

By Senator Sebesta

20-1242-02

1 A bill to be entitled

2 An act relating to alternative fuels; amending

3 s. 206.41, F.S.; providing tax refunds with

4 respect to alternative fuel vehicles; amending

5 s. 206.877, F.S.; abolishing the use of the

6 alternative fuel decal and providing for a tax

7 exemption for a specified period; providing for

8 review of alternative fuel incentives;

9 repealing s. 206.879, F.S., relating to the

10 distribution of proceeds from alternative fuel

11 decals; amending s. 212.08, F.S.; providing a

12 sales tax exemption for alternative fuel

13 vehicles for a specified period; amending s.

14 320.01, F.S.; defining the term "alternative

15 fuel vehicles"; amending s. 403.42, F.S.;

16 revising the responsibilities of the Clean Fuel

17 Florida Advisory Board and providing for its

18 termination; providing an effective date.

19

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

21

22 Section 1. Paragraph (c) of subsection (4) of section

23 206.41, Florida Statutes, is amended to read:

24 206.41 State taxes imposed on motor fuel.--

25 (4)

26 (c)1. Any person who uses any motor fuel for

27 agricultural, aquacultural, or commercial fishing purposes on

28 which fuel the tax imposed by paragraph (1)(e), paragraph

29 (1)(f), or paragraph (1)(g) has been paid is entitled to a

30 refund of such tax.

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1 2. Until October 1, 2004, any person who uses any
2 motor fuel for a hybrid electric vehicle, as defined in s.
3 320.01(42), on which the fuel tax imposed by paragraph (1)(e),
4 paragraph (1)(f), or paragraph (1)(g) has been paid is
5 entitled to a refund of such tax.

6 ~~3.2.~~ For the purposes of this paragraph, "agricultural
7 and aquacultural purposes" means motor fuel used in any
8 tractor, vehicle, or other farm equipment which is used
9 exclusively on a farm or for processing farm products on the
10 farm, and no part of which fuel is used in any vehicle or
11 equipment driven or operated upon the public highways of this
12 state. This restriction does not apply to the movement of a
13 farm vehicle or farm equipment between farms. The transporting
14 of bees by water and the operating of equipment used in the
15 apiary of a beekeeper shall be also deemed an agricultural
16 purpose.

17 ~~4.3.~~ For the purposes of this paragraph, "commercial
18 fishing and aquacultural purposes" means motor fuel used in
19 the operation of boats, vessels, or equipment used exclusively
20 for the taking of fish, crayfish, oysters, shrimp, or sponges
21 from salt or fresh waters under the jurisdiction of the state
22 for resale to the public, and no part of which fuel is used in
23 any vehicle or equipment driven or operated upon the highways
24 of this state; however, the term may in no way be construed to
25 include fuel used for sport or pleasure fishing.

26 Section 2. Section 206.877, Florida Statutes, is
27 amended to read:

28 206.877 Motor vehicles fueled by alternative fuels;
29 tax exemption ~~liquefied petroleum gas or compressed natural~~
30 ~~gas; payment of annual decal fees in lieu of tax.--~~

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1 (1) Until October 1, 2004,the tax imposed by s.
2 206.87 and s. 206.41(1)(e),(f), and (g) ~~do does~~ not apply to
3 motor vehicles licensed in this state pursuant to chapter 320
4 which are classified as powered by alternative fuel vehicles
5 as defined in s. 320.01(45)fuels and for which valid decals
6 have been acquired as provided in this section. The Clean Fuel
7 Florida Advisory Board will review the impact of alternative
8 fuel incentives as provided in s. 403.42.

9 ~~(a) The owners or operators of such vehicles shall, in~~
10 ~~lieu of the excise tax imposed by this part, pay an annual~~
11 ~~decal fee on each such motor vehicle in accordance with the~~
12 ~~following rate schedule:~~

| | | State Fee: | |
|----|-----------------------------------|--|------------------------------|
| | | Fee for each | |
| | | tenth of a | |
| | | cent of tax | Fee for each cent |
| | | imposed by | of tax imposed |
| | | s. 206.87(1)by s. 206.87(1) | |
| 20 | Class Vehicle License Category | (a) and (d)(b) and (c) | |
| 21 | | | |
| 22 | A Vehicles licensed | \$1.10 | \$11 |
| 23 | | | |
| 24 | | | |
| 25 | | | |
| 26 | | | |
| 27 | B Vehicles licensed | \$1.50 | \$15 |
| 28 | | | |
| 29 | | | |
| 30 | | | |
| 31 | | | |

1 ~~e Vehicles licensed \$2.10 \$21~~
2 ~~pursuant to s.~~
3 ~~320.08(4).~~
4
5 ~~(b) A person fueling vehicles from his or her own~~
6 ~~facilities shall, in addition to the state alternative fuel~~
7 ~~fee imposed by this section, pay a local alternative fuel fee~~
8 ~~in lieu of each cent of excise tax levied by a county pursuant~~
9 ~~to s. 206.87(1)(b) and (c). This local fee shall be \$11 for~~
10 ~~each cent of local excise tax on class "A" vehicles, \$15 for~~
11 ~~each cent of local excise tax on class "B" vehicles, and \$21~~
12 ~~for each cent of local excise tax on class "C" vehicles.~~
13 ~~Those persons who do not operate their own fueling facilities~~
14 ~~shall indicate and pay the appropriate local fee for the~~
15 ~~particular county where the vehicles are predominantly used.~~
16 ~~(2)(a) The department shall issue annual decals, which~~
17 ~~shall be valid for the current 12-month period for which they~~
18 ~~are issued and which shall be attached to the upper right~~
19 ~~corners of the front windshields on the motor vehicles for~~
20 ~~which they are issued. However, if a motor vehicle owner~~
21 ~~applies for the decal after March 31, June 30, or September 30~~
22 ~~of any year, he or she shall pay three-fourths, one-half, or~~
23 ~~one-fourth of the fee, respectively.~~
24 ~~(b) A valid identifying decal which has been issued~~
25 ~~for a motor vehicle is transferable for the remainder of the~~
26 ~~issuance period upon change of ownership of the motor vehicle~~
27 ~~if the owner notifies the department of such transfer within~~
28 ~~10 days.~~
29 ~~(3) It is unlawful for any person to operate a motor~~
30 ~~vehicle that is required to have a decal upon the highways of~~
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1 ~~this state without such decal unless the motor vehicle is~~
2 ~~titled outside the state.~~

3 ~~(4) No person shall put, or cause to be put, liquefied~~
4 ~~petroleum gas or compressed natural gas into the fuel supply~~
5 ~~tank of a motor vehicle which is required to have an~~
6 ~~alternative fuel decal unless the vehicle has such a decal~~
7 ~~attached to it as required by this section. Each sale of fuel~~
8 ~~placed into a motor vehicle displaying such a decal shall be~~
9 ~~recorded upon an invoice which includes the decal number, the~~
10 ~~motor vehicle license number, and the number of gallons placed~~
11 ~~into the motor vehicle.~~

12 ~~(5) Any person who violates the provisions of this~~
13 ~~section is guilty of a misdemeanor of the first degree,~~
14 ~~punishable as provided in s. 775.082 or s. 775.083. In~~
15 ~~addition, any person who is liable for fueling a vehicle which~~
16 ~~does not have the proper decal affixed is subject to the~~
17 ~~provisions of this section and the provisions of s. 206.94.~~

18 ~~(6) Persons, except those who purchase liquefied~~
19 ~~petroleum gas or compressed natural gas for resale, who only~~
20 ~~own or operate motor vehicles displaying an alternative fuel~~
21 ~~decal are not subject to the excise tax licensing and~~
22 ~~reporting requirements under this part.~~

23 ~~(7) The department is empowered to promulgate rules,~~
24 ~~establish procedures for the audit of persons affected by this~~
25 ~~section, impose assessments for delinquent fees, require the~~
26 ~~keeping of any records or books, and prescribe and publish~~
27 ~~forms as may be necessary to administer the fee imposed by~~
28 ~~this section.~~

29 ~~(8) The excise tax provided by s. 206.87 applies to~~
30 ~~purchases of alternative fuels by operators of vehicles~~

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1 ~~licensed in other states and other vehicles which do not have~~
2 ~~the proper decals pursuant to this section.~~

3 ~~(9) A state or local governmental agency is not~~
4 ~~required to obtain a decal and pay the annual decal fee~~
5 ~~imposed by this section for a motor vehicle which it operates~~
6 ~~which is powered by alternative fuel. The excise tax imposed~~
7 ~~by s. 206.87 does not apply to purchases of alternative fuel~~
8 ~~for such vehicles.~~

9 Section 3. Section 206.879, Florida Statutes, is
10 repealed.

11 Section 4. Paragraph (fff) is added to subsection (7)
12 of section 212.08, Florida Statutes, to read:

13 212.08 Sales, rental, use, consumption, distribution,
14 and storage tax; specified exemptions.--The sale at retail,
15 the rental, the use, the consumption, the distribution, and
16 the storage to be used or consumed in this state of the
17 following are hereby specifically exempt from the tax imposed
18 by this chapter.

19 (7) MISCELLANEOUS EXEMPTIONS.--

20 (fff) Alternative fuel vehicles.--Also exempt from the
21 tax imposed by this chapter are alternative fuel vehicles as
22 defined in s. 320.01(45). This exemption remains in effect
23 until October 1, 2004.

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25 Exemptions provided to any entity by this subsection shall not
26 inure to any transaction otherwise taxable under this chapter
27 when payment is made by a representative or employee of such
28 entity by any means, including, but not limited to, cash,
29 check, or credit card even when that representative or
30 employee is subsequently reimbursed by such entity.

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1 Section 5. Subsection (45) is added to section 320.01,
2 Florida Statutes, to read:

3 320.01 Definitions, general.--As used in the Florida
4 Statutes, except as otherwise provided, the term:

5 (45) "Alternative fuel vehicle" means:

6 (a) A dedicated alternative fuel vehicle designed to
7 use only one specific alternative fuel, including electricity,
8 solar energy, liquefied petroleum gas, natural gas, or
9 hydrogen.

10 (b) A fuel cell vehicle for which the primary source
11 of motive power is generated from an on-board fuel cell.

12 (c) A low-speed vehicle as defined in s. 320.01(42).

13 (d) Hybrid electric vehicles that draw propulsion
14 energy from onboard sources of stored energy which are both an
15 internal combustion or heat engine using combustible fuel and
16 a rechargeable energy storage system which, for 2002 and later
17 model vehicles, has received a certificate of conformity under
18 the Clean Air Act and meets or exceeds the equivalent
19 qualifying California low-emission vehicle standard under
20 section 243(e)(2) of the Clean Air Act for that make and model
21 year.

22 Section 6. Subsection (3) of section 403.42, Florida
23 Statutes, is amended to read:

24 403.42 Florida Clean Fuel Act.--

25 (3) CLEAN FUEL FLORIDA ADVISORY BOARD ESTABLISHED;
26 MEMBERSHIP; DUTIES AND RESPONSIBILITIES.--

27 (a) The Clean Fuel Florida Advisory Board is
28 established within the Department of Community Affairs.

29 (b)1. The advisory board shall consist of the
30 Secretary of Community Affairs, or a designee from that
31 department, the Secretary of Environmental Protection, or a

1 designee from that department, the Commissioner of Education,
2 or a designee from that department, the Secretary of
3 Transportation, or a designee from that department, the
4 Commissioner of Agriculture, or a designee from the Department
5 of Agriculture and Consumer Services, the Secretary of
6 Management Services, or a designee from that department, and a
7 representative of each of the following, who shall be
8 appointed by the Secretary of Community Affairs within 30 days
9 after the effective date of this act:

- 10 a. The Florida biodiesel industry.
- 11 b. The Florida electric utility industry.
- 12 c. The Florida natural gas industry.
- 13 d. The Florida propane gas industry.
- 14 e. An automobile manufacturers' association.
- 15 f. A Florida Clean Cities Coalition designated by the
16 United States Department of Energy.
- 17 g. Enterprise Florida, Inc.
- 18 h. EV Ready Broward.
- 19 i. The Florida petroleum industry.
- 20 j. The Florida League of Cities.
- 21 k. The Florida Association of Counties.
- 22 l. Floridians for Better Transportation.
- 23 m. A motor vehicle manufacturer.
- 24 n. Florida Local Environment Resource Agencies.
- 25 o. Project for an Energy Efficient Florida.
- 26 p. Florida Transportation Builders Association.
- 27 2. The purpose of the advisory board is to serve as a
28 resource for the department and to provide the Governor, the
29 Legislature, and the Secretary of Community Affairs with
30 private sector and other public agency perspectives on
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1 achieving the goal of increasing the use of alternative fuel
2 vehicles in this state.

3 3. Members shall be appointed to serve terms of 1 year
4 each, with reappointment at the discretion of the Secretary of
5 Community Affairs. Vacancies shall be filled for the remainder
6 of the unexpired term in the same manner as the original
7 appointment.

8 4. The board shall annually select a chairperson.

9 5.a. The board shall meet at least once each quarter
10 or more often at the call of the chairperson or the Secretary
11 of Community Affairs.

12 b. Meetings are exempt from the notice requirements of
13 chapter 120, and sufficient notice shall be given to afford
14 interested persons reasonable notice under the circumstances.

15 6. Members of the board are entitled to travel
16 expenses while engaged in the performance of board duties.

17 7. The board shall terminate on July 1, 2005 ~~5 years~~
18 ~~after the effective date of this act.~~

19 (c) The board shall review the performance of the
20 state with reference to alternative fuel vehicle
21 implementation in complying with federal laws and maximizing
22 available federal funding and may:

23 1. Advise the Governor, Legislature, and the Secretary
24 of Community Affairs and make recommendations regarding
25 implementation and use of alternative fuel vehicles in this
26 state.

27 2. Identify potential improvements in this act and the
28 state's alternative fuel policies.

29 3. Request from all state agencies any information the
30 board determines relevant to board duties.

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1 4. Regularly report to the Secretary of Community
2 Affairs, the Governor, the President of the Senate, and the
3 Speaker of the House of Representatives regarding the board's
4 findings and recommendations.

5 (d)~~1~~. The advisory board shall, by January 1, 2003
6 ~~within 120 days after its first meeting~~, make recommendations
7 to the Department of Community Affairs, the Governor, and the
8 Legislature regarding:

9 1. The impact of emerging transportation technologies,
10 including, but not limited to, hybrid vehicles, fuel cells,
11 and hydrogen fuels, on state transportation revenues derived
12 from motor fuel taxes as a result of improved fuel
13 efficiencies and increased use of alternative fuels.

14 2. The impact of emerging transportation technologies
15 on transportation infrastructure such as, but not limited to,
16 fuel distribution, refueling infrastructure, and technology
17 and training needs, especially with regard to the pending
18 impact of fuel cell technology on transportation and energy.

19 3. The development of emerging transportation
20 technologies and their potential for impact on this state's
21 investment in transportation.

22 (e) The advisory committee must annually evaluate the
23 costs and projected costs of the alternative fuel vehicle
24 incentive program, and must, by January 1, 2004, make
25 recommendations concerning the need to sunset or extend
26 incentives for alternative fuel vehicles. ~~for establishing~~
27 ~~pilot programs in this state that provide experience and~~
28 ~~support the best use expansion of the alternative fuel vehicle~~
29 ~~industry in this state. No funds shall be released for a~~
30 ~~project unless there is at least a 50-percent private or local~~
31 ~~match.~~

1 ~~2. In addition to the pilot programs, the advisory~~
2 ~~board shall assess federal, state, and local initiatives to~~
3 ~~identify incentives that encourage successful alternative fuel~~
4 ~~vehicle programs; obstacles to alternative fuel vehicle use~~
5 ~~including legislative, regulatory, and economic obstacles; and~~
6 ~~programs that educate and inform the public about alternative~~
7 ~~fuel vehicles.~~

8 ~~3. The advisory board is charged with determining a~~
9 ~~reasonable, fair, and equitable way to address current motor~~
10 ~~fuel taxes as they apply to alternative fuels and at what~~
11 ~~threshold of market penetration.~~

12 ~~4. Based on its findings, the advisory board shall~~
13 ~~develop recommendations to the Legislature on future~~
14 ~~alternative fuel vehicle programs and legislative changes that~~
15 ~~provide the best use of state and other resources to enhance~~
16 ~~the alternative fuel vehicle market in this state and maximize~~
17 ~~the return on that investment in terms of job creation,~~
18 ~~economic development, and emissions reduction.~~

19 ~~(e) The advisory board, working with the Department of~~
20 ~~Community Affairs, shall develop a budget for the department's~~
21 ~~approval, and all expenditures shall be approved by the~~
22 ~~department. At the conclusion of the first year, the~~
23 ~~department shall conduct an audit of the board and board~~
24 ~~programs.~~

25 Section 7. This act shall take effect July 1, 2002.

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SENATE SUMMARY

Provides for a refund of fuel taxes for alternative fuel vehicles for a specified period. Abolishes the use of the alternative fuel decal and provides a tax exemption until October 1, 2004. Provides for a review of alternative fuel incentives. Repeals s. 206.979, F.S., relating to the distribution of the proceeds from alternative fuel decals. Provides a sales tax exemption for alternative fuel vehicles until October 1, 2004. Defines the term "alternative fuel vehicles." Revises the responsibilities of the Clean Fuel Florida Advisory Board and provides for its termination on July 1, 2005.