

Preliminary
Good Faith Estimate
Statement of Estimated Regulatory Costs

Department of Community Affairs

Prior to the adoption, amendment, or repeal of any rule other than an emergency rule, an agency is encouraged to prepare a statement of estimated regulatory costs of the proposed rule, as provided by Section 120.541, Florida Statutes (F.S.). However, an agency shall prepare a statement of estimated regulatory costs of the proposed rule, as provided by Section 120.541, F.S. and by House Bill 1565 if the proposed rule will have an impact on small business.

Proposed Administration Commission Rules:

Monroe County:

Rule 28-20.130 F.A.C. Work Program Administration (New Rule Section)

Rule 28-20.140 F.A.C. Comprehensive Plan (New Rule Section)

Summary of Rules:

Monroe County: Proposal to adopt a new rule for the Monroe County Comprehensive Plan to incorporate the Section 380.0552(4), F.S. requirements for annual reporting to the Administration Commission describing the progress of Monroe County in accomplishing the tasks under the Work Program as set forth in proposed Rule 28-20.140, Florida Administrative Code (F.A.C.) and to determine whether progress has been achieved for removal of the Florida Keys Area of Critical State Concern designation.

Subject Area to Be Addressed:

The improvement of near shore water quality and the protection of the natural environment of the Florida Keys, and the identification of and progress in accomplishing the tasks under Work Program (as set out in proposed Rule 28-20.140, F.A.C.) to be reported in the Department of Community Affairs written annual report to the Administration Commission. The Work Program tasks include the continued implementation of the Wastewater and Stormwater Master Plans through the financing and construction of additional wastewater and stormwater treatment facilities; the continued implementation of the Florida Keys Carrying Capacity Study through the analysis of hurricane evacuation issues and development of a Memorandum of Understanding regarding hurricane evacuation clearance time modeling and future build out of the keys. The implementation of the Carrying Capacity Study through continued applications for funding to address land acquisition and strengthening of growth management regulations. These regulations are needed to guide development toward areas served by advanced wastewater treatment facilities and to steer development away from environmentally sensitive land containing Tropical Hardwood Hammocks that provide habitat for State and Federal listed endangered species.

Law Implemented:

Section 380.0552(4), Florida Statutes
Rule 28-20.110, Florida Administrative Code
Section 381.0065(4), Florida Statutes
Section 403.086(10), Florida Statutes

Specific Authority:

Section 380.0552(9), Florida Statutes
Section 380.05(22), Florida Statutes
Section 380.05(22)(b), Florida Statutes
Section 120.536(1), Florida Statutes
Section 120.54, Florida Statutes

Statement of Estimated Regulatory Costs (SERC):

A SERC must include all of the information required by Sections 120.541(2)(a)-(g), F.S. The Department's SERC for proposed Rules 28-20.130 and 28-20.140 F.A.C., is set forth below in order of statutory sub-section. The language of each statutory sub-section is set forth in bold print followed by the Department's response.

120.541(2)(a) An economic analysis showing whether the rule directly or indirectly:

- 1. Is likely to have an adverse impact on economic growth, private-sector job creation or employment, or private-sector investment in excess of \$1 million in the aggregate within 5 years after the implementation of the rule;***
- 2. Is likely to have an adverse impact on business competitiveness, including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets, productivity, or innovation in excess of \$1 million in the aggregate within 5 years after the implementation of the rule;***
or
- 3. Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule.***

The Florida Keys proposed rule will trigger 120.541(2)(a)3., F.S.

(b) A good faith estimate of the number of individuals and entities likely to be required to comply with the rule, together with a general description of the types of individuals likely to be affected by the rule.

This rule will affect approximately 92,000 residents and up to 30,000 tourists county-wide. The proposed rule will directly impact 15,438 owners of On Site Sewage Treatment and Disposal Systems and 115 package plants. The marine ecosystem of the Florida Keys is dependent on clear water with low levels of nutrients. Ongoing research has determined that nutrients from wastewater are one of the major contributors to the decline of the water quality in the Florida Keys. Tourism and the coral reef community are dependent upon clean water. Historically, the Florida Keys has relied upon On Site

Sewage Treatment and Disposal systems to and small package plants for the treatment of residential and commercial human waste. The wastewater treatment and disposal requirements of Chapter 99-395, L.O.F, were enacted by the Legislature of the State of Florida in 1999 and updated by s.381.0065(4), and s.403.086(10), F.S..

The proposed rule contains a schedule of tasks that will address the protection of the natural environment of the Florida Keys, the requirement to submit an annual report, and the identification of tasks to be reported in the Department of Community Affairs written annual report to the Administration Commission. The Work Program tasks include the continued implementation of the Wastewater and Stormwater Master Plans through the financing and construction of additional wastewater and stormwater treatment facilities; the continued implementation of the Florida Keys Carrying Capacity Study through the analysis of hurricane evacuation issues and development of a Memorandum of Understanding regarding hurricane evacuation clearance time modeling and future build out of the keys. Additional planning tasks include an annual schedule to apply for funding to address land acquisition needed for environmentally sensitive parcels that have not competed well in the building permit allocation system and are eligible to have an offer for land acquisition or given a permit.

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| Assessments: | 19,145 OSDTS x \$5,700 = \$109,126,500. |
| Lower keys assessment: | 3,855 OSDTS \$25,000 = \$ 96,375,000. |
| Central Wastewater Construction | unfunded \$330,000,000. |
| Administrative relief (land acquisition) | \$ 800,000 to \$ 2,000,000. |

(c) A good faith estimate of the cost to the agency, and to any other state and local government entities, of implementing and enforcing the proposed rule, and any anticipated effect on state or local revenues.

This is an ongoing program with existing staff involved in the growth management implementation at the local and state level, no new costs are anticipated.

d) A good faith estimate of the transactional costs likely to be incurred by individuals and entities, including local government entities, required to comply with the requirements of the rule. As used in this section paragraph, "transactional costs" are direct costs that are readily ascertainable based upon standard business practices, and include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, and the cost of monitoring and reporting, and any other costs necessary to comply with the rule.

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| Permits to abandon septic tanks : | 15,438 OSDTS x \$50.00 = \$ 771,900. |
| Residential plumbing cost to connect to collection line: | 15,438 OSDTS x \$3,000 = \$ 46,314,000. |

(e) An analysis of the impact on small businesses as defined by s.288.703, and an analysis of the impact on small counties and small cities as defined in by s. 120.52. The impact analysis for small

businesses must include the basis for the agency's decision not to implement alternatives that would reduce adverse impacts on small businesses.

A small business may be served by an onsite system or a package plant. The estimated cost to upgrade a package plant without connection to central wastewater is as follows:

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| Systems treating 10,000 gallons per day (gpd)-50,000 gpd (\$10 per gallon) | \$ | 250,000. |
| Systems treating 50,000 gpd - 100,000 gpd (\$5 per gallon) | \$ | 500,000. |
| Permits to abandon wastewater injection wells 115 package plants x \$25 = | | \$2,875. |

(f) Any additional information that the agency determines may be useful.

- Increased jobs constructing collections systems,
- Increased demand for plumbing contractors
- Increases sales of plumbing supplies in local stores
- Increased value of real estate
- Offsets increased costs to determine Total Maximum Daily Load for stormwater management
- Increased jobs in City administering central sewer
- Decreased maintenance costs to owners of package plants to businesses
- Decreased maintenance costs to residential on-site sewage systems
- Increased revenues to Department of Health

(g) In the statement or revised statement, whichever applies, a description of any regulatory alternatives good faith written proposal submitted under paragraph (1)(a) and either a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule.

N/A