

# PROTECT A PROSPEROUS FUTURE FOR FLORIDA: STOP THE EPA WATER TAX

## NEW EPA WATER REGULATIONS THREATEN FLORIDA'S ECONOMIC RECOVERY.

- ▶ While the President and the Congress have said job creation is their No. 1 priority, the EPA is taking Florida in the wrong direction.
- ▶ New water regulations being forced on Florida by EPA are projected to cost the state tens of billions of dollars.
- ▶ The costs incurred by the EPA rules will impede our state's economic recovery, force Florida businesses to cut jobs, and increase the price of utilities, food and other necessities for Florida employers, families and consumers.
- ▶ In the agriculture industry alone, Florida can expect to lose 14,545 full-time, part-time and seasonal jobs.<sup>1</sup>

## EPA RULES CARRY BILLIONS OF DOLLARS IN COSTS THAT FLORIDA CAN'T AFFORD.

- ▶ All Floridians want to protect their state's waters, but our state cannot afford to do so in a way that will handcuff our economy and torpedo job creation.
- ▶ The new EPA rules will force Florida municipal wastewater treatment facilities to spend up to \$50.7 billion in capital costs for additional treatment facilities, as well as up to \$1.3 billion per year in additional operating costs.<sup>2</sup>
- ▶ Considering interest paid on bonds required to implement the improvements, the state's wastewater utilities are facing up to a \$98.7 billion price tag over the next 30 years.<sup>2</sup>
- ▶ These costs will fall squarely on Florida taxpayers, employers and consumers.



Floridians for a  
Prosperous Future



## HIGHER COSTS WILL ACT AS A REGRESSIVE TAX ON STRUGGLING HOUSEHOLDS.

- ▶ For the average Florida household, the new EPA rules will require utility bill increases of up to \$726 a year.<sup>2</sup>
- ▶ In some communities, however, these costs will be even higher.
- ▶ In Jacksonville, the projected utility increase will cost \$815 a year per household, and in Hollywood households, the EPA rules will raise utility costs by \$995 a year.<sup>2</sup>
- ▶ These areas have significant populations surviving on low and fixed incomes.
- ▶ Such utility increases represent a regressive tax whose burden will fall hardest on the families who can least afford it.

## LITIGATION, NOT SCIENCE, IS DRIVING THE EPA'S NEW WATER REGULATIONS FOR FLORIDA.

- ▶ As it stands, Florida would be the only state singled out by the EPA with these strict deadlines and stern federal oversight – despite the fact that Florida has been a national leader in enforcing aggressive water quality standards to protect our streams, lakes, rivers and estuaries.
- ▶ Florida's current practices are more effective than the new regulations being proposed by the EPA because the current policies are based on scientific evaluations of the state's vast, varied and unique ecosystems.
- ▶ Florida's Department of Environmental Protection (FDEP) and Department of Agriculture and Consumer Services (FDACS) are both on record questioning whether the standards proposed by EPA are attainable or will even achieve environmental benefits.

## FLORIDA HOUSEHOLDS CAN'T AFFORD HIGHER WATER BILLS.



### SUMMARY OF ESTIMATED COSTS & INCREASES IN SEWER RATES FOR EIGHT FLORIDA UTILITIES TO CONSTRUCT FACILITIES TO MEET PROPOSED NUMERIC NUTRIENT CRITERIA<sup>2</sup>

| Jurisdiction            | Capital Cost to Meet EPA Rules                | Yearly Household Sewer Rate Increase |
|-------------------------|---|--------------------------------------|
| Bay County              | \$42,000,000                                  | \$684.44                             |
| Broward County          | \$425,000,000                                 | \$793.32                             |
| Destin Water            | \$34,000,000                                  | \$581.16                             |
| Escambia County         | \$275,000,000                                 | \$590.88                             |
| Hollywood               | \$370,000,000                                 | \$995.88                             |
| Jacksonville            | \$2,000,000,000                               | \$815.04                             |
| Cross City              | \$5,800,000                                   | \$336.48                             |
| South Walton            | \$16,000,000                                  | \$147.00                             |
| <b>State of Florida</b> | <b>\$24,400,000,000-<br/>\$50,700,000,000</b> | <b>\$673.00-<br/>\$726.00</b>        |

- ▶ In April 2010, even EPA's own Science Advisory Board expressed serious concerns that EPA's methods for developing nutrient standards are scientifically flawed.<sup>3</sup>

## FLORIDA NEEDS CONGRESS TO STAND UP FOR SUNSHINE STATE FAMILIES, EMPLOYERS AND CONSUMERS.

- ▶ The federal government cannot ask struggling Florida families to pay money they don't have to obey new EPA water rules – particularly not when the EPA's Science Advisory Board, FDEP, and FDACS have all expressed doubt that the regulations will actually achieve their stated environmental benefits.

- ▶ Congress should require EPA to submit its rules and their underlying methodologies to the agency's Science Advisory Board to determine if they are based on sound science and are truly necessary for protecting Florida waters.
- ▶ Congress should also require an independent analysis to assess the economic impact of the proposed rules on Florida and the adjoining states to create a true cost analysis of the rules' benefits and costs.
- ▶ Finally, Congress should delay implementation of the EPA rules until after such analysis can be completed.

Sources:

<sup>1</sup> FDACS, Apr. 27, 2010

<sup>2</sup> Carollo Engineers, Nov. 18, 2009

<sup>3</sup> Eastern Water Law and Policy Reporter, July 2010