CHAPTER 2021-168

Committee Substitute for Senate Bill No. 64

An act relating to reclaimed water; amending s. 403.064, F.S.; requiring certain domestic wastewater utilities to submit to the Department of Environmental Protection by a specified date a plan for eliminating nonbeneficial surface water discharge within a specified timeframe; providing requirements for the plan; requiring the department to approve plans that meet certain requirements; requiring the department to make a determination regarding a plan within a specified timeframe; requiring the utilities to implement approved plans by specified dates; providing for administrative and civil penalties; requiring certain utilities to submit updated annual plans until certain conditions are met; requiring domestic wastewater utilities applying for permits for new or expanded surface water discharges to prepare a specified plan for eliminating nonbeneficial discharges as part of its permit application; requiring the department to submit an annual report to the Legislature by a specified date; providing applicability; providing construction; authorizing the department to convene and lead one or more technical advisory groups; providing that potable reuse is an alternative water supply and that projects relating to such reuse are eligible for alternative water supply funding; requiring the department and the water management districts to develop and execute, by a specified date, a memorandum of agreement for the coordinated review of specified permits; providing that potable reuse projects are eligible for certain expedited permitting and priority funding; providing construction; creating s. 403.892, F.S.; providing definitions; requiring counties, municipalities, and special districts to authorize graywater technologies under certain circumstances and to provide certain incentives for the implementation of such technologies; providing requirements for the use of graywater technologies; providing that the installation of residential graywater systems meets certain public utility water conservation measure requirements; providing for the applicability of specified reclaimed water aguifer storage and recovery well requirements; providing a declaration of important state interest; providing an effective date.

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

Section 1. Subsection (17) of section 403.064, Florida Statutes, is renumbered as subsection (18) and amended, and a new subsection (17) is added to that section, to read:

403.064 Reuse of reclaimed water.—

(17) By November 1, 2021, domestic wastewater utilities that dispose of effluent, reclaimed water, or reuse water by surface water discharge shall submit to the department for review and approval a plan for eliminating nonbeneficial surface water discharge by January 1, 2032, subject to the

1

requirements of this section. The plan must include the average gallons per day of effluent, reclaimed water, or reuse water that will no longer be discharged into surface waters and the date of such elimination, the average gallons per day of surface water discharge which will continue in accordance with the alternatives provided for in subparagraphs (a)2. and 3., and the level of treatment that the effluent, reclaimed water, or reuse water will receive before being discharged into a surface water by each alternative.

(a) The department shall approve a plan that includes all of the information required under this subsection as meeting the requirements of this section if one or more of the following conditions are met:

1. The plan will result in eliminating the surface water discharge.

2. The plan will result in meeting the requirements of s. 403.086(10).

3. The plan does not provide for a complete elimination of the surface water discharge but does provide an affirmative demonstration that any of the following conditions apply to the remaining discharge:

a. The discharge is associated with an indirect potable reuse project;

b. The discharge is a wet weather discharge that occurs in accordance with an applicable department permit;

c. The discharge is into a stormwater management system and is subsequently withdrawn by a user for irrigation purposes;

d. The utility operates domestic wastewater treatment facilities with reuse systems that reuse a minimum of 90 percent of a facility's annual average flow, as determined by the department using monitoring data for the prior 5 consecutive years, for reuse purposes authorized by the department; or

e. The discharge provides direct ecological or public water supply benefits, such as rehydrating wetlands or implementing the requirements of minimum flows and minimum water levels or recovery or prevention strategies for a waterbody.

The plan may include conceptual projects under sub-subparagraphs 3.a. and 3.e.; however, such inclusion does not extend the time within which the plan must be implemented.

(b) The department shall approve or deny a plan within 9 months after receiving the plan. A utility may modify the plan by submitting such modification to the department; however, the plan may not be modified such that the requirements of this subsection are not met, and the department may not extend the time within which a plan will be implemented. The approval of the plan or a modification by the department does not constitute final agency action.

 $\mathbf{2}$

(c) A utility shall fully implement the approved plan by January 1, 2032.

(d) If a plan is not timely submitted by a utility or approved by the department, the utility's domestic wastewater treatment facilities may not dispose of effluent, reclaimed water, or reuse water by surface water discharge after January 1, 2028. A violation of this paragraph is subject to administrative and civil penalties pursuant to ss. 403.121, 403.131, and 403.141.

(e) A domestic wastewater utility applying for a permit for a new or expanded surface water discharge shall prepare a plan in accordance with this subsection as part of that permit application. The department may not approve a permit for a new or expanded surface water discharge unless the plan meets one or more of the conditions provided in paragraph (a).

(f) By December 31, 2021, and annually thereafter, the department shall submit a report to the President of the Senate and the Speaker of the House of Representatives which provides the average gallons per day of effluent, reclaimed water, or reuse water that will no longer be discharged into surface waters by the utility and the dates of such elimination; the average gallons per day of surface water discharges that will continue in accordance with the alternatives provided in subparagraphs (a)2. and 3., and the level of treatment that the effluent, reclaimed water, or reuse water will receive before being discharged into a surface water by each alternative and utility; and any modified or new plans submitted by a utility since the last report.

(g) This subsection does not apply to any of the following:

1. A domestic wastewater treatment facility that is located in a fiscally constrained county as described in s. 218.67(1).

2. A domestic wastewater treatment facility that is located in a municipality that is entirely within a rural area of opportunity as designated pursuant to s. 288.0656.

3. A domestic wastewater treatment facility that is located in a municipality that has less than \$10 million in total revenue, as determined by the municipality's most recent annual financial report submitted to the Department of Financial Services in accordance with s. 218.32.

<u>4. A domestic wastewater treatment facility that is operated by an operator of a mobile home park as defined in s. 723.003 and has a permitted capacity of less than 300,000 gallons per day.</u>

(h) This subsection does not prohibit the inclusion of a plan for backup discharges under s. 403.086(8)(a).

(i) This subsection may not be deemed to exempt a utility from requirements that prohibit the causing of or contributing to violations of water quality standards in surface waters, including groundwater discharges that affect water quality in surface waters.

3

(18)(a)(17) By December 31, 2020, the department shall initiate rule revisions based on the recommendations of the Potable Reuse Commission's 2020 report "Advancing Potable Reuse in Florida: Framework for the Implementation of Potable Reuse in Florida." Rules for potable reuse projects must address contaminants of emerging concern and meet or exceed federal and state drinking water quality standards and other applicable water quality standards. Reclaimed water is deemed a water source for public water supply systems.

(b) The Legislature recognizes that sufficient water supply is imperative to the future of the state and that potable reuse is a source of water which may assist in meeting future demand for water supply.

(c) The department may convene and lead one or more technical advisory groups to coordinate the rulemaking and review of rules for potable reuse as required under this section. The technical advisory group, which shall assist in the development of such rules, must be composed of knowledgeable representatives of a broad group of interested stakeholders, including, but not limited to, representatives from the water management districts, the wastewater utility industry, the water utility industry, the environmental community, the business community, the public health community, the agricultural community, and the consumers.

(d) Potable reuse is an alternative water supply as defined in s. 373.019, and potable reuse projects are eligible for alternative water supply funding. The use of potable reuse water may not be excluded from regional water supply planning under s. 373.709.

(e) The department and the water management districts shall develop and execute, by December 31, 2023, a memorandum of agreement providing for the procedural requirements of a coordinated review of all permits associated with the construction and operation of an indirect potable reuse project. The memorandum of agreement must provide that the coordinated review will occur only if requested by a permittee. The purpose of the coordinated review is to share information, avoid the redundancy of information requested from the permittee, and ensure consistency in the permit for the protection of the public health and the environment.

(f) To encourage investment in the development of potable reuse projects by private entities, a potable reuse project developed as a qualifying project under s. 255.065 is:

<u>1. Beginning January 1, 2026, eligible for expedited permitting under s.</u> 403.973.

2. Consistent with s. 373.707, eligible for priority funding in the same manner as other alternative water supply projects from the Drinking Water State Revolving Fund, under the Water Protection and Sustainability Program, and for water management district cooperative funding.

4

(g) This subsection is not intended and may not be construed to supersede s. 373.250(3).

Section 2. Section 403.892, Florida Statutes, is created to read:

403.892 Incentives for the use of graywater technologies.—

(1) As used in this section, the term:

(a) "Developer" has the same meaning as in s. 380.031(2).

(b) "Graywater" has the same meaning as in s. 381.0065(2)(e).

(2) To promote the beneficial reuse of water in the state, a county, municipality, or special district shall:

(a) Authorize the use of residential graywater technologies in their respective jurisdictions which meet the requirements of this section, the Florida Building Code, and applicable requirements of the Department of Health and for which a developer or homebuilder has received all applicable regulatory permits or authorizations.

(b) Provide a 25 percent density or intensity bonus to a developer or homebuilder if at least 75 percent of a proposed or existing development will have a graywater system installed or a 35 percent bonus if 100 percent of a proposed or an existing development will have a graywater system installed. The bonus under this paragraph is in addition to any bonus provided by a county, municipality, or special district ordinance in effect on July 1, 2021.

(3) To qualify for the incentives under subsection (2), the developer or homebuilder must certify to the applicable governmental entity as part of its application for development approval or amendment of a development order that all of the following conditions are met:

(a) The proposed or existing development has at least 25 single-family residential homes that are either detached or multifamily dwellings. This paragraph does not apply to multifamily projects over five stories in height.

(b) Each single-family residential home or residence will have its own residential graywater system that is dedicated for its use.

(c) The developer or homebuilder has submitted a manufacturer's warranty or data providing reasonable assurance that the residential graywater system will function as designed and includes an estimate of anticipated potable water savings for each system. A submission of the manufacturer's warranty or data from a building code official, governmental entity, or research institute that has monitored or measured the residential graywater system that is proposed to be installed for such development shall be accepted as reasonable assurance and no further information or assurance is needed.

 $\mathbf{5}$

(d) The required maintenance of the graywater system will be the responsibility of the residential homeowner.

(e) An operation and maintenance manual for the graywater system will be supplied to the initial homeowner of each home. The manual shall provide a method of contacting the installer or manufacturer and shall include directions to the residential homeowner that the manual shall remain with the residence throughout the life cycle of the system.

(4) If the requirements of subsection (3) have been met, the county or municipality must include the incentives provided for in subsection (2) when it approves the development or amendment of a development order. The approval must also provide for the process that the developer or homebuilder will follow to verify that such systems have been purchased. Proof of purchase must be provided within 180 days after the issuance of a certificate of occupancy for single-family residential homes that are either detached or multifamily projects under five stories in height.

(5) The installation of residential graywater systems in a county or municipality in accordance with this section shall qualify as a water conservation measure in a public water utility's water conservation plan under s. 373.227. The efficiency of such measures shall be commensurate with the amount of potable water savings estimated for each system provided by the developer or homebuilder under paragraph (3)(c).

To further promote the reuse of reclaimed water for irrigation Section 3. purposes, the rules that apply when reclaimed water is injected into a receiving groundwater that has 1,000 to 3,000 mg/L total dissolved solids are applicable to reclaimed water aquifer storage and recovery wells injecting into a receiving groundwater of less than 1,000 mg/L total dissolved solids if the applicant demonstrates that it is injecting into a confined aquifer, that there are no potable water supply wells within 3,500 feet of the aquifer storage and recovery wells, that it has implemented institutional controls to prevent the future construction of potable water supply wells within 3,500 feet of the aquifer storage and recovery wells, and that the recovered water is being used for irrigation purposes. The injection of reclaimed water that meets the requirements of this section is not potable reuse. This section may not be construed to exempt the reclaimed water aquifer storage and recovery wells from requirements that prohibit the causing of or contribution to violations of water quality standards in surface waters, including groundwater discharges that flow by interflow and affect water quality in surface waters.

Section 4. <u>The Legislature determines and declares that this act fulfills</u> <u>an important state interest.</u>

Section 5. This act shall take effect upon becoming a law.

Approved by the Governor June 29, 2021.

6

Filed in Office Secretary of State June 29, 2021.