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# Agriculture & Natural Resources Appropriations Subcommittee

March 17, 2015  
9:00 AM – 11:00 AM  
Reed Hall



**The Florida House of Representatives**  
**Appropriations Committee**  
**Agriculture & Natural Resources Appropriations Subcommittee**

**Steve Crisafulli**  
**Speaker**

**Ben Albritton**  
**Chair**



March 17, 2015

AGENDA  
9:00 AM – 11:00 AM  
Reed Hall

- I. Call to Order/Roll Call
- II. Chair's Budget Proposal for FY 2015-16
- III. PCB ANRAS 15-01—Environmental Protection
- IV. Closing/Adjourn

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCB ANRAS 15-01 Department of Environmental Protection  
**SPONSOR(S):** Agriculture & Natural Resources Appropriations Subcommittee  
**TIED BILLS:** IDEN./SIM. BILLS: CS/SB 428

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Agriculture & Natural Resources Appropriations Subcommittee		Helping 	Massengale 

### SUMMARY ANALYSIS

To implement Article III, section 19(f), of the Florida Constitution, section 215.3208(1), Florida Statutes, specifies that a schedule for review of trust funds be included in the legislative budget instructions developed pursuant to section 216.023, Florida Statutes. The trust funds in the Department of Environmental Protection (DEP) are scheduled for review this year.

Consistent with all of the remaining trust funds administered by the department, the bill codifies into Florida Statutes the Administrative Trust Fund, the Air Pollution Control Trust Fund, the Environmental Laboratory Trust Fund, the Minerals Trust Fund, and the Working Capital Trust Fund.

The bill deletes federal funding sources and purposes of the Grants and Donations Trust Fund and authorizes transfer of all outstanding appropriations supported by federal funding sources to the Federal Grants Trust Fund.

The bill also modifies the distribution of waste tire fees collected by the Solid Waste Management Trust Fund. The modification will accurately reflect funding levels provided in the General Appropriations Act.

The bill reenacts section 403.7095(3), Florida Statutes, to incorporate by reference the changes made to section 403.709, Florida Statutes.

Because the bill merely codifies current practices or transfers unexpended balances, revenue sources, and appropriations between trust funds, there is no fiscal impact on state and local governments or the private sector.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Present Situation**

To implement Article III, section 19(f), of the Florida Constitution, section 215.3208(1), Florida Statutes, specifies that a schedule for review of trust funds be included in the legislative budget instructions developed pursuant to section 216.023, Florida Statutes. The trust funds in the Department of Environmental Protection (DEP) are scheduled for review this year.

Most of the department's trust funds are established in Florida Statutes except for the Administrative Trust Fund, the Air Pollution Control Trust Fund, the Environmental Laboratory Trust Fund, the Minerals Trust Fund, and the Working Capital Trust Fund. These trust funds were previously created and re-created in conformity with Florida law, but have never been specifically codified in Florida Statute.

The Administrative Trust Fund was last re-created in chapter 2003-225, Laws of Florida, as a depository for funds to be used for management activities that are departmental in nature. Revenue sources consist of indirect cost earnings and assessments against trust funds.

The Air Pollution Control Trust Fund was last re-created in chapter 2004-101, Laws of Florida, to be used only for air pollution control programs relating to the control of emissions from mobile sources and toxic and odor emissions, air quality monitoring, and facility inspections pursuant to chapter 403 or any similar local ordinance. Revenue sources consist of a nonrefundable fee of \$1 charged on every vehicle registration sold, transferred, or replaced, an asbestos removal program inspection and notification fee, and major source of air pollution operation license fee.

Any county that has a DEP approved local air pollution control program shall receive 75 cents of the \$1 fee. However, if the approved local air pollution control program trust fund has an unencumbered balance at the end of the preceding fiscal year of more than 50 percent of the preceding year's fees, DEP may, after consultation with the approved local program, retain any amount above 50 cents of the fees from each license sold in the following year.

The Environmental Laboratory Trust Fund was last re-created in chapter 2003-227, Laws of Florida, for the purpose of funding DEP laboratory functions and expenses. Revenue sources consist of contracts with water management districts and transfers from other DEP trust funds, interest earnings on the investment of idle cash, and funds collected for laboratory services for external entities.

The Minerals Trust Fund was last re-created in chapter 2003-230, Laws of Florida, to serve as a repository for funds, which will enable DEP to respond to incidents that affect safety or threaten to cause environmental damage as a result of incidents involving petroleum exploration and production activities. The fund shall be made available immediately for DEP to restore production sites or other test sites and facilities after operations cease, if the permittee or operator cannot or will not correct the violations within a reasonable time. If funds in excess of those in the Minerals Trust Fund are needed, the Florida Coastal Protection Trust Fund is temporarily available.

Revenue sources consist of cash or other securities deposited by an applicant for a drilling, production, injection well permit, or a geophysical permit (which may also be made in annual fees). Pro rata royalties of unknown or missing minority owners in mineral interests may be deposited into the fund. Money collected as fines or fees are also deposited in the Minerals Trust Fund.

The Working Capital Trust Fund was last re-created in chapter 2003-233, Laws of Florida, to provide sufficient funds for the department's information technology services. Revenue sources include assessments against other trust funds based on the departmental programs' proportionate shares.

The Grants and Donations Trust Fund is established in section 403.1832, Florida Statutes. The trust fund currently serves as a depository for federal grants and funds received by the department and to assist in tracking and monitoring the use of federal funds that are not deposited into a separate trust fund. Funds are to be used for various environmental and natural resources program purposes for which the federal funds were intended.

The Solid Waste Management Trust Fund is created in section 403.709, Florida Statutes. The fund receives waste tire fees collected pursuant to section 403.718, Florida Statutes:

- Up to 40 percent of the funds collected are to be used for funding solid waste activities of the department and other state agencies.
- Up to 4.5 percent of the funds are to be used for funding research and training programs relating to solid waste management through the Center for Solid and Hazardous Waste Management and other organizations.
- Up to 11 percent of the funds are to be used for funding to supplement any other funds provided to the Department of Agriculture and Consumer Services for mosquito control.
- Up to 4.5 percent of the funds are to be used for providing funding to the Department of Transportation for litter prevention and control programs through a certified Keep America Beautiful Affiliate.
- A minimum of 40 percent of the funds are to be used for funding a solid waste management grant program to local governments pursuant to section 403.7095 Florida Statutes, for activities relating to recycling and waste reduction, including waste tires requiring final disposal.

### **Effect of Proposed Changes**

Consistent with all of the remaining trust funds administered by the department, the bill amends section 20.25501, Florida Statutes, to codify into Florida Statutes the Administrative Trust Fund, the Environmental Laboratory Trust Fund, and the Working Capital Trust Fund. The bill also creates sections 376.41 and 403.0874, Florida Statutes, to codify into Florida Statutes the Minerals Trust Fund and the Air Pollution Control Trust Fund.

The bill modifies section 403.1832, Florida Statutes, for the Grants and Donation Trust Fund by replacing federal grants as a funding source with private and public non-federal grants or donor agreements and deletes federal purposes for the use of the trust fund. The bill authorizes transfer of all outstanding appropriations supported by federal grants to the Federal Grants Trust Fund.

The bill also modifies section 403.709, Florida Statutes, distributing waste tire fees collected by the Solid Waste Management Trust Fund. The percentage that is transferred to Department of Agriculture and Consumer Services to supplement mosquito control is increased from 11 percent to 14 percent. The percentage used for funding a solid waste management grant program to local governments is changed from "A minimum of 40 percent" to "Up to 37 percent." This accurately reflects the funding levels provided in the General Appropriations Act for the mosquito control program for the last two years and for the solid waste management grant program for the last 12 years.

The bill reenacts section 403.7095(3), Florida Statutes, to incorporate by reference the changes made to section 403.709, Florida Statutes.

### **B. SECTION DIRECTORY:**

**Section 1** Amends s. 20.25501, F.S., codifying provisions relating to the Administrative Trust Fund, the Environmental Laboratory Trust Fund, and the Working Capital Trust Fund.

**Section 2** Creates s. 376.41, F.S., codifying provisions relating to the Minerals Trust Fund.

**Section 3** Amends s. 403.709, F.S., redistributing the revenue of the Solid Waste Management Trust Fund.

**Section 4** Creates s. 403.0874, F.S., codifying provisions relating to the Air Pollution Control Trust Fund.

**Section 5** Amends s. 403.1832, F.S., removing provisions relating to federal aid from the Grants and Donations Trust Fund.

**Section 6** Reenacts s. 403.7095(3), F.S., incorporating the amendment made to s. 403.709, F.S., by reference.

**Section 7** Provides an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

### D. FISCAL COMMENTS:

Because the bill merely codifies current practices or transfers unexpended balances, revenue sources, and appropriations between trust funds, there is no fiscal impact on state and local governments or the private sector.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

Not applicable.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

**IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

1                                   A bill to be entitled  
2           An act relating to trust funds administered by the  
3           Department of Environmental Protection; amending s.  
4           20.25501, F.S.; codifying the Administrative Trust  
5           Fund, Environmental Laboratory Trust Fund, and Working  
6           Capital Trust Fund; requiring the department to  
7           administer the trust funds; providing for the funding  
8           of such trust funds; creating s. 376.41, F.S.;  
9           codifying provisions relating to the administration  
10          and funding of the Minerals Trust Fund; creating s.  
11          403.0874, F.S.; codifying provisions relating to the  
12          administration and funding of the Air Pollution  
13          Control Trust Fund; amending s. 403.1832, F.S.;  
14          removing provisions relating to federal aid;  
15          authorizing the department to transfer all outstanding  
16          appropriations supported by federal grants to the  
17          Federal Grants Trust Fund; amending s. 403.709, F.S.;  
18          revising the amounts of funding from the Solid Waste  
19          Management Trust Fund that may be used for funding  
20          mosquito control and a solid waste management grant  
21          program; reenacting s. 403.7095(3), F.S., to  
22          incorporate by reference the changes made to s.  
23          403.709, F.S.; providing an effective date.

24  
25   Be It Enacted by the Legislature of the State of Florida:  
26



27 Section 1. Section 20.25501, Florida Statutes, is amended  
 28 to read:

29 20.25501 ~~Federal Grants Trust Fund~~; Department of  
 30 Environmental Protection; trust funds.—The following trust funds  
 31 shall be administered by the Department of Environmental  
 32 Protection:

33 (1) The Administrative Trust Fund.

34 (a) The trust fund is established for use as a depository  
 35 for funds to be used for management activities that are  
 36 departmental in nature and is funded by assessments against  
 37 trust funds.

38 (b) Notwithstanding s. 216.301 and pursuant to s. 216.351,  
 39 any balance in the trust fund at the end of the fiscal year  
 40 shall remain in the trust fund and shall be available for  
 41 carrying out the purpose of the trust fund.

42 (2) The Environmental Laboratory Trust Fund.

43 (a) The trust fund is established for use as a depository  
 44 for funds to be used for the operations of the department's  
 45 environmental laboratory program and is funded by program  
 46 revenues and assessments against trust funds.

47 (b) Notwithstanding s. 216.301 and pursuant to s. 216.351,  
 48 any balance in the trust fund at the end of the fiscal year  
 49 shall remain in the trust fund and shall be available for  
 50 carrying out the purpose of the trust fund.

51 (3) ~~(1)~~ The Federal Grants Trust Fund is created within the  
 52 Department of Environmental Protection.

53        ~~(a)(2)~~ The trust fund is established for use as a  
 54        depository for funds to be used for allowable grant activities  
 55        funded by restricted program revenues from federal sources.  
 56        Moneys to be credited to the trust fund ~~shall~~ consist of grants  
 57        and funding from the Federal Government, interest earnings, and  
 58        cash advances from other trust funds.

59        (b) Funds shall be expended only pursuant to legislative  
 60        appropriation or an approved amendment to the department's  
 61        operating budget pursuant to ~~the provisions of~~ chapter 216.

62        (4) The Working Capital Trust Fund.

63        (a) The trust fund is established for use as a depository  
 64        for funds to be used for the operation of the department's  
 65        information technology services and is funded by assessments  
 66        against trust funds.

67        (b) Notwithstanding s. 216.301 and pursuant to s. 216.351,  
 68        any balance in the trust fund at the end of the fiscal year  
 69        shall remain in the trust fund and shall be available for  
 70        carrying out the purpose of the trust fund.

71        Section 2. Section 376.41, Florida Statutes, is created to  
 72        read:

73        376.41 Minerals Trust Fund.—

74        (1) The Minerals Trust Fund is established in and  
 75        administered by the Department of Environmental Protection.

76        (2) Funds to be credited to and uses of the trust fund  
 77        shall be administered in accordance with ss. 211.06, 211.31,  
 78        211.3103, 376.11, 376.40, 377.24, 377.2408, 377.2425, 377.247,

79 | and 377.41.

80 |       (3) Notwithstanding s. 216.301 and pursuant to s. 216.351,  
81 | any balance in the trust fund at the end of a fiscal year shall  
82 | remain in the trust fund and shall be available for carrying out  
83 | the purposes of the trust fund.

84 |       Section 3. Section 403.0874, Florida Statutes, is created  
85 | to read:

86 |       403.0874 Air Pollution Control Trust Fund.-

87 |       (1) The Air Pollution Control Trust Fund is established in  
88 | and administered by the Department of Environmental Protection.

89 |       (2) Funds to be credited to and uses of the trust fund  
90 | shall be administered in accordance with ss. 320.03, 376.60,  
91 | 403.0872, and 403.0873.

92 |       (3) Notwithstanding s. 216.301 and pursuant to s. 216.351,  
93 | any balance in the trust fund at the end of a fiscal year shall  
94 | remain in the trust fund and shall be available for carrying out  
95 | the purposes of the trust fund.

96 |       Section 4. Section 403.1832, Florida Statutes, is amended  
97 | to read:

98 |       403.1832 ~~Department to accept federal aid;~~ Grants and  
99 | Donations Trust Fund.-

100 |       ~~(1) The department is designated as the administrative~~  
101 | ~~agency of the state to apply for and accept any funds or other~~  
102 | ~~aid and to cooperate and enter into contracts and agreements~~  
103 | ~~with the Federal Government relating to the planning, design,~~  
104 | ~~construction, operation, maintenance, and enforcement activities~~

105 ~~of the program to provide clean air and water and pollution~~  
 106 ~~abatement of the air and waters of the state, including solid~~  
 107 ~~waste management, hazardous waste management, and ecosystem~~  
 108 ~~management and restoration, or to any other related~~  
 109 ~~environmental purposes authorized by the Congress of the United~~  
 110 ~~States. The department may, in the name of the state, make such~~  
 111 ~~applications, sign such documents, give such assurances, and do~~  
 112 ~~such other things as are necessary to obtain such aid from or~~  
 113 ~~cooperate with the United States Government or any agency~~  
 114 ~~thereof. The department may consent to enter into contracts and~~  
 115 ~~agreements and cooperate with any other state agency, local~~  
 116 ~~governmental agency, person, or other state when it is necessary~~  
 117 ~~to carry out the provisions of this section.~~

118 (1)(2) The Grants and Donations Trust Fund is ~~to be~~  
 119 administered by the Department of Environmental Protection. The  
 120 fund is intended to serve as the depository for ~~federal~~ grants  
 121 and funds to be used for allowable grant or donor agreement  
 122 activities funded by restricted contractual revenue from private  
 123 and public nonfederal sources received by the department and to  
 124 ~~assist in tracking and monitoring the use of federal funds that~~  
 125 ~~are not otherwise deposited directly into a separate trust fund.~~  
 126 The Grants and Donations Trust Fund is intended to be a broad-  
 127 based fund from which moneys can be used for various  
 128 environmental and natural resource program purposes for which  
 129 the federal funds were intended. Funds may be expended for  
 130 purposes including, but not limited to:

- 131 ~~(a) Water quality improvement.~~
- 132 ~~(b) Management of solid and hazardous wastes.~~
- 133 ~~(c) Stormwater management.~~
- 134 ~~(d) Air quality improvement and management.~~
- 135 ~~(e) Wetland protection and management.~~
- 136 ~~(f) Marine research.~~
- 137 ~~(g) Marine habitat restoration and management.~~
- 138 ~~(h) Aquatic weed control.~~
- 139 ~~(i) Environmental regulatory compliance and enforcement.~~
- 140 ~~(j) Local or state recreational projects.~~

141 (2) Notwithstanding s. 216.301 and pursuant to s. 216.351,  
 142 ant balance in the trust fund at the end of a fiscal year shall  
 143 remain in the trust fund and shall be available for carrying out  
 144 the purposes of the trust fund.

145 (3) The department may transfer all outstanding  
 146 appropriations supported by federal grants to the Federal Grants  
 147 Trust Fund. This subsection expires July 1, 2016.

148 Section 5. Paragraphs (c), (e), and (f) of subsection (1)  
 149 of section 403.709, Florida Statutes, are amended to read:

150 403.709 Solid Waste Management Trust Fund; use of waste  
 151 tire fees.—There is created the Solid Waste Management Trust  
 152 Fund, to be administered by the department.

153 (1) From the annual revenues deposited in the trust fund,  
 154 unless otherwise specified in the General Appropriations Act:

155 (c) Up to 1411 percent shall be used for funding to  
 156 supplement any other funds provided to the Department of

157 Agriculture and Consumer Services for mosquito control. This  
 158 distribution shall be annually transferred to the General  
 159 Inspection Trust Fund in the Department of Agriculture and  
 160 Consumer Services to be used for mosquito control, especially  
 161 control of West Nile Virus.

162 (e) Up to ~~A minimum of~~ 37~~40~~ percent shall be used for  
 163 funding a solid waste management grant program pursuant to s.  
 164 403.7095 for activities relating to recycling and waste  
 165 reduction, including waste tires requiring final disposal.

166 ~~(f) For the 2013-2014 fiscal year only, moneys in the~~  
 167 ~~Solid Waste Management Trust Fund may be transferred to the Save~~  
 168 ~~Our Everglades Trust Fund for Everglades restoration pursuant to~~  
 169 ~~s. 216.181(12). This paragraph expires July 1, 2014.~~

170 Section 6. For the purpose of incorporating the amendment  
 171 made by this act to section 403.709, Florida Statutes, in a  
 172 reference thereto, subsection (3) of section 403.7095, Florida  
 173 Statutes, is reenacted to read:

174 403.7095 Solid waste management grant program.—

175 (3) From the funds made available pursuant to s.  
 176 403.709(1)(e) for the grant program created by this section, the  
 177 following distributions shall be made:

178 (a) Up to 50 percent for the program described in  
 179 subsection (1); and

180 (b) Up to 50 percent for the program described in  
 181 subsection (2).

182 Section 7. This act shall take effect July 1, 2015.