

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/CS/SB 1316
SPONSOR: Natural Resources Committee, Communication and Public Utilities Committee & Senator Bennett
SUBJECT: Renewable Energy
DATE: March 23, 2004 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Wiehle</u>	<u>Caldwell</u>	<u>CU</u>	<u>Favorable/CS</u>
2.	<u>Branning</u>	<u>Kiger</u>	<u>NR</u>	<u>Favorable/CS</u>
3.	_____	_____	<u>GO</u>	_____
4.	_____	_____	<u>ATD</u>	_____
5.	_____	_____	<u>AP</u>	_____
6.	_____	_____	_____	_____

I. Summary:

The bill creates the Florida Alternative Energy Technology Center, Inc.; provides for its organization, purpose, and duties; and appropriates \$500,000 to fund the center. The bill also transfers the state energy program from the Department of Community Affairs to the Department of Environmental Protection.

The bill creates an as yet unnumbered section of the Florida Statutes.

II. Present Situation:

There is no entity like the Florida Alternative Energy Technology Center. Related research is conducted by state universities and by the Florida Solar Energy Center. The state energy program, provided for in s. 377.703, F.S., coordinates federal energy programs, promotes energy conservation in all energy use sectors throughout the state, and coordinates energy-related programs of state government.

On June 20, 2003 the state energy program was informally transferred from the Department of Community Affairs to the Department of Environmental Protection.

III. Effect of Proposed Changes:

Section 1. Creates the Florida Alternative Energy Technology Center, Inc., as a not-for-profit corporation. "Alternative energy technology" is defined to include, but is not limited to: hydrogen fuel; fuel cells; distributed generation; biodiesel and similar synthetic fuels; thermo-depolymerization; biomass; agricultural products and byproducts; municipal solid waste, including landfill injection and landfill mining; landfill gas; solar thermal and solar photovoltaic

energy; ocean energy, including wave or thermal; energy conservation, including appliance efficiency standards; distributed generation; enhancements to transmission of electricity, including advanced transmission lines; and environmental standards.

The Center is to be the principal alternative energy technology organization for the state and is to provide leadership for research and development on the production of, improvements in, or use of alternative energy technology in Florida. It is to have the following duties:

- establish a unified approach to research, development, and use of alternative energy technology, with the cooperation of the Governor, the Legislature, the Energy Office, the Statewide Board of Governors of the State University System, the Public Service Commission, and relevant businesses in the private sector;
- assist the Florida universities and the private sector in determining areas on which to focus research in alternative energy technology and to assist in coordinating research projects among the universities and relevant private sector entities;
- promote the state as a location for businesses having operations related to alternative energy technologies in cooperation with Enterprise Florida, Inc., and the state Energy Office;
- assist universities, other state entities, and private companies in raising funds from all available resources including federal, state, local, and private, for research and development concerning alternative energy technology and for projects which utilize alternative energy technology in Florida;
- collect and maintain information relating to: funding sources (public and private), research conducted or needed, and alternative energy technology businesses considering operations in Florida;
- make policy recommendations to Legislature, Governor, and state agencies and subdivisions.

Additionally, the Center may conduct research when the particular research is not or cannot be done by a state university, and allows the Center to involve universities or private companies in the research.

In performing these duties, the Center is required to ensure maximum benefit to the state. As part thereof, the Center shall establish strategic priorities consistent with certain findings to guide funding allocations and ensure the best use of available resources.

The Center's board of directors includes the following members:

- A representative from the Energy Office;
- The President of Enterprise Florida;
- A representative from the Statewide Board of Governors of the State University System, selected by the members of that board;
- A representative selected by the Florida public utilities. The term for this board member shall be two years, with a new representative selected at the end of that time;
- A representative selected by the Florida municipal electric utilities and rural electric cooperatives. The term for this board member shall be two years, with a new representative selected at the end of that time.

- A representative selected by the President of the Senate who is a board member or executive officer of a business that is located in Florida and that does not have any business interests relating to energy who can provide guidance as to locating and operating a business in this state. The term for this board member shall be two years, with a new representative selected at the end of that time.
- A representative selected by the Speaker of the House of Representatives who is a board member or executive officer of a business that is located in Florida and that does not have any business interests relating to energy who can provide guidance as to locating and operating a business in this state. The term for this board member shall be two years, with a new representative selected at the end of that time.
- A representative selected by the Governor from an environmental group who is informed about energy matters of the state. The term for this board member shall be 2 years, with a new representative selected at the end of that time.

Vacancies on the board must be filled in the same manner as the original appointment. Vacancies shall be filled for the remainder of the unexpired term, where applicable.

The board must select a chairperson biennially, upon appointment of all new members. Also, the board must meet at least four times each year, upon the call of the chairperson, or at the request of a majority of the membership.

Members of the board serve without compensation, but members, the president, and staff may be reimbursed for all reasonable, necessary, and actual expenses.

Each member of the board who is not otherwise required to file a financial disclosure statement must file such a disclosure statement as required pursuant to s. 112.3145, F.S.

The powers and duties of the board are specified.

Distributions shall be made to the corporation from the Florida Electric Energy Trust Fund under a contract between the Public Service Commission and the corporation, including any funding that is directed by the Legislature to be paid to a specific recipient.

By December 1 each year, the corporation must submit an annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairman of the Statewide Board of Governors. The report must include a description of the Center's activities and accomplishments; an annual financial accounting by an independent certified public accountant; a statement of its strategic priorities and their use in guiding resource allocations; and any recommendations the Center has for action by the Legislature or by the agencies of state, county or municipal governments to foster development or use of alternative energy technology.

Section 2. Appropriates \$500,000 from General Revenue to the Office of the Governor to fund the activities of the Center for FY 2004-2005.

Section 3. Statutorily transfers the state energy program from the Department of Community Affairs to the Department of Environmental Protection.

Section 4. Provides that the bill takes effect upon becoming a law.

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 \$500,000 from General Revenue to the Office of the Governor to fund the activities of the Florida Alternative Energy Technology Center.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.