

By the Committee on Finance & Taxation and Representatives  
Albright, Garcia and Fasano

1                                   A bill to be entitled  
2           An act relating to state taxation; providing  
3           for a rebate of state taxes in the form of a  
4           residential electric utility credit; providing  
5           conditions with respect to the credit;  
6           providing for submission of certain information  
7           to the Public Service Commission by utilities  
8           providing residential electric utility service;  
9           providing for calculation of reimbursement  
10          amounts by the commission; providing for  
11          distribution of funds to such utilities;  
12          providing for audits; providing legislative  
13          intent with respect to the credit; directing  
14          the commission to provide certain services;  
15          providing rulemaking authority; providing an  
16          appropriation; providing an effective date.

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18           WHEREAS, there is a surplus of state tax revenues, and  
19           WHEREAS, all Florida households, regardless of income  
20          level, pay taxes to support the activities of the state  
21          government, and

22           WHEREAS, the Legislature has deemed it appropriate to  
23          return surplus state tax revenues paid by the residents of the  
24          State of Florida, NOW, THEREFORE,

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26          Be It Enacted by the Legislature of the State of Florida:

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28           Section 1. Each residential electric utility customer  
29          account of an electric utility, as defined in s. 366.02(2),  
30          Florida Statutes, receiving active residential electric  
31          utility service on August 1, 1999, shall be provided a

1 one-time, nonrecurring rebate. The rebate shall be given in  
2 the form of a \$25 credit, payable from the General Revenue  
3 Fund, on each account's electric utility service billing in  
4 August of 1999. The credit shall be awarded as follows:

5 (1) The Florida Public Service Commission shall direct  
6 each utility to provide the credit on the electric service  
7 account of each residential electric service customer that is  
8 active on August 1, 1999, as provided by this section. The  
9 language to appear on the utility bill shall identify the  
10 credit as a "Florida Tax Rebate." The credit shall be  
11 reflected on the bills for applicable customer accounts  
12 starting on August 1, 1999, and continuing through the  
13 utility's standard billing cycles, said credit being applied  
14 to the bill up to the total amount owed each month for  
15 electric service. When a bill for electric service is less  
16 than the credit, the balance of the credit shall be applied  
17 toward the account in subsequent billing months until the  
18 total credit has been depleted. All undistributed credits  
19 which cannot be distributed, for whatever reason, shall be  
20 accounted for by the utility and returned to the Comptroller  
21 no later than January 1, 2000.

22 (2) Each electric utility providing residential  
23 electric utility service in the state shall, by July 10, 1999,  
24 certify to the Florida Public Service Commission the total  
25 number of residential electric utility accounts active on July  
26 1, 1999.

27 (3) Upon receipt of the certification required by  
28 subsection (2), the commission shall promptly calculate the  
29 amount of funds necessary to reimburse the utilities for the  
30 credits by multiplying 75 percent of the total number of  
31 residential accounts active on July 1, 1999, by \$25. The

1 commission shall also calculate the reasonable utility  
2 computer reprogramming costs necessary to administer the  
3 credit by multiplying 75 percent of the total number of  
4 residential accounts active on July 1, 1999, by the following  
5 rates:  
6 (a) Two dollars for electric utilities providing  
7 residential electric service to fewer than 5,000 residential  
8 accounts on July 1, 1999.  
9 (b) One dollar for electric utilities providing  
10 residential electric service to 5,000 to 10,000 residential  
11 accounts on July 1, 1999.  
12 (c) Forty cents for electric utilities providing  
13 residential electric service to 10,001 to 50,000 residential  
14 accounts on July 1, 1999.  
15 (d) Twenty cents for electric utilities providing  
16 residential electric service to 50,001 to 100,000 residential  
17 accounts on July 1, 1999.  
18 (e) Fifteen cents for electric utilities providing  
19 residential electric service to 100,001 to 300,000 residential  
20 accounts on July 1, 1999.  
21 (f) Five cents for electric utilities providing  
22 residential electric service to 300,001 to 1,500,000  
23 residential accounts on July 1, 1999.  
24 (g) Three cents for electric utilities providing  
25 residential electric service to more than 1,500,000  
26 residential accounts on July 1, 1999.  
27 (4) The commission shall produce a list of the  
28 utilities detailing the necessary funds to provide 75 percent  
29 of the \$25 credit and reprogramming costs. The commission  
30 shall certify this list to the Comptroller, the President of  
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1 the Senate, the Speaker of the House of Representatives, and  
2 the Governor by July 20, 1999.

3 (5) On or before August 1, 1999, the Comptroller shall  
4 distribute funds to each individual electric utility based on  
5 the list submitted by the commission under subsection (4). The  
6 Comptroller shall make appropriate adjustments as funds are  
7 available to ensure an equal credit to each specified electric  
8 utility customer as provided by this section.

9 (6) Each electric utility providing residential  
10 electric utility service in the state shall, by August 10,  
11 1999, recertify to the commission the total number of  
12 residential electric utility accounts active on August 1,  
13 1999.

14 (7) Upon receipt of the certification required by  
15 subsection (6), the commission shall promptly calculate the  
16 amount of funds necessary to reimburse the utilities for the  
17 credits by multiplying the number of residential accounts  
18 active on August 1, 1999, by \$25. The commission shall also  
19 calculate the reasonable utility computer reprogramming costs  
20 necessary to administer the credit by multiplying the number  
21 of residential accounts active on August 1, 1999, by the  
22 following rates:

23 (a) Two dollars for electric utilities providing  
24 residential electric service to fewer than 5,000 residential  
25 accounts on August 1, 1999.

26 (b) One dollar for electric utilities providing  
27 residential electric service to 5,000 to 10,000 residential  
28 accounts on August 1, 1999.

29 (c) Forty cents for electric utilities providing  
30 residential electric service to 10,001 to 50,000 residential  
31 accounts on August 1, 1999.

1       (d) Twenty cents for electric utilities providing  
2 residential electric service to 50,001 to 100,000 residential  
3 accounts on August 1, 1999.

4       (e) Fifteen cents for electric utilities providing  
5 residential electric service to 100,001 to 300,000 residential  
6 accounts on August 1, 1999.

7       (f) Five cents for electric utilities providing  
8 residential electric service to 300,001 to 1,500,000  
9 residential accounts on August 1, 1999.

10       (g) Three cents for electric utilities providing  
11 residential electric service to more than 1,500,000  
12 residential accounts on August 1, 1999.

13       (8) The commission shall produce a list of the  
14 utilities detailing the necessary funds to provide the \$25  
15 credit and reprogramming costs less payments already  
16 distributed under subsection (5). The commission shall certify  
17 this list to the Comptroller, the President of the Senate, the  
18 Speaker of the House of Representatives, and the Governor by  
19 August 20, 1999.

20       (9) On or before September 1, 1999, the Comptroller  
21 shall distribute funds to each individual electric utility  
22 based on the list submitted by the commission under subsection  
23 (8). The Comptroller shall make appropriate adjustments as  
24 funds are available to ensure an equal credit to each  
25 specified electric utility customer as provided by this  
26 section.

27       (10) Upon the request of the Comptroller, the  
28 President of the Senate, the Speaker of the House of  
29 Representatives, or the Governor, the commission shall audit  
30 the number of residential utility accounts filed by any one or  
31 more utilities pursuant to subsection (2) or subsection (6).

1 The cost of any such audit shall be paid for out of the  
2 Florida Public Service Regulatory Trust Fund.

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4 It is the intent of the Legislature that this electric utility  
5 credit represent a rebate of various state taxes paid by  
6 households to the State of Florida. It is also the intent of  
7 the Legislature that this credit not require any increase or  
8 decrease in current utility rates as established on the  
9 effective date of this act. Prior to the application of this  
10 credit, amounts owed by each customer and gross receipts of  
11 electric utilities shall be calculated without regard to the  
12 existence of the credit. As a result, the amounts due from  
13 each customer, including, but not limited to, rates, state and  
14 local taxes, franchise fees, and any other applicable charges,  
15 shall not be affected by the existence of this credit.  
16 Furthermore, gross receipts, for purposes of the gross  
17 receipts tax levied pursuant to s. 203.01, Florida Statutes,  
18 shall not be affected by the existence of this credit.

19 Section 2. The Florida Public Service Commission is  
20 directed to make arrangements for the efficient administration  
21 of this act, including, but not limited to, providing a  
22 toll-free number for customer inquiries, and making  
23 supplemental information available through the Internet.

24 Section 3. The Florida Public Service Commission has  
25 authority to adopt rules pursuant to ss. 120.536(1) and  
26 120.54, Florida Statutes, to implement the provisions of this  
27 act.

28 Section 4. There is hereby appropriated \$177 million  
29 from the General Revenue Fund to be disbursed to Florida  
30 utility companies for a one-time rebate of state taxes by

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1 means of a reduction in customer utility bills as provided by  
2 this act.

3 Section 5. This act shall take effect upon becoming a  
4 law.

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7 HOUSE SUMMARY

8 Provides for a one-time rebate of state taxes in the form  
9 of a \$25 credit, payable from the General Revenue Fund,  
10 on each residential electric utility service billing in  
11 August 1999. Requires submission of information regarding  
12 the number of such accounts by electric utilities to the  
13 Public Service Commission and calculation of  
14 reimbursement amounts by the commission. Provides for  
15 distribution of funds to such utilities. Directs the  
16 commission to make certain information available  
17 regarding the credit. Provides an appropriation.  
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