

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1664

SPONSOR: Transportation Committee and Senator Sebesta

SUBJECT: Alternative Fuels

DATE: February 28, 2002 REVISED: 03/06/02 03/12/02 _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>McAuliffe</u>	<u>Meyer</u>	<u>TR</u>	<u>Favorable/CS</u>
2.	<u>Gee</u>	<u>Voigt</u>	<u>NR</u>	<u>Fav/2 amendments</u>
3.	_____	_____	<u>FT</u>	_____
4.	_____	_____	<u>AGG</u>	_____
5.	_____	_____	<u>AP</u>	_____
6.	_____	_____	_____	_____

I. Summary:

This bill requires the Clean Fuel Florida Advisory Board to report to the Department of Community Affairs, the Governor and the Legislature by January 1, 2003 regarding:

- The impact of emerging transportation technologies on state transportation revenues derived from motor fuel taxes;
- The impact of emerging transportation technologies on transportation infrastructure such as fuel distribution and refueling infrastructure;
- The development of emerging transportation technologies and their potential for impact on this state's investment in transportation.
- The projected costs of an alternative fuel vehicle incentive program.

The Center for Urban Transportation Research is appropriated \$50,000 to assist in the study; the Department of Transportation will also assist in the study to avoid any duplication of effort.

This bill substantially amends section 403.42 of the Florida Statutes.

II. Present Situation:

Section 403.42, F.S., provides for the membership, duties and responsibilities of the Clean Fuel Florida Advisory Board.

The Clean Fuel Florida Advisory Board is established within the Department of Community Affairs and consists of the Secretary of Community Affairs, the Secretary of Environmental Protection, the Commissioner of Education, the Secretary of Transportation, the Commissioner of Agriculture, the Secretary of Management Services, or a designee from those departments,

and a representative of each of the following, who is appointed by the Secretary of Community Affairs:

- The Florida biodiesel industry.
- The Florida electric utility industry.
- The Florida natural gas industry.
- The Florida propane gas industry.
- An automobile manufacturers' association.
- A Florida Clean Cities Coalition designated by the United States Department of Energy.
- Enterprise Florida, Inc.
- EV Ready Broward.
- The Florida petroleum industry.
- The Florida League of Cities.
- The Florida Association of Counties.
- Floridians for Better Transportation.
- A motor vehicle manufacturer.
- Florida Local Environment Resource Agencies.
- Project for an Energy Efficient Florida.
- Florida Transportation Builders Association.

The section provides the purpose of the advisory board is to serve as a resource for the department and to provide the Governor, the Legislature, and the Secretary of Community Affairs with private sector and other public agency perspectives on achieving the goal of increasing the use of alternative fuel vehicles.

Members are appointed to serve terms of 1 year each, with reappointment at the discretion of the Secretary of Community Affairs. The board will terminate June 2004.

The board is charged with reviewing the performance of the state with reference to alternative fuel vehicle implementation in complying with federal laws and maximizing available federal funding. The advisory board was also charged with making recommendations to the Department of Community Affairs for establishing pilot programs in this state that provide experience and support the best use expansion of the alternative fuel vehicle industry.

In addition, the advisory board was required to:

- Assess federal, state, and local initiatives to identify incentives that encourage successful alternative fuel vehicle programs; obstacles to alternative fuel vehicle use including legislative, regulatory, and economic obstacles; and programs that educate and inform the public about alternative fuel vehicles; and
- Determine a reasonable, fair, and equitable way to address current motor fuel taxes as they apply to alternative fuels and at what threshold of market penetration.

Based on its findings, the advisory board was charged with developing recommendations to the Legislature on future alternative fuel vehicle programs and legislative changes that provide the best use of state and other resources to enhance the alternative fuel vehicle market and maximize

the return on that investment in terms of job creation, economic development, and emissions reduction. These recommendations were to be provided within 120 days of the advisory board's initial meeting.

The Florida Center for Urban Transportation Research at the University of South Florida is administered by the Board of Regents and the State University System. The responsibilities of the center include, but are not limited to, conducting and facilitating research on issues related to urban transportation problems and serving as an information exchange and depository for the most current information pertaining to urban transportation and related issues.

III. Effect of Proposed Changes:

The bill deletes the existing requirements for the advisory board's initial recommendations and requires the Clean Fuel Florida Advisory Board to report to the Department of Community Affairs, the Governor and the Legislature by January 1, 2003 regarding:

- The impact of emerging transportation technologies, including, but not limited to, hybrid vehicles, fuel cells, and hydrogen fuels, on state transportation revenues derived from motor fuel taxes as a result of improved fuel efficiencies and increased use of alternative fuels.
- The impact of emerging transportation technologies on transportation infrastructure such as, but not limited to, fuel distribution, refueling infrastructure, and technology and training needs, especially with regard to the pending impact of fuel cell technology on transportation and energy.
- The development of emerging transportation technologies and their potential for impact on the state's investment in transportation.
- The projected costs of an alternative fuel vehicle incentive program.

The Center for Urban Transportation Research is appropriated \$50,000 to assist in the study; the Department of Transportation is required to assist in the study to avoid any duplication of effort.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill appropriates \$50,000 to the Center for Urban Transportation Research, but does not specify a source for the funding. Without a source for the appropriation, it appears that the provision would be inoperative.

VI. Technical Deficiencies:

The bill does not provide a source for the \$50,000 appropriation to the Florida Center for Urban Transportation Research.

VII. Related Issues:

The Clean Fuel Florida Advisory Board was created pursuant to s. 72 of ch. 99-248, L.O.F. This section was unnumbered and, as it relates to environmental matters, was placed in ch. 403, F.S., by the Revisor. For purposes of ch. 403, F.S., “department” means the Department of Environmental Protection. The board, however, is created within the Department of Community Affairs and the reference to “department” on page 2, line 16 appears to be to the Department of Community Affairs. To avoid confusion, the appropriate department should be clarified.

VIII. Amendments:**#1 by Natural Resources:**

Clarifies that the reference to “department” on page 2, line 16 is to the Department of Community Affairs.

#2 by Natural Resources:

Deletes the \$50,000 appropriation for the Center for Urban Transportation Research.
(WITH TITLE AMENDMENT)