



# SOUTH FLORIDA WATER MANAGEMENT DISTRICT

June 26, 2017

Colonel Jason A. Kirk  
District Commander – Jacksonville District  
U.S. Army Corps of Engineers  
701 San Marco Boulevard  
Jacksonville, FL 32207-8175

**Subject: Development of a Post-Authorization Change Report - The Central Everglades Planning Project**

Dear Colonel Kirk:

As we have previously discussed, Senate Bill 10 was signed into law by Governor Scott as Chapter 2017-10, Laws of Florida. A copy of the law is attached. Section 3 of the law creates Section 373.4598, Florida Statutes, entitled "Water Storage Reservoirs" authorizing additional above-ground water storage south of Lake Okeechobee.

In accordance with the directives of this statute, the U.S. Army Corps of Engineers is invited to join South Florida Water Management District in developing a post-authorization change report (PACR) for the Central Everglades Planning Project to plan for and provide additional Everglades Agricultural Area storage ahead of the timeframe currently identified in the Integrated Delivery Schedule. Timely engagement on this project is necessary to achieve the milestones regarding scope and schedule for a proposed PACR, as provided in Subsections (5) and (7) of the statute.

While the statute's timeframes are ambitious, with the expertise and commitment of our organizations, we may fairly anticipate successful achievement of this charge and a timely submittal of a PACR to Congress. This organization will align staff and deploy additional resources if required, to initiate development of a PACR prior to August 1, 2017.

I look forward to your response and working with the you on this statutory addition of the Comprehensive Everglades Restoration Plan.

Sincerely,

Peter Antonacci,  
Executive Director

Attachment

## CHAPTER 2017-10

### Committee Substitute for Senate Bill No. 10

An act relating to water resources; amending s. 201.15, F.S.; revising the requirements under which certain bonds may be issued; amending s. 215.618, F.S.; providing an exception to the requirement that bonds issued for acquisition and improvement of land, water areas, and related property interests and resources be deposited into the Florida Forever Trust Fund and distributed in a specified manner; creating s. 373.4598, F.S.; providing legislative findings and intent; defining terms; authorizing the South Florida Water Management District and the Board of Trustees of the Internal Improvement Trust Fund to negotiate the amendment and termination of leases on lands within the Everglades Agricultural Area for exchange or use for the reservoir project; requiring certain lease agreements for agricultural work programs to be terminated in accordance with the lease terms; requiring the district to identify certain lands; requiring that the district contact the lessors or landowners of any land identified by a certain date; requiring the board to provide certain land to the district; authorizing the district to acquire land from willing sellers under certain circumstances; prohibiting the total acreage necessary for additional water treatment from exceeding the amount reasonably required to meet state and federal water quality standards; requiring the district to request that the United States Army Corps of Engineers jointly develop a post-authorization change report for the Central Everglades Planning Project; providing requirements for the report; requiring the district to report the status of the report to the Legislature by a certain date; requiring the district to terminate an option agreement under certain circumstances; requiring the district to request the corps to initiate the project implementation report for the Everglades Agricultural Area reservoir project by a certain date under specified conditions; requiring the district to give hiring preferences to certain displaced agricultural workers; authorizing the district to negotiate with the owners of the C-51 reservoir project; providing requirements for the C-51 reservoir project if state funds are appropriated for the project; authorizing certain costs to be funded using Florida Forever bond proceeds under certain circumstances; specifying how such bond proceeds shall be deposited; authorizing the use of state funds for the reservoir project; requiring the district to seek additional sources of funding; requiring the district to request the corps, in the corps' review of the regulation schedule, to consider any repairs to the Herbert Hoover Dike and implementation of certain projects to optimally utilize the added storage capacity; creating s. 373.475, F.S.; providing legislative findings and intent; defining terms; requiring the state, through the Department of Environmental Protection, to provide certain funding assistance to local governments and water supply entities for the development and construction of water storage facilities; requiring the department to adopt rules; specifying required documentation for local government or water supply entities; authorizing technical assistance

from the department and water management districts to local governments or water supply entities for a certain purpose; specifying certain loan funding minimums and term requirements; requiring a report; authorizing certain audits and servicing fees; providing that the Water Protection and Sustainability Program Trust Fund must be used to carry out the purposes of the water storage facility revolving loan fund; specifying certain default and compliance provisions; amending s. 375.041, F.S.; requiring certain distributions to be made from the Land Acquisition Trust Fund; amending s. 403.890, F.S.; revising the purposes for which distributions may be made from and to the Water Protection and Sustainability Program Trust Fund; creating s. 446.71, F.S.; requiring the Department of Economic Opportunity, in cooperation with CareerSource Florida, Inc., to establish the Everglades Restoration Agricultural Community Employment Training Program within the department; providing requirements for the program; providing a legislative finding; specifying award restrictions; requiring the department to adopt rules; amending s. 946.511, F.S.; prohibiting the use of inmates for correctional work programs in the agricultural industry in certain areas; providing a directive to the Division of Law Revision and Information; providing appropriations; providing an effective date.

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

Section 1. Paragraph (a) of subsection (3) of section 201.15, Florida Statutes, is amended to read:

201.15 Distribution of taxes collected.—All taxes collected under this chapter are hereby pledged and shall be first made available to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, or any other bonds authorized to be issued on a parity basis with such bonds. Such pledge and availability for the payment of these bonds shall have priority over any requirement for the payment of service charges or costs of collection and enforcement under this section. All taxes collected under this chapter, except taxes distributed to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), are subject to the service charge imposed in s. 215.20(1). Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs and service charge may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs and service charge are required to pay any amounts relating to the bonds. All of the costs of the collection and enforcement of the tax levied by this chapter and the service charge shall be available and transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before January 1, 2017, secured by revenues distributed pursuant to this section. All taxes remaining after deduction of costs shall be distributed as follows:

(3) Amounts on deposit in the Land Acquisition Trust Fund shall be used in the following order:

(a) Payment of debt service or funding of debt service reserve funds, rebate obligations, or other amounts payable with respect to Florida Forever bonds issued pursuant to s. 215.618. The amount used for such purposes may not exceed \$300 million in each fiscal year. It is the intent of the Legislature that all bonds issued to fund the Florida Forever Act be retired by December 31, 2040. Except for bonds issued to refund previously issued bonds, no series of bonds may be issued pursuant to this paragraph unless such bonds are approved and the debt service for the remainder of the fiscal year in which the bonds are issued is specifically appropriated in the General Appropriations Act or other law with respect to bonds issued for the purposes of s. 373.4598.

Bonds issued pursuant to s. 215.618 or s. 215.619 are equally and ratably secured by moneys distributable to the Land Acquisition Trust Fund.

Section 2. Subsection (5) of section 215.618, Florida Statutes, is amended to read:

215.618 Bonds for acquisition and improvement of land, water areas, and related property interests and resources.—

(5) The proceeds from the sale of bonds issued pursuant to this section, less the costs of issuance, the costs of funding reserve accounts, and other costs with respect to the bonds, shall be deposited into the Florida Forever Trust Fund. The bond proceeds deposited into the Florida Forever Trust Fund shall be distributed by the Department of Environmental Protection as provided in s. 259.105. This subsection does not apply to proceeds from the sale of bonds issued for the purposes of s. 373.4598.

Section 3. Section 373.4598, Florida Statutes, is created to read:

373.4598 Water storage reservoirs.—

(1) LEGISLATIVE FINDINGS AND INTENT.—

(a) The Legislature declares that an emergency exists regarding the St. Lucie and Caloosahatchee estuaries due to the high-volume freshwater discharges to the east and west of the lake. Such discharges have manifested in widespread algae blooms, public health impacts, and extensive environmental harm to wildlife and the aquatic ecosystem. These conditions, as outlined in the state of emergency declared by the Governor under Executive Orders 16-59, 16-155, and 16-156, threaten the ecological integrity of the estuaries and the economic viability of the state and affected communities.

(b) The Legislature finds that increasing water storage is necessary to reduce the high-volume freshwater discharges from the lake to the estuaries and restore the hydrological connection to the Everglades. CERP projects necessary to reduce the discharges and improve the flows to the Everglades

should receive priority funding, such as the Lake Okeechobee Watershed project to the north of the lake; the Everglades Agricultural Area reservoir project to the south of the lake; the C-43 West Basin Reservoir Storage project to the west of the lake; and the Indian River Lagoon-South project to the east of the lake.

(c) The Legislature finds that the rate of funding for CERP must be increased if restoration will be achieved within the timeframe originally envisioned and that the delay in substantial progress toward completing critical elements of restoration, such as southern storage, will cause irreparable harm to natural systems and, ultimately, increase the cost of restoration. A substantial commitment to the advancement of projects identified as part of CERP will reduce ongoing ecological damage to the St. Lucie and Caloosahatchee estuaries.

(d) The Legislature recognizes that the EAA reservoir project was conditionally authorized in the Water Resources Development Act of 2000 as a project component of CERP. Unless other funding is available, the Legislature directs the district, in the implementation of the reservoir project, to abide by applicable state and federal law in order to do that which is required to obtain federal credit under CERP. If the district implements the EAA reservoir project as a project component as defined in s. 373.1501, the district must abide by all applicable state and federal law relating to such projects.

(e) This section is not intended to diminish the commitments made by the state in chapter 2016-201, Laws of Florida.

(2) DEFINITIONS.—As used in this section, the term:

(a) “A-1 parcel” means an area of district-owned land located between the Miami Canal and North New River Canal consisting of approximately 17,000 acres which is bordered to the north by private agricultural lands, to the east by U.S. Highway 27, to the south by Stormwater Treatment Area 3/4, and to the west by the Holey Land Wildlife Management Area and the A-2 parcel.

(b) “A-2 parcel” means an area of district-owned land located between the Miami Canal and the North New River Canal consisting of approximately 14,000 acres of land to the east of the Miami Canal which is bordered to the north by private agricultural lands, to the east by the A-1 parcel, and to the south by the Holey Land Wildlife Management Area.

(c) “Board” means the Board of Trustees of the Internal Improvement Trust Fund.

(d) “Central Everglades Planning Project” or “CEPP” means the suite of CERP projects authorized as the “Central Everglades” project in the Water Infrastructure Improvements for the Nation Act, Public Law No: 114-322.

(e) “Comprehensive Everglades Restoration Plan” or “CERP” has the same meaning as the term “comprehensive plan” as defined in s. 373.470.

(f) “Corps” means the United States Army Corps of Engineers.

(g) “District” means the South Florida Water Management District.

(h) “Everglades Agricultural Area” or “EAA” has the same meaning as in s. 373.4592.

(i) “EAA reservoir project” means the Everglades Agricultural Area storage reservoir, known as Component G of CERP. The term includes any necessary water quality features that are required to meet state and federal water quality standards.

(j) “Lake” means Lake Okeechobee.

(k) “Option agreement” means the Second Amended and Restated Agreement for Sale and Purchase between the seller, United States Sugar Corporation, SBG Farms, Inc., and Southern Garden Groves Corporation, and the buyer, the South Florida Water Management District, dated August 12, 2010.

### (3) EAA LEASE AGREEMENTS.—

(a) The district and the board are authorized to negotiate the amendment or termination of leases on lands within the EAA for exchange or use for the EAA reservoir project. Any such lease must be terminated in accordance with the lease terms or upon the voluntary agreement of the lessor and lessee. In the event of any such lease termination, the lessee must be permitted to continue to farm on a field-by-field basis until such time as the lessee’s operations are incompatible with implementation of the EAA reservoir project, as reasonably determined by the lessor. The district and the board may include the swapping of land, assignment of leases, and other methods of providing valuable consideration in negotiating the amendments to or termination of such lease agreements.

(b) Any lease agreement relating to land in the EAA leased to the Prison Rehabilitative Industries and Diversified Enterprises, Inc., (PRIDE Enterprises) for an agricultural work program is required to be terminated in accordance with the terms of the lease agreement. Any such land previously leased may be made available by the board to the district for exchange for lands suitable for the EAA reservoir project or may be leased for agricultural purposes. The terms of any such lease must include provisions authorizing the lessor to terminate the lease at any time during the lease term as to any portion, or all of the premises, to be used for an environmental restoration purpose. The terms of the lease may not require more than 1 years’ notice in order for such termination to be effective. Any agricultural owner managing lands subject to an agreement with PRIDE shall be given the right of first refusal in leasing any such lands.

(c) If, after any termination of an EAA lease agreement, ratoon, stubble, or residual crop remaining on the lease premises is harvested or otherwise used by the lessor or any third party, the lessee is entitled to be compensated for any documented, unamortized planting costs, and any unamortized capital costs associated with the lease and incurred before notice.

(4) LAND ACQUISITION.—The Legislature declares that acquiring land to increase water storage south of the lake is in the public interest and that the governing board of the district may acquire land, if necessary, to implement the EAA reservoir project with the goal of providing at least 240,000 acre-feet of water storage south of the lake. The use of eminent domain in the EAA for the purpose of implementing the EAA reservoir project is prohibited.

(a) Upon the effective date of this act, the district shall identify the lessees of the approximately 3,200 acres of land owned by the state or the district west of the A-2 parcel and east of the Miami Canal and the private property owners of the approximately 500 acres of land surrounded by such lands.

(b) By July 31, 2017, the district shall contact the lessors and landowners of the land identified pursuant paragraph (a) to express the district's interest in acquiring land through the purchase or exchange of lands or by the amendment or termination of lease agreements. If land swaps or purchases are necessary to assemble the required acreage, the participation of private landowners must be voluntary. The district shall contact the board to request that any lease of land identified pursuant to paragraph (a), the title to which is vested in the board, be amended or terminated. All appraisal reports, offers, and counteroffers in relation to this subsection are confidential and exempt from s. 119.07(1), as provided in s. 373.139.

(c) The board shall provide to the district, through direct acquisition in fee or by a supplemental agreement, any land, the title to which is vested in the board, that the district identifies as necessary to construct the EAA reservoir project.

(d) The total acreage necessary for additional water treatment may not exceed the amount reasonably required to meet state and federal water quality standards as determined using the water quality modeling tools of the district. The district shall use the latest version of the Dynamic Model for Stormwater Treatment Areas Model modeling tool and other modeling tools that will be required in the planning and design of the EAA reservoir project. If additional land not identified in paragraph (a) is necessary for the EAA reservoir project, the district shall acquire that land from willing sellers of property in conjunction with the development of the post-authorization change report.

(5) POST-AUTHORIZATION CHANGE REPORT.—

(a) The district is directed to request, by July 1, 2017, that the corps jointly develop a post-authorization change report with the district for CEPP to revise the project component located on the A-2 parcel with the goal of increasing water storage provided by the project component to a minimum of 240,000 acre-feet. Upon agreement with the corps, development of the report must begin by August 1, 2017, and does not preclude the implementation of the remaining CEPP project components.

(b) Using the A-2 parcel and the additional land identified pursuant to subsection (4) and without modifying the A-1 parcel, the report must evaluate:

1. The optimal configuration of the EAA reservoir project for providing at least 240,000 acre-feet of water storage; and

2. Any necessary increases in canal conveyance capacity to reduce the discharges to the St. Lucie or Caloosahatchee estuaries.

(c) If the district and the corps determine that an alternate configuration of water storage and water quality features providing for significantly more water storage, but no less than 360,000 acre-feet of water storage, south of the lake can be implemented on a footprint that includes modification to the A-1 parcel, the district is authorized to recommend such an alternative configuration in the report. Any such recommendation must include sufficient water quality treatment capacity to meet state and federal water quality standards.

(d) Pending congressional approval of the report, the district may begin the preliminary planning or construction of, or modification to, the project site to the extent appropriate, subject to the availability of funding. Upon receipt of congressional approval of the report, construction of the EAA reservoir project shall be completed parallel with construction of the other CEPP project components, subject to the availability of funding.

(e) The district must report the status of the post-authorization change report to the Legislature by January 9, 2018. The status report must include information on the district's ability to obtain lease modifications and land acquisitions as provided in subsection (4). If the district in good faith believes that the post-authorization change report will receive ultimate approval but that an extension of the deadline provided in paragraph (7)(a) is needed, the district must include such a request in its status report and may be granted an extension by the Legislature. Any such extension must include a corresponding date by which the district must request the corps to initiate the project implementation report for the EAA reservoir project and may proceed with the implementation of CEPP project components in accordance with the final project implementation report.

(6) OPTION AGREEMENT.—The district must terminate the option agreement at the request of the seller if:



(a) The post-authorization change report receives congressional approval; or

(b) The district certifies to the board, the President of the Senate, and the Speaker of the House of Representatives that the acquisition of the land necessary for the EAA reservoir project, as provided in subsection (4), has been completed.

(7) PROJECT IMPLEMENTATION REPORT.—

(a) If, for any reason, the post-authorization change report is not approved by the corps and submitted for congressional approval by October 1, 2018, or the post-authorization change report has not received congressional approval by December 31, 2019, the district, unless granted an extension by the Legislature, must request the corps to initiate a project implementation report, as defined in s. 373.470, for the EAA reservoir project and the district may proceed with the implementation of CEPP project components in accordance with the final project implementation report.

(b) The district, when developing the project implementation report, must focus on the goals of the EAA reservoir project as identified in CERP, which include providing additional water storage and conveyance south of the lake to reduce the volume of regulatory discharges of water from the lake to the east and west.

(c) Upon finalization of the project implementation report, as defined in s. 373.470, the district, in coordination with the corps, shall seek congressional authorization for the EAA reservoir project.

(8) AGRICULTURAL WORKERS.—The district shall give preferential consideration to the hiring of former agricultural workers primarily employed during 36 of the past 60 months in the Everglades Agricultural Area, consistent with their qualifications and abilities, for the construction and operation of the EAA reservoir project. Any contract or subcontract for the construction and operation of the EAA reservoir project in which 50 percent or more of the cost is paid from state-appropriated funds must provide preference and priority in the hiring of such agricultural workers. The district shall give preferential consideration to contract proposals that include in the contractor's hiring practices training programs for such workers.

(9) C-51 RESERVOIR PROJECT.—

(a) The C-51 reservoir project is a water storage facility as defined in s. 373.475. The C-51 reservoir project is located in western Palm Beach County south of the lake and consists of in-ground reservoirs and conveyance structures that will provide water supply and water management benefits to participating water supply utilities and will also provide environmental

benefits by reducing freshwater discharges to tide and making water available for natural systems.

(b) Phase I of the project will provide approximately 14,000 acre-feet of water storage and will hydraulically connect to the district's L-8 Flow Equalization Basin. Phase II of the project will provide approximately 46,000 acre-feet of water storage, for a total increase of 60,000 acre-feet of water storage.

(c) For Phase II of the C-51 reservoir project, the district may negotiate with the owners of the C-51 reservoir project site for the acquisition of the project or to enter into a public-private partnership. The district may acquire land near the C-51 reservoir through the purchase or exchange of land that is owned by the district or the state as necessary to implement Phase II of the project. The state and the district may consider potential swaps of land that is owned by the state or the district to achieve an optimal combination of water quality and water storage. The district may not exercise eminent domain for the purpose of implementing the C-51 reservoir project.

(d) If state funds are appropriated for Phase I or Phase II of the C-51 reservoir project:

1. The district shall operate the reservoir to maximize the reduction of high-volume Lake Okeechobee regulatory releases to the St. Lucie or Caloosahatchee estuaries, in addition to providing relief to the Lake Worth Lagoon;

2. Water made available by the reservoir shall be used for natural systems in addition to any allocated amounts for water supply; and

3. Any water received from Lake Okeechobee may not be available to support consumptive use permits.

(e) Phase I of the C-51 reservoir project may be funded by appropriation or through the water storage facility revolving loan fund as provided in s. 373.475. Phase II of the C-51 reservoir project may be funded pursuant to this section, pursuant to s. 373.475, as a project component of CERP, or pursuant to s. 375.041(3)(b)4.

(10) FUNDING.—

(a) The Legislature determines that the authorization and issuance of Florida Forever bonds for the purposes of this section is in the best interest of the state and determines that water storage reservoir projects should be implemented.

(b) Any cost related to this section, including, but not limited to, the costs for land acquisition, planning, and construction may be funded using proceeds from Florida Forever bonds issued under s. 215.618, in an amount of up to \$800 million, as authorized under that section. The bond proceeds

from bonds issued for the purposes of this section shall be deposited into the Everglades Trust Fund.

(c) Notwithstanding s. 373.026(8)(b) or any other provision of law, the use of state funds is authorized for the EAA reservoir project.

(d) The district shall actively seek additional sources of funding, including federal funding, for the reservoir project.

(11) LAKE OKEECHOBEE REGULATION SCHEDULE.—The district shall request that the corps pursue the reevaluation of the Lake Okeechobee Regulation Schedule as expeditiously as possible, taking into consideration the repairs made to the Herbert Hoover Dike and implementation of projects designed to reduce high-volume freshwater discharges from the lake, in order to optimally utilize the added water storage capacity to reduce the high-volume freshwater discharges to the St. Lucie and Caloosahatchee estuaries.

Section 4. Section 373.475, Florida Statutes, is created to read:

373.475 Water storage facility revolving loan fund.—

(1)(a) In recognition that waters of the state are among the state's most basic resources, the Legislature declares that such waters should be managed to conserve and protect water resources and to realize the full beneficial use of such resources.

(b) As natural storage within the system has been lost due to development, the Legislature finds that additional natural or man-made water storage is required to capture and prevent water from being discharged to tide or otherwise lost.

(c) The Legislature finds that establishing infrastructure financing and providing technical assistance to local governments or water supply entities for water storage facilities is necessary to conserve and protect the waters of the state.

(2) For purposes of this section, the term:

(a) "Local governmental agency" means any municipality, county, district, or authority, or any agency thereof, or a combination of such, acting jointly in connection with a project, which has jurisdiction over a water storage facility.

(b) "Water storage facility" or "facility" means all facilities, including land, necessary for an above-ground or in-ground reservoir. Such facilities may be publicly owned, privately owned, investor-owned, or cooperatively held.

(3) The state, through the department, shall provide funding assistance to local governments or water supply entities for the development and

construction of water storage facilities to increase the availability of sufficient water for all existing and future reasonable-beneficial uses and natural systems.

(a) The department may make loans, provide loan guarantees, purchase loan insurance, and refinance local debt through the issue of new loans for water storage facilities approved by the department. Local governments or water supply entities may borrow funds made available pursuant to this section and may pledge any revenues or other adequate security available to them to repay any funds borrowed.

(b) The department may award loan amounts for up to 75 percent of the costs of planning, designing, constructing, upgrading, or replacing water resource infrastructure or facilities, whether natural or man-made, including the acquisition of real property for water storage facilities.

(4) The department shall adopt rules to carry out the purposes of this section. Such rules must:

(a) Establish a priority system for loans based on compliance with state requirements. The priority system must give special consideration to:

1. Projects that provide for the development of alternative water supply projects and management techniques in areas where existing source waters are limited or threatened by saltwater intrusion, excessive drawdowns, contamination, or other problems;

2. Projects that contribute to the sustainability of regional water sources;

3. Projects that produce additional water available for consumptive uses or natural systems;

4. Projects that diversify water supply so that the needs of consumptive uses and the natural system are met during wet and dry conditions; or

5. Projects that provide flexibility in addressing the unpredictability of water conditions from water year to water year.

(b) Establish the requirements for the award and repayment of financial assistance.

(c) Require evidence of credit worthiness and adequate security, including an identification of revenues to be pledged and documentation of their sufficiency for loan repayment and pledged revenue coverage to ensure that each loan recipient can meet its loan repayment requirements.

(d) Require each project receiving financial assistance to be cost-effective, environmentally sound, and implementable.

(e) Require each project to be self-supporting if the project is primarily for the purpose of water supply for consumptive use.

(5) Before approval of a loan, the local government or water supply entity must, at a minimum, submit all of the following to the department:

(a) A repayment schedule.

(b) Evidence of the permissibility or implementability of the facility proposed for financial assistance.

(c) Plans and specifications, biddable contract documents, or other documentation of appropriate procurement of goods and services.

(d) Written assurance that records will be kept using generally accepted accounting principles and that the department or its agents and the Auditor General will have access to all records pertaining to the loan.

(e) If the facility is required to be self-supporting according to paragraph (4)(e), documentation that it will be self-supporting.

(f) Documentation that the water management district within whose boundaries the facility will be located has approved the facility. If the facility crosses jurisdictional boundaries, approval from each applicable district must be documented and provided to the department.

(6) The department and water management districts are authorized to provide technical assistance to local governments or water supply entities for water storage facilities funded pursuant to this section.

(7) The minimum amount of a loan is \$75,000. The term of loans made pursuant to this section may not exceed 30 years.

(8) As part of the report required under s. 403.8532, the department shall prepare a report at the end of each fiscal year which details the financial assistance provided under this section, service fees collected, interest earned, and loans outstanding.

(9) The department may conduct an audit of the loan project upon completion, or may require that a separate project audit, prepared by an independent certified public accountant, be submitted.

(10) The department may require reasonable service fees on loans made to local governments or water supply entities to ensure that the program will be operated in perpetuity and to implement the purposes authorized under this section. Service fees may not be less than 2 percent or greater than 4 percent of the loan amount exclusive of the service fee. Service fee revenues shall be deposited into the department's Grants and Donations Trust Fund. The fee revenues, and interest earnings thereon, shall be used exclusively for the purposes of this section.

(11) The Water Protection and Sustainability Program Trust Fund established under s. 403.891 shall be used for the purposes of this section. Any funds that are not needed for immediate financial assistance shall be invested pursuant to s. 215.49. State funds and investment earnings shall be deposited into the fund. The principal and interest of all loans repaid, and investment earnings thereon, shall be deposited into the fund.

(12)(a) If a local governmental agency defaults under the terms of its loan agreement, the department shall so certify to the Chief Financial Officer, who shall forward the amount delinquent to the department from any unobligated funds due to the local governmental agency under any revenue-sharing or tax-sharing fund established by the state, except as otherwise provided by the State Constitution. Certification of delinquency does not preclude the department from pursuing other remedies available for default on a loan, including accelerating loan repayments, eliminating all or part of the interest rate subsidy on the loan, and court appointment of a receiver to manage the public water system.

(b) If a water storage facility owned by a person other than a local governmental agency defaults under the terms of its loan agreement, the department may take all actions available under law to remedy the default.

(c) The department may impose a penalty for delinquent loan payments in the amount of 6 percent of the amount due, in addition to charging the cost to handle and process the debt. Penalty interest accrues on any amount due and payable beginning on the 30th day following the date that the payment was due.

(13) The department may terminate or rescind a financial assistance agreement if the recipient fails to comply with the terms and conditions of the agreement.

Section 5. Subsection (3) of section 375.041, Florida Statutes, is amended to read:

375.041 Land Acquisition Trust Fund.—

(3) Funds distributed into the Land Acquisition Trust Fund pursuant to s. 201.15 shall be applied:

(a) First, to pay debt service or to fund debt service reserve funds, rebate obligations, or other amounts payable with respect to Florida Forever bonds issued under s. 215.618; and pay debt service, provide reserves, and pay rebate obligations and other amounts due with respect to Everglades restoration bonds issued under s. 215.619; and

(b) Of the funds remaining after the payments required under paragraph (a), but before funds may be appropriated, pledged, or dedicated for other uses:

1. A minimum of the lesser of 25 percent or \$200 million shall be appropriated annually for Everglades projects that implement the Comprehensive Everglades Restoration Plan as set forth in s. 373.470, including the Central Everglades Planning Project subject to Congressional authorization; the Long-Term Plan as defined in s. 373.4592(2); and the Northern Everglades and Estuaries Protection Program as set forth in s. 373.4595. From these funds, \$32 million shall be distributed each fiscal year through the 2023-2024 fiscal year to the South Florida Water Management District for the Long-Term Plan as defined in s. 373.4592(2). After deducting the \$32 million distributed under this subparagraph, from the funds remaining, a minimum of the lesser of 76.5 percent or \$100 million shall be appropriated each fiscal year through the 2025-2026 fiscal year for the planning, design, engineering, and construction of the Comprehensive Everglades Restoration Plan as set forth in s. 373.470, including the Central Everglades Planning Project, the Everglades Agricultural Area Storage Reservoir Project, the Lake Okeechobee Watershed Project, the C-43 West Basin Storage Reservoir Project, the Indian River Lagoon-South Project, the Western Everglades Restoration Project, and the Picayune Strand Restoration Project ~~subject to Congressional authorization~~. The Department of Environmental Protection and the South Florida Water Management District shall give preference to those Everglades restoration projects that reduce harmful discharges of water from Lake Okeechobee to the St. Lucie or Caloosahatchee estuaries in a timely manner. For the purpose of performing the calculation provided in this subparagraph, the amount of debt service paid pursuant to paragraph (a) for bonds issued after July 1, 2016, for the purposes set forth under paragraph (b) shall be added to the amount remaining after the payments required under paragraph (a). The amount of the distribution calculated shall then be reduced by an amount equal to the debt service paid pursuant to paragraph (a) on bonds issued after July 1, 2016, for the purposes set forth under this subparagraph.

2. A minimum of the lesser of 7.6 percent or \$50 million shall be appropriated annually for spring restoration, protection, and management projects. For the purpose of performing the calculation provided in this subparagraph, the amount of debt service paid pursuant to paragraph (a) for bonds issued after July 1, 2016, for the purposes set forth under paragraph (b) shall be added to the amount remaining after the payments required under paragraph (a). The amount of the distribution calculated shall then be reduced by an amount equal to the debt service paid pursuant to paragraph (a) on bonds issued after July 1, 2016, for the purposes set forth under this subparagraph.

3. The sum of \$5 million shall be appropriated annually each fiscal year through the 2025-2026 fiscal year to the St. Johns River Water Management District for projects dedicated to the restoration of Lake Apopka. This distribution shall be reduced by an amount equal to the debt service paid pursuant to paragraph (a) on bonds issued after July 1, 2016, for the purposes set forth in this subparagraph.

4. The sum of \$64 million is appropriated and shall be transferred to the Everglades Trust Fund for the 2018-2019 fiscal year, and each fiscal year thereafter, for the EAA reservoir project pursuant to s. 373.4598. Any funds remaining in any fiscal year shall be made available only for Phase II of the C-51 reservoir project or projects identified in subparagraph 1. and must be used in accordance with laws relating to such projects. Any funds made available for such purposes in a fiscal year is in addition to the amount appropriated under subparagraph 1. This distribution shall be reduced by an amount equal to the debt service paid pursuant to paragraph (a) on bonds issued after July 1, 2017, for the purposes set forth in this subparagraph.

Section 6. Section 403.890, Florida Statutes, is amended to read:

403.890 Water Protection and Sustainability Program.—

(1) Revenues deposited into or appropriated to the Water Protection and Sustainability Program Trust Fund shall be distributed by the Department of Environmental Protection for the following purposes in the following manner:

(a)(1) Sixty-five percent to the Department of Environmental Protection for The implementation of an alternative water supply program as provided in s. 373.707.

(b) The water storage facility revolving loan fund as provided in s. 373.475.

(2) Revenues deposited into or appropriated to the Water Protection and Sustainability Program Trust Fund for purposes of the water storage facility revolving loan fund may only be used for such purposes.

~~(2) Twenty-two and five-tenths percent for the implementation of best management practices and capital project expenditures necessary for the implementation of the goals of the total maximum daily load program established in s. 403.067. Of these funds, 83.33 percent shall be transferred to the credit of the Department of Environmental Protection Water Quality Assurance Trust Fund to address water quality impacts associated with nonagricultural nonpoint sources. Sixteen and sixty-seven hundredths percent of these funds shall be transferred to the Department of Agriculture and Consumer Services General Inspection Trust Fund to address water quality impacts associated with agricultural nonpoint sources. These funds shall be used for research, development, demonstration, and implementation of the total maximum daily load program under s. 403.067, suitable best management practices or other measures used to achieve water quality standards in surface waters and water segments identified pursuant to s. 303(d) of the Clean Water Act, Pub. L. No. 92-500, 33 U.S.C. ss. 1251 et seq. Implementation of best management practices and other measures may include cost share grants, technical assistance, implementation tracking, and conservation leases or other agreements for water quality improvement. The Department of Environmental Protection and the Department of~~



~~Agriculture and Consumer Services may adopt rules governing the distribution of funds for implementation of capital projects, best management practices, and other measures. These funds shall not be used to abrogate the financial responsibility of those point and nonpoint sources that have contributed to the degradation of water or land areas. Increased priority shall be given by the department and the water management district governing boards to those projects that have secured a cost-sharing agreement allocating responsibility for the cleanup of point and nonpoint sources.~~

~~(3) Twelve and five-tenths percent to the Department of Environmental Protection for the Disadvantaged Small Community Wastewater Grant Program as provided in s. 403.1838.~~

~~(3)(4) On June 30, 2009, and every 24 months thereafter, the Department of Environmental Protection shall request the return of all unencumbered funds distributed for the purposes of the alternative water supply program pursuant to this section. These funds shall be deposited into the Water Protection and Sustainability Program Trust Fund and redistributed for such purposes pursuant to the provisions of this section.~~

Section 7. Section 446.71, Florida Statutes, is created to read:

446.71 Everglades Restoration Agricultural Community Employment Training Program.—

(1) The Department of Economic Opportunity, in cooperation with CareerSource Florida, Inc., shall establish the Everglades Restoration Agricultural Community Employment Training Program within the Department of Economic Opportunity. The Department of Economic Opportunity shall use funds appropriated to the program by the Legislature to provide grants to stimulate and support training and employment programs that seek to match persons who complete such training programs to nonagricultural employment opportunities in areas of high agricultural unemployment, and to provide other training, educational, and information services necessary to stimulate the creation of jobs in the areas of high agricultural unemployment. In determining whether to provide funds to a particular program, the Department of Economic Opportunity shall consider the location of the program in proximity to the program's intended participants.

(2) The Legislature supports projects that improve the economy in the Everglades Agricultural Area. In recognition of the employment opportunities and economic development generated by new and expanding industries in the area, such as the Airglades Airport in Hendry County and the development of an inland port in Palm Beach County, the Legislature finds that training the citizens of the state to fill the needs of these industries significantly enhances the economic viability of the region.

(3) Funds may be used for grants for tuition for public or private technical or vocational programs and matching grants to employers to

conduct employer-based training programs, or for the purchase of equipment to be used for training purposes, the hiring of instructors, or any other purpose directly associated with the program.

(4) The Department of Economic Opportunity may not award a grant to any given training program which exceeds 50 percent of the total cost of the program, unless the training program is located within a rural area of opportunity, in which case the grant may exceed 50 percent of the total cost of the program and up to 100 percent. Matching contributions may include in-kind services, including, but not limited to, the provision of training instructors, equipment, and training facilities.

(5) Before granting a request for funds made in accordance with this section, the Department of Economic Opportunity shall enter into a grant agreement with the requestor of funds and the institution receiving funding through the program. Such agreement must include all of the following information:

(a) An identification of the personnel necessary to conduct the instructional program, the qualifications of such personnel, and the respective responsibilities of the parties for paying costs associated with the employment of such personnel.

(b) An identification of the estimated length of the instructional program.

(c) An identification of all direct, training-related costs, including tuition and fees, curriculum development, books and classroom materials, and overhead or indirect costs.

(d) An identification of special program requirements that are not otherwise addressed in the agreement.

(6) The Department of Economic Opportunity may grant up to 100 percent of the tuition for a training program participant who currently resides, and has resided for at least 3 of the 5 immediately preceding years within the Everglades Agricultural Area as described in s. 373.4592 and in counties that provide for water storage and dispersed water storage that is located in Rural Areas of Opportunity as described in s. 288.0656.

(7) Programs established in the Everglades Agricultural Area must include opportunities to obtain the qualifications and skills necessary for jobs related to federal and state restoration projects, the Airglades Airport in Hendry County, an inland port in Palm Beach County, or other industries with verifiable, demonstrated interest in operating within the Everglades Agricultural Area and in counties that provide for water storage and dispersed water storage that is located in Rural Areas of Opportunity as described in s. 288.0656.

(8) The Department of Economic Opportunity shall adopt rules to implement this section.

Section 8. Subsection (3) is added to section 946.511, Florida Statutes, to read:

946.511 Inmate labor to operate correctional work programs.—

(3) Beginning July 1, 2017, the use of inmates for correctional work programs in the agricultural industry in the Everglades Agricultural Area or in any area experiencing high unemployment rates in the agricultural sector is prohibited. Any lease agreement relating to land in the Everglades Agricultural Area leased to the Prison Rehabilitative Industries and Diversified Enterprises, Inc., (PRIDE Enterprises) for an agricultural work program is required to be terminated in accordance with the terms of the lease agreement.

Section 9. The Division of Law Revision and Information is directed to replace the phrase “the effective date of this act” wherever it occurs in this act with the date the act becomes a law.

Section 10. For the 2017-2018 fiscal year, the sum of \$30 million in nonrecurring funds from the Land Acquisition Trust Fund is appropriated to the Everglades Trust Fund for the purposes of acquiring land or negotiating leases to implement the Everglades Agricultural Area reservoir project pursuant to s. 373.4598, Florida Statutes, or for any cost related to the planning or construction of the Everglades Agricultural Area reservoir project as defined in s. 373.4598, Florida Statutes.

Section 11. For the 2017-2018 fiscal year, the sum of \$3 million in nonrecurring funds from the Land Acquisition Trust Fund is appropriated to the Everglades Trust Fund for the purposes of developing the post-authorization change report pursuant to s. 373.4598, Florida Statutes, and the sum of \$1 million in nonrecurring funds from the Land Acquisition Trust Fund is appropriated to the Everglades Trust Fund for the purposes of negotiating Phase II of the C-51 reservoir project pursuant to s. 373.4598, Florida Statutes.

Section 12. For the 2017-2018 fiscal year, the sum of \$30 million in nonrecurring funds from the General Revenue Trust Fund is appropriated to the Water Resource Protection and Sustainability Program Trust Fund for the purpose of providing a loan to implement Phase I of the C-51 reservoir project. The loan must have a 30-year term, may be prepaid at any time, and shall accrue interest until repayment. The loan shall be repaid from the proceeds of the sale of unreserved capacity in the water storage facility, or other appropriate payment, at time of receipt less reasonable expenses. The loan must be secured by a first mortgage lien on the water storage facility and a collateral assignment of unreserved capacity as adequate security for the loan. The loan does not reserve for use by the state or the district any capacity authorized pursuant to the consumptive use permit for Phase I of the C-51 Reservoir. Once the Department of Environmental Protection adopts rules pursuant to s. 373.475, Florida Statutes, the department may modify the terms of the loan agreement to ensure that the loan agreement is

in accordance with such rules, except that any terms specifically stated herein may not be modified.

Section 13. This act shall take effect upon becoming a law.

Approved by the Governor May 9, 2017.

Filed in Office Secretary of State May 9, 2017.