

STORAGE NAME: h1963.frc.doc
DATE: February 25, 2002

HOUSE OF REPRESENTATIVES
FISCAL RESPONSIBILITY COUNCIL
ANALYSIS

BILL #: HB 1963 (PCB FRC 02-15)
RELATING TO: Coastal Management
SPONSOR(S): Fiscal Responsibility Council and Representative Johnson

TIED BILL(S):

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

- (1) FISCAL RESPONSIBILITY COUNCIL YEAS 21 NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

The bill transfers the Florida Coastal Management Program (FCMP) from the Department of Community Affairs (DCA) to the Department of Environmental Protection (DEP). The FCMP coordinates among local, state, and federal entities involved in coastal management activities to protect coastal resources and help build and maintain Florida communities. All powers, duties and functions, rules, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the FCMP currently assigned to and administered by the DCA are transferred to the DEP.

The bill conforms statutes to actions taken in the House proposed General Appropriations Act. The House proposed General Appropriations Act transfers nine positions, \$103,319 in General Revenue, and \$2,414,658 in Trust Funds from DCA to DEP.

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II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

The Florida Coastal Management Program (FCMP) was authorized, developed, approved, and is implemented through the Federal Coastal Zone Management Act (CZMA) of 1972 and the Florida Coastal Management Act (Chapter 380, Part II, FS). The FCMP was originally approved by the Department of Commerce, National Oceanic and Atmospheric Administration (NOAA) in September 1981 and has retained that approval through periodic federally conducted program evaluations, the last one having been conducted by NOAA in September 1999. As created and approved, the Florida program encompasses the entire state (67 counties and territorial seas) and consists of 23 state statutes implemented by the network of responsible state agencies and water management districts.

Approval of a program confers two direct benefits to the state: funding for implementation of the approved program, and a process referred to as federal consistency. Congress allocates an amount to NOAA for coastal management; NOAA in turn follows a formula based upon coastal population and miles of coastline in establishing state allocations to approved states. The maximum any state can receive in administration/implementation funds (referred to as Section 306 funds after that portion of the CZMA), however, is \$2 million. Florida receives that maximum. In certain years, the award amount is higher, because all previous year funds which were returned to NOAA or otherwise not spent by the states are reallocated among the states. Other sections of the act authorize funding for specific initiatives; for example, Section 6217 is for development of a coastal nonpoint source pollution control program, while Section 309 describes funding for "enhancement grants" within nine specific categories. Those funds can vary in amount from year to year. The total amount of federal coastal funding has averaged approximately \$2.4 - 2.8 million annually.

The FCMP has used federal funds for: program staff salaries and benefits, expenses, and other administrative costs; the free beach access sign program; educational publications, reports, and outreach materials; and an ongoing coastal management indicators project. Some of these funds are also made available by the FCMP through a competitive process to local governments and certain others working in partnership with a local government to complete projects within four initiative areas (coastal stewardship, working waterfronts, coastal access, and remarkable coastal places). Funds have also been used to create and fund the Waterfronts Florida program to provide training, technical, and limited financial assistance to three communities designated every two years who are seeking to create and implement special waterfront revitalization plans. FCMP has funded

DCA's long-term hazard mitigation strategy efforts under the "hazard mitigation enhancement area" program and has provided funding to projects in the Florida Panhandle and the Keys to address the cumulative impacts resulting from population growth. Under the federal "ocean resources" enhancement area program, the FCMP is funding seagrass management strategies and a project called Florida BlueWays. This project is creating a geographic information system built around ecological, human use, and management characterizations. The goal is to structure an easy-to-use management tool that will allow resource managers to examine natural science data for an area while simultaneously considering existing resource uses and management efforts.

Federal consistency is the process that allows the state to review federal activities within or near the state's coastal zone to determine compliance (consistency) with the state's federally approved coastal management program. The four major activities are: 1) activities conducted by or on behalf of a federal government agency; 2) federally-funded activities; 3) activities that require a federal license or permit; and 4) activities conducted pursuant to an Outer Continental Shelf Lands Act minerals exploration plan or lease. All federal applications are submitted to the State Clearinghouse, a unit of the FCMP, to circulate and process these applications to all the partner agencies for comment based on their statutory authorities in the FCMP (23 statutes implemented by eight state agencies and the water management districts). The FCMP issues the single letter providing the state's determination of consistency or inconsistency of an activity on behalf of the state and the reviewing agencies. Since the entire state is defined as the coastal zone and the 23 state statutes and their implementing regulations are incorporated into the FCMP, the review workload generally exceeds 2,000 activities annually.

The previous Department of Environmental Regulation was designated as the lead coastal agency when the FCMP was initially approved. The Department of Community Affairs was designated the lead coastal agency in 1992 and the program was transferred from the Department of Environmental Regulation at that time. The DCA recommends transferring the FCMP to the DEP because the DEP's mission of protecting natural resources is more in line with the goals of the FCMP.

C. EFFECT OF PROPOSED CHANGES:

The bill transfers the Florida Coastal Management Program (FCMP) from the Department of Community Affairs (DCA) to the Department of Environmental Protection (DEP). The FCMP coordinates among local, state, and federal entities involved in coastal management activities to protect coastal resources and help build and maintain Florida communities. All powers, duties and functions, rules, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the FCMP currently assigned to and administered by the DCA are transferred to the DEP.

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D. SECTION-BY-SECTION ANALYSIS:

See effect of proposed changes.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

All powers, duties and functions, rules, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the FCMP currently assigned to and administered by the DCA are transferred to the DEP. The House proposed General Appropriations Act transfers nine positions, \$103,319 in General Revenue, and \$2,414,658 in Trust Funds from DCA to DEP.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

N/A

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

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

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

N/A

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

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B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

FISCAL RESPONSIBILITY COUNCIL:

Prepared by:

Staff Director:

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