CHAPTER 2012-187

Committee Substitute for House Bill No. 1389

An act relating to water storage and water quality improvements; creating s. 373.4591, F.S.; requiring a specified determination as a condition of an agreement for water storage and water quality improvements on private agricultural lands; providing a methodology for such determination; providing for regulation of such lands for the duration of the agreement and after its expiration; creating the Study Committee on Investor-Owned Water and Wastewater Utility Systems; providing for membership and terms of service; prohibiting compensation of the members; providing for reimbursement of the members for certain expenses; providing for removal or suspension of members by the appointing authority; requiring the Public Service Commission to provide staff, information, assistance, and facilities that are deemed necessary for the committee to perform its duties; providing for funding from the Florida Public Service Regulatory Trust Fund; providing duties of the committee; providing for public meetings; requiring the committee to report its findings to the Governor, the Legislature, and appropriate agencies and make certain recommendations; providing for future termination of the committee; providing an effective date.

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

Section 1. Section 373.4591, Florida Statutes, is created to read:

373.4591 Improvements on private agricultural lands.—The Legislature encourages public-private partnerships to accomplish water storage and water quality improvements on private agricultural lands. When an agreement is entered into between a water management district or the department and a private landowner to establish such a partnership, a baseline condition determining the extent of wetlands and other surface waters on the property shall be established and documented in the agreement before improvements are constructed. The determination for the baseline condition shall be conducted using the methods set forth in the rules adopted pursuant to s. 373.421. The baseline condition documented in the agreement shall be considered the extent of wetlands and other surface waters on the property for the purpose of regulation under this chapter for the duration of the agreement and after its expiration.

Section 2. <u>Study Committee on Investor-Owned Water and Wastewater Utility Systems.—</u>

(1) There is created a Study Committee on Investor-Owned Water and Wastewater Utility Systems, which shall be composed of 18 residents of the state designated and appointed as follows:

- (a) The chair of the Public Service Commission or a commissioner designated by the chair, who shall serve as chair of the committee and shall be a nonvoting member of the committee.
- (b) The Secretary of Environmental Protection or his or her designee, who shall be a nonvoting member of the committee.
- (c) The Public Counsel or his or her designee, who shall be a nonvoting member of the committee.
 - (d) One member of the Senate appointed by the President of the Senate.
- (e) One member of the House of Representatives appointed by the Speaker of the House of Representatives.
- (f) Two representatives of Class A investor-owned water or wastewater utilities appointed by the Governor.
- (g) One representative of a Class B investor-owned water or wastewater utility appointed by the Governor.
- (h) One representative of a Class C investor-owned water or wastewater utility appointed by the Governor.
- (i) One customer of a Class A investor-owned water or wastewater utility appointed by the Governor.
- (j) One customer of a Class B or Class C investor-owned water or wastewater utility appointed by the Governor.
- (k) One representative of a water management district appointed by the Governor.
- (l) One representative of the Florida Section of the American Water Works Association appointed by the Governor.
- (m) One representative of the Florida Rural Water Association appointed by the Governor.
- (n) One representative of a water or wastewater system owned or operated by a municipal or county government appointed by the Governor.
- (o) One representative of a governmental authority that is created pursuant to chapter 163, Florida Statutes, appointed by the Governor.
- (p) The chair of a county commission that regulates investor-owned water or wastewater utility systems appointed by the Governor.
- (q) One representative of a county health department appointed by the Governor.

- (2) The members shall serve until the work of the committee is complete and the committee is terminated, except that if a member no longer serves in the position required for appointment, the member shall be replaced by the individual who serves in such position.
- (3) Members of the committee shall serve without compensation, but are entitled to reimbursement for all reasonable and necessary expenses, including travel expenses, in the performance of their duties as provided in s. 112.061, Florida Statutes.
- (4) An appointing authority may remove or suspend a member appointed by it for cause, including, but not limited to, failure to attend two or more meetings of the committee.
- (5) The Public Service Commission shall provide the staff, information, assistance, and facilities as are deemed necessary for the committee to carry out its duties under this section. Funding for the committee shall be paid from the Florida Public Service Regulatory Trust Fund.
- (6) The committee shall identify issues of concern of investor-owned water and wastewater utility systems, particularly small systems, and their customers and research possible solutions. In addition, the committee shall consider:
- (a) The ability of a small investor-owned water or wastewater utility to achieve economies of scale when purchasing equipment, commodities, or services.
- (b) The availability of low interest loans to a small, privately owned water or wastewater utility.
- (c) Any tax incentives or exemptions, temporary or permanent, which are available to a small water or wastewater utility.
- (d) The impact on customer rates if a utility purchases an existing water or wastewater utility system.
- (e) The impact on customer rates of a utility providing service through the use of a reseller.
 - (f) Other issues that the committee identifies during its investigation.
- (7) The committee shall meet at the time and location as the chair determines, except that the committee shall meet a minimum of four times. At least two meetings must be held in an area that is centrally located to utility customers who have recently been affected by a significant increase in water or wastewater utility rates. The public shall be given the opportunity to speak at the meetings.
- (8) By February 15, 2013, the committee shall prepare and submit to the Governor, the President of the Senate, and the Speaker of the House of

Representatives a report detailing its findings pursuant to subsection (6) and making specific legislative recommendations, including proposed legislation intended to implement its recommendations. If the committee, in its report, finds that an issue may effectively be addressed through agency rulemaking, the committee shall submit to the appropriate agencies its report and recommendations, including proposed rules.

(9) This section expires and the committee terminates June 30, 2013.

Section 3. This act shall take effect July 1, 2012.

Approved by the Governor April 27, 2012.

Filed in Office Secretary of State April 27, 2012.