

Committee on Communications, Energy, And Public Utilities

CS/HB 809 — Communications Services Taxes

by Finance and Tax Committee, and Rep. Grant and others (CS/CS/CS/SB 1060, by Budget Subcommittee on Finance and Tax; Community Affairs; Communications, Energy, and Public Utilities; and Senators Bogdanoff and Lynn)

The bill:

- Allows a dealer of communications services to exclude charges for any good or service that is exempt from the communications services tax, with specified exceptions, so long as those exempt items can be reasonably identified from the selling dealer's books and records;
- Provides that a dealer may be held liable for net aggregate underpayment of the tax, including interest and penalties, which is due as a result of assigning one or more service addresses to an incorrect local taxing jurisdiction if the dealer failed to use one or more of the specified methods for making such assignments and if:
 - the dealer's failure results in a net aggregate underpayment of the local communications services taxes with respect to one or more tax periods that are being examined by the department; and
 - the department has determined the misallocations between jurisdictions for all taxes levied and collected by the dealer with respect to any tax period being examined by the department;
- Creates the Communications Services Tax Working Group within the Department of Revenue to:
 - review national and state tax policies relating to the communications industry;
 - review the historical amount of tax revenue that has been generated by the communications services taxes for the purposes of determining the effect that laws passed in the past 5 years have had on declining revenues;
 - review the extent to which this revenue has been relied on to secure bonded indebtedness;
 - review the fairness of the state's communications tax laws and the administrative burdens it contains, including whether the applicability of the tax laws is reasonably clear to communications services providers, retailers, customers, local government entities and state administrators;
 - identify options for streamlining the administrative system;
 - identify options that remove competitive advantages within the industry as it relates to the state's tax structure without unduly reducing revenue to local governments; and
 - prepare a report addressing these issues and submit it to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 1, 2013.

If approved by the Governor, these provisions take effect July 1, 2012.

Vote: Senate 39-1; House 115-0

Committee on Communications, Energy, And Public Utilities

CS/HB 945 — Broadband Internet Service

by Appropriations Committee, and Rep. Holder and others (CS/SB 1242 by Budget Subcommittee on Transportation, Tourism, and Economic Development Appropriations, and Senators Hays, Lynn, and Sachs)

The bill requires the Department of Management Services (DMS), in consultation with the Department of Economic Opportunity (DEO), to develop and submit to the United States Department of Commerce a request to transfer the federal broadband grant from DMS to DEO. DMS is to provide immediate written notice upon receipt from the United States Department of Commerce of its approval or denial of the request for a transfer of the broadband to the Governor, the President of the Senate, and the Speaker of the House of Representatives of that decision. If the request for transfer is approved, DMS is required to submit a budget amendment for approval by the Legislative Budget Commission to transfer from DMS to DEO the funds necessary to implement the remainder of the bill.

Effective upon approval of the budget amendment, the bill transfers, by type-two transfer, the Broadband Initiative Program from DMS to DEO. It designates DEO to replace DMS as the agency responsible for implementing the state's broadband program, and designates DEO as the single state entity to receive and manage all federal State Broadband Initiative funds. DEO is required to establish a public-private partnership that will collaboratively perform the work of implementing the broadband program. DEO's strategic plan to increase use of broadband Internet service in Florida must be developed with the use of consumer research into residential and business technology utilization data. Broadband mapping must be developed at the census block level of detail.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 40-0; House 97-19

**Committee on Communications, Energy,
And Public Utilities**

HB 4001 — Florida Climate Protection Act

by Representative Plakon and others (SB 648 by Senators Hays, Evers, Fasano, Flores, Benacquisto, Lynn, and Oelrich)

The bill repeals s. 403.44, F.S., known as the Florida Climate Protection Act (act), which authorizes the Department of Environmental Protection (DEP) to adopt rules to create a cap-and-trade regulatory program to reduce greenhouse gas emissions. The act was enacted in 2008, and DEP has not adopted any rules. The bill also deletes a related provision in s. 366.8255, F.S., on the recovery of costs associated with greenhouse gas registries.

If approved by the Governor, these provisions take effect July 1, 2012.

Vote: Senate 31-5; House 82-34

**Committee on Communications, Energy,
And Public Utilities**

HB 7037 — OGSR/Sunshine State One-Call of Florida, Inc.

by Government Operations Subcommittee; and Rep. Roberson, K (CS/SB 844 by Governmental Oversight and Accountability; Communications, Energy, and Public Utilities; and Senator Lynn)

The bill saves from repeal a public records exemption for proprietary confidential information held by Sunshine State One-Call of Florida, Inc., thus ensuring that Sunshine State One-Call of Florida, Inc., can continue to operate the automated call-before-you-dig notification system to more effectively protect underground utility facilities.

If approved by the Governor, these provisions take effect October 1, 2012.

Vote: Senate 39-0; House 116-0

Committee on Communications, Energy, And Public Utilities

CS/CS/HB 7117 — Energy

by State Affairs Committee; Finance and Tax Committee; Energy and Utilities Subcommittee; and Reps. Plakon, Mayfield, and others (CS/CS/CS/SB 2094 by Budget; Agriculture; Communications, Energy, and Public Utilities)

The bill contains provisions on energy efficiency and conservation, renewable electric energy, and renewable and alternative fuels for motor vehicles.

On conservation and efficiency, the bill does the following:

- It appropriates \$250,000 in nonrecurring money for the 2012-2013 fiscal year from the PSC Regulatory Trust Fund for the Public Service Commission (PSC), in consultation with the Department of Agriculture and Consumer Services (DACS), to use to contract for an independent evaluation of the Florida Energy Efficiency and Conservation Act to determine whether it remains in the public interest. (Section 17) The review must consider:
 - The cost to ratepayers;
 - The incentives and disincentives associated with the act's provisions;
 - Whether the programs create benefits without undue burden on the customers; and
 - The models and methods used to determine conservation goals.
- It requires DACS and other specified entities to develop and DACS to maintain a webpage containing cost and benefit information on energy efficiency and conservation measures to educate consumers. (Section 16)
- Finally, the bill authorizes local government to use discretionary sales surtax proceeds to provide funding to residential property owners who make energy efficiency improvements to their residential property if done pursuant to referendum. (Section 3)

On renewable and alternative motor vehicle fuels, the bill does the following.

- It creates a sales tax exemption for equipment used in distribution of biodiesel, ethanol, and other renewable fuels. The cap is \$1 million per state fiscal tax year. The definition of "renewable fuel" includes fuels other than ethanol, such as biobutanol. (Section 4)
- It provides a renewable energy technologies investment tax credit against the corporate income tax based on investment in equipment to be used in production, storage, and distribution of renewable fuels. The cap is \$1 million per corporation and \$10 million total per state fiscal year. The definition of "renewable fuel" includes fuels other than ethanol, such as biobutanol. (Section 6)
- It includes algae in the Department of Agriculture's permitting of nonnative plants so they can be used on a large-scale as foodstocks for renewable fuels. It also allows consideration of experience and research in exempting plants from permitting requirements and in decreasing bonding requirements. (Section 14)
- Finally, it exempts electric vehicle charging stations from regulation by the Public Service Commission. It also provides for DACS rulemaking on sales practices. (Section 11)

On renewable electric energy, the bill does the following:

- It creates a renewable energy production credit against the corporate income tax based on \$0.01 per kilowatt hour of renewable energy produced. The cap is \$1 million per corporation and \$5 million for state fiscal year 2012-2013, which is increased to \$10 million for 2013-2014 through 2016-2017, with provisions for prorating credits if claims exceed the annual cap. (Section 7)
- It also requires DACS to do a forest inventory, which will help determine what biomass is available for these purposes. (Section 15)

DACS is required to annually report an assessment of the utilization of all of the tax incentives. (Section 12)

The bill provides that the renewable fuel standard does not prohibit a retail dealer from selling or offering to sell unblended gasoline and requires DACS to compile a list of retail fuel stations that sell or offer to sell unblended gasoline and provide this information on its website to inform consumers of the options available for unblended gasoline. (Section 13)

If approved by the Governor, these provisions take effect July 1, 2012.

Vote: Senate 38-2; House 113-1