MITIGATION BANKS

SB492, HB1175

BILL SPONSORS

Senator Stan McClain

Representative Wyman Duggan

BACKGROUND

- What are Mitigation Banks
- Where are Mitigation Banks
- Where are Mitigation Banks
- How are they Used?

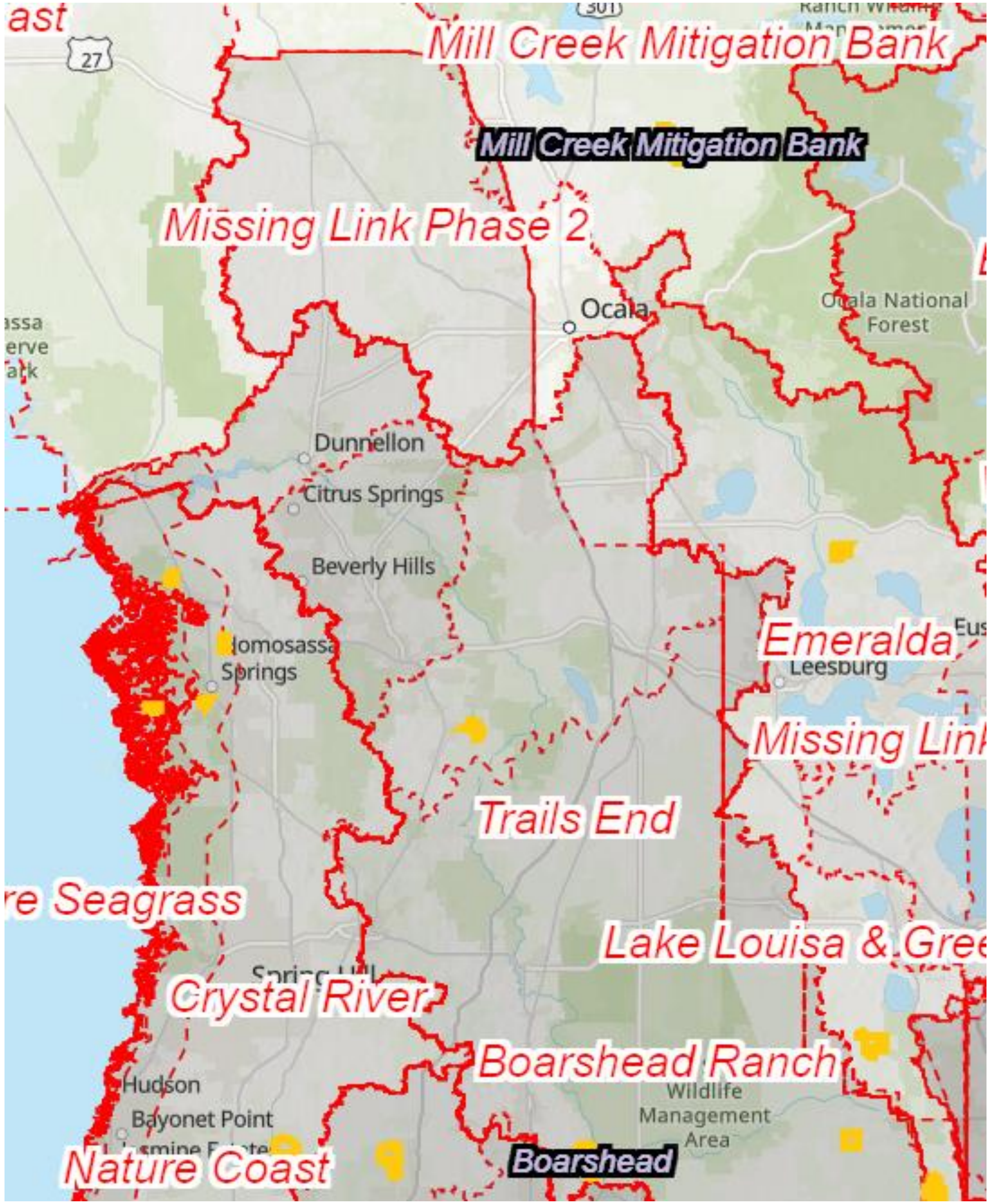
WHAT ARE MITIGATION BANKS?

- Mitigation banks are privately or publicly operated natural areas that restore, enhance, or preserve wetlands or other ecological resources
- They provide "credits" to offset environmental impacts from development projects (e.g., roads, subdivisions, pipelines)
- Developers who impact wetlands must "mitigate" that damage by purchasing credits from a bank
- Banks are reviewed and permitted by agencies such as the Florida Department of Environmental Protection (DEP) and Water Management Districts

WHERE ARE MITIGATION BANKS?

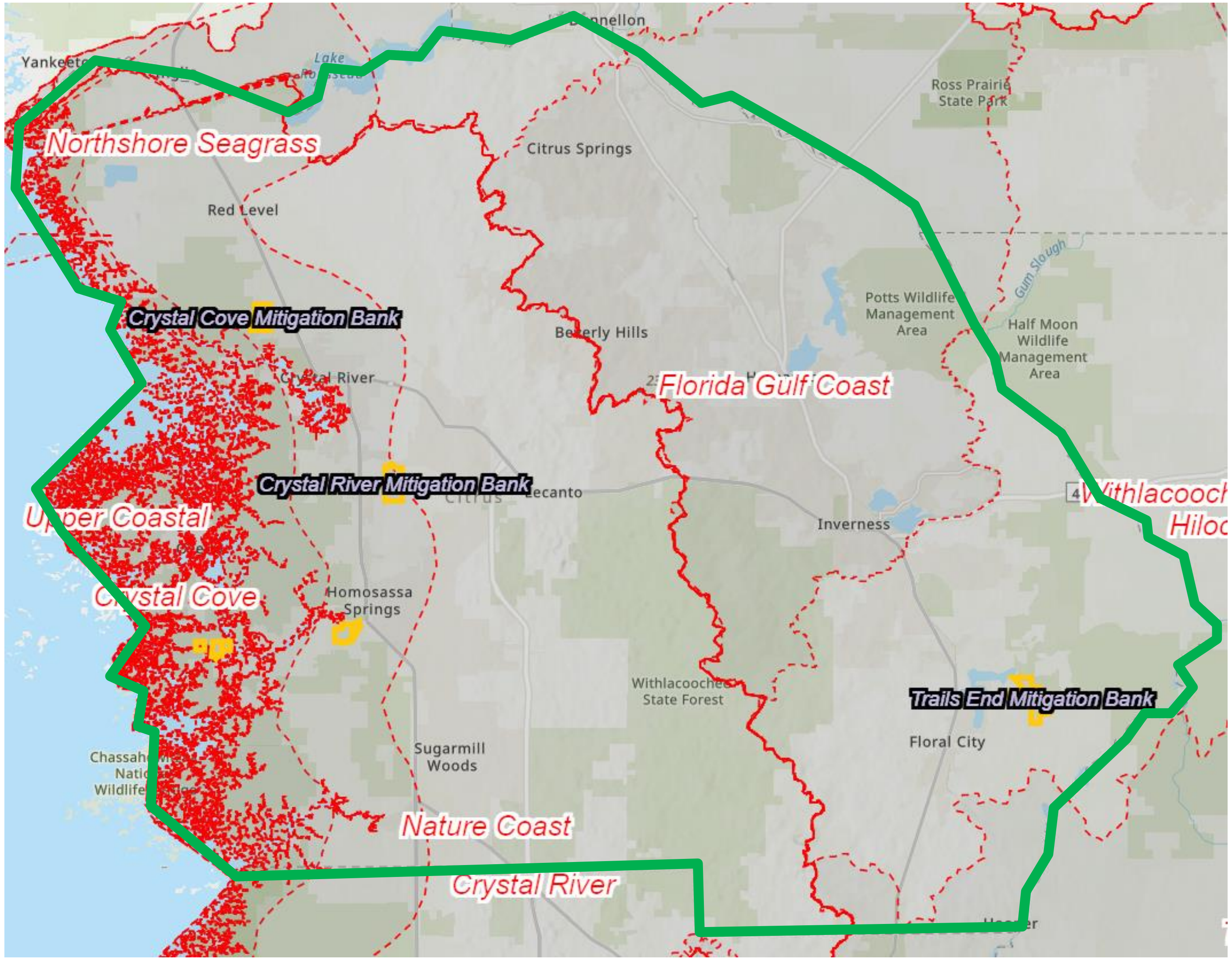
- As of 2024, Florida has 100+ mitigation banks statewide, covering thousands of acres of protected wetlands
- Banks are typically located within specific service areas, defined geographically and hydrologically
- Credits can generally only be sold to development projects within the same service area unless an exception is made
- Cost of credits can be $20,000 to $500,000 per acre depending on location

MITIGATION BANK LOCATIONS



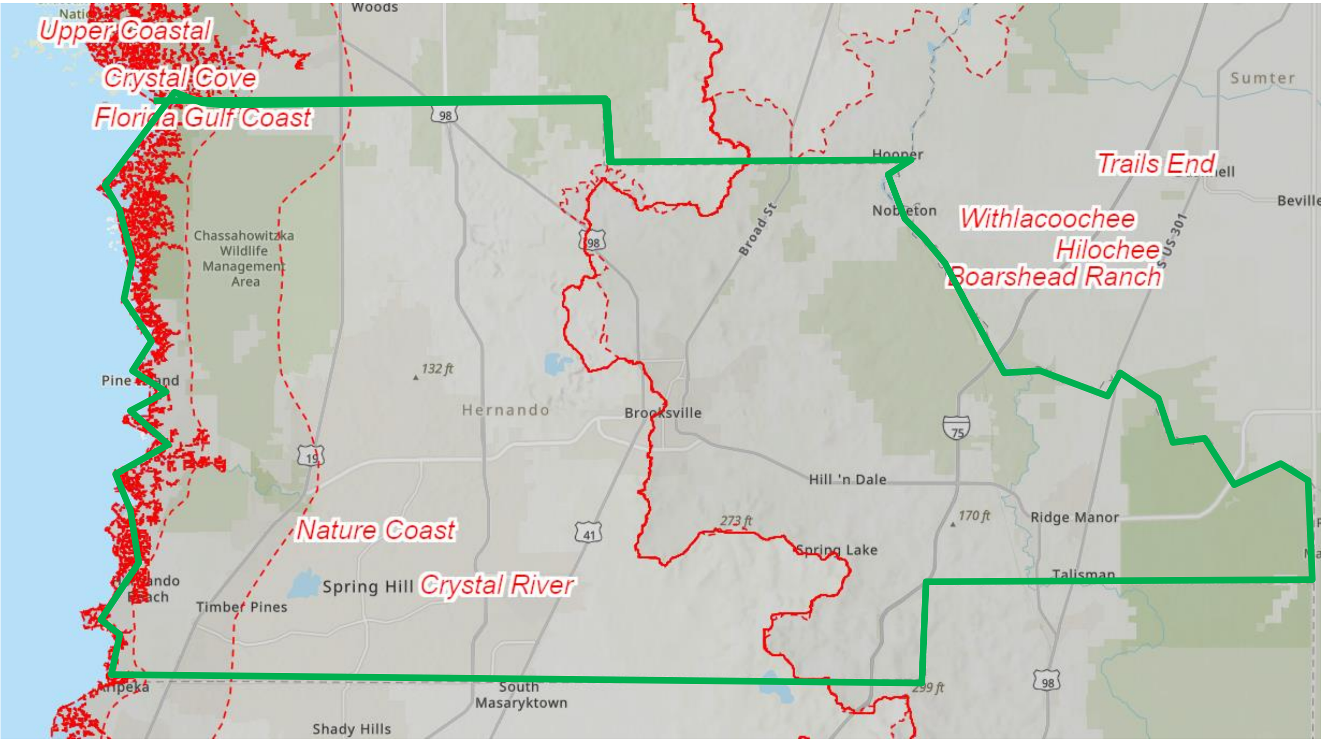
MITIGATION BANKS: CITRUS COUNTY

- Trails End
- Crystal Cove
- Crystal River
- Upper Costal
- Nature Coast



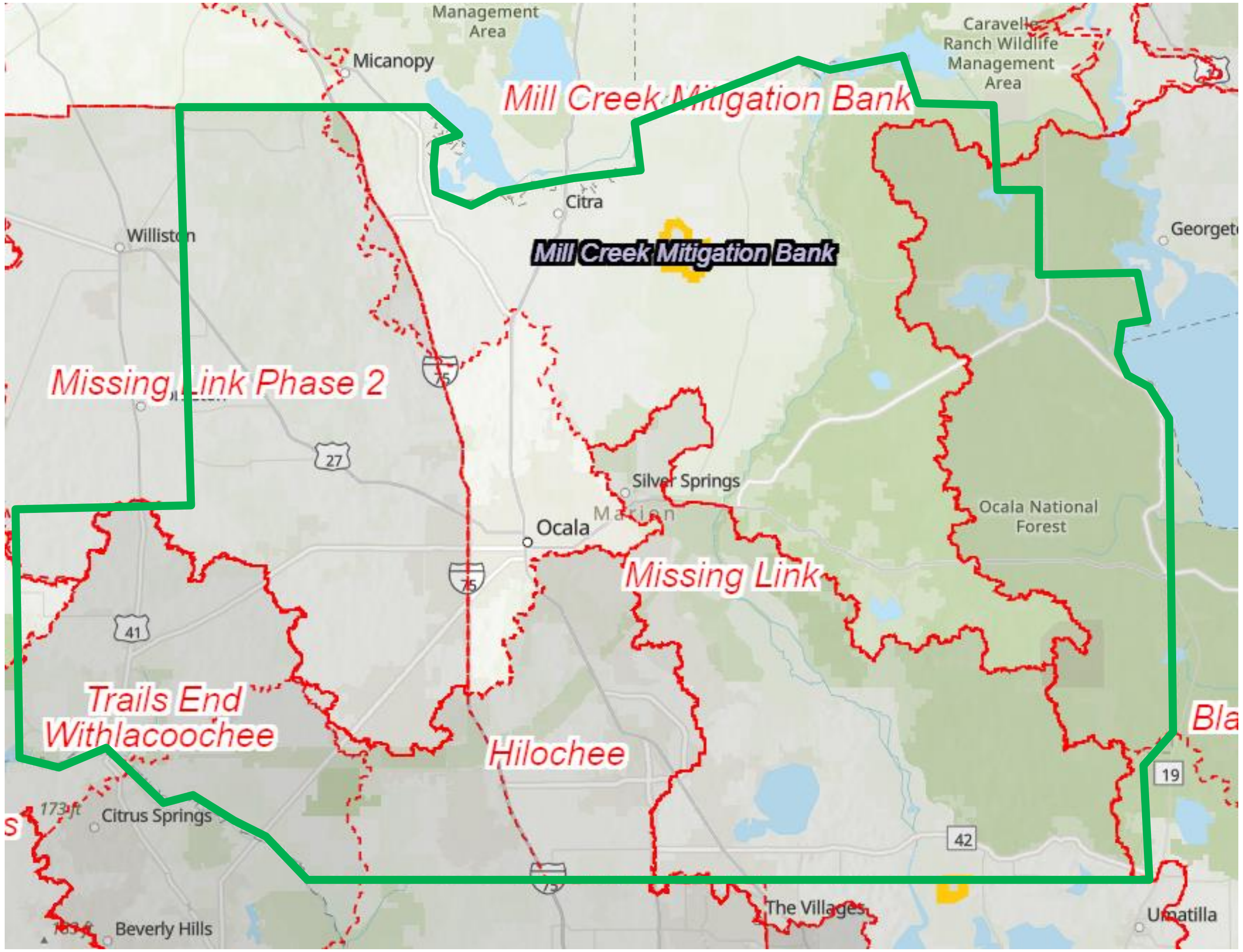
MITIGATION BANKS: HERNANDO COUNTY

- Turpentine



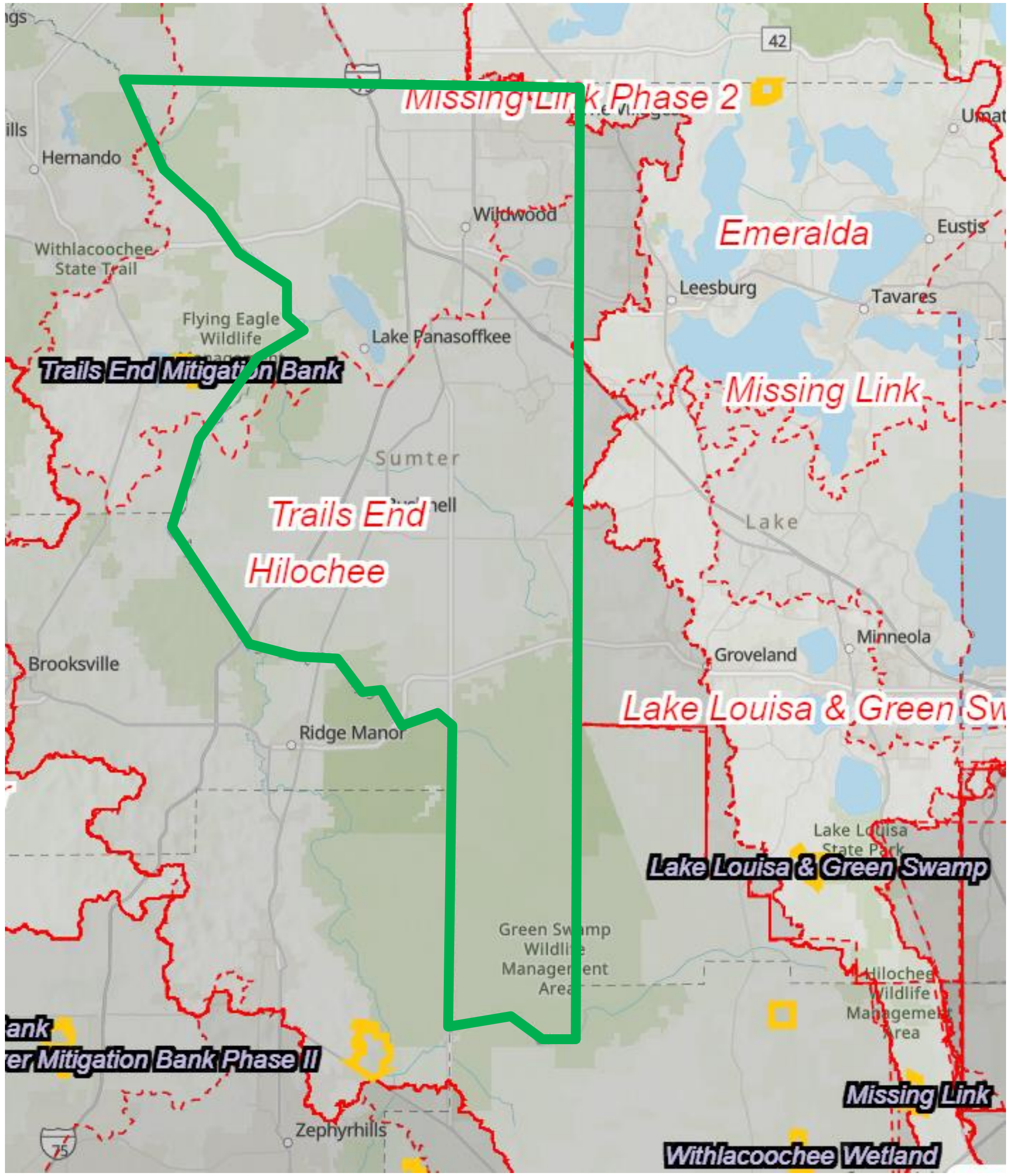
MITIGATION BANKS:
MARION COUNTY

- Mill Creek
- Emeralda
- Ocklawaha



MITIGATION BANKS: SUMTER COUNTY

- No direct mitigation banks in Sumter County however, the service area of other Mitigation Areas are available



HOW ARE MITIGATION BANKS USED?

- When a construction project impacts wetlands:
  1. The developer must first avoid or minimize damage
  2. If unavoidable, they purchase credits from an approved mitigation bank
  3. The bank uses those funds to manage and maintain restored lands
- The number of credits required is based on the **extent and type** of environmental impact.

WHAT DOES SB 492 / HB 1175 DO?

- Standardized Credit Release Schedule:
  - 30% at financial and legal setup
  - 30% after construction
  - 20% mid-term monitoring
  - 20% at final success criteria
- Out-of-Area Credit Use:
  - Allowed if no credits are available in the project's area, subject to approval and "proximity multipliers" to maintain environmental fairness
- Uniform Mitigation Assessment Method (UMAM)

WHAT DOES SB 492 / HB 1175 DO?

- Annual Reporting:
  - Banks must report credit availability yearly; DEP and WMDs must publish statewide summaries
- Easement Release:
  - Allows release of conservation easements
    - for small (<15 acre) parcels
    - surrounded by impervious surfaces
    - offset credits are purchased elsewhere

MITIGATION CREDITS (MULTIPLIERS)

- 1.0 multiplier
  - In-kind credits within the same service area
  - In-kind credits outside the service area but within the same regional watershed, only after DEP/WMD confirms a credit deficiency
- 1.2 multiplier
  - In-kind, out-of-service-area credits in a neighboring regional watershed
  - Applies only if DEP/WMD confirms no local credits available

MITIGATION CREDITS (MULTIPLIERS)

- 0.25 multiplier (additive)
  - For each additional regional watershed crossed
  - Only applies if no credits are available in immediately adjacent watersheds
  - Must be in-kind, and credit deficiency confirmed
- 0.50 multiplier (additive)
  - Applied on top of all other multipliers
  - When using out-of-kind mitigation credits

POTENTIAL IMPACTS OF NEW LEGISLATION

- Mitigation Banks (Industry):
  - Gain clarity and predictability in credit issuance
  - Access to broader markets through out-of-service-area sales
- Regulators (DEP & WMDs):
  - Must verify local credit shortages quickly and administer proximity multipliers appropriately
  - Increase oversight and annual reporting
- Developers & Permitting Agencies:
  - Expedited mitigation permitting, easing project delays
- Conservation Advocates:
  - Concern that increased flexibility and easement releases may lead to more localized wetland loss if weighted benefits are not carefully measured

ROLE OF THE STAKEHOLDERS

- Mitigation Bank Operators:
  - Prepare for the new credit release schedule and reporting obligations
  - Assess opportunities for out-of-area credit offerings
- DEP & Water Management Districts:
  - Develop procedures to verify credit availability and apply proximity factors
  - Collate and submit annual statewide credit reports

ROLE OF THE STAKEHOLDERS

- Developers & Environmental Consultants:
  - Incorporate new rules into planning and permit strategies
  - Track credit availability and pricing in new service areas
- Conservation Groups & Local Communities:
  - Monitor implementation and ecological outcomes
  - Advocate for smart application of easement release provisions to maintain wetland protections

CONSIDERATIONS

- Proximity multipliers and alternative credit use promote flexibility, and ecological equivalence
- Annual reporting enhances transparency, but DEP/WMD must consistently uphold standards
- Easement release could unlock additional developable land; requires careful zoning and ecological review
- These reforms may serve as blueprints for other environmental permitting processes statewide

THANK YOU