

House Bill No. 1221

An act relating to water resources; amending s. 373.1961, F.S.; allowing certain alternative water supply facilities to recover the cost of such facilities through rate structures; amending s. 373.083, F.S.; authorizing water management districts to solicit donations; amending s. 373.093, F.S.; authorizing water management districts to lease certain personal property; creating s. 373.608, F.S.; authorizing water management districts to obtain and enforce patents, copyrights, and trademarks on work products of the district; providing for rules; creating s. 373.610, F.S.; authorizing water management districts to suspend contractors who have defaulted on contracts; providing procedure; providing for rules; creating s. 373.611, F.S.; authorizing water management districts to enter into contracts to limit or alter the measure of damages recoverable from a vendor; amending s. 373.0693, F.S.; providing for membership on the Manasota Basin Board and for the resolution of tie votes; amending s. 73.015, F.S.; clarifying time-frame for providing specific information to fee-owners; requiring agencies to provide specified portions of statute to fee-owners; amending s. 270.11, F.S.; providing discretion to water management districts, local governments, board of trustees and other state agencies to determine whether to reserve mineral interests when selling lands; clarifying the types of information to be given by land-owner wanting a release of a reservation; amending s. 373.056, F.S.; granting water management districts the authority to grant utility easements on district-owned land for providing utility service; amending s. 373.093, F.S.; granting additional time to water management districts to provide notification before executing lease agreements; amending s. 373.096, F.S.; providing for release of certain easements, reservations, or right-of-way interests; amending s. 373.139, F.S.; authorizing water management districts to cure title defects after a land sale is executed; allowing water management districts to disclose appraisal information, offers and counter offers to third parties working on the district's behalf; allowing third party appraisals to be used under specific circumstances; amending s. 373.1401, F.S.; allowing water management districts to contract with private entities for management, improvement, or maintenance of land held by the districts; amending s. 374.984, F.S.; revising powers and duties of the Board of Commissioners of the Florida Inland Navigation District; amending s. 110.152, F.S.; specifying employees who are entitled to receive such benefits for adopting a special-needs child; deleting references to water management district employees; prescribing the manner of establishing the amount of such benefits; amending s. 110.15201, F.S.; providing that rules for administering such adoption benefits may provide for an application process; deleting a reference to water management district employees; amending s. 215.32, F.S.; requiring the Comptroller and the Department of Management Services to transfer funds to water management districts to pay monetary benefits to water management district employees; creating s. 373.6065, F.S.; providing child-

adoption monetary benefits to water management district employees; amending s. 373.536, F.S.; revising notice and hearing provisions relating to the adoption of a final budget for the water management districts; specifying to whom a copy of the water management districts' tentative budget must be sent for review; specifying the contents of the tentative budget; requiring the Executive Office of the Governor to file with the Legislature a report summarizing its review of the water management districts' tentative budgets and displaying the adopted budget allocations by program area; requiring the water management districts to submit certain budget documents to specified officials; amending s. 373.079, F.S.; deleting a requirement that the water management districts submit a 5-year capital improvement plan and fiscal report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Secretary of Environmental Protection; amending s. 373.59, F.S.; providing for the transfer of certain funds; amending s. 373.501, F.S.; providing for the release of moneys from the Water Management Lands Trust Fund; repealing s. 373.507, F.S., relating to postaudits and budgets of water management districts and basins; repealing s. 373.589, F.S., relating to audits of water management districts; providing an appropriation; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (k) is added to subsection (2) of section 373.1961, Florida Statutes, to read:

373.1961 Water production.—

(2) The Legislature finds that, due to a combination of factors, vastly increased demands have been placed on natural supplies of fresh water, and that, absent increased development of alternative water supplies, such demands may increase in the future. The Legislature also finds that potential exists in the state for the production of significant quantities of alternative water supplies, including reclaimed water, and that water production includes the development of alternative water supplies, including reclaimed water, for appropriate uses. It is the intent of the Legislature that utilities develop reclaimed water systems, where reclaimed water is the most appropriate alternative water supply option, to deliver reclaimed water to as many users as possible through the most cost-effective means, and to construct reclaimed water system infrastructure to their owned or operated properties and facilities where they have reclamation capability. It is also the intent of the Legislature that the water management districts which levy ad valorem taxes for water management purposes should share a percentage of those tax revenues with water providers and users, including local governments, water, wastewater, and reuse utilities, municipal, industrial, and agricultural water users, and other public and private water users, to be used to supplement other funding sources in the development of alternative water supplies. The Legislature finds that public moneys or services provided to private entities for such uses constitute public purposes which are in the public interest. In order to further the development and use of

alternative water supply systems, including reclaimed water systems, the Legislature provides the following:

(k) The Florida Public Service Commission shall allow entities under its jurisdiction constructing alternative water supply facilities, including but not limited to aquifer storage and recovery wells, to recover the full, prudently incurred cost of such facilities through their rate structure. Every component of an alternative water supply facility constructed by an investor-owned utility shall be recovered in current rates.

Section 2. Subsection (4) of section 373.083, Florida Statutes, is amended to read:

373.083 General powers and duties of the governing board.—In addition to other powers and duties allowed it by law, the governing board is authorized to:

(4) Solicit and accept donations or grants of funds or services from both public and private sources for the planning and implementation of district undertakings and delegations, including, but not limited to, projects, programs, works, and studies.

Section 3. Subsection (4) of section 373.093, Florida Statutes, is created to read:

373.093 Lease of lands or interest in land and personal property.—The governing board of the district may lease any lands or interest in land, including but not limited to oil and mineral rights, to which the district has acquired title, or to which it may hereafter acquire title in the following manner, as long as the lease is consistent with the purposes for which the lands or any interest in land was acquired:

(4) The governing board of the district may lease existing communications towers and other similar structures which the district owns or which it may hereafter acquire, for the best price and terms obtainable, to be determined by the board.

Section 4. Section 373.608, Florida Statutes, is created to read:

373.608 Patents, copyrights, and trademarks.—Each district may, in its own name:

(1) Perform all things necessary to secure letters of patent, copyrights, and trademarks on any work products of the district and enforce its rights therein. Each district shall consider contributions by district personnel in the development of trademarks, copyrights, and patents and shall enter into written contracts with such personnel in each trademark, copyright, or patent.

(2) License, lease, assign, or otherwise give written consent to any person, firm, or corporation for the manufacture or use of such district work products, on a royalty basis or for such other consideration as the applicable governing board shall deem proper.

(3) Take any action necessary, including legal action, to protect such district work products against improper or unlawful use or infringement.

(4) Enforce the collection of any sums due to the district for the manufacture or use of such district work products by other party.

(5) Sell any of such district work products and execute all instruments necessary to consummate any such sale.

(6) Do all other acts necessary and proper for the execution of powers and duties conferred upon the districts by this section, including adopting rules, as necessary, in order to administer this section.

Section 5. Section 373.610, Florida Statutes, is created to read:

373.610 Defaulting vendors and contractors.—The district may suspend a contractor on a temporary or permanent basis, from doing work with the district if such contractor has materially breached its contract with the district. The district shall adopt rules to administer the provisions of this section to specify the circumstances and conditions that constitute a materially breached contract and conditions that constitute the period for temporary or permanent suspension and for reinstatement.

Section 6. Section 373.611, Florida Statutes, is created to read:

373.611 Modification or limitation of remedy.—In order to promote the cost-effective procurement of commodities and contractual services by the water management districts, a district may enter into contracts to limit or alter the measure of damages recoverable from a vendor consistent with the provisions contained in s. 672.719.

Section 7. Subsection (7) of section 373.0693, Florida Statutes, is amended to read:

373.0693 Basins; basin boards.—

(7) At 11:59 p.m. on December 31, 1976, the Manasota Watershed Basin of the Ridge and Lower Gulf Coast Water Management District, which is annexed to the Southwest Florida Water Management District by change of its boundaries pursuant to chapter 76-243, Laws of Florida, shall be formed into a subdistrict or basin of the Southwest Florida Water Management District, subject to the same provisions as the other basins in such district. Such subdistrict shall be designated initially as the Manasota Basin. The members of the governing board of the Manasota Watershed Basin of the Ridge and Lower Gulf Coast Water Management District shall become members of the governing board of the Manasota Basin of the Southwest Florida Water Management District. Notwithstanding other provisions in this section, beginning on July 1, 2001, the membership of the Manasota Basin Board shall be comprised of three members from Manatee County and three members from Sarasota County. Matters relating to tie votes shall be resolved pursuant to subsection (6) by the ex officio chair designated by the governing board to vote in case of a tie vote.

Section 8. Paragraph (a) of subsection (1) of section 73.015, Florida Statutes, is amended to read:

73.015 Presuit negotiation.—

(1) Effective July 1, 2000, before an eminent domain proceeding is brought under this chapter or chapter 74, the condemning authority must attempt to negotiate in good faith with the fee owner of the parcel to be acquired, must provide the fee owner with a written offer and, if requested, a copy of the appraisal upon which the offer is based, and must attempt to reach an agreement regarding the amount of compensation to be paid for the parcel.

(a) No later than the time the initial written or oral offer of compensation for acquisition is made to the fee owner. ~~At the inception of negotiation for acquisition,~~ the condemning authority must notify the fee owner of the following:

1. That all or a portion of his or her property is necessary for a project.
2. The nature of the project for which the parcel is considered necessary, and the parcel designation of the property to be acquired.
3. That, within 15 business days after receipt of a request by the fee owner, the condemning authority will provide a copy of the appraisal report upon which the offer to the fee owner is based; copies, to the extent prepared, of the right-of-way maps or other documents that depict the proposed taking; and copies, to the extent prepared, of the construction plans that depict project improvements to be constructed on the property taken and improvements to be constructed adjacent to the remaining property, including, but not limited to, plan, profile, cross-section, drainage, and pavement marking sheets, and driveway connection detail. The condemning authority shall provide any additional plan sheets within 15 days of request.
4. The fee owner's statutory rights under ss. 73.091 and 73.092, or alternatively provide copies of these provisions of law.
5. The fee owner's rights and responsibilities under paragraphs (b) and (c) and subsection (4), or alternatively provide copies of these provisions of law.

Section 9. Subsections (1) and (3) of section 270.11, Florida Statutes, are amended to read:

270.11 Contracts for sale of public lands to reserve certain mineral rights; prohibition on exercise of right of entry in certain cases.—

(1) Unless the applicable agency chooses not to reserve such interest and ~~Except~~ as otherwise provided by law, in all contracts and deeds for the sale of land executed by the Board of Trustees of the Internal Improvement Trust Fund or by any local government, water management district, or other agency of the state, there shall be reserved for such local government, water management district, other agency of the state, or the board of

trustees and its successors an undivided three-fourths interest in, and title in and to an undivided three-fourths interest in, all the phosphate, minerals, and metals that are or may be in, on, or under the said land and an undivided one-half interest in all the petroleum that is or may be in, on, or under said land with the privilege to mine and develop the same.

(3) A local government, water management district, or agency of the state may, at its discretion, sell or release ~~such~~ reserved interest in any parcel of land, except that such sale or release shall be made upon petition of the purchaser for such interest and ~~with upon submission by the local government, water management district, or agency of the state which owns the parcel of~~ a statement of reasons justifying such sale or release.

Section 10. Subsection (4) of section 373.056, Florida Statutes, is amended to read:

373.056 State agencies, counties, drainage districts, municipalities, or governmental agencies or public corporations authorized to convey or receive land from water management districts.—

(4) Any water management district within this chapter shall have authority to convey or lease to any governmental entity, other agency described herein or to the United States Government, including its agencies, land or rights in land owned by such district not required for its purposes under such terms and conditions as the governing board of such district may determine. In addition to other general law authorizing the grant of utility easements, any water management district may grant utility easements on land owned by such district to any private or public utility for the limited purpose of obtaining utility service to district property under such terms and conditions as the governing board of such district may determine.

Section 11. Section 373.096, Florida Statutes, is amended to read:

373.096 Releases.—The governing board of the district may release any ~~canal~~ easement, reservation or right-of-way interests, conveyed to it for which it has no present or apparent future use under terms and conditions determined by the board.

Section 12. Subsection (2) of section 373.093, Florida Statutes, is amended to read:

373.093 Lease of lands or interest in land.—The governing board of the district may lease any lands or interest in land, including but not limited to oil and mineral rights, to which the district has acquired title, or to which it may hereafter acquire title in the following manner, as long as the lease is consistent with the purposes for which the lands or any interest in land was acquired:

(2) Before leasing any land, or interest in land including but not limited to oil and mineral rights, the district shall cause a notice of intention to lease to be published in a newspaper published in the county in which said land is situated and such other places as the board may determine once each week for 3 successive weeks (three insertions being sufficient), the first

publication of which shall be not less than 30 nor more than 90 45 days prior to the date the board executes the any lease, which said notice shall set forth the time and place of leasing and a description of the lands to be leased.

Section 13. Subsection (2) and paragraph (a) of subsection (3) of section 373.139, Florida Statutes, are amended to read:

373.139 Acquisition of real property.—

(2) The governing board of the district is empowered and authorized to acquire in fee or less than fee title to real property, ~~and easements and other interests or rights~~ therein, by purchase, gift, devise, lease, eminent domain, or otherwise for flood control, water storage, water management, conservation and protection of water resources, aquifer recharge, water resource and water supply development, and preservation of wetlands, streams, and lakes. Eminent domain powers may be used only for acquiring real property for flood control and water storage or for curing title defects or encumbrances to real property owned by the district or to be acquired by the district from a willing seller.

(3) The initial 5-year work plan and any subsequent modifications or additions thereto shall be adopted by each water management district after a public hearing. Each water management district shall provide at least 14 days' advance notice of the hearing date and shall separately notify each county commission within which a proposed work plan project or project modification or addition is located of the hearing date.

(a) ~~Title information~~, Appraisal reports, offers, and counteroffers are confidential and exempt from the provisions of s. 119.07(1) until an option contract is executed or, if no option contract is executed, until 30 days before a contract or agreement for purchase is considered for approval by the governing board. However, each district may, at its discretion, disclose appraisal reports to private landowners during negotiations for acquisitions using alternatives to fee simple techniques, if the district determines that disclosure of such reports will bring the proposed acquisition to closure. In the event that negotiation is terminated by the district, the title information, appraisal report, offers, and counteroffers shall become available pursuant to s. 119.07(1). Notwithstanding the provisions of this section and s. 259.041, a district and the Division of State Lands may share and disclose title information, appraisal reports, appraisal information, offers, and counteroffers when joint acquisition of property is contemplated. A district and the Division of State Lands shall maintain the confidentiality of such title information, appraisal reports, appraisal information, offers, and counteroffers in conformance with this section and s. 259.041, except in those cases in which a district and the division have exercised discretion to disclose such information. A district may disclose appraisal information, offers, and counteroffers to a third party who has entered into a contractual agreement with the district to work with or on the behalf of or to assist the district in connection with land acquisitions. The third party shall maintain the confidentiality of such information in conformance with this section. In addition, a district may use, as its own, appraisals obtained by a third party provided the appraiser is selected from the district's list of approved appraisers and the appraisal is reviewed and approved by the district.

Section 14. Section 373.1401, Florida Statutes, is amended to read:

373.1401 Management of lands of water management districts.—In addition to provisions contained in s. 373.1391(1) for soil and water conservation districts, the The governing board of each water management district may contract with a non-governmental person or entity, any federal or state agency, a county, a municipality, or any other governmental entity, or environmental nonprofit organization to provide for the improvement, management, or maintenance of any real property owned by or under the control of the district.

Section 15. Paragraph (a) of subsection (6) of section 374.984, Florida Statutes, is amended to read:

374.984 Purpose; powers and duties.—It is the purpose and intent of this act that the board perform and do all things which shall be requisite and necessary to comply with the requirements and conditions imposed upon a “local interest” by the Congress of the United States in the several acts authorizing and directing the improvement and maintenance of the Intra-coastal Waterway from St. Mary’s River to the southernmost boundary of Dade County. Said acts include but are not limited to: the Rivers and Harbors Act approved January 21, 1927, as amended by the River and Harbor Act approved July 3, 1930; the River and Harbor Act of June 20, 1938; and s. 107 of the Federal River and Harbor Act of 1960. Pursuant thereto, the powers of the board shall include, but not be limited to:

(6)(a) Contracting directly for, or entering into agreement from time to time with the district engineer of the Jacksonville, Florida, United States Army Corps of Engineers district, or other agency or party duly authorized representative of the United States, to contribute toward the cost of dredging performed on the waterway by the United States, to construct retaining bulkheads, dikes, and levees, to construct ditches for the control of water discharged by the dredges, and to do all other work and/or things which, in the judgment of the board, shall be proper and necessary to produce economies in meeting the conditions with respect to right-of-way and dredged material management areas imposed upon a “local interest” by the Congress of the United States in the several acts authorizing and directing the improvement, navigability, and maintenance of the Intracoastal Waterway from St. Mary’s River to the southernmost boundary of Dade County.

Section 16. Section 110.152, Florida Statutes, is amended to read:

110.152 Adoption benefits for state ~~or water management district~~ employees; parental leave.—

(1)(a) Any full-time or part-time employee of the state who is paid from regular salary appropriations and or of a water management district who adopts a special-needs child, as defined in paragraph (b), is eligible to receive a monetary benefit in the amount of \$10,000 per child, \$5,000 of which is payable in equal monthly installments over a 2-year period. Any employee of the state ~~or of a water management district~~ who adopts a child whose permanent custody has been awarded to the Department of Children and Family Services or to a Florida-licensed child-placing agency, other than a

special-needs child as defined in paragraph (b), shall be eligible to receive a monetary benefit in the amount of \$5,000 per child, \$2,000 of which is payable in equal monthly installments over a 2-year period. Benefits paid under this subsection to a part-time employee must be prorated based on the employee's full-time-equivalency status at the time of applying for the benefits.

(b) For purposes of this section, a "special-needs child" is a child whose permanent custody has been awarded to the Department of Children and Family Services or to a Florida-licensed child-placing agency and who is not likely to be adopted because he or she is:

1. Eight years of age or older.
2. A person with a developmental disability.
3. A person with a physical or emotional handicap.
4. Of a minority race or of a racially mixed heritage.
5. A member of a sibling group of any age, provided that two or more members of a sibling group remain together for the purposes of adoption.

(2) An employee of the state ~~or of a water management district~~ who adopts a special-needs child must apply to his or her agency head to obtain the monetary benefit provided in subsection (1). Applications must be on forms approved by the department and must include a certified copy of the final order of adoption naming the applicant as the adoptive parent.

(3) Nothing in this section shall affect the right of any state employee who adopts a special-needs child to receive financial aid for adoption expenses pursuant to s. 409.166 or any other statute that provides financial incentives for the adoption of children.

(4) Any employee of the state ~~or of a water management district~~ who has a child placed in the custody of the employee for adoption, and who continues to reside in the same household as the child placed for adoption, shall be granted parental leave for a period not to exceed 6 months as provided in s. 110.221.

Section 17. Section 110.15201, Florida Statutes, is amended to read:

110.15201 Adoption benefits for state ~~or water management district~~ employees; rulemaking authority.—The Department of Management Services may adopt rules to administer the provisions of this act. Such rules may provide for an application process such as, but not limited to, an open-enrollment period during which employees may apply for monetary benefits as provided in s. 110.152(1).

Section 18. Paragraph (c) of subsection (2) of section 215.32, Florida Statutes, is amended to read:

215.32 State funds; segregation.—

(2) The source and use of each of these funds shall be as follows:

(c)1. The Budget Stabilization Fund shall consist of amounts equal to at least 5 percent of net revenue collections for the General Revenue Fund during the last completed fiscal year. The Budget Stabilization Fund's principal balance shall not exceed an amount equal to 10 percent of the last completed fiscal year's net revenue collections for the General Revenue Fund. As used in this paragraph, the term "last completed fiscal year" means the most recently completed fiscal year prior to the regular legislative session at which the Legislature considers the General Appropriations Act for the year in which the transfer to the Budget Stabilization Fund must be made under this paragraph.

2. By September 15 of each year, the Governor shall authorize the Comptroller to transfer, and the Comptroller shall transfer pursuant to appropriations made by law, to the Budget Stabilization Fund the amount of money needed for the balance of that fund to equal the amount specified in subparagraph 1., less any amounts expended and not restored. The moneys needed for this transfer may be appropriated by the Legislature from any funds.

3. Unless otherwise provided in this subparagraph, an expenditure from the Budget Stabilization Fund must be restored pursuant to a restoration schedule that provides for making five equal annual transfers from the General Revenue Fund, beginning in the fiscal year following that in which the expenditure was made. For any Budget Stabilization Fund expenditure, the Legislature may establish by law a different restoration schedule and such change may be made at any time during the restoration period. Moneys are hereby appropriated for transfers pursuant to this subparagraph.

4. The Budget Stabilization Fund and the Working Capital Fund may be used as revolving funds for transfers as provided in s. 18.125; however, any interest earned must be deposited in the General Revenue Fund.

5. The Comptroller and the Department of Management Services shall transfer funds to water management districts to pay eligible water management district employees for all benefits due under s. 373.6065, as long as funds remain available for the program described under s. 100.152.

Section 19. Section 373.6065, Florida Statutes, is created to read:

373.6065 Adoption benefits for water management district employees.—

(1) Any employee of a water management district is eligible to receive monetary benefits for child adoption to the same extent as is an employee of the state, as described in s. 110.152. The employee shall apply for such benefits pursuant to s. 110.15201.

(2) The Comptroller and the Department of Management Services shall transfer funds to water management districts to pay eligible water management district employees for these child adoption monetary benefits in accordance with s. 215.32(1)(c)5., as long as funds remain available for the program described under s. 110.152.

(3) Parental leave for eligible water management district employees shall be provided according to the policies and procedures of the individual water management district in existence at the time eligibility is determined.

(4) Each water management district shall develop means of implementing these monetary adoption benefits for water management district employees, consistent with its current practices. Water management district rules, policies, guidelines, or procedures so implemented will remain valid and enforceable as long as they do not conflict with the express terms of s. 110.152.

Section 20. Section 373.536, Florida Statutes, is amended to read:

373.536 District budget and hearing thereon.—

(1) FISCAL YEAR.—The fiscal year of districts created under the provisions of this chapter shall extend from October 1 of one year through September 30 of the following year.

(2) BUDGET SUBMITTAL.—The budget officer of the district shall, on or before July 15 of each year, submit for consideration by the governing board of the district a tentative budget for the district covering its proposed operations operation and funding requirements for the ensuing fiscal year.

(3) BUDGET HEARINGS AND WORKSHOPS; NOTICE.—

(a) Unless alternative notice requirements are otherwise provided by law, notice of all budget hearings conducted by the governing board or district staff must be published in a newspaper of general paid circulation in each county in which the district lies not less than 5 days nor more than 15 days before the hearing.

(b) Budget workshops conducted for the public and not governed by s. 200.065 must be advertised in a newspaper of general paid circulation in the community or area in which the workshop will occur not less than 5 days nor more than 15 days before the workshop.

(c) The tentative budget shall be adopted in accordance with the provisions of s. 200.065; however, if the mailing of the notice of proposed property taxes is delayed beyond September 3 in any county in which the district lies, the district shall advertise its intention to adopt a tentative budget and millage rate, pursuant to s. 200.065(3)(g), in a newspaper of general paid circulation in that county. ~~The budget shall set forth, classified by object and purpose, and by fund if so designated, the proposed expenditures of the district for bonds or other debt, for construction, for acquisition of land, for operation and maintenance of the district works, for the conduct of the affairs of the district generally, and for other purposes, to which may be added an amount to be held as a reserve. District administrative and operating expenses must be identified in the budget and allocated among district programs.~~

~~(2) The budget shall also show the estimated amount which will appear at the beginning of the fiscal year as obligated upon commitments made but~~

~~uncompleted. There shall be shown the estimated unobligated or net balance which will be on hand at the beginning of the fiscal year, and the estimated amount to be raised by district taxes and from other sources for meeting the requirements of the district.~~

~~(d)(3) As provided in s. 200.065(2)(d), the board shall publish one or more notices of its intention to finally adopt a final budget for the district for the ensuing fiscal year. The notice shall appear adjacent to an advertisement that sets which shall set forth the tentative budget in a format meeting the budget summary requirements of s. 129.03(3)(b) in full. The district shall not include expenditures of federal special revenues and state special revenues when preparing the statement required by s. 200.065(3)(l). The notice and advertisement shall be published in one or more newspapers having a combined general paid circulation in each county the counties having land in which the district lies. Districts may include explanatory phrases and examples in budget advertisements published under s. 200.065 to clarify or illustrate the effect that the district budget may have on ad valorem taxes.~~

~~(e)(4) The hearing for adoption of to finally adopt a final budget and millage rate shall be by and before the governing board of the district as provided in s. 200.065 and may be continued from day to day until terminated by the board.~~

(4) BUDGET CONTROLS.—

~~(a) The final adopted budget for the district will thereupon be the operating and fiscal guide for the district for the ensuing year; however, transfers of funds may be made within the budget by action of the governing board at a public meeting of the governing board.~~

~~(b) The district shall control its budget, at a minimum, by funds and shall provide to the Executive Office of the Governor a description of its budget control mechanisms.~~

~~(c) Should the district receive unanticipated funds after the adoption of the final budget, the final budget may be amended by including such funds, so long as notice of intention to amend is published in the notice of the governing board meeting at which the amendment will be considered, pursuant to s. 120.525 one time in one or more newspapers qualified to accept legal advertisements having a combined general circulation in the counties in the district. The notice shall set forth a summary of the proposed amendment and shall be published at least 10 days prior to the public meeting of the board at which the proposed amendment is to be considered. However, in the event of a disaster or of an emergency arising to prevent or avert the same, the governing board shall not be limited by the budget but shall have authority to apply such funds as may be available therefor or as may be procured for such purpose.~~

(5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND APPROVAL.—

~~(a) The Executive Office of the Governor is authorized to approve or disapprove, in whole or in part, the budget of each water management~~

district and shall analyze each budget as to the adequacy of fiscal resources available to the district and the adequacy of district expenditures related to water supply, including water resource development projects identified in the district's regional water supply plans; water quality; flood protection and floodplain management; and natural systems. This analysis shall be based on the particular needs within each water management district in those four areas of responsibility.

(b) The Executive Office of the Governor and the water management districts shall develop a process to facilitate review and communication regarding water management district budgets, as necessary. Written disapproval of any provision in the tentative budget must be received by the district at least 5 business days prior to the final district budget adoption hearing conducted under s. 200.065(2)(d). If written disapproval of any portion of the budget is not received at least 5 business days prior to the final budget adoption hearing, the governing board may proceed with final adoption. Any provision rejected by the Governor shall not be included in a district's final budget.

(c) Each water management district shall, by August 1 of each year, submit for review a tentative budget to the Governor, the President of the Senate, the Speaker of the House of Representatives, the chairs of all legislative committees and subcommittees with substantive or fiscal jurisdiction over water management districts, as determined by the President of the Senate or Speaker of the House of Representatives as applicable, the secretary of the department, and the governing body of each county in which the district has jurisdiction or derives any funds for the operations of the district.

(d) The tentative budget must set forth the proposed expenditures of the district, to which may be added an amount to be held as reserve. The tentative budget must include, but is not limited to, the following information for the preceding fiscal year and the current fiscal year, and the proposed amounts for the upcoming fiscal year, in a standard format prescribed by the Executive Office of the Governor ~~which is generally consistent with the format prescribed by legislative budget instructions for state agencies and the format requirements of s. 216.031:~~

1. The estimated amount of funds remaining at the beginning of the fiscal year which have been obligated for the payment of outstanding commitments not yet completed.

2. The estimated amount of unobligated funds or net cash balance on hand at the beginning of the fiscal year, and the estimated amount of funds to be raised by district taxes or received from other sources to meet the requirements of the district.

3. The millage rates and the percentage increase above the rolled-back rate, together with a summary of the reasons the increase is required, and the percentage increase in taxable value resulting from new construction within the district.;

4.2. The salaries salary and benefits, expenses, operating capital outlay, number of authorized positions, and other personal services for the following program areas of the district, including a separate section for lobbying, intergovernmental relations, and advertising:

- a. Water resource planning and monitoring;
- b. Land acquisition, restoration, and public works;
- c. Operation and maintenance of works and lands;
- d. Regulation;
- e. Outreach for which the information provided must contain a full description and accounting of expenditures for water resources education; public information and public relations, including public service announcements and advertising in any media; and lobbying activities related to local, regional, state and federal governmental affairs, whether incurred by district staff or through contractual services; and
- f. Management and administration.
 - ~~a. District management and administration;~~
 - ~~b. Implementation through outreach activities;~~
 - ~~c. Implementation through regulation;~~
 - ~~d. Implementation through acquisition, restoration, and public works;~~
 - ~~e. Implementation through operations and maintenance of lands and works;~~
 - ~~f. Water resources planning and monitoring; and~~
 - ~~g. A full description and accounting of expenditures for lobbying activities relating to local, regional, state, and federal governmental affairs, whether incurred by district staff or through contractual services and all expenditures for public relations, including all expenditures for public service announcements and advertising in any media.~~

In addition to the program areas reported by all water management districts, the South Florida Water Management District shall include in its budget document a separate ~~sections~~ section on all costs associated with the Everglades Construction Project and the Comprehensive Everglades Restoration Plan.

5.3. The total estimated amount in the district budget for each area of responsibility listed in subparagraph 4. paragraph (a) and for water resource development projects identified in the district's regional water supply plans.

- ~~4. A 5-year capital improvements plan.~~

6.5. A description of each new, expanded, reduced, or eliminated program.

~~6. A proposed 5-year water resource development work program, that describes the district's implementation strategy for the water resource development component of each approved regional water supply plan developed or revised pursuant to s. 373.0361. The work program shall address all the elements of the water resource development component in the district's approved regional water supply plans. The office of the Governor, with the assistance of the department, shall review the proposed work program. The review shall include a written evaluation of its consistency with and furtherance of the district's approved regional water supply plans, and adequacy of proposed expenditures. As part of the review, the Executive Office of the Governor and the department shall afford to all interested parties the opportunity to provide written comments on each district's proposed work program. At least 7 days prior to the adoption of its final budget, the governing board shall state in writing to the Executive Office of the Governor which changes recommended in the evaluation it will incorporate into its work program, or specify the reasons for not incorporating the changes. The office of the Governor shall include the district's responses in the written evaluation and shall submit a copy of the evaluation to the Legislature; and~~

7. The funding sources, including, but not limited to, ad valorem taxes, Surface Water Improvement and Management Program funds, other state funds, federal funds, and user fees and permit fees for each program area.

~~(e)(d)~~ By September 5 of the year in which the budget is submitted, the House and Senate appropriations chairs may transmit to each district comments and objections to the proposed budgets. Each district governing board shall include a response to such comments and objections in the record of the governing board meeting where final adoption of the budget takes place, and the record of this meeting shall be transmitted to the Executive Office of the Governor, the department, and the chairs of the House and Senate appropriations committees.

~~(f)(e)~~ The Executive Office of the Governor shall annually, on or before December 15, file with the Legislature a report that summarizes its review the expenditures of the water management districts' tentative budgets and displays the adopted budget allocations districts by program area. The report must identify and identifies the districts that are not in compliance with the reporting requirements of this section. State funds shall be withheld from a water management district that fails to comply with these reporting requirements.

(6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN; WATER RESOURCE DEVELOPMENT WORK PROGRAM.—

(a) Each district must, by the date specified for each item, furnish copies of the following documents to the Governor, the President of the Senate, the Speaker of the House of Representatives, the chairs of all legislative committees and subcommittees having substantive or fiscal jurisdiction over the districts, as determined by the President or Speaker as applicable, the secretary of the department, and the governing board of each county in which the

district has jurisdiction or derives any funds for the operations of the district:

1. The adopted budget, to be furnished within 10 days after its adoption.
2. A financial audit of its accounts and records, to be furnished within 10 days after its acceptance by the governing board. The audit must be conducted in accordance with the provisions of s. 11.45 and the rules adopted thereunder. In addition to the entities named above, the district must provide a copy of the audit to the Auditor General within 10 days after its acceptance by the governing board.
3. A 5-year capital improvements plan, to be furnished within 45 days after the adoption of the final budget. The plan must include expected sources of revenue for planned improvements and must be prepared in a manner comparable to the fixed capital outlay format set forth in s. 216.043.
4. A 5-year water resource development work program to be furnished within 45 days after the adoption of the final budget. The program must describe the district's implementation strategy for the water resource development component of each approved regional water supply plan developed or revised under s. 373.0361. The work program must address all the elements of the water resource development component in the district's approved regional water supply plans. Within 45 days after its submittal, the department shall review the proposed work program and submit its findings, questions, and comments to the district. The review must include a written evaluation of the program's consistency with the furtherance of the district's approved regional water supply plans, and the adequacy of proposed expenditures. As part of the review, the department shall give interested parties the opportunity to provide written comments on each district's proposed work program. Within 60 days after receipt of the department's evaluation, the governing board shall state in writing to the department which changes recommended in the evaluation it will incorporate into its work program or specify the reasons for not incorporating the changes. The department shall include the district's responses in a final evaluation report and shall submit a copy of the report to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

(b) If any entity listed in paragraph (a) provides written comments to the district regarding any document furnished under this subsection, the district must respond to the comments in writing and furnish copies of the comments and written responses to the other entities.

Section 21. Paragraph (b) of subsection (4) of section 373.079, Florida Statutes, is amended to read:

373.079 Members of governing board; oath of office; staff.—

(4)

(b)1. The governing board of each water management district shall employ an inspector general, who shall report directly to the board. However, the governing boards of the Suwannee River Water Management District

and the Northwest Florida Water Management District may jointly employ an inspector general, or provide for inspector general services by interagency agreement with a state agency or water management district inspector general.

2. An inspector general must have the qualifications prescribed and perform the applicable duties of state agency inspectors general as provided in s. 20.055.

3.—~~Within 45 days of the adoption of the final budget, the governing board shall submit a 5-year capital improvement plan and fiscal report for the district to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Secretary of Environmental Protection. The capital improvement plan must include expected sources of revenue for planned improvements and shall be prepared in a manner comparable to the fixed capital outlay format set forth in s. 216.043. The fiscal report shall cover the preceding fiscal year and shall include a summary statement of the financial operations of the district.~~

Section 22. Section 373.501, Florida Statutes, is amended to read:

373.501 Appropriation of funds to water management districts.—

(1) The department may allocate to the water management districts, from funds appropriated to the department, such sums as may be deemed necessary to defray the costs of the administrative, regulatory, and other activities of the districts. The governing boards shall submit annual budget requests for such purposes to the department, and the department shall consider such budgets in preparing its budget request for the Legislature.

(2) Funds appropriated by the Legislature for the purpose of funding a specific water management district project shall be transferred to the water management district when the proposed project has been reviewed by the secretary of the pertinent state agency and upon receipt of a governing board resolution requesting such funds.

Section 23. Subsection (11) of section 373.59, Florida Statutes, is amended to read:

373.59 Water Management Lands Trust Fund.—

(11) Notwithstanding any provision of this section to the contrary, ~~and for the 2000-2001 fiscal year only~~, the governing board of a water management district may request, and the Secretary of Environmental Protection shall release upon such request, moneys allocated to the districts pursuant to subsection (8) ~~for the purpose of carrying out the purposes consistent with the provisions of s. 373.0361, s. 373.0831 s. 375.0831, s. 373.139, or ss. 373.451-373.4595 and for legislatively authorized land acquisition and water restoration initiatives. No funds may be used pursuant to this subsection until necessary debt service obligations, requirements for payments in lieu of taxes, and land management obligations that may be required by this chapter are provided for. This subsection is repealed on July 1, 2001.~~

Section 24. Sections 373.507 and 373.589, Florida Statutes, are repealed.

Section 25. Funds from Specific Appropriations 1591G of Chapter 2000-166, Laws of Florida, in the amount of \$1,000,000 for Wastewater (Sewer) Infrastructure - City of South Miami shall revert and are hereby reappropriated for drinking water facility construction for the City of South Miami.

Section 26. This act shall take effect upon becoming a law.

Approved by the Governor June 15, 2001.

Filed in Office Secretary of State June 15, 2001.