counties with a population of 150,000 or less would qualify for the payments in lieu of taxes. Such payments will be retroactive for FY 1999-2000.

In addition, a requirement that WMDs designated to manage land report annually to the DEP on the progress of funding, staffing, and resource management of the projects managed is moved to s. 373.199, F.S.

Section 8. Section 259.0345, F.S., is amended to delete obsolete provisions and change the terms of Office of the Governor’s appointees to the FFAC from four years to three years.

This bill also revises a reporting requirement for the FFAC and states that the council is to provide a report by December 15, 2000, to the Secretary of DEP, who is to forward the report to the Trustees for their approval. The report is then sent to the President of the Senate and the Speaker of the House of Representatives prior to the 2001 Regular Session for review by the appropriate substantive committee. This report must establish goals for s. 259.105(4), F.S., provide recommendations which may either expand upon or refine the goals in s. 259.105(4), F.S., and identify specific performance measures that may be used in progressing toward each goal. In addition, the FFAC is to identify other recommendations regarding the implementation of the Florida Forever program. The bill deletes all of the current reporting requirements.

This section also requires that, in making recommendations for adjusting the percentage distributions detailed in s. 259.105(3), F.S., the council must consider which agencies have encumbered their funds in a timely manner and unencumbered balanced, if any, in each agency’s Florida Forever sub account. The recommendations may include increases in percentage distributions to those agencies that have encumbered Florida Forever funds in a timely manner.

Section 9. Section 259.035, F.S., is amended to clarify that the department referenced is the DEP, and change the rulemaking authority from the DEP to the Trustees to implement the provisions of this section.

In addition, the ARC is authorized to use existing rules adopted by the Trustees until it develops and recommends amendments to those rules, to competitively evaluate, select, and rank projects eligible for the CARL list pursuant to ss. 259.032(3), F.S., and 259.101(4), F.S., and, beginning no later than May 1, 2001, for Florida Forever funds pursuant to s. 259.105(3)(b), F.S. In developing or amending the rules, the ARC must give weight to the criteria included in s. 259.105(9), F.S. The Trustees must review the recommendations and adopt rules necessary to administer this section.

An affirmative vote of five members of the ARC is required in order to change a project boundary or to place a proposed project on an acquisition list. Any member of the ARC who by family or a business relationship has a connection with all or a portion of any proposed project must declare the interest before voting on its inclusion on a list.

The proposal for a project may be implemented only if adopted by the council and approved by the Trustees. The council must consider and evaluate in writing the merits and demerits of each project that is proposed for CARL, P-2000, or Florida Forever funding and must ensure that each proposed project will meet a stated public purpose for the restoration, conservation, or preservation of environmentally sensitive lands and water areas or for providing outdoor recreational opportunities. The ARC also must determine whether the project conforms, where applicable, with the comprehensive plan developed pursuant to s. 259.04(1)(a), F.S., the comprehensive multipurpose outdoor recreation plan developed pursuant to s. 375.021, F.S., the state lands management plan adopted pursuant to s. 253.03(7), F.S., the water resources work plans developed pursuant to s. 373.199, F.S., and the provisions of ss. 259.032, 259.101, or 259.105, F.S., whichever is applicable.

Section 10. Section 259.101, F.S., is amended to correct certain cross-references. In addition, the provision that repeals the distribution formula for the P-2000 bond proceeds on October 1, 2000, is repealed, leaving the distribution formula intact.

Subsection (9) of s. 259.101, F.S., provides that beginning in FY 1999-2000, that portion of the unencumbered balances of the small programs receiving P-2000 funds which have been on deposit in those programs' P-2000 accounts for more than 3 fiscal years shall be redistributed equally to the DEP's Division of State Lands for the purchase of CARL lands and to the water management districts for the purchase of certain water management lands. The programs affected are the FCT, DRP, DOF, FWCC, and the Greenways and Trails Program. This section deletes those redistribution provisions.

This section also authorizes the DEP's Division of State Lands to use FCT funding to acquire conservation easements to implement the Green Swamp Land Protection Initiative. The Trustees will hold title to all interests in land that were or will be acquired through the program.

Section 11. Section 259.105, F.S., is amended to change the requirement that 30 percent of the FCT's Florida Forever funding be expended in SMSAs to at least 30 percent of its funding and

permit the DRP, DOF, FWCC, and OGT to spend up to, but no more than 10 percent of their Florida Forever funds on capital project expenditures.

The section adds four goals to the list of goals to be achieved by WMD and CARL projects:

- An increase in the protection of fragile coastal resources, as measured by the linear feet and acreage of coast line acquired.
- An increase in the protection of significant surface waters, as measured by the acreage of lands acquired to buffer them.
- Ensure that sufficient quantities of water are available to meet current and future needs of the natural system and the residents of the state, as measured by implementation of the water-resource-development component of the district water management plan developed pursuant to s. 373.036, F.S., or appropriate regional water supply plan developed under s. 373.0361, F.S.
- An increase in the state's inventory of historical and cultural sites as measured by the number of sites acquired.

Intent is provided that proceeds of Florida Forever bonds distributed under this section must be expended in an efficient and fiscally responsible manner. An agency that receives proceeds from Florida Forever bonds under this section may not maintain a balance of unencumbered funds in its Florida Forever sub account beyond 3 fiscal years from the date of deposit of funds from each bond issue. Any funds that have not been expended or encumbered after 3 fiscal years from the date of deposit shall be distributed by the Legislature at its next regular session for use in the Florida Forever program.

The bill makes several technical changes and authorizes the ARC, as successor to the LAMAC to amend existing projects and add to or delete from the 2000 CARL list until funding for the CARL program has been expended. The amendments to the 2000 CARL list will be reported to the Trustees in conjunction with the council's report developed pursuant to s. 259.105(15), F.S.

Finally, the date for the ARC to begin accepting applications for Florida Forever projects is changed from July 1, 2000 to July 1, 2001 and the ARC is directed to recommend rules to be adopted by the Trustees to govern the evaluation, selection, and ranking of projects to be funded pursuant to s. 259.105(3)(b), F.S., and for additions to the CARL list.

Section 12. Section 260.018, F.S., is amended to correct a typographical error.

Section 13. Section 373.139, F.S., is amended to require the initial 5-year WMD workplan and any subsequent modifications or additions thereto to be adopted by each WMD after a public hearing. Each WMD will provide at least 14 days' advance notice of the hearing date, and separately shall notify each county commission within which a proposed workplan project or project modification or addition is located of the hearing date.

Section 14. Section 373.1391, F.S., is amended to provide that when, in developing or reviewing land management plans, a dispute arises that has not been resolved by a water management district's final agency action, that dispute must be resolved under chapter 120, F.S.

Section 15. Section 373.199, F.S. is amended to change the date for the annual report to the Legislature and the DEP of WMD land acquisitions and modifications to 5-year work plans from January 1 of each year to June 1 in 2001 and annually on January 1 thereafter. The workplan must include the progress of funding, staffing, and resource management for the district's projects and will be submitted by the DEP secretary to the Trustees with the ARC's project list.

Section 16. Section 373.59, F.S., is amended to permit funds in the Water Management Lands Trust Fund to be used to refund bonds issued prior to July, 1999, and provide for payments in lieu of taxes to counties having a population of 150,000 or fewer and to local governments within eligible counties. Such payments will be retroactive for FY 1999-2000. In addition, for properties acquired after January 1, 2000, in the event that such properties otherwise eligible for payment in lieu of taxes are leased or reserved and remain subject to ad valorem taxes, then payments in lieu of taxes will commence or recommence upon the expiration or termination of the lease or reservation but in no event shall there be more than a total of ten annual payments in lieu of taxes for each tax loss. If the lease is terminated for only a portion of the lands at any time, the ten annual payments will be made for that portion only commencing the year after such termination without limiting the requirement that ten annual payments must be made on the remaining portion or portions of the land as the lease on each shall expire.

Section 17. Section 375.051, F.S., is amended to require the debt service for the remainder of the fiscal year in which the Florida Forever bonds are issued be specifically appropriated in the General Appropriation Act.

Section 18. Section 375.075, F.S., is amended to direct the DEP to prepare a FRDAP plan that is based upon the cumulative funding of not less than 5 percent of the money credited to the Land Acquisition Trust Fund and the specified Florida Forever funding.

Section 19. Section 380.507, F.S., is amended to direct the FCT to adopt rules to govern the acquisition of lands using P-2000 and Florida Forever funds.

Section 20. Section 380.510, F.S., is amended to clarify that FCT funding under the P-2000 and Florida Forever programs may only be used for land acquisition.

Section 21. Subsection (9) of s. 211.3103, F.S., is repealed.

Section 22. Except for Section 2, which takes effect July 1, 2001, the bill takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Provisions relating to habitable structures in the Everglades could have a fiscal impact on persons who built such structures between January 1, 1998 and May 1, 1999, who currently have no lease or permit. Any such persons would have to pay lease or permit fees in undetermined amounts. Also, the new provisions authorize the imposition of reasonable conditions on owners of the structures. The conditions could have a fiscal impact that cannot be determined at this time. Failure to comply with imposed conditions is grounds for removal of the structure, which likely would constitute a financial loss for an owner.

C. Government Sector Impact:

Counties and local governments within eligible counties could receive undetermined revenues from payments in lieu of taxes. The CARL and Water Management Lands Trust Funds will be reduced by any such payments.

The authorization to issue more than \$3 billion in Florida Forever bonds in order to refund bonds could result in decreased debt service, as could the ability to refund Save Our Rivers bonds.

The .25 percent of documentary stamp tax proceeds to be deposited into the Grants and Donations Trust Fund and used for studies regarding water quality impacts associated with nonagricultural nonpoint sources is redirected to the Water Quality Assurance Trust Fund. The unobligated balance in this trust fund is used to determine the excise tax rate on fuel and other pollutants. The bill excludes the transferred funds from the calculation used to determine the tax rate.

The Water Management Lands Trust Fund will benefit by \$150,000 annually by not being used to fund the FFAC.

The SFWMD and/or the DEP will receive undetermined revenues from lease and permit fees for certain habitable structures in Water Conservation Areas 2 and 3, while a former lead managing agency could receive future revenues from the sale of surplus lands if the fund from which the land was purchased no longer exists.

By changing the requirement that 30 percent of the FCT's funds be used in SMSAs to at least 30 percent, the bill substantially increases the funding that can be used in urban areas.

The repeal of s. 211.3103(9), F.S., could benefit counties that receive donated lands, as their phosphate severance tax revenues will not be reduced.

By repealing provisions that would have redistributed funds in the P-2000 accounts of the five small programs, the bill will result in increased funding available to those programs. The DEP's CARL program and WMD acquisition programs will not be increased by the redistribution.

VI. Technical Deficiencies:

On page 46, line 11, the reference to the Land Acquisition and Restoration Council should be to the Land Acquisition and Management Council. There has never been a Land Acquisition and Restoration Council.

VII. Related Issues:

On page 41, lines 17 - 24, the bill requires redistribution of Florida Forever bond proceeds if they have not been encumbered within three years of the "issuance of the first bond series." This would require redistribution to occur for all bond issues, beginning with the fourth. It appears that the intent was to require funds to be encumbered within three years of the deposit of proceeds from each bond sale.

VIII. Amendments:

None.