



PUBLIC WORKSHOP #4: CHAPTERS 62-4, 62-330 AND 62- 332, F.A.C. WATER QUALITY ENHANCEMENT AREAS

Timothy Rach

Submerged Lands & Environmental Resources Coordination
Division of Water Resource Management
Florida Department of Environmental Protection

Tallahassee, FL | May 20, 2026



PREVIOUS WORKSHOPS

WATER QUALITY ENHANCEMENT AREAS



- Chapter 2022-215, Laws of Florida (L.O.F.) – effective July 1, 2022.
 - **Workshop #1** held Nov. 8, 2023.
 - **Workshop #2** held March 21, 2024.
- Chapter 2024-144, L.O.F. – effective July 1, 2024.
 - **Workshop #3** held July 31, 2024.
- Chapter 2026-60, L.O.F. – will become effective July 1, 2026.
 - **Workshop #4** held May 20, 2026.

TODAY



AGENDA

WATER QUALITY ENHANCEMENT AREAS

- Introductions.
- Legislation.
- Overview and revisions of draft rule Chapter 62-332, Florida Administrative Code (F.A.C.), “Water Quality Enhancement Areas” (WQEAs).
- Additional associated proposed rule amendments: Chapters 62-4 and 62-330, F.A.C.
- Public comments and questions.
- Next steps.

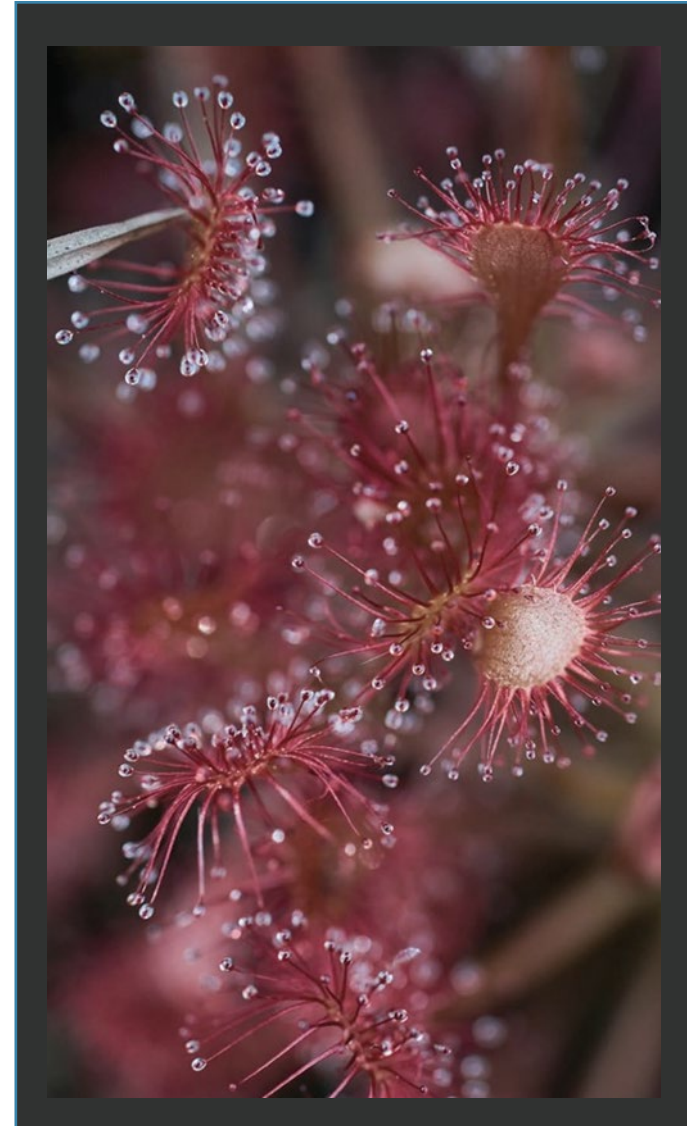




LEGISLATIVE RECAP

WATER QUALITY ENHANCEMENT AREAS

- **Chapter 2022-215, L.O.F.** (2022 House Bill [HB] 965).
 - Required creation of rules for WQEAs.
 - Restricted credit use to public entities to meet environmental resource permitting (ERP) or basin management action plans (BMAP) requirements.
- **Chapter 2024-144, L.O.F.** (2024 Senate Bill [SB] 1532).
 - Defined the term “applicant.”
 - Allowed for credit use by private entities as well as public entities.
 - Allowed credits to be used to meet ERP performance standard.
- **Chapter 2026-60, L.O.F.** (2026 SB 848).
 - Added additional definitions.
 - Included regional stormwater management system provisions.
 - Allowed for provisional permit before the rule is effective.

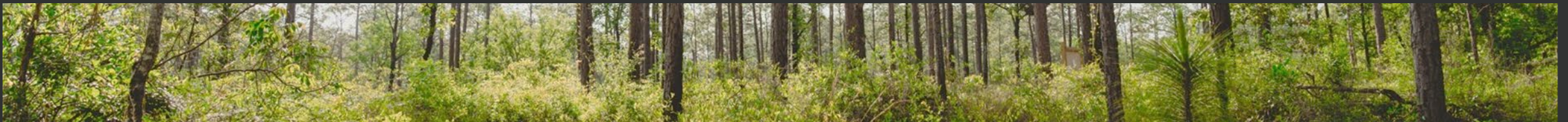




PURPOSE OF CHAPTER 62-332, F.A.C.

WATER QUALITY ENHANCEMENT AREAS

- Water quality improvements and adverse water quality impacts of activities regulated under Part IV of Chapter 373, Florida Statutes (F.S.), may be addressed by the construction, operation, maintenance and long-term management of WQEAs that provide offsite compensatory treatment.
- Enhancement credits are intended to provide ERP applicants flexibility to:
 - Satisfy performance standards set forth in ERP Applicant's Handbook Vol. I.
 - Meet allocations of an adopted BMAP or reasonable assurance plan (RAP) under section 403.067, F.S.





CHAPTER 62-332, F.A.C.

WATER QUALITY ENHANCEMENT AREA RULE

RULES WITHIN NEW CHAPTER

- 62-332.100, F.A.C. – “Scope and Intent.”
- 62-332.200, F.A.C. – “Definitions.”
- 62-332.300, F.A.C. – “General Requirements.”
- 62-332.350, F.A.C. – “WQEA Permit and WQEA Conceptual Approval Permit Applications.”
- 62-332.400, F.A.C. – “Establishment of Enhancement Credits.”
- 62-332.500, F.A.C. – “Service Area and Enhancement Credit Locational Valuation Factor Adjustments.”
- 62-332.530, F.A.C. – “Perpetual Protection of Water Quality Enhancement Areas.”



CHAPTER 62-332, F.A.C. (2)

WATER QUALITY ENHANCEMENT AREA RULE

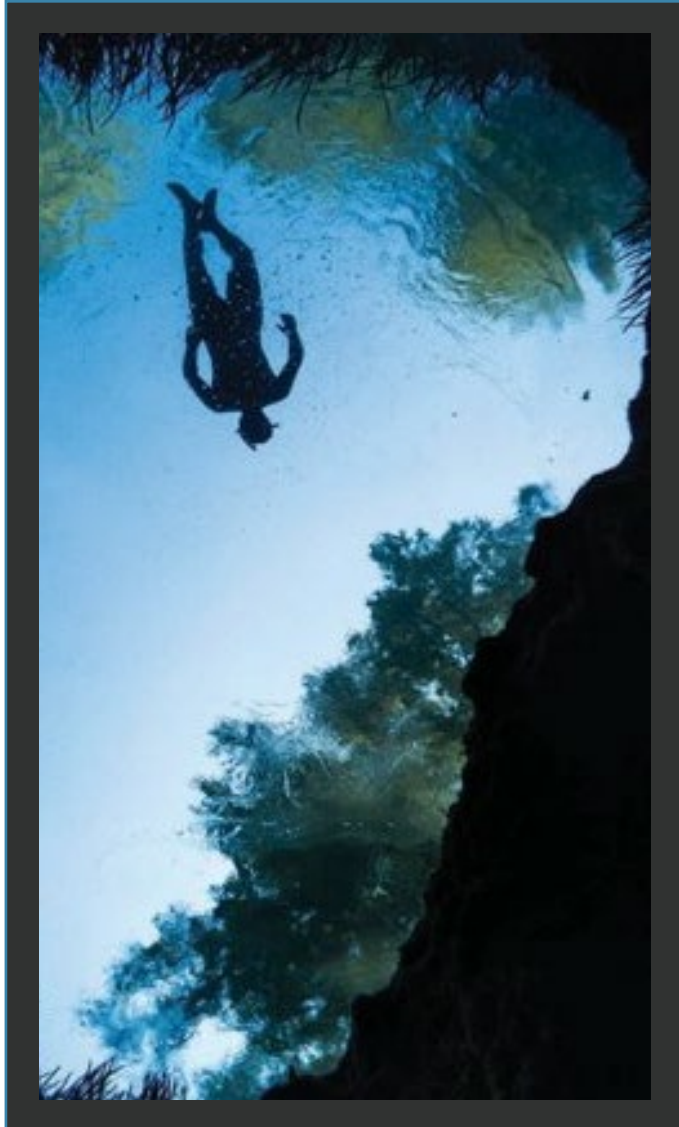
RULES WITHIN NEW CHAPTER, CONT.

- 62-332.550, F.A.C. – “Financial Responsibility.”
- 62-332.600, F.A.C. – “Enhancement Credit Transactions and Credit Use.”
- 62-332.700, F.A.C. – “Enhancement Credit Tracking.”
- 62-332.800, F.A.C. – “Enhancement Credit Monitoring and Continuing Credit Verification.”
- 62-332.900, F.A.C. – “Compliance and Enforcement.”
- 62-332.920, F.A.C. – “Surrender or Transfer of Water Quality Enhancement Area Permits.”



RULE 62-332.200, F.A.C.

NEW DEFINITIONS



- Adds definitions for **financial responsibility**:
 - “Endowment Holder.”
 - “Investment Manager.”
- Adds definitions to **clarify rule requirements**:
 - “Credit purchaser.”
 - “Location Valuation Factor” (LVF).
 - “Target waterbody.”
 - “Release and withdrawal.”
- Adds definitions to **clarify phases of a WQEA permit**:
 - “Construction Phase.”
 - “Operation and Maintenance Phase.”
 - “Perpetual Management Phase.”



RULE 62-332.300, F.A.C.

GENERAL REQUIREMENTS

- Establishes that WQEAs shall be permitted by the Florida Department of Environmental Protection (DEP).
- Allows a governmental entity to be a WQEA owner and use the credits for only its own water quality needs and specifies that it can not sell enhancement credits to third parties.
- Specifies that no portion of a WQEA shall be authorized to meet the mitigation, water quality treatment or compensatory requirements of any other permit or regulatory program, except for BMAPs and RAPs and as otherwise authorized in this new rule chapter.
- Prohibits establishment of WQEAs on lands purchased for conservation pursuant to the Florida Forever Act or the Florida Preservation 2000 Act.
- Prohibits WQEAs from being constructed wholly over surface waters of the state, as defined in Rule 62-340.600, F.A.C., or constructed in such a manner that the system severs a portion of a surface water.

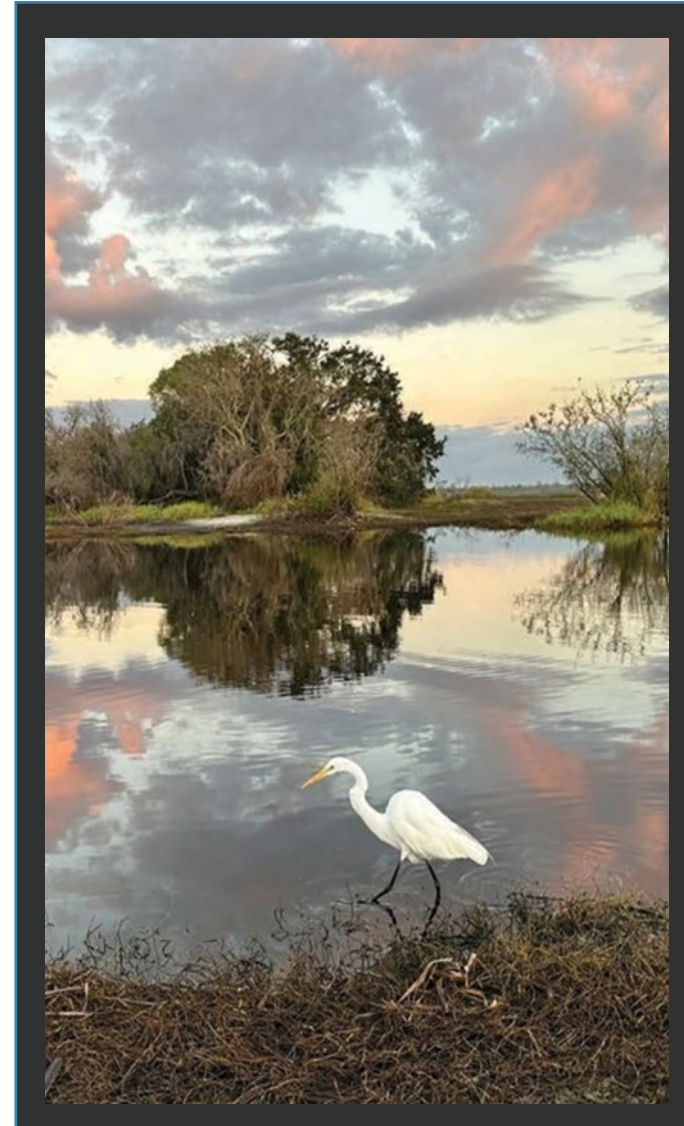




RULE 62-332.350, F.A.C.

WQEA PERMIT APPLICATIONS

- Adds a specific process for WQEA conceptual approval applications and individual permits.
- Requires the owner to provide the following at the time of application:
 - Site-specific information.
 - Modeling.
 - Monitoring and verification plan.
 - Proof of legal or equitable interest in the property.
 - Financial responsibility.
 - Conservation easement.
- Requires the owner to provide reasonable assurance meeting the conditions for permit issuance.





RULE 62-332.400, F.A.C.

ESTABLISHMENT OF CREDITS



- Establishes that identification and initial valuation of credits shall be based on numerical models or analytical tools.
- Requires permit applications to include, at minimum, collection and submittal of:
 - Rainfall data.
 - Anticipated water quality and quantity inflows over a wide range of climatic conditions based on published local data collected over a period of record that most closely matches the rainfall data.
 - Site-specific conditions, proposed best management practices (BMPs) for stormwater treatment, performance criteria of BMPs and anticipated reduction rates.
- Data provided must be from monitoring stations DEP deems sufficient to determine flows and local water quality conditions.



RULE 62-332.500, F.A.C.

LOCATIONAL VALUATION FACTOR

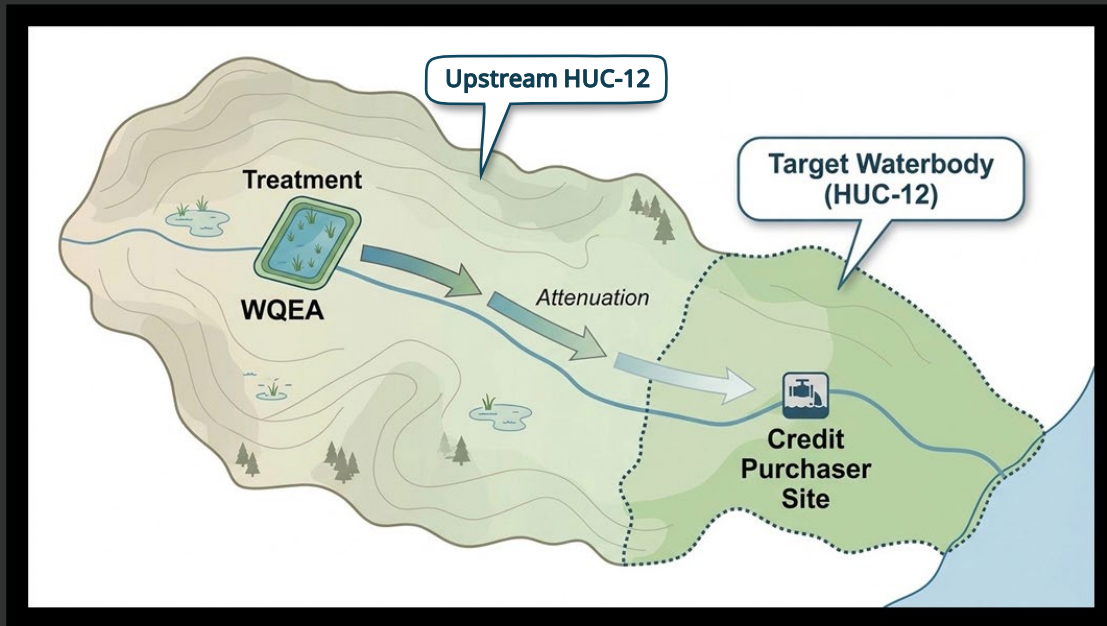


Image generated via Google Gemini AI

- LVF is a numeric adjustment applied to enhancement credits to account for differences in pollutant transport and concentration variability between the WQEA and the credit purchaser's discharge location.
- LVF has two components:
 - **Transport Factor (TF)** – accounts for attenuation between hydrologically connected points.
 - **Variability Factor (VF)** – accounts for concentration variability in the target waterbody (hydrologic unit code [HUC] 12).



RULE 62-332.500, F.A.C. (2)

LVF CALCULATION

FORMULA: $LVF = TF \times VF$.

- $TF = 1 / (1 - \text{Atten}_s)$, where Atten_s is the modeled pollutant attenuation between the WQEA discharge and the purchaser's discharge.
 - If the WQEA's discharge is downstream of the purchaser's project, $TF \geq 2$.
- $VF = 95^{\text{th}}$ percentile concentration/geometric mean concentration within the target waterbody for the pollutant being offset.
 - Period of record $\geq$ five years; if < 20 values, use maximum as the 95^{th} percentile.
 - For nutrients, use annual geometric means.
- Lower bound: if computed $LVF < 1.0$, set $LVF = 1.0$ (LVF never reduces credits below base need).
- Model maintenance: numerical models used for LVF must be updated at least every 10 years until all credits are withdrawn and the WQEA is in perpetual management.

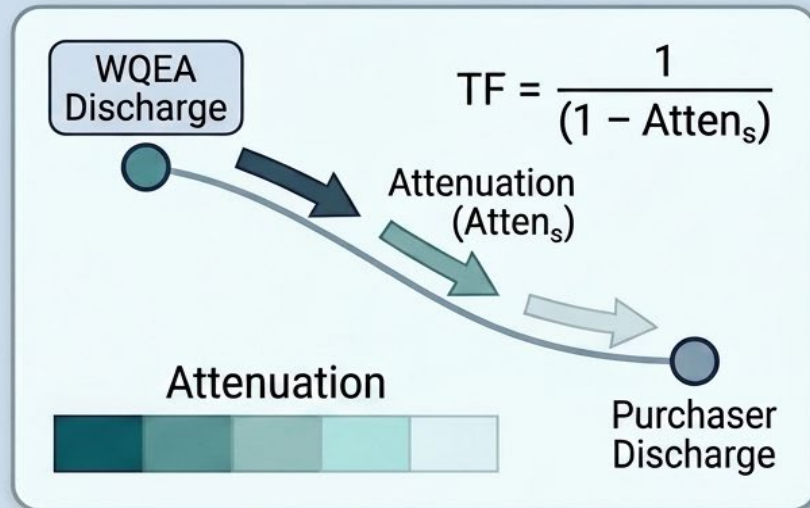


RULE 62-332.500, F.A.C. (3)

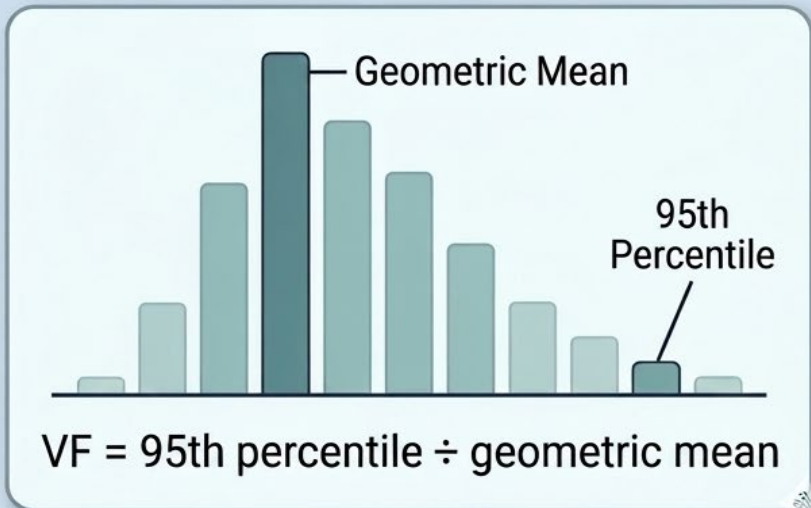
LVF CALCULATION, CONT.

$$LVF = TF \times VF$$

Transport Factor (TF)



Variability Factor (VF)





RULE 62-332.500, F.A.C. (4)

CREDIT CALCULATION

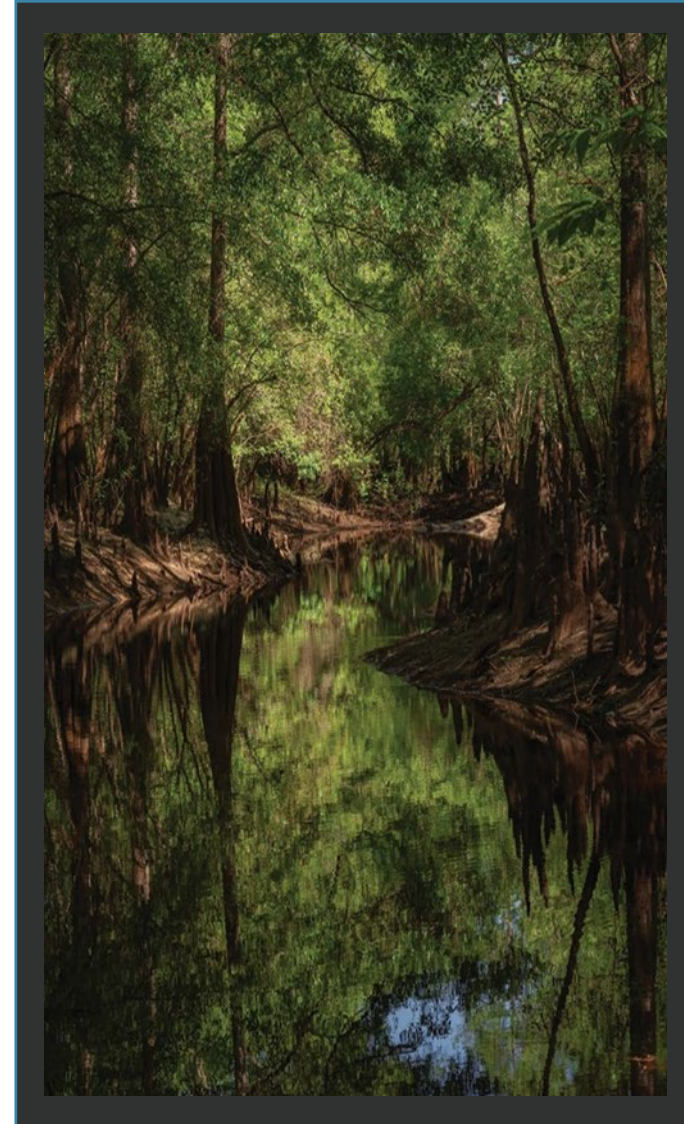
- The permitting agency will adjust the number of credits required using the applicable LVF.
 - Credits required = (annual pollutant removal needed in standard units) × LVF.
 - The LVF may not reduce credits below the base quantity of pollutant removal required.
- The WQEA owner must provide reasonable assurance that credited pollutant load reductions are achieved annually; results will be verified via the monitoring and verification plan.
 - The monitoring and verification plan will be created by the WQEA owner and reviewed and approved by DEP. The plan will outline the process by which load reductions are to be monitored and verified.



RULE 62-332.530, F.A.C.

PERPETUAL PROTECTIONS OF WQEAS

- Requires the placement of a conservation easement over a WQEA property for perpetual protection.
- Requires submission of specific documentation of the real property interest.
 - Includes Phase I Environmental Site Assessment.
- Requires the WQEA owner to:
 - Pay all taxes and costs.
 - Satisfy any liens and encumbrances.
 - Remove all property that adversely affects the WQEA.





RULE 62-332.550, F.A.C.

FINANCIAL RESPONSIBILITIES



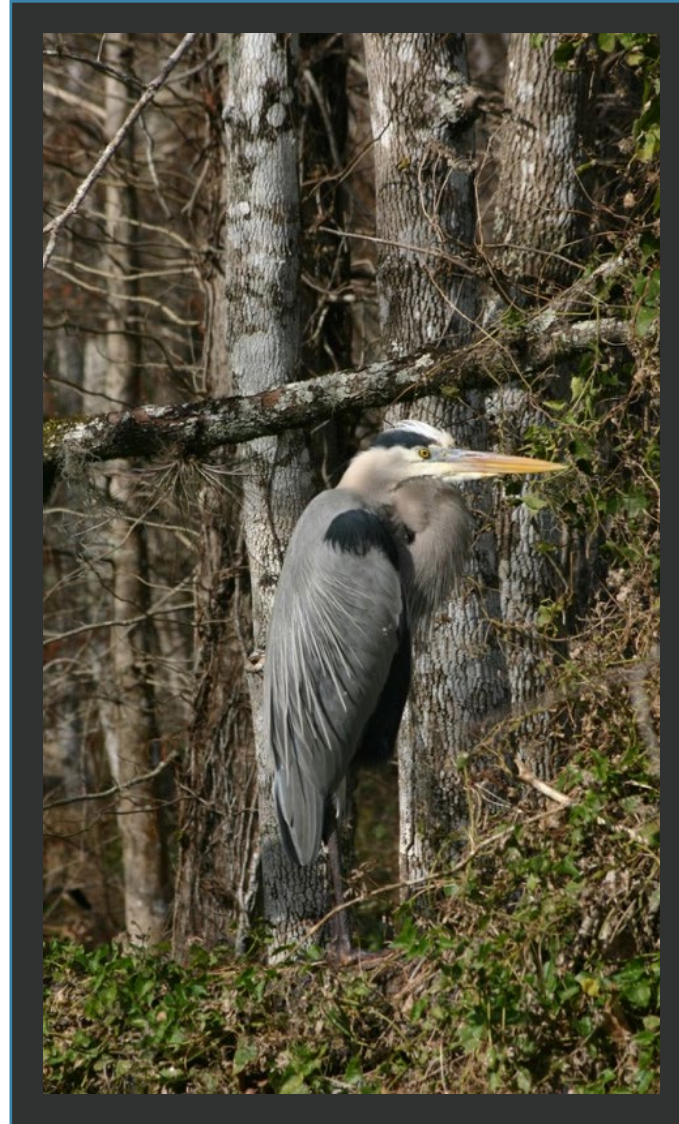
- Establishes financial responsibility for the WQEA.
- Creates financial responsibility mechanisms for the WQEA Operation and Maintenance Phase and the WQEA Perpetual Management Phase.
- Creates new forms and requirements for financial responsibility.
- Investment options match those proposed in the draft mitigation bank rule, Chapter 62-342, F.A.C.
- Requires cost estimates and cost adjustments.



RULE 62-332.600, F.A.C.

CREDIT TRANSACTIONS AND CREDIT USE

- The required number of credits shall be calculated based upon the LVFs.
- Credits may only be used for achieving net improvement, meeting ERP performance standards or for meeting BMAP allocations.
- Reservation letters will be required as part of the ERP application process.
- The reviewing agency shall determine the number of credits and appropriateness of the proposed use.

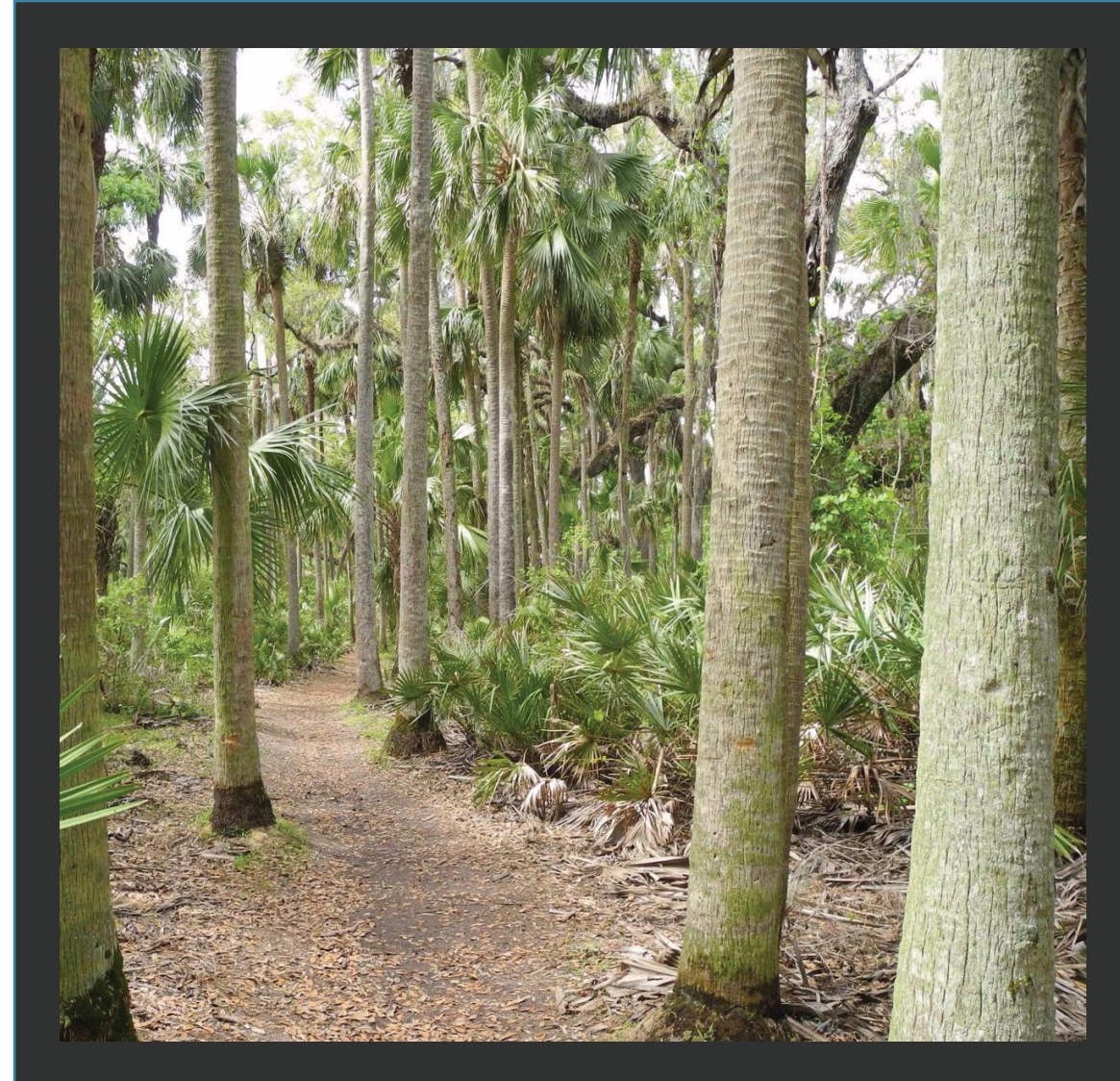




RULE 62-332.700, F.A.C.

ENHANCEMENT CREDIT TRACKING

- Requires DEP to maintain a ledger.
 - Tracking of credits added to the ledger and debits removed from the ledger associated with permits.
 - Credit transactions processed as a no-fee minor modifications.
- Requires WQEA owners to submit a minor modification application within 60 days of full payment associated with a credit purchase required by an issued ERP permit.

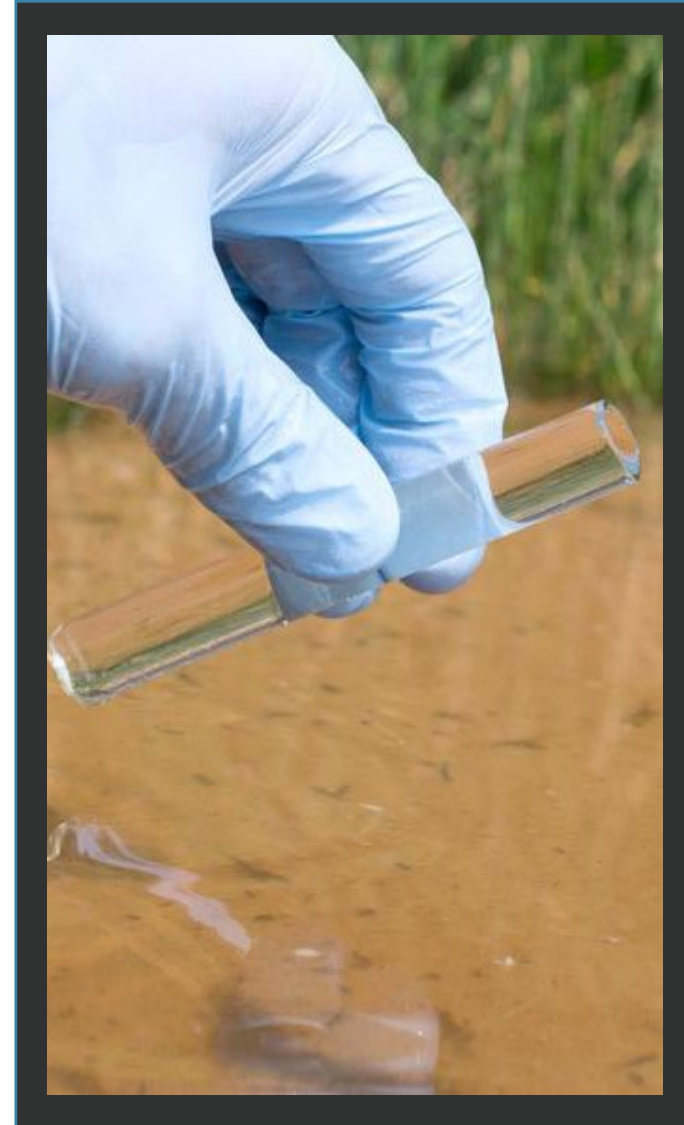




RULE 62-332.800, F.A.C.

CREDIT MONITORING AND VERIFICATION

- Requires the WQEA owner to:
 - Propose a performance and success criteria monitoring and verification plan with protocols specific to the treatment type(s) and site-specific conditions.
 - At a minimum, monitoring should measure the inflow and outflow of water quality, flow and concentration to demonstrate the WQEA's pollutant reductions.
 - Operate and maintain the WQEA in perpetuity.
 - Demonstrate pollutant reductions of no less than the number of credits sold.
 - Pollutant reductions associated with credit use must be maintained in perpetuity, and an owner cannot resell a credit.





RULE 62-332.900, F.A.C.

COMPLIANCE AND ENFORCEMENT

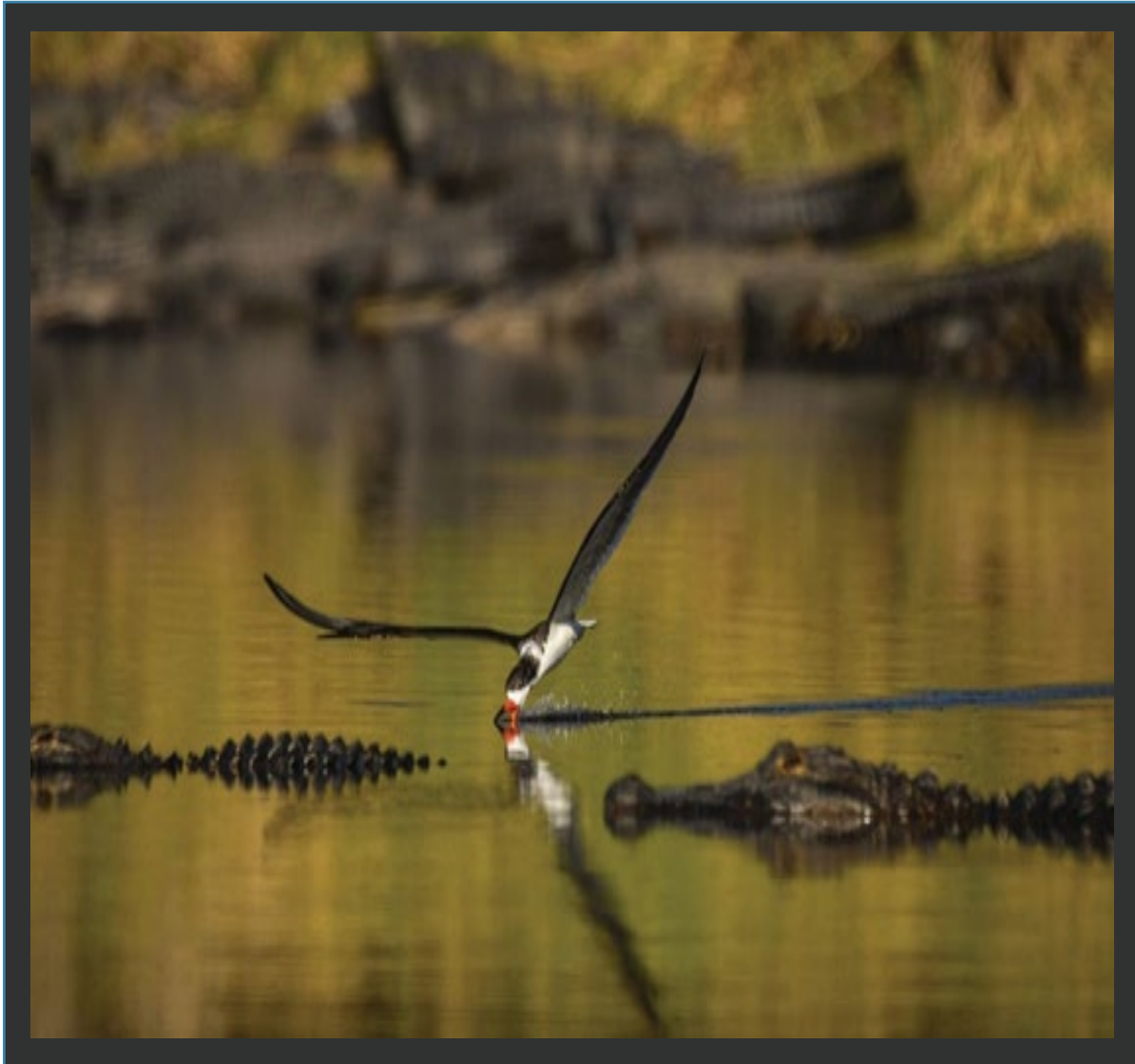


- Requires WQEA owners to:
 - Designate a long-term maintenance entity supported by financial assurance for that entity.
 - Certify and document that the systems are fully operational and maintained.
 - Document pollutant load reductions and report annually.
 - Notify DEP if there are any changes to the WQEA.
 - Maintain all terms of the permit in perpetuity.
- Allows DEP to suspend a WQEA's authorization to sell credits until the WQEA returns to compliance and credits are re-evaluated.
- A credit purchaser's ERP would not be affected should the WQEA fail to achieve its required success criteria.



RULE 62-332.920, F.A.C.

SURRENDER OR TRANSFER OF WQEA PERMIT



- Allows the WQEA owner to apply to surrender the WQEA permit if no credits have been sold.
- If a surface water management system has been constructed or altered within the WQEA, requires the owner to obtain any permits required under Part IV of Chapter 373, F.S., and Chapter 62-330, F.A.C., to operate or abandon the surface water management system.
- Requires that reasonable assurance will need to be demonstrated for transfers to a new owner.



UPDATES TO ADDITIONAL ERP RULES

WQEA SUPPLEMENTAL RULES

CHAPTER 62-4, F.A.C.

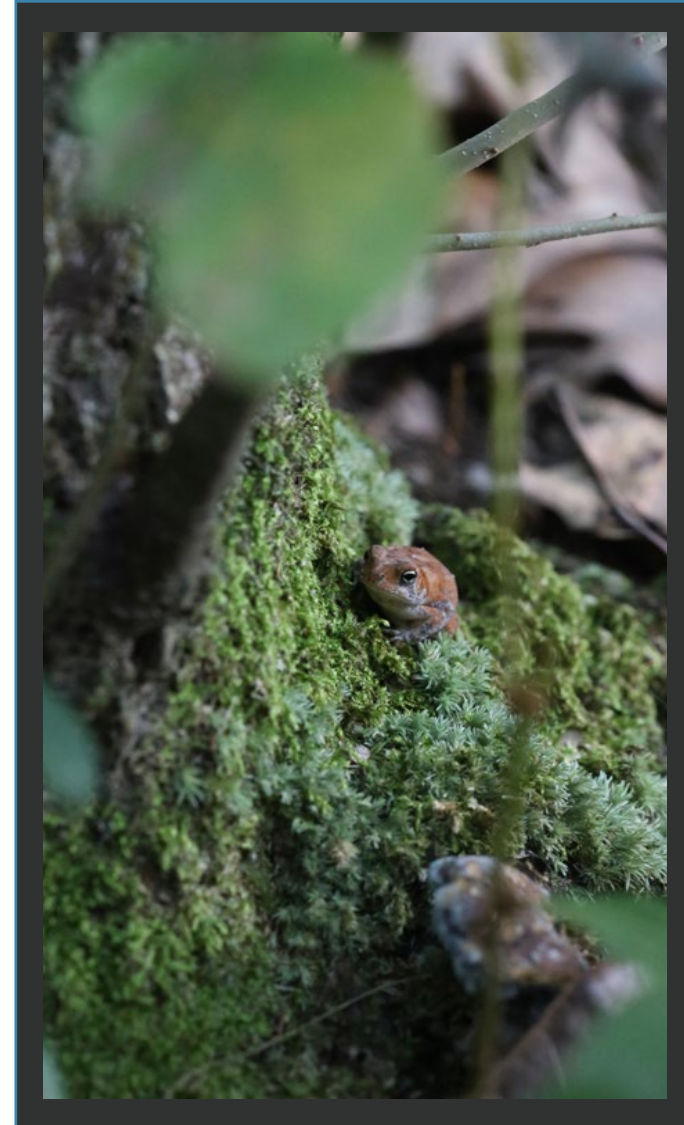
- Includes fee schedule for WQEAs in section 62-4.050(4)(h), F.A.C.

CHAPTER 62-330, F.A.C.

- Reflects that WQEAs are ERPs.
 - Revises ERP, dredge and fill and sovereignty submerged lands authorization application form (62-330.060(1), F.A.C., Section A).
 - Adds new form, "Supplemental Information Required for Water Quality Enhancement Areas" (62-330.060(1), F.A.C., Section J).
 - Adds new conservation easement form for WQEAs (62-330.301(25), F.A.C.).

ERP APPLICANT'S HANDBOOK VOL. I

- Includes WQEAs.
 - Revises section 9.7, "Compensating Stormwater Treatment."





APPLICANTS HANDBOOK VOLUME I

SECTION 9.7.4

SECTION 9.7.4, WATER QUALITY ENHANCEMENT AREAS

- “Water quality enhancement areas (WQEAs) are natural systems constructed, operated, managed, and maintained for the purpose of providing offsite treatment for which enhancement credits may be generated pursuant to a WQEA permit. A WQEA permittee may sell credits to eligible applicants in accordance with the requirements of Chapter 62-332, F.A.C. Enhancement credits are perpetual. WQEA permittees must provide reasonable assurances for the perpetual reduction of pollutants.”
- “WQEA permits are issued as individual permits in accordance with Chapter 62-330, F.A.C., and Chapter 62-332, F.A.C. A permitted WQEA shall not receive any other permits pursuant to other permitting programs issued by any agency without first relinquishing the WQEA permit and mitigating for the loss of any credits already sold.”



CHAPTER 2026-60, LAWS OF FLORIDA

ADDITIONAL RULE REQUIREMENTS



- Becomes effective July 1, 2026.
- WQEA provisions.
 - Provisional permits.
 - HUC 8 service area.
- Regional stormwater management systems provisions.
 - Financial assurances.
- Use of the term “credit.”
- Oct. 1, 2026, deadline.



RULES IN DEVELOPMENT WEBPAGE

- Scan the QR code to visit DEP's "Water Resource Management Rules in Development" webpage for available rule drafts and forms.





PUBLIC COMMENTS AND QUESTIONS



- Additional public comments will be accepted through **Wednesday, June 10, 2026**. ***THREE WEEKS FROM TODAY***
- Please direct all comments and questions to **WQEA_2023@FloridaDEP.gov**



THANK YOU

Timothy Rach

Submerged Lands & Environmental Resources
Coordination

Division of Water Resource Management
Florida Department of Environmental Protection

Contact Information:

850-245-8660

WQEA_2023@FloridaDEP.gov