

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1353

Go Green Florida

SPONSOR(S): Mayfield

TIED BILLS: None.

IDEN./SIM. BILLS: SB 2326

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Energy & Utilities Policy Committee		Whittier	Collins
2) Roads, Bridges & Ports Policy Committee			
3) General Government Policy Council			
4) Full Appropriations Council on General Government & Health Care			
5)			

SUMMARY ANALYSIS

The bill creates s. 377.811, F.S., which establishes a Go Green Florida grants and recognition awards program, the purpose of which is to promote the development and implementation of innovative programs and projects that inform citizens how to achieve green standards and implement responsible energy-efficient practices and to recognize innovative efforts to reduce energy consumption and raise awareness of alternative energy-efficient practices. The commission is authorized to request assistance coordinating the activities and implementation of the program with the Volunteer Florida Foundation.

The bill requires that a nine-member advisory panel be established by December 1, 2009, to provide recommendations to the commission for the development and implementation of the grants and awards program and is to meet upon the request of the commission and perform duties as determined by the commission.

The bill creates a Go Green Florida specialty license plate and authorizes the funds generated from the tag fee to be used to fund grants and recognition awards to students, schools, citizens, community organizations, nonprofit and for-profit organizations, businesses, and local governments.

Specialty tags must be specifically authorized by law. Section 320.08053, F.S., establishes requirements that organizations must meet to create a new specialty license plate, including a scientific survey performed by an independent survey firm indicating that 30,000 motor vehicle owners would purchase the proposed plate at the increased cost; long- and short-term marketing plans addressing revenues and expenditures; a \$60,000 application fee; and a request for the particular specialty license plate being sought, describing the proposed specialty license plate in specific terms, including a sample plate that conforms to the specifications set by the Department of Highway Safety and Motor Vehicles (DHSMV) and this chapter, and that is in substantially final form.

According to the DHSMV, the Go Green Florida sponsoring organization submitted its letter of intent prior to May 2, 2008, and met all the necessary requirements. The survey was approved by the University of West Florida and validated by the Auditor General's Office.

The fiscal impact of this bill is approximately \$60,000 to the DHSMV for implementation of the new specialty license plate. The fiscal impact will be offset by the application fee of \$60,000 paid to DHSMV by the sponsoring organization.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives:

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Florida Energy and Climate Commission

The Florida Energy and Climate Commission (FECC or commission) was created by the Legislature in 2008, through HB 7135, to provide a single entity that would develop, coordinate, and implement energy policies for the state. The bill combined a majority of the energy-area duties and responsibilities of the State Energy Office within the Department of Environmental Protection, and the statutory powers, duties and functions, records, personnel, property, and unexpended balances of appropriations, allocations, and other funds for the administration of the Florida Energy Commission into the FECC.

In accordance with s. 377.6015, F.S., the commission is comprised of nine members, seven of which are appointed by the Governor for 3-year terms. The other two positions are to be appointed, one each, by the Commissioner of Agriculture and the Chief Financial Officer (CFO). The Governor is to select from three people nominated by the Florida Public Service Commission Nominating Council (Nominating Council) for each seat on the commission. In addition, the Commissioner of Agriculture and the CFO are each to select from three people nominated by the Nominating Council. The Governor is to select a chair from one of the nine people appointed to the commission.

The commission must meet at least six times a year and a commission member must be an expert in one or more of the following fields:

- Energy,
- Natural resource conservation,
- Economics,
- Engineering,
- Finance,
- Law,
- Transportation and land use,
- Consumer protection,
- State energy policy, or
- Another field which is substantially related to the duties and functions of the commission.

Currently, the FECC administers the following grant programs:

- The Florida Renewable Energy and Energy-Efficient Technologies Grant Program, the purpose of which is to provide renewable energy matching grants for demonstration, commercialization, research, and development projects relating to renewable energy technologies and innovative technologies that significantly increase energy efficiency for vehicles and commercial buildings.¹
- The Florida Green Government Grants Act, the purpose of which is to assist local governments, including municipalities, counties, and school districts, in the development and implementation of programs that achieve green standards.²

Specialty License Plates

Specialty tags must be specifically authorized by law. Section 320.08053, F.S., establishes requirements that organizations must meet to create a new specialty license plate, including a scientific survey performed by an independent survey firm indicating that 30,000 motor vehicle owners would purchase the proposed plate at the increased cost; long- and short-term marketing plans addressing revenues and expenditures; a \$60,000 application fee; and a request for the particular specialty license plate being sought, describing the proposed specialty license plate in specific terms, including a sample plate that conforms to the specifications set by the Department of Highway Safety and Motor Vehicles (DHSMV) and this chapter, and that is in substantially final form.

In 2008, the Legislature passed SB 1992, which included a moratorium on the issuance of specialty plates by DHSMV. The moratorium is effective from October 1, 2008, to July 1, 2011, but contains an exception “for [any] specialty license plate proposal which has submitted a letter of intent to the Department of Highway Safety and Motor Vehicles prior to May 2, 2008.”³

Permanent license plates for government entities are subject to the provisions of s. 320.0655, F.S., which states that, “A permanent license plate shall be issued for any motor vehicle owned or exclusively operated by the state or by any county, municipality, or other governmental entity. All such license plates shall be of a distinctive color, different from that of plates issued under s. 320.06, F.S.”

In accordance with s. 320.0657(2)(a) and (b), F.S., fleet license plates “...shall have the company's name or logo and unit number displayed so that they are readily identifiable.” Fleet plates, “which shall be of a distinctive color, shall have the word “Fleet” appearing at the bottom and the word “Florida” appearing at the top. The plates shall conform in all respects to the provisions of this chapter, except as specified herein.”

The DHSMV does not capture fuel type in motor vehicle database records—conventional gas, diesel, alternative fuel or electric power.⁴

Currently, the state does not have a Go Green Florida license plate not does it have a grants and recognition awards program.

Effect of Proposed Changes

The bill creates s. 377.811, F.S., which establishes a Go Green Florida grants and recognition awards program, the purpose of which is to promote the development and implementation of innovative programs and projects that inform citizens how to achieve green standards and implement responsible energy-efficient practices and to recognize innovative efforts to reduce energy consumption and raise awareness of alternative energy-efficient practices. The Florida Energy and Climate Commission (FECC or commission) is authorized to request assistance coordinating the activities and implementation of the program with the Volunteer Florida Foundation.

¹ See s. 377.804, F.S.

² See s. 377.808, F.S.

³ See 2008-176, L.O.F.

⁴ Department of Highway Safety and Motor Vehicles Analysis of HB 1353, March 5, 2009.

The bill requires that a nine-member advisory panel be established by December 1, 2009, to provide recommendations to the commission for the development and implementation of the grants and awards program and is to meet upon the request of the commission and perform duties as determined by the commission. The panel is to consist of the following:

- One member of the FECC;
- Two representatives of the Coalition for Renewable Energy Resources, Inc.;
- Two representatives of the public who are involved in green practices and responsible energy-efficient practices, to be appointed by the Governor;
- Two representatives of the public who are involved in green practices and responsible energy-efficient practices, to be appointed by the President of the Senate; and
- Two representatives of the public who are involved in green practices and responsible energy-efficient practices, to be appointed by the Speaker of the House of Representatives.

The bill creates a Go Green Florida specialty license plate and authorizes the funds generated from the tag fee to be used to fund grants and recognition awards to students, schools, citizens, community organizations, nonprofit and for-profit organizations, businesses, and local governments.

According to the Department of Highway Safety and Motor Vehicles, the Go Green Florida sponsoring organization submitted its letter of intent prior to May 2, 2008, and met all the necessary requirements. The survey was approved by the University of West Florida and validated by the Auditor General's Office.

Annual use fees collected from the sale of this license plate shall be distributed to the Coalition for Renewable Energy Solutions, Inc. (Coalition). After reimbursement for documented costs expended to establish the plates, the proceeds of the annual use fees will be distributed as follows:

- Five percent shall be used by the Coalition for administrative costs directly associated with the management and distribution of the proceeds.
- Up to 25 percent shall be used by the Coalition for the continuing promotion and marketing of the license plate.
- 70 percent shall be used to fund the grants and awards program pursuant to s. 377.809, F.S., as directed by the FECC.

The bill requires the Florida Energy and Climate Commission to adopt rules to develop and administer the grants and recognition awards program. The rules must accomplish the following:

- Identify funding criteria, categories, limits, amounts, and evaluation procedures for project grants and recognition awards.
- Require that projects receiving funding or recognition accomplish the goals of achieving green standards and responsible energy-efficient practices as established by the commission, including:
 - reducing energy consumption,
 - raising awareness of alternative energy-efficient practices, and
 - rewarding efforts that encourage alternative energy use and reduce the state's carbon footprint and are capable of being shared and replicated with other organizations and communities throughout the state.
- Determine if grant recipients are to be required to provide any level of matching funds with direct project cost sharing or in-kind services.
- Provide for the creation of a Go Green Florida program emblem, decal, or logo that the commission and the Governor may use to recognize citizen and community efforts and achievements.

- Require grant applications and award recommendations to be submitted on appropriate forms, developed and adopted by the commission, with appropriate supporting documentation.
- Require records to be maintained.
- Establish a system to determine the relative priority of grant applications. The system shall consider factors such as:
 - greenhouse gas reductions,
 - energy savings and efficiencies,
 - alternative energy usage,
 - proven technologies,
 - educational impact, and
 - ability to replicate the project.
- Provide for the termination of grants when program requirements are not met.
- Provide for the distribution of information to the public on successful innovative programs and projects throughout the state.

B. SECTION DIRECTORY:

Section 1. Creates s. 377.811, F.S.; directs the Florida Energy and Climate Commission to develop a Go Green Florida grants and recognition awards program.

Section 2. Amends s. 320.08056, F.S., regarding specialty license plates.

Section 3. Amends s. 320.08058, F.S., regarding specialty license plates.

Section 4. Provides an effective date of July 1, 2009.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:	<u>FY 09-10</u>	<u>FY10-11</u>	<u>FY 11-12</u>
Non-Recurring Highway Safety Operating TF: Application Fee	\$60,000 ⁵	\$0	\$0
Total Revenues	\$60,000		
 2. Expenditures:			
Non-Recurring Highway Safety Operating TF: Salaries and Benefits	\$15,000	\$0	\$0
Programming Costs	\$7,600	\$0	\$0
Purchase of License Plates	\$36,900 ⁶	\$0	\$0
Total Expenditures	\$59,500	\$0	\$0

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

⁵ This is the application fee required by s. 320.08053, F.S. These funds cover the administrative costs associated with developing and implementing the specialty license plate.

⁶ A standard startup order is 15,000 plates.

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals who apply for a Go Green Florida license plate will be required to pay a \$25 annual use fee for conventional gas and diesel fuel vehicles, \$20 for alternative fuel and electric vehicles, and \$10 for fleet and government vehicles.⁷ It is impossible to determine how many people will purchase the plates because the sale of this license plate will be based on public interest. Therefore, the aggregate impact to the private sector cannot be determined.

D. FISCAL COMMENTS:

The fiscal impact to the Department of Highway Safety and Motor Vehicles is offset by the statutory application fee of \$60,000, which has been submitted by the Coalition for Renewable Energy Solutions, Inc., for the creation of this specialty license plate. If the specialty license plate is not approved by the Legislature, the application fee shall be refunded.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because the bill does not appear to: require counties or cities to spend funds or take action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill requires the Energy and Climate Commission to adopt rules to develop and administer the grants and recognition awards program. The rules must accomplish the following:

- Identify funding criteria, categories, limits, amounts, and evaluation procedures for project grants and recognition awards.
- Require that projects receiving funding or recognition accomplish the goals of achieving green standards and responsible energy-efficient practices as established by the commission, including:
 - reducing energy consumption,
 - raising awareness of alternative energy-efficient practices, and
 - rewarding efforts that encourage alternative energy use and reduce the state's carbon footprint and are capable of being shared and replicated with other organizations and communities throughout the state.

⁷ Permanent license plates for government entities are subject to the provisions of s. 320.0655, F.S., and are required to have distinctive colors and be different from other license plates. License plates for fleets must conform to the requirements of s. 320.0657(2)(a) and (b), F.S.

- Determine if grant recipients are to be required to provide any level of matching funds with direct project cost sharing or in-kind services.
- Provide for the creation of a Go Green Florida program emblem, decal, or logo that the commission and the Governor may use to recognize citizen and community efforts and achievements.
- Require grant applications and award recommendations to be submitted on appropriate forms, developed and adopted by the commission, with appropriate supporting documentation.
- Require records to be maintained.
- Establish a system to determine the relative priority of grant applications. The system shall consider factors such as
 - greenhouse gas reductions,
 - energy savings and efficiencies,
 - alternative energy usage,
 - proven technologies,
 - educational impact, and
 - ability to replicate the project.
- Provide for the termination of grants when program requirements are not met.
- Provide for the distribution of information to the public on successful innovative programs and projects throughout the state.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Permanent license plates for government entities are subject to the provisions of s. 320.0655, F.S. These types of license plates must conform to the requirements set forth in these sections of law. License plates for fleets must conform to the requirements of s. 320.0657(2)(a) and (b), F.S. It is anticipated that the sponsor will offer an amendment to remove reference to specialty license plates for governmental entities and fleets from the provision.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES