

1 A bill to be entitled
2 An act relating to economic incentives for energy
3 initiatives; amending s. 377.601, F.S.; revising
4 legislative intent relating to the state's energy policy;
5 amending s. 377.703, F.S.; conforming cross-references;
6 creating s. 366.90, F.S.; providing legislative intent
7 relating to renewable energy production of electricity;
8 amending s. 366.91, F.S.; deleting legislative intent
9 provisions to conform to changes made by the act; revising
10 the definitions of the terms "biomass" and "renewable
11 energy"; amending s. 366.92, F.S.; deleting the
12 legislative intent provisions; deleting and revising
13 definitions; deleting provisions for the renewable
14 portfolio standard and renewable energy credits; providing
15 a mechanism for providers to recover costs to produce or
16 purchase specified amounts of renewable energy through the
17 environmental cost-recovery clause under certain
18 conditions; requiring providers to include specified
19 information related to renewable energy development in a
20 certain report; authorizing a developer of solar energy
21 generation to locate a solar energy generation facility on
22 the premises of a host consumer under certain
23 circumstances; requiring the commission to adopt rules and
24 submit reports to the Legislature; exempting the expansion
25 of existing renewable energy electric generating
26 facilities from requirements for a determination of need
27 under certain circumstances; establishing the Agriculture
28 and Clean Energy Economic Development Pilot Project;

29 providing that certain electric energy be considered
30 renewable energy under the pilot project; amending s.
31 403.44, F.S.; revising legislative intent for the Florida
32 Climate Protection Act; prohibiting the Department of
33 Environmental Protection from adopting a cap-and-trade
34 regulatory program or otherwise regulating carbon
35 emissions in the state; amending s. 366.8255, F.S.;
36 conforming a provision to changes made by the act;
37 amending s. 403.503, F.S.; revising the definition of
38 "electrical power plant" for purposes of the Florida
39 Electrical Power Plant Siting Act; amending ss. 288.9602
40 and 288.9603, F.S.; revising legislative findings and
41 declarations and definitions for purposes of the Florida
42 Development Finance Corporation Act; amending s. 288.9604,
43 F.S.; revising requirements for the establishment and
44 organization of the Florida Development Finance
45 Corporation; amending s. 288.9605, F.S.; revising the
46 powers of the corporation; amending s. 288.9606, F.S.;
47 revising requirements for the corporation's issuance of
48 revenue bonds; amending s. 288.9607, F.S.; limiting the
49 corporation's approval of guaranties for debt service for
50 bonds or other indebtedness for any one capital project;
51 deleting provisions for the corporation's investment of
52 certain funds in the State Transportation Trust Fund;
53 authorizing guarantees to be used in conjunction with
54 federal guaranty programs; amending s. 288.9608, F.S.;
55 creating the Energy, Technology, and Economic Development
56 Guaranty Fund; providing for the deposit and use of

57 | certain moneys in the fund; deleting requirements for the
 58 | corporation's debt service reserve account and Revenue
 59 | Bond Guaranty Reserve Account; amending ss. 288.9609,
 60 | 288.9610, 206.46, 215.47, 339.08, and 339.135, F.S.;
 61 | conforming provisions to changes made by the act;
 62 | providing legislative findings; requiring the Department
 63 | of Community Affairs and the Office of Tourism, Trade, and
 64 | Economic Development, in consultation with the Florida
 65 | Energy and Climate Commission, to submit recommendations
 66 | to the Governor and Legislature relating to the Energy
 67 | Economic Zone Pilot Program; requiring coordination with
 68 | the pilot communities and clean technology industries in
 69 | identifying certain incentives and strategies; providing
 70 | for severability; providing a directive to the Division of
 71 | Statutory Revision; providing an effective date.

72 |
 73 | Be It Enacted by the Legislature of the State of Florida:

74 |
 75 | Section 1. Section 377.601, Florida Statutes, is amended
 76 | to read:

77 | 377.601 Legislative intent.—

78 | (1) The purpose of the state's energy policy is to ensure
 79 | an adequate and reliable supply of energy for the state in a
 80 | manner that promotes the health and welfare of the public,
 81 | promotes sustainable economic growth, and minimizes and
 82 | mitigates any adverse impacts. The Legislature intends that
 83 | governance of the state's energy policy be efficiently directed
 84 | toward achieving this purpose. ~~The Legislature finds that the~~

85 ~~state's energy security can be increased by lessening dependence~~
86 ~~on foreign oil; that the impacts of global climate change can be~~
87 ~~reduced through the reduction of greenhouse gas emissions; and~~
88 ~~that the implementation of alternative energy technologies can~~
89 ~~be a source of new jobs and employment opportunities for many~~
90 ~~Floridians. The Legislature further finds that the state is~~
91 ~~positioned at the front line against potential impacts of global~~
92 ~~climate change. Human and economic costs of those impacts can be~~
93 ~~averted by global actions and, where necessary, adapted to by a~~
94 ~~concerted effort to make Florida's communities more resilient~~
95 ~~and less vulnerable to these impacts. In focusing the~~
96 ~~government's policy and efforts to benefit and protect our~~
97 ~~state, its citizens, and its resources, the Legislature believes~~
98 ~~that a single government entity with a specific focus on energy~~
99 ~~and climate change is both desirable and advantageous. Further,~~
100 ~~the Legislature finds that energy infrastructure provides the~~
101 ~~foundation for secure and reliable access to the energy supplies~~
102 ~~and services on which Florida depends. Therefore, there is~~
103 ~~significant value to Florida consumers that comes from~~
104 ~~investment in Florida's energy infrastructure that increases~~
105 ~~system reliability, enhances energy independence and~~
106 ~~diversification, stabilizes energy costs, and reduces greenhouse~~
107 ~~gas emissions.~~

108 (2) In furtherance of this purpose, the state's energy
109 policy shall be implemented through effective, efficient, and
110 reliable governance and shall be guided by the following goals
111 in order of their priority:

112 (a) Ensuring an affordable energy supply.

- 113 (b) Ensuring adequate supply and capacity.
- 114 (c) Ensuring a secure and reliable energy supply.
- 115 (d) Minimizing energy cost volatility.
- 116 (e) Minimizing the negative impacts of energy production
 117 on the state's environment, social fabric, and the public health
 118 and welfare.
- 119 (f) Maximizing economic synergies for the state associated
 120 with its energy policy.
- 121 (g) Reducing the net export of energy expenditures.
- 122 (3) It is further the policy of the state ~~of Florida~~ to:
- 123 (a) Develop and promote the effective use of energy in the
 124 state, discourage all forms of energy waste, and recognize and
 125 address the potential of global climate change wherever
 126 possible.
- 127 (b) Play a leading role in developing and instituting
 128 energy management programs aimed at promoting energy
 129 conservation, energy security, and the reduction of greenhouse
 130 gas emissions.
- 131 (c) Include energy considerations in all state, regional,
 132 and local planning.
- 133 (d) Utilize and manage effectively energy resources used
 134 within state agencies.
- 135 (e) Encourage local governments to include energy
 136 considerations in all planning and to support their work in
 137 promoting energy management programs.
- 138 (f) Include the full participation of citizens in the
 139 development and implementation of energy programs.
- 140 (g) Consider in its decisions the energy needs of each

141 economic sector, including residential, industrial, commercial,
 142 agricultural, and governmental uses, and reduce those needs
 143 whenever possible.

144 (h) Promote energy education and the public dissemination
 145 of information on energy and its environmental, economic, and
 146 social impact.

147 (i) Encourage the research, development, demonstration,
 148 and application of alternative energy resources, particularly
 149 renewable energy resources.

150 (j) Consider, in its decisionmaking, the social, economic,
 151 and environmental impacts of energy-related activities,
 152 including the whole-life-cycle impacts of any potential energy
 153 use choices, so that detrimental effects of these activities are
 154 understood and minimized.

155 (k) Develop and maintain energy emergency preparedness
 156 plans to minimize the effects of an energy shortage within
 157 Florida.

158 Section 2. Subsection (1) and paragraph (f) of subsection
 159 (2) of section 377.703, Florida Statutes, is amended to read:

160 377.703 Additional functions of the Florida Energy and
 161 Climate Commission.—

162 (1) LEGISLATIVE INTENT.—Recognizing that energy supply and
 163 demand questions have become a major area of concern to the
 164 state which must be dealt with by effective and well-coordinated
 165 state action, it is the intent of the Legislature to promote the
 166 efficient, effective, and economical management of energy
 167 problems, centralize energy coordination responsibilities,
 168 pinpoint responsibility for conducting energy programs, and

169 ensure the accountability of state agencies for the
170 implementation of s. 377.601~~(2)~~, the state energy policy. It is
171 the specific intent of the Legislature that nothing in this act
172 shall in any way change the powers, duties, and responsibilities
173 assigned by the Florida Electrical Power Plant Siting Act, part
174 II of chapter 403, or the powers, duties, and responsibilities
175 of the Florida Public Service Commission.

176 (2) FLORIDA ENERGY AND CLIMATE COMMISSION; DUTIES.—The
177 commission shall perform the following functions consistent with
178 the development of a state energy policy:

179 (f) The commission shall submit an annual report to the
180 Governor and the Legislature reflecting its activities and
181 making recommendations of policies for improvement of the
182 state's response to energy supply and demand and its effect on
183 the health, safety, and welfare of the people of Florida. The
184 report shall include a report from the Florida Public Service
185 Commission on electricity and natural gas and information on
186 energy conservation programs conducted and underway in the past
187 year and shall include recommendations for energy conservation
188 programs for the state, including, but not limited to, the
189 following factors:

190 1. Formulation of specific recommendations for improvement
191 in the efficiency of energy utilization in governmental,
192 residential, commercial, industrial, and transportation sectors.

193 2. Collection and dissemination of information relating to
194 energy conservation.

195 3. Development and conduct of educational and training
196 programs relating to energy conservation.

197 4. An analysis of the ways in which state agencies are
 198 seeking to implement s. 377.601~~(2)~~, the state energy policy, and
 199 recommendations for better fulfilling this policy.

200 Section 3. Section 366.90, Florida Statutes, is created to
 201 read:

202 366.90 Renewable energy for electricity production.—In
 203 furtherance of the energy policy goals established in s.
 204 377.601, the Legislature finds that it is in the public interest
 205 to promote the development of renewable energy resources in the
 206 state, for purposes of electricity production, through the
 207 mechanisms established in ss. 366.91 and 366.92. The Legislature
 208 further finds that renewable energy resources have the potential
 209 to help diversify fuel types to alleviate the state's growing
 210 dependence on natural gas and other fossil fuels for the
 211 production of electricity, minimize the volatility of fuel
 212 costs, encourage investment within the state, improve
 213 environmental conditions, and make the state a leader in new and
 214 innovative technologies.

215 Section 4. Subsection (1) and paragraphs (a) and (d) of
 216 subsection (2) of section 366.91, Florida Statutes, are amended,
 217 and subsections (2) through (8) of that section are renumbered
 218 as subsections (1) through (7), respectively, to read:

219 366.91 Renewable energy.—

220 ~~(1) The Legislature finds that it is in the public~~
 221 ~~interest to promote the development of renewable energy~~
 222 ~~resources in this state. Renewable energy resources have the~~
 223 ~~potential to help diversify fuel types to meet Florida's growing~~
 224 ~~dependency on natural gas for electric production, minimize the~~

225 ~~volatility of fuel costs, encourage investment within the state,~~
 226 ~~improve environmental conditions, and make Florida a leader in~~
 227 ~~new and innovative technologies.~~

228 ~~(1)~~(2) As used in this section, the term:

229 (a) "Biomass" means a power source that is comprised of,
 230 but not limited to, combustible residues or gases from forest
 231 products manufacturing, waste, byproducts, or products from
 232 agricultural and orchard crops, waste or coproducts from
 233 livestock and poultry operations, waste or byproducts from food
 234 processing, recycling byproducts, urban wood waste, municipal
 235 solid waste, municipal liquid waste treatment operations, and
 236 landfill gas.

237 (d) "Renewable energy" means electrical energy produced
 238 from a method that uses one or more of the following fuels or
 239 energy sources: hydrogen produced from sources other than fossil
 240 fuels, biomass, solar energy, geothermal energy, wind energy,
 241 ocean energy, and hydroelectric power. The term includes the
 242 alternative energy resource, waste heat, from sulfuric acid
 243 manufacturing operations and electrical energy produced using
 244 pipeline-quality synthetic gas produced from waste petroleum
 245 coke with carbon capture and sequestration.

246 Section 5. Section 366.92, Florida Statutes, is amended to
 247 read:

248 366.92 Florida renewable energy policy.—

249 ~~(1) It is the intent of the Legislature to promote the~~
 250 ~~development of renewable energy; protect the economic viability~~
 251 ~~of Florida's existing renewable energy facilities; diversify the~~
 252 ~~types of fuel used to generate electricity in Florida; lessen~~

253 ~~Florida's dependence on natural gas and fuel oil for the~~
 254 ~~production of electricity; minimize the volatility of fuel~~
 255 ~~costs; encourage investment within the state; improve~~
 256 ~~environmental conditions; and, at the same time, minimize the~~
 257 ~~costs of power supply to electric utilities and their customers.~~

258 (1)~~(2)~~ As used in this section, the term:

259 ~~(a) "Florida renewable energy resources" means renewable~~
 260 ~~energy, as defined in s. 377.803, that is produced in Florida.~~

261 ~~(a)~~~~(b)~~ "Provider" means a "utility" as defined in s.
 262 366.8255(1) (a) .

263 (b)~~(e)~~ "Renewable energy" means renewable energy as
 264 defined in s. 366.91~~(2)~~~~(d)~~ that is produced in the state.

265 ~~(d) "Renewable energy credit" or "REC" means a product~~
 266 ~~that represents the unbundled, separable, renewable attribute of~~
 267 ~~renewable energy produced in Florida and is equivalent to 1~~
 268 ~~megawatt-hour of electricity generated by a source of renewable~~
 269 ~~energy located in Florida.~~

270 ~~(e) "Renewable portfolio standard" or "RPS" means the~~
 271 ~~minimum percentage of total annual retail electricity sales by a~~
 272 ~~provider to consumers in Florida that shall be supplied by~~
 273 ~~renewable energy produced in Florida.~~

274 ~~(3) The commission shall adopt rules for a renewable~~
 275 ~~portfolio standard requiring each provider to supply renewable~~
 276 ~~energy to its customers directly, by procuring, or through~~
 277 ~~renewable energy credits. In developing the RPS rule, the~~
 278 ~~commission shall consult the Department of Environmental~~
 279 ~~Protection and the Florida Energy and Climate Commission. The~~
 280 ~~rule shall not be implemented until ratified by the Legislature.~~

281 ~~The commission shall present a draft rule for legislative~~
 282 ~~consideration by February 1, 2009.~~

283 ~~(a) In developing the rule, the commission shall evaluate~~
 284 ~~the current and forecasted levelized cost in cents per kilowatt~~
 285 ~~hour through 2020 and current and forecasted installed capacity~~
 286 ~~in kilowatts for each renewable energy generation method through~~
 287 ~~2020.~~

288 ~~(b) The commission's rule:~~

289 ~~1. Shall include methods of managing the cost of~~
 290 ~~compliance with the renewable portfolio standard, whether~~
 291 ~~through direct supply or procurement of renewable power or~~
 292 ~~through the purchase of renewable energy credits. The commission~~
 293 ~~shall have rulemaking authority for providing annual cost~~
 294 ~~recovery and incentive-based adjustments to authorized rates of~~
 295 ~~return on common equity to providers to incentivize renewable~~
 296 ~~energy. Notwithstanding s. 366.91(3) and (4), upon the~~
 297 ~~ratification of the rules developed pursuant to this subsection,~~
 298 ~~the commission may approve projects and power sales agreements~~
 299 ~~with renewable power producers and the sale of renewable energy~~
 300 ~~credits needed to comply with the renewable portfolio standard.~~
 301 ~~In the event of any conflict, this subparagraph shall supersede~~
 302 ~~s. 366.91(3) and (4). However, nothing in this section shall~~
 303 ~~alter the obligation of each public utility to continuously~~
 304 ~~offer a purchase contract to producers of renewable energy.~~

305 ~~2. Shall provide for appropriate compliance measures and~~
 306 ~~the conditions under which noncompliance shall be excused due to~~
 307 ~~a determination by the commission that the supply of renewable~~
 308 ~~energy or renewable energy credits was not adequate to satisfy~~

309 ~~the demand for such energy or that the cost of securing~~
310 ~~renewable energy or renewable energy credits was cost~~
311 ~~prohibitive.~~

312 ~~3. May provide added weight to energy provided by wind and~~
313 ~~solar photovoltaic over other forms of renewable energy, whether~~
314 ~~directly supplied or procured or indirectly obtained through the~~
315 ~~purchase of renewable energy credits.~~

316 ~~4. Shall determine an appropriate period of time for which~~
317 ~~renewable energy credits may be used for purposes of compliance~~
318 ~~with the renewable portfolio standard.~~

319 ~~5. Shall provide for monitoring of compliance with and~~
320 ~~enforcement of the requirements of this section.~~

321 ~~6. Shall ensure that energy credited toward compliance~~
322 ~~with the requirements of this section is not credited toward any~~
323 ~~other purpose.~~

324 ~~7. Shall include procedures to track and account for~~
325 ~~renewable energy credits, including ownership of renewable~~
326 ~~energy credits that are derived from a customer-owned renewable~~
327 ~~energy facility as a result of any action by a customer of an~~
328 ~~electric power supplier that is independent of a program~~
329 ~~sponsored by the electric power supplier.~~

330 ~~8. Shall provide for the conditions and options for the~~
331 ~~repeal or alteration of the rule in the event that new~~
332 ~~provisions of federal law supplant or conflict with the rule.~~

333 ~~(c) Beginning on April 1 of the year following final~~
334 ~~adoption of the commission's renewable portfolio standard rule,~~
335 ~~each provider shall submit a report to the commission describing~~
336 ~~the steps that have been taken in the previous year and the~~

337 ~~steps that will be taken in the future to add renewable energy~~
338 ~~to the provider's energy supply portfolio. The report shall~~
339 ~~state whether the provider was in compliance with the renewable~~
340 ~~portfolio standard during the previous year and how it will~~
341 ~~comply with the renewable portfolio standard in the upcoming~~
342 ~~year.~~

343 (2)(4) Subject to the provisions of this subsection ~~In~~
344 ~~order to demonstrate the feasibility and viability of clean~~
345 ~~energy systems,~~ the commission shall provide for full cost
346 recovery under the environmental cost-recovery clause of all
347 reasonable and prudent costs incurred by a provider to produce
348 or purchase for renewable energy for purposes of supplying
349 electrical energy to its retail customers ~~projects that are zero~~
350 ~~greenhouse gas emitting at the point of generation, up to a~~
351 ~~total of 110 megawatts statewide, and for which the provider has~~
352 ~~secured necessary land, zoning permits, and transmission rights~~
353 ~~within the state. Such costs shall be deemed reasonable and~~
354 ~~prudent for purposes of cost recovery so long as the provider~~
355 ~~has used reasonable and customary industry practices in the~~
356 ~~design, procurement, and construction of the project in a cost-~~
357 ~~effective manner appropriate to the location of the facility.~~
358 ~~The provider shall report to the commission as part of the cost-~~
359 ~~recovery proceedings the construction costs, in-service costs,~~
360 ~~operating and maintenance costs, hourly energy production of the~~
361 ~~renewable energy project, and any other information deemed~~
362 ~~relevant by the commission. Any provider constructing a clean~~
363 ~~energy facility pursuant to this section shall file for cost~~
364 ~~recovery no later than July 1, 2009.~~

365 (a) A provider may petition the commission through July 1,
366 2015, for recovery of costs to produce or purchase renewable
367 energy, subject to the cost cap in paragraph (c). The provider
368 has sole discretion to determine the type and technology of the
369 renewable energy resource that it intends to use. However, at
370 least 20 percent of the total nameplate capacity for which a
371 provider is permitted to recover costs in any calendar year
372 under this subsection must be produced or purchased from
373 renewable energy resources other than solar energy. In addition,
374 at least 5 percent of the total energy produced from solar
375 energy resources for which a provider is permitted to recover
376 costs in any calendar year under this subsection must be from
377 customer-owned renewable generation as defined in s. 366.91 from
378 facilities that do not exceed 2 megawatts in capacity. A
379 provider must file with the commission, no later than when the
380 provider files a petition for cost recovery under this
381 subsection, a schedule of planned production and purchases for
382 the calendar year in which cost recovery is requested. If any
383 portion of the capacity required from nonsolar renewable energy
384 resources is committed but, for reasons found by the commission
385 to be beyond the control of the provider, is not available
386 during the calendar year for which cost recovery is requested,
387 the provider may continue to recover costs to produce or
388 purchase renewable energy from solar energy resources if the
389 provider continues in good faith to pursue the production or
390 purchase of renewable energy from nonsolar resources. The
391 provider has sole discretion to determine whether to construct
392 new renewable energy generating facilities, convert existing

393 fossil fuel generating facilities to renewable energy generating
394 facilities, or contract for the purchase of renewable energy
395 from third-party generating facilities in the state.

396 (b) In addition to the full cost recovery for such
397 renewable energy projects, a return on equity of at least 50
398 basis points above the top of the range of the provider's last
399 authorized rate of return on equity approved by the commission
400 for energy projects shall be approved and provided for such
401 renewable energy projects if a majority value of the energy-
402 producing components incorporated into such projects are
403 manufactured or assembled in the state.

404 (c) For the production or purchase of renewable energy
405 under this subsection, a provider may recover costs up to and in
406 excess of its full avoided cost, as defined in s. 366.051 and
407 approved by the commission, if the recovery of costs in excess
408 of the provider's full avoided cost does not exceed, at any
409 time, 2 percent of the provider's total revenues from the retail
410 sale of electricity for calendar year 2009. For purposes of cost
411 recovery under this subsection, costs shall be computed using a
412 methodology that, for a renewable energy generating facility,
413 averages the revenue requirements of the facility over its
414 economic life and, for a renewable energy purchase, averages the
415 revenue requirements of the purchase over the life of the
416 contract.

417 (d) Cost recovery under this subsection is limited to new
418 construction or conversion projects for which construction is
419 commenced on or after July 1, 2010, and to purchases made on or
420 after that date. To be eligible for cost recovery under this

421 subsection, combustion technologies must demonstrate overall
422 thermal efficiencies of more than 33 percent. All renewable
423 energy projects for which costs are approved by the commission
424 for recovery through the environmental cost recovery clause
425 before July 1, 2010, are not subject to or included in the
426 calculation of the cost cap.

427 (e) The costs incurred by a provider to produce or
428 purchase renewable energy under this subsection are deemed to be
429 prudent for purposes of cost recovery if the provider uses
430 reasonable and customary industry practices in the design,
431 procurement, and construction of the project in a cost-effective
432 manner for the type of renewable energy resource and appropriate
433 to the location of the facility. Costs incurred by a provider to
434 construct a new facility for the production of renewable energy
435 under this subsection are deemed prudent for purposes of cost
436 recovery if the life-cycle cost of the new facility does not
437 exceed 75 percent of the life-cycle cost of any facility of the
438 same type and technology that has been constructed by a
439 nongovernmental entity in the state in the 24 months preceding
440 the filing of a petition under this subsection.

441 (f) Subject to the cost cap in paragraph (c), the
442 commission shall allow a provider to recover the costs
443 associated with the production or purchase of renewable energy
444 under this subsection as follows:

445 1. For new renewable energy generating facilities, the
446 commission shall allow recovery of reasonable and prudent costs,
447 including, but not limited to, the siting, licensing,
448 engineering, design, permitting, construction, operation, and

449 maintenance of such facilities, including any applicable taxes
450 and a return based on the provider's last authorized rate of
451 return.

452 2. For conversion of existing fossil fuel generating
453 facilities to renewable energy generating facilities, the
454 commission shall allow recovery of reasonable and prudent
455 conversion costs, including the costs of retirement of the
456 fossil fuel plant that exceed any amounts accrued by the
457 provider for such purposes through rates previously set by the
458 commission.

459 3. For purchase of renewable energy from third-party
460 generating facilities in the state, the commission shall allow
461 recovery of reasonable and prudent costs associated with the
462 purchase. Any petition for approval of a purchased power
463 agreement for renewable energy that is filed with the commission
464 before April 2, 2010, and remains pending on the effective date
465 of this act shall be considered by the commission to have been
466 filed in accordance with, and shall be subject to the provisions
467 of, this subsection, except that, before January 1, 2011, the
468 provider is not required to file with the commission a schedule
469 of planned production and purchases pursuant to paragraph (a).

470 (g) In a proceeding to recover costs incurred under this
471 subsection, a provider must provide the commission all cost
472 information, hourly energy production information, and other
473 information deemed relevant by the commission with respect to
474 each project.

475 (h) When a provider purchases renewable energy under this
476 subsection at a cost in excess of its full avoided cost, the

477 seller must surrender to the provider all renewable attributes
478 of the renewable energy purchased.

479 (i) Revenues derived from any renewable energy credit,
480 carbon credit, or other mechanism that attributes value to the
481 production of renewable energy, either existing or hereafter
482 devised, received by a provider by virtue of the production or
483 purchase of renewable energy for which cost recovery is approved
484 under this subsection shall be shared with the provider's
485 ratepayers such that the ratepayers are credited at least 75
486 percent of such revenues. However, the provider is not required
487 to share with its ratepayers any value derived from credits
488 received by the provider by virtue of the purchase of renewable
489 energy from a third-party generating facility in the state that
490 does not exceed 2 megawatts in capacity and that is not a
491 regulated utility or its unregulated affiliate.

492 (j) Section 403.519 does not apply to a renewable energy
493 generating facility constructed or converted from an existing
494 fossil fuel generating facility under this subsection, and the
495 commission is not required to submit a report for such a project
496 under s. 403.507(4)(a).

497 (3) Each provider shall, in its 10-year site plan
498 submitted to the commission pursuant to s. 186.801, provide the
499 following information:

500 (a) The amount of renewable energy resources the provider
501 produces or purchases.

502 (b) The amount of renewable energy resources the provider
503 plans to produce or purchase over the 10-year planning horizon
504 and the means by which such production or purchases will be

505 achieved.

506 (c) A statement indicating how the production and purchase
507 of renewable energy resources impact the provider's present and
508 future capacity and energy needs.

509 (4)(5) Each municipal electric utility and rural electric
510 cooperative shall develop standards for the promotion,
511 encouragement, and expansion of the use of renewable energy
512 resources and energy conservation and efficiency measures. On or
513 before April 1, 2009, and annually thereafter, each municipal
514 electric utility and electric cooperative shall submit to the
515 commission a report that identifies such standards.

516 (5)(6) Nothing in This section and any action taken under
517 this section may not shall be construed to impede or impair the
518 terms and conditions of, or serve as a basis for renegotiating
519 or repricing, an existing contract contracts.

520 (6) In order to further promote renewable energy, any
521 expansion of an existing renewable energy electric generating
522 facility, subject to a total of up to 200 net megawatts
523 statewide, for which a site certification application is filed
524 before January 1, 2011, and which is owned by a local government
525 entity, does not require a determination of need pursuant to s.
526 403.519.

527 (7) There is created the Agriculture and Clean Energy
528 Economic Development Pilot Project. In order to promote economic
529 development in the agriculture community by demonstrating the
530 viability of clean energy farming, any energy purchased by a
531 municipal electric utility or a rural electric cooperative from
532 a new electric generating facility with a minimum system

533 efficiency of 75 percent that utilizes waste heat and carbon for
 534 the purpose of growing agriculture in greenhouse facilities
 535 shall be considered renewable energy for up to 65 megawatts for
 536 a single pilot project.

537 ~~(8)(7)~~ The commission may adopt rules to administer and
 538 implement the provisions of this section.

539 Section 6. Section 403.44, Florida Statutes, is amended to
 540 read:

541 403.44 Florida Climate Protection Act.—

542 (1) The Legislature finds that it is in the best interest
 543 of the state to address carbon emissions through comprehensive
 544 national or international measures and that it is contrary to
 545 the economic and environmental well-being of the state to pursue
 546 or authorize carbon emissions regulation. The Legislature
 547 further finds that carbon emissions regulation by the state is
 548 inconsistent with the goals of developing an affordable,
 549 adequate, and reliable supply of energy document, to the
 550 ~~greatest extent practicable, greenhouse gas emissions and to~~
 551 ~~pursue a market-based emissions abatement program, such as cap~~
 552 ~~and trade, to address greenhouse gas emissions reductions.~~

553 ~~(2) As used in this section, the term:~~

554 ~~(a) "Allowance" means a credit issued by the department~~
 555 ~~through allotments or auction which represents an authorization~~
 556 ~~to emit specific amounts of greenhouse gases, as further defined~~
 557 ~~in department rule.~~

558 ~~(b) "Cap and trade" or "emissions trading" means an~~
 559 ~~administrative approach used to control pollution by providing a~~
 560 ~~limit on total allowable emissions, providing for allowances to~~

561 ~~emit pollutants, and providing for the transfer of the~~
562 ~~allowances among pollutant sources as a means of compliance with~~
563 ~~emission limits.~~

564 ~~(c) "Greenhouse gas" or "GHG" means carbon dioxide,~~
565 ~~methane, nitrous oxide, and fluorinated gases such as~~
566 ~~hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.~~

567 ~~(d) "Leakage" means the offset of emission abatement that~~
568 ~~is achieved in one location subject to emission control~~
569 ~~regulation by increased emissions in unregulated locations.~~

570 ~~(e) "Major emitter" means an electric utility regulated~~
571 ~~under this chapter.~~

572 ~~(3) A major emitter shall be required to use The Climate~~
573 ~~Registry for purposes of emission registration and reporting.~~

574 ~~(4) The department shall establish the methodologies,~~
575 ~~reporting periods, and reporting systems that shall be used when~~
576 ~~major emitters report to The Climate Registry. The department~~
577 ~~may require the use of quality assured data from continuous~~
578 ~~emissions monitoring systems.~~

579 ~~(2)(5) The department may not adopt rules for a cap-and-~~
580 ~~trade regulatory program or otherwise regulate carbon to reduce~~
581 ~~greenhouse gas emissions in this state from major emitters. When~~
582 ~~developing the rules, the department shall consult with the~~
583 ~~Florida Energy and Climate Commission and the Florida Public~~
584 ~~Service Commission and may consult with the Governor's Action~~
585 ~~Team for Energy and Climate Change. The department shall not~~
586 ~~adopt rules until after January 1, 2010. The rules shall not~~
587 ~~become effective until ratified by the Legislature.~~

588 ~~(6) The rules of the cap and trade regulatory program~~

589 ~~shall include, but are not limited to:~~

590 ~~(a) A statewide limit or cap on the amount of greenhouse~~

591 ~~gases emitted by major emitters.~~

592 ~~(b) Methods, requirements, and conditions for allocating~~

593 ~~the cap among major emitters.~~

594 ~~(c) Methods, requirements, and conditions for emissions~~

595 ~~allowances and the process for issuing emissions allowances.~~

596 ~~(d) The relationship between allowances and the specific~~

597 ~~amounts of greenhouse gas emissions they represent.~~

598 ~~(e) The length of allowance periods and the time over~~

599 ~~which entities must account for emissions and surrender~~

600 ~~allowances equal to emissions.~~

601 ~~(f) The timeline of allowances from the initiation of the~~

602 ~~program through to 2050.~~

603 ~~(g) A process for the trade of allowances between major~~

604 ~~emitters, including a registry, tracking, or accounting system~~

605 ~~for such trades.~~

606 ~~(h) Cost containment mechanisms to reduce price and cost~~

607 ~~risks associated with the electric generation market in this~~

608 ~~state. Cost containment mechanisms to be considered for~~

609 ~~inclusion in the rules include, but are not limited to:~~

610 ~~1. Allowing major emitters to borrow allowances from~~

611 ~~future time periods to meet their greenhouse gas emission~~

612 ~~limits.~~

613 ~~2. Allowing major emitters to bank greenhouse gas emission~~

614 ~~reductions in the current year to be used to meet emission~~

615 ~~limits in future years.~~

616 ~~3. Allowing major emitters to purchase emissions offsets~~

617 ~~from other entities that produce verifiable reductions in~~
618 ~~unregulated greenhouse gas emissions or that produce verifiable~~
619 ~~reductions in greenhouse gas emissions through voluntary~~
620 ~~practices that capture and store greenhouse gases that otherwise~~
621 ~~would be released into the atmosphere. In considering this cost~~
622 ~~containment mechanism, the department shall identify sectors and~~
623 ~~activities outside of the capped sectors, including other state,~~
624 ~~federal, or international activities, and the conditions under~~
625 ~~which reductions there can be credited against emissions of~~
626 ~~capped entities in place of allowances issued by the department.~~
627 ~~The department shall also consider potential methods and their~~
628 ~~effectiveness to avoid double-incentivizing such activities.~~

629 ~~4. Providing a safety valve mechanism to ensure that the~~
630 ~~market prices for allowances or offsets do not surpass a~~
631 ~~predetermined level compatible with the affordability of~~
632 ~~electric utility rates and the well-being of the state's~~
633 ~~economy. In considering this cost containment mechanism, the~~
634 ~~department shall evaluate different price levels for the safety~~
635 ~~valve and methods to change the price level over time to reflect~~
636 ~~changing state, federal, and international markets, regulatory~~
637 ~~environments, and technological advancements.~~

638
639 ~~In considering cost containment mechanisms for inclusion in the~~
640 ~~rules, the department shall evaluate the anticipated overall~~
641 ~~effect of each mechanism on the abatement of greenhouse gas~~
642 ~~emissions and on electricity ratepayers and the benefits and~~
643 ~~costs of each to the state's economy, and shall also consider~~
644 ~~the interrelationships between the mechanisms under~~

645 ~~consideration.~~

646 ~~(i) A process to allow the department to exercise its~~
647 ~~authority to discourage leakage of GHG emissions to neighboring~~
648 ~~states attributable to the implementation of this program.~~

649 ~~(j) Provisions for a trial period on the trading of~~
650 ~~allowances before full implementation of a trading system.~~

651 ~~(7) In recommending and evaluating proposed features of~~
652 ~~the cap-and-trade system, the following factors shall be~~
653 ~~considered:~~

654 ~~(a) The overall cost-effectiveness of the cap-and-trade~~
655 ~~system in combination with other policies and measures in~~
656 ~~meeting statewide targets.~~

657 ~~(b) Minimizing the administrative burden to the state of~~
658 ~~implementing, monitoring, and enforcing the program.~~

659 ~~(c) Minimizing the administrative burden on entities~~
660 ~~covered under the cap.~~

661 ~~(d) The impacts on electricity prices for consumers.~~

662 ~~(e) The specific benefits to the state's economy for early~~
663 ~~adoption of a cap-and-trade system for greenhouse gases in the~~
664 ~~context of federal climate change legislation and the~~
665 ~~development of new international compacts.~~

666 ~~(f) The specific benefits to the state's economy~~
667 ~~associated with the creation and sale of emissions offsets from~~
668 ~~economic sectors outside of the emissions cap.~~

669 ~~(g) The potential effects on leakage if economic activity~~
670 ~~relocates out of the state.~~

671 ~~(h) The effectiveness of the combination of measures in~~
672 ~~meeting identified targets.~~

673 ~~(i) The implications for near-term periods of long-term~~
 674 ~~targets specified in the overall policy.~~

675 ~~(j) The overall costs and benefits of a cap-and-trade~~
 676 ~~system to the state economy.~~

677 ~~(k) How to moderate impacts on low-income consumers that~~
 678 ~~result from energy price increases.~~

679 ~~(l) Consistency of the program with other state and~~
 680 ~~possible federal efforts.~~

681 ~~(m) The feasibility and cost-effectiveness of extending~~
 682 ~~the program scope as broadly as possible among emitting~~
 683 ~~activities and sinks in Florida.~~

684 ~~(n) Evaluation of the conditions under which Florida~~
 685 ~~should consider linking its trading system to the systems of~~
 686 ~~other states or other countries and how that might be affected~~
 687 ~~by the potential inclusion in the rule of a safety valve.~~

688 ~~(8) Recognizing that the international, national, and~~
 689 ~~neighboring state policies and the science of climate change~~
 690 ~~will evolve, prior to submitting the proposed rules to the~~
 691 ~~Legislature for consideration, the department shall submit the~~
 692 ~~proposed rules to the Florida Energy and Climate Commission,~~
 693 ~~which shall review the proposed rules and submit a report to the~~
 694 ~~Governor, the President of the Senate, the Speaker of the House~~
 695 ~~of Representatives, and the department. The report shall~~
 696 ~~address:~~

697 ~~(a) The overall cost-effectiveness of the proposed cap-~~
 698 ~~and-trade system in combination with other policies and measures~~
 699 ~~in meeting statewide targets.~~

700 ~~(b) The administrative burden to the state of~~

701 ~~implementing, monitoring, and enforcing the program.~~

702 ~~(c) The administrative burden on entities covered under~~

703 ~~the cap.~~

704 ~~(d) The impacts on electricity prices for consumers.~~

705 ~~(e) The specific benefits to the state's economy for early~~

706 ~~adoption of a cap and trade system for greenhouse gases in the~~

707 ~~context of federal climate change legislation and the~~

708 ~~development of new international compacts.~~

709 ~~(f) The specific benefits to the state's economy~~

710 ~~associated with the creation and sale of emissions offsets from~~

711 ~~economic sectors outside of the emissions cap.~~

712 ~~(g) The potential effects on leakage if economic activity~~

713 ~~relocates out of the state.~~

714 ~~(h) The effectiveness of the combination of measures in~~

715 ~~meeting identified targets.~~

716 ~~(i) The economic implications for near-term periods of~~

717 ~~short-term and long-term targets specified in the overall~~

718 ~~policy.~~

719 ~~(j) The overall costs and benefits of a cap and trade~~

720 ~~system to the economy of the state.~~

721 ~~(k) The impacts on low-income consumers that result from~~

722 ~~energy price increases.~~

723 ~~(l) The consistency of the program with other state and~~

724 ~~possible federal efforts.~~

725 ~~(m) The evaluation of the conditions under which the state~~

726 ~~should consider linking its trading system to the systems of~~

727 ~~other states or other countries and how that might be affected~~

728 ~~by the potential inclusion in the rule of a safety valve.~~

729 ~~(n) The timing and changes in the external environment,~~
730 ~~such as proposals by other states or implementation of a federal~~
731 ~~program that would spur reevaluation of the Florida program.~~

732 ~~(o) The conditions and options for eliminating the Florida~~
733 ~~program if a federal program were to supplant it.~~

734 ~~(p) The need for a regular reevaluation of the progress of~~
735 ~~other emitting regions of the country and of the world, and~~
736 ~~whether other regions are abating emissions in a commensurate~~
737 ~~manner.~~

738 ~~(q) The desirability of and possibilities of broadening~~
739 ~~the scope of the state's cap-and-trade system at a later date to~~
740 ~~include more emitting activities as well as sinks in Florida,~~
741 ~~the conditions that would need to be met to do so, and how the~~
742 ~~program would encourage these conditions to be met, including~~
743 ~~developing monitoring and measuring techniques for land use~~
744 ~~emissions and sinks, regulating sources upstream, and other~~
745 ~~considerations.~~

746 Section 7. Paragraph (d) of subsection (1) of section
747 366.8255, Florida Statutes, is amended to read:

748 366.8255 Environmental cost recovery.—

749 (1) As used in this section, the term:

750 (d) "Environmental compliance costs" includes all costs or
751 expenses incurred by an electric utility in complying with
752 environmental laws or regulations, including, but not limited
753 to:

754 1. Inservice capital investments, including the electric
755 utility's last authorized rate of return on equity thereon.

756 2. Operation and maintenance expenses.

757 3. Fuel procurement costs.
 758 4. Purchased power costs.
 759 5. Emission allowance costs.
 760 6. Direct taxes on environmental equipment.
 761 7. Costs or expenses prudently incurred by an electric
 762 utility pursuant to an agreement entered into on or after the
 763 effective date of this act and prior to October 1, 2002, between
 764 the electric utility and the Florida Department of Environmental
 765 Protection or the United States Environmental Protection Agency
 766 for the exclusive purpose of ensuring compliance with ozone
 767 ambient air quality standards by an electrical generating
 768 facility owned by the electric utility.
 769 8. Costs or expenses prudently incurred for the
 770 quantification, reporting, and third-party verification as
 771 required for participation in greenhouse gas emission registries
 772 for greenhouse gases ~~as defined in s. 403.44.~~ As used in this
 773 subparagraph, the term "greenhouse gases" means carbon dioxide,
 774 methane, nitrous oxide, and fluorinated gases such as
 775 hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.
 776 9. Costs or expenses prudently incurred for scientific
 777 research and geological assessments of carbon capture and
 778 storage conducted in this state for the purpose of reducing an
 779 electric utility's greenhouse gas emissions when such costs or
 780 expenses are incurred in joint research projects with Florida
 781 state government agencies and Florida state universities.
 782 Section 8. Subsection (14) of section 403.503, Florida
 783 Statutes, is amended to read:
 784 403.503 Definitions relating to Florida Electrical Power

785 Plant Siting Act.—As used in this act:

786 (14) "Electrical power plant" means, for the purpose of
787 certification, any steam ~~or solar~~ electrical generating facility
788 using any process or fuel, including nuclear materials, except
789 that this term does not include any steam ~~or solar~~ electrical
790 generating facility of less than 75 megawatts in capacity or any
791 solar electrical generating facility of any sized capacity
792 unless the applicant for such a facility elects to apply for
793 certification under this act. This term also includes the site;
794 all associated facilities that will be owned by the applicant
795 that are physically connected to the site; all associated
796 facilities that are indirectly connected to the site by other
797 proposed associated facilities that will be owned by the
798 applicant; and associated transmission lines that will be owned
799 by the applicant which connect the electrical power plant to an
800 existing transmission network or rights-of-way to which the
801 applicant intends to connect. At the applicant's option, this
802 term may include any offsite associated facilities that will not
803 be owned by the applicant; offsite associated facilities that
804 are owned by the applicant but that are not directly connected
805 to the site; any proposed terminal or intermediate substations
806 or substation expansions connected to the associated
807 transmission line; or new transmission lines, upgrades, or
808 improvements of an existing transmission line on any portion of
809 the applicant's electrical transmission system necessary to
810 support the generation injected into the system from the
811 proposed electrical power plant.

812 Section 9. Section 288.9602, Florida Statutes, is amended
 813 to read:

814 288.9602 Findings and declarations of necessity.—The
 815 Legislature finds and declares that:

816 (1) There is a need to enhance economic activity in the
 817 ~~eities and counties of the~~ state by attracting manufacturing,
 818 development, redevelopment of brownfield areas, business
 819 enterprise management, and other activities conducive to
 820 economic promotion in order to provide a stronger, more
 821 balanced, and stable economy in the ~~eities and counties of the~~
 822 state.

823 (2) A significant portion of businesses located in the
 824 ~~eities and counties of the~~ state or desiring to locate in the
 825 ~~eities and counties of the~~ state encounter difficulty in
 826 obtaining financing on terms competitive with those available to
 827 businesses located in other states and nations or are unable to
 828 obtain such financing at all.

829 (3) The difficulty in obtaining such financing impairs the
 830 expansion of economic activity and the creation of jobs and
 831 income in communities throughout the state.

832 (4) The businesses most often affected by these financing
 833 difficulties are small businesses critical to the economic
 834 development of the state ~~eities and counties of Florida~~.

835 (5) The economic well-being of the people in, and the
 836 commercial and industrial resources of, ~~the eities and counties~~
 837 ~~of~~ the state would be enhanced by the provision of financing to
 838 businesses on terms competitive with those available in the most
 839 developed financial markets worldwide.

840 (6) In order to improve the prosperity and welfare of ~~the~~
 841 ~~cities and counties of~~ this state and its inhabitants, to
 842 improve and promote the financing of projects related to the
 843 economic development of ~~the cities and counties of~~ this state,
 844 including redevelopment of brownfield areas, and to increase the
 845 purchasing power and opportunities for gainful employment of
 846 citizens of ~~the cities and counties of~~ this state, it is
 847 necessary and in the public interest to facilitate the financing
 848 of such projects as provided for in this act and to do so
 849 without regard to the boundaries between counties,
 850 municipalities, special districts, and other local governmental
 851 bodies or agencies in order to more effectively and efficiently
 852 serve the interests of the greatest number of people in the
 853 widest area practicable.

854 (7) In order to promote and stimulate development and
 855 advance the business prosperity and economic welfare of ~~the~~
 856 ~~cities and counties of~~ this state and its inhabitants; to
 857 encourage and assist new business and industry in this state
 858 through loans, investments, or other business transactions; to
 859 rehabilitate and assist existing businesses; to stimulate and
 860 assist in the expansion of all kinds of for-profit and not-for-
 861 profit business activity; and to create maximum opportunities
 862 for employment, encouragement of thrift, and improvement of the
 863 standard of living of the citizens of Florida, it is necessary
 864 and in the public interest to facilitate the cooperation and
 865 action between organizations, public and private, in the
 866 promotion, development, and conduct of all kinds of for-profit
 867 and not-for-profit business activity in the state.

868 (8) In order to efficiently and effectively achieve the
 869 purposes of this act, it is necessary and in the public interest
 870 to create a special development finance authority to cooperate
 871 and act in conjunction with public agencies of this state and
 872 local governments of this state, through interlocal agreements
 873 pursuant to the Florida Interlocal Cooperation Act of 1969, in
 874 the promotion and advancement of projects related to economic
 875 development, including redevelopment of brownfield areas,
 876 throughout the state.

877 (9) The purposes to be achieved by the special development
 878 finance authority through such projects and such financings of
 879 business and industry in compliance with the criteria and the
 880 requirements of this act are predominantly the public purposes
 881 stated in this section, and such purposes implement the
 882 governmental purposes under the State Constitution of providing
 883 for the health, safety, and welfare of the people of the state,
 884 ~~including implementing the purpose of s. 10(c), Art. VII of the~~
 885 ~~State Constitution and simultaneously provide new and innovative~~
 886 ~~means for the investment of public trust funds in accordance~~
 887 ~~with s. 10(a), Art. VII of the State Constitution.~~

888 Section 10. Subsections (6), (11), and (12) of section
 889 288.9603, Florida Statutes, are amended to read:

890 288.9603 Definitions.—

891 (6) "Debt service" shall mean for any bonds issued by the
 892 corporation or for any bonds or other form of indebtedness and
 893 for which a guaranty has been issued pursuant to ss. 288.9606,
 894 288.9607, and 288.9608, for any period for which such
 895 determination is to be made, the aggregate amount of all

896 interest charges due or which shall become due on or with
 897 respect to such bonds or indebtedness during the period for
 898 which such determination is being made, plus the aggregate
 899 amount of scheduled principal payments due or which shall become
 900 due on or with respect to such bonds or indebtedness during the
 901 period for which such determination is being made. Scheduled
 902 principal payments may include only principal payments that are
 903 scheduled as part of the terms of the original bond or
 904 indebtedness issue and that result in the reduction of the
 905 outstanding principal balance of the bonds or indebtedness.

906 (11) "Guaranty agreement" means an agreement by and
 907 between the corporation and an applicant ~~a public agency~~
 908 pursuant to the provisions of s. 288.9607.

909 (12) "Guaranty agreement fund" means the Energy,
 910 Technology, and Economic Development Revenue Bond Guaranty Fund
 911 ~~Reserve Account~~ established by the corporation pursuant to s.
 912 288.9608.

913 Section 11. Section 288.9604, Florida Statutes, is amended
 914 to read:

915 288.9604 Creation of the authority.—

916 (1) ~~Upon a finding of necessity by a city or county of~~
 917 ~~this state, selected pursuant to subsection (2),~~ There is
 918 created a public body corporate and politic known as the
 919 "Florida Development Finance Corporation." The corporation shall
 920 be constituted as a public instrumentality ~~of local government,~~
 921 and the exercise by the corporation of the powers conferred by
 922 this act shall be deemed and held to be the performance of an
 923 essential public function. The corporation has the power to

924 function within the corporate limits of any public agency with
 925 which it has entered into an interlocal agreement for any of the
 926 purposes of this act.

927 ~~(2) A city or county of Florida shall be selected by a~~
 928 ~~search committee of Enterprise Florida, Inc. This city or county~~
 929 ~~shall be authorized to activate the corporation. The search~~
 930 ~~committee shall be composed of two commercial banking~~
 931 ~~representatives, the Senate member of the partnership, the House~~
 932 ~~of Representatives member of the partnership, and a member who~~
 933 ~~is an industry or economic development professional.~~

934 (2) ~~(3)~~ Upon activation of the corporation, The Governor,
 935 subject to confirmation by the Senate, shall appoint the board
 936 of directors of the corporation, who shall be five in number.
 937 The terms of office for the directors shall be for 4 years from
 938 the date of their appointment. A vacancy occurring during a term
 939 shall be filled for the unexpired term. A director shall be
 940 eligible for reappointment. At least three of the directors of
 941 the corporation shall be bankers who have been selected by the
 942 Governor from a list of bankers who were nominated by Enterprise
 943 Florida, Inc., and one of the directors shall be an economic
 944 development specialist. The chairperson of the Florida Black
 945 Business Investment Board shall be an ex officio member of the
 946 board of the corporation.

947 (3) ~~(4)~~ (a) A director shall receive no compensation for his
 948 or her services, but is entitled to the necessary expenses,
 949 including travel expenses, incurred in the discharge of his or
 950 her duties. Each director shall hold office until his or her
 951 successor has been appointed.

952 (b) The powers of the corporation shall be exercised by
953 the directors thereof. A majority of the directors constitutes a
954 quorum for the purposes of conducting business and exercising
955 the powers of the corporation and for all other purposes. Action
956 may be taken by the corporation upon a vote of a majority of the
957 directors present, unless in any case the bylaws require a
958 larger number. Any person may be appointed as director if he or
959 she resides, or is engaged in business, which means owning a
960 business, practicing a profession, or performing a service for
961 compensation or serving as an officer or director of a
962 corporation or other business entity so engaged, within the
963 state.

964 (c) The directors of the corporation shall annually elect
965 one of their members as chair and one as vice chair. The
966 corporation may employ a president, technical experts, and such
967 other agents and employees, permanent and temporary, as it
968 requires and determine their qualifications, duties, and
969 compensation. For such legal services as it requires, the
970 corporation may employ or retain its own counsel and legal
971 staff. The corporation shall file with the governing body of
972 each public agency with which it has entered into an interlocal
973 agreement and with the Governor, the Speaker of the House of
974 Representatives, the President of the Senate, the Minority
975 Leaders of the Senate and House of Representatives, and the
976 Auditor General, on or before 90 days after the close of the
977 fiscal year of the corporation, a report of its activities for
978 the preceding fiscal year, which report shall include a complete
979 financial statement setting forth its assets, liabilities,

980 income, and operating expenses as of the end of such fiscal
 981 year.

982 (4)~~(5)~~ The board may remove a director for inefficiency,
 983 neglect of duty, or misconduct in office only after a hearing
 984 and only if he or she has been given a copy of the charges at
 985 least 10 days before ~~prior to~~ such hearing and has had an
 986 opportunity to be heard in person or by counsel. The removal of
 987 a director shall create a vacancy on the board which shall be
 988 filled pursuant to subsection (4) ~~(3)~~.

989 Section 12. Section 288.9605, Florida Statutes, is amended
 990 to read:

991 288.9605 Corporation powers.—

992 (1) The powers of the corporation created by s. 288.9604
 993 shall include all the powers necessary or convenient to carry
 994 out and effectuate the purposes and provisions of this act.

995 (2) The corporation is authorized and empowered to:

996 (a) Have perpetual succession as a body politic and
 997 corporate and adopt bylaws for the regulation of its affairs and
 998 the conduct of its business.

999 (b) Adopt an official seal and alter the same at its
 1000 pleasure.

1001 (c) Maintain an office at such place or places as it may
 1002 designate.

1003 (d) Sue and be sued in its own name and plead and be
 1004 impleaded.

1005 (e) Enter into interlocal agreements pursuant to s.
 1006 163.01(7) with public agencies of this state for the exercise of
 1007 any power, privilege, or authority consistent with the purposes

1008 of this act.

1009 (f) Issue, from time to time, revenue bonds, notes, or
 1010 other evidence of indebtedness, including, but not limited to,
 1011 taxable bonds and bonds the interest on which is exempt from
 1012 federal income taxation, for the purpose of financing and
 1013 refinancing any capital projects that promote economic
 1014 development within the state, thereby benefitting the citizens
 1015 of the state, ~~for applicants~~ and exercise all powers in
 1016 connection with the authorization, issuance, and sale of bonds,
 1017 subject to the provisions of s. 288.9606.

1018 (g) Issue bond anticipation notes in connection with the
 1019 authorization, issuance, and sale of such bonds, pursuant to the
 1020 provisions of s. 288.9606.

1021 (h) Make and execute contracts and other instruments
 1022 necessary or convenient to the exercise of its powers under the
 1023 act.

1024 (i) Disseminate information about itself and its
 1025 activities.

1026 (j) Acquire, by purchase, lease, option, gift, grant,
 1027 bequest, devise, or otherwise, real property, together with any
 1028 improvements thereon, or personal property for its
 1029 administrative purposes or in furtherance of the purposes of
 1030 this act, ~~together with any improvements thereon.~~

1031 (k) Hold, improve, clear, or prepare for development any
 1032 such property.

1033 (l) Mortgage, pledge, hypothecate, or otherwise encumber
 1034 or dispose of any real or personal property.

1035 (m) Insure or provide for insurance of any real or

1036 personal property or operations of the corporation or any
 1037 private enterprise against any risks or hazards, including the
 1038 power to pay premiums on any such insurance.

1039 (n) Establish and fund a guaranty fund in furtherance of
 1040 the purposes of this act.

1041 (o) Invest funds held in reserve or sinking funds or any
 1042 such funds not required for immediate disbursement in property
 1043 or securities in such manner as the board shall determine,
 1044 subject to the authorizing resolution on any bonds issued, and
 1045 to terms established in the investment agreement pursuant to ss.
 1046 288.9606, 288.9607, and 288.9608, and redeem such bonds as have
 1047 been issued pursuant to s. 288.9606 at the redemption price
 1048 established therein or purchase such bonds at less than
 1049 redemption price, all such bonds so redeemed or purchased to be
 1050 canceled.

1051 (p) Borrow money and apply for and accept advances, loans,
 1052 grants, contributions, and any other form of financial
 1053 assistance from the Federal Government or the state, county, or
 1054 other public agency ~~body~~ or from any sources, public or private,
 1055 for the purposes of this act and give such security as may be
 1056 required and enter into and carry out contracts or agreements in
 1057 connection therewith; and include in any contract for financial
 1058 assistance with the Federal Government or the state, county, or
 1059 other public agency for, or with respect to, any purposes under
 1060 this act and related activities such conditions imposed pursuant
 1061 to federal laws as the county or municipality or other public
 1062 agency deems reasonable and appropriate which are not
 1063 inconsistent with the provisions of this act.

1064 (q) Make or have all surveys and plans necessary for the
 1065 carrying out of the purposes of this act, contract with any
 1066 person, public or private, in making and carrying out such
 1067 plans, and adopt, approve, modify, and amend such plans.

1068 (r) Develop, test, and report methods and techniques and
 1069 carry out demonstrations and other activities for the promotion
 1070 of any of the purposes of this act.

1071 (s) Apply for, accept, and utilize grants from the Federal
 1072 Government or the state, county, or other public agency
 1073 available for any of the purposes of this act.

1074 (t) Make expenditures necessary to carry out the purposes
 1075 of this act.

1076 (u) Exercise all or any part or combination of powers
 1077 granted in this act.

1078 (v) Enter into investment agreements with the Florida
 1079 Black Business Investment Board concerning the issuance of bonds
 1080 and other forms of indebtedness and capital for the purposes of
 1081 ss. 288.707-288.714.

1082 (w) Determine the situations and circumstances for
 1083 participation in partnerships by agreement with local
 1084 governments, financial institutions, and others associated with
 1085 the redevelopment of brownfield areas pursuant to the
 1086 Brownfields Redevelopment Act for a limited state guaranty of
 1087 revenue bonds, loan guarantees, or loan loss reserves.

1088 Section 13. Subsections (3) and (5) of section 288.9606,
 1089 Florida Statutes, are amended, and subsection (7) is added to
 1090 that section, to read:

1091 288.9606 Issue of revenue bonds.—

1092 (3) Bonds issued under this section shall be authorized by
 1093 a public agency of this state pursuant to the terms of an
 1094 interlocal agreement, unless such bonds are issued pursuant to
 1095 subsection (7); may be issued in one or more series; and shall
 1096 bear such date or dates, be payable upon demand or mature at
 1097 such time or times, bear interest rate or rates, be in such
 1098 denomination or denominations, be in such form either with or
 1099 without coupon or registered, carry such conversion or
 1100 registration privileges, have such rank or priority, be executed
 1101 in such manner, be payable in such medium of payments at such
 1102 place or places, be subject to such terms of redemption, with or
 1103 without premium, be secured in such manner, and have such other
 1104 characteristics as may be provided by the corporation ~~interlocal~~
 1105 ~~agreement issued pursuant thereto~~. Bonds issued under this
 1106 section may be sold in such manner, either at public or private
 1107 sale, and for such price as the corporation may determine will
 1108 effectuate the purpose of this act.

1109 (5) In any suit, action, or proceeding involving the
 1110 validity or enforceability of any bond issued under this act, or
 1111 the security therefor, any such bond reciting in substance that
 1112 it has been issued by the corporation in connection with any
 1113 purpose of the act shall be conclusively deemed to have been
 1114 issued for such purpose, and such purpose shall be conclusively
 1115 deemed to have been carried out in accordance with the act. The
 1116 complaint in any action to validate such bonds shall be filed
 1117 only in the Circuit Court for Leon County. The notice required
 1118 to be published by s. 75.06 shall be published only in Leon
 1119 County, and the complaint and order of the circuit court shall

1120 be served only on the State Attorney of the Second Judicial
1121 Circuit and on the state attorney of each circuit in each county
1122 where the public agencies which were initially a party to the
1123 interlocal agreement are located. Notice of such proceedings
1124 shall be published in the manner and the time required by s.
1125 75.06, in Leon County and in each county where the public
1126 agencies which were initially a party to the interlocal
1127 agreement are located. Obligations of the corporation pursuant
1128 to a loan agreement as described in this subsection may be
1129 validated as provided in chapter 75. The validation of at least
1130 the first bonds approved by the corporation shall be appealed to
1131 the Florida Supreme Court. ~~The complaint in the validation~~
1132 ~~proceeding shall specifically address the constitutionality of~~
1133 ~~using the investment of the earnings accrued and collected upon~~
1134 ~~the investment of the minimum balance funds required to be~~
1135 ~~maintained in the State Transportation Trust Fund to guarantee~~
1136 ~~such bonds. If such proceeding results in an adverse ruling and~~
1137 ~~such bonds and guaranty are found to be unconstitutional,~~
1138 ~~invalid, or unenforceable, then the corporation shall no longer~~
1139 ~~be authorized to use the investment of the earnings accrued and~~
1140 ~~collected upon the investment of the minimum balance of the~~
1141 ~~State Transportation Trust Fund to guarantee any bonds.~~

1142 (7) Notwithstanding any provision of this section, the
1143 corporation in its corporate capacity may, without authorization
1144 from a public agency under s. 163.01(7), issue revenue bonds or
1145 other evidence of indebtedness under this section to:

1146 (a) Finance the undertaking of any project within the
1147 state that promotes renewable energy as defined in s. 377.803 or

1148 s. 366.91;

1149 (b) Finance the undertaking of any project within the
 1150 state that is a project contemplated or allowed under s. 406 of
 1151 the American Recovery and Reinvestment Act of 2009; or

1152 (c) If permitted by federal law, finance qualifying
 1153 improvement projects within the state under s. 163.08.

1154 Section 14. Section 288.9607, Florida Statutes, is amended
 1155 to read:

1156 288.9607 Guaranty of bond issues.—

1157 (1) The corporation may ~~is hereby authorized to~~ approve or
 1158 deny, by a majority vote of the membership of the directors, a
 1159 guaranty of debt service payments for bonds or other
 1160 indebtedness used to finance any capital project that promotes
 1161 economic development in the state, including, but not limited
 1162 to, those capital projects for which revenue bonds are the
 1163 guaranty of any revenue bonds issued under pursuant to this act,
 1164 if any such guaranty does not exceed 5 percent of the total
 1165 aggregate principal amount of bonds or other indebtedness
 1166 relating to any one capital project. The corporation may also
 1167 use moneys deposited into the Energy, Technology, and Economic
 1168 Development Guaranty Fund to satisfy requirements to obtain
 1169 federal loan guarantees for capital projects authorized pursuant
 1170 to this section. The guaranty may also be of the obligations of
 1171 the corporation with respect to any letter of credit, bond
 1172 insurance, or other form of credit enhancement provided by any
 1173 person with respect to any revenue bonds issued by the
 1174 corporation pursuant to this act.

1175 (2) Any applicant ~~for financing from the corporation,~~

1176 requesting a guaranty of ~~the bonds issued by~~ the corporation
 1177 under this act must submit a guaranty application, in a form
 1178 acceptable to the corporation, together with supporting
 1179 documentation to the corporation as provided in this section.

1180 (3) All applicants which have entered into a guaranty
 1181 agreement with the corporation shall pay a guaranty premium on
 1182 such terms and at such rates as the corporation shall determine
 1183 before ~~prior to~~ the issuance of the guaranty ~~bonds~~. The
 1184 corporation may adopt such guaranty premium structures as it
 1185 deems appropriate, including, without limitation, guaranty
 1186 premiums which are payable one time upon the issuance of the
 1187 guaranty ~~bonds~~ or annual premiums payable upon the outstanding
 1188 principal balance of bonds or other indebtedness that is
 1189 guaranteed from time to time. The premium payment may be
 1190 collected by the corporation from any ~~the~~ lessee of the project
 1191 involved, from the applicant, or from any other payee of any ~~the~~
 1192 loan agreement involved.

1193 (4) All applications for a guaranty must acknowledge that
 1194 as a condition to the issuance of the guaranty, the corporation
 1195 may require that the financing must be secured by a mortgage or
 1196 security interest on the property acquired which will have such
 1197 priority over other liens on such property as may be required by
 1198 the corporation, and that the financing must be guaranteed by
 1199 such person or persons with such ownership interest in the
 1200 applicant as may be required by the corporation.

1201 (5) Personal financial records, trade secrets, or
 1202 proprietary information of applicants delivered to or obtained
 1203 by the corporation shall be confidential and exempt from the

1204 provisions of s. 119.07(1).

1205 (6) If the application for a guaranty is approved by the

1206 corporation, the corporation and the applicant shall enter into

1207 a guaranty agreement. In accordance with the provisions of the

1208 guaranty agreement, the corporation guarantees to use the funds

1209 on deposit in its Energy, Technology, and Economic Development

1210 Guaranty Fund Revenue Bond Guaranty Reserve Account to meet debt

1211 service ~~amortization~~ payments on the bonds or indebtedness as

1212 they become due, in the event and to the extent that the

1213 applicant is unable to meet such payments ~~in accordance with the~~

1214 ~~terms of the bond indenture when called to do so by the trustee~~

1215 ~~of the bondholders~~, or to make similar payments to reimburse any

1216 person which has provided credit enhancement for the bonds and

1217 which has advanced funds to meet such debt service ~~amortization~~

1218 payments as they become due, if such guaranty of the corporation

1219 is limited to 5 percent of the total aggregate principal amount

1220 of bonds or other indebtedness relating to any one capital

1221 project. The corporation may also use moneys deposited in the

1222 Energy, Technology, and Economic Development Guaranty Fund to

1223 satisfy requirements to obtain federal loan guarantees for

1224 capital projects authorized under this section. If the applicant

1225 defaults on debt service ~~bond amortization~~ payments, the

1226 corporation may use funds on deposit in the Energy, Technology,

1227 and Economic Development Guaranty Fund Revenue Bond Guaranty

1228 Reserve Account to pay insurance, maintenance, and other costs

1229 which may be required for the preservation of any capital

1230 project or other collateral security for any bond or

1231 indebtedness issued to finance a capital project for which debt

1232 service payments are guaranteed by the corporation ~~issued by the~~
 1233 ~~corporation, or to otherwise protect the reserve account from~~
 1234 ~~loss, or to minimize losses to the reserve account, in each case~~
 1235 in such manner as may be deemed necessary and advisable by the
 1236 corporation.

1237 (7) (a) ~~The corporation is authorized to enter into an~~
 1238 ~~investment agreement with the Department of Transportation and~~
 1239 ~~the State Board of Administration concerning the investment of~~
 1240 ~~the earnings accrued and collected upon the investment of the~~
 1241 ~~minimum balance of funds required to be maintained in the State~~
 1242 ~~Transportation Trust Fund pursuant to s. 339.135(6)(b). Such~~
 1243 ~~investment shall be limited as follows:~~

1244 1. ~~Not more than \$4 million of the investment earnings~~
 1245 ~~earned on the investment of the minimum balance of the State~~
 1246 ~~Transportation Trust Fund in a fiscal year shall be at risk at~~
 1247 ~~any time on one or more bonds or series of bonds issued by the~~
 1248 ~~corporation.~~

1249 2. ~~The investment earnings shall not be used to guarantee~~
 1250 ~~any bonds issued after June 30, 1998, and in no event shall the~~
 1251 ~~investment earnings be used to guarantee any bond issued for a~~
 1252 ~~maturity longer than 15 years.~~

1253 3. ~~The corporation shall pay a reasonable fee, set by the~~
 1254 ~~State Board of Administration, in return for the investment of~~
 1255 ~~such funds. The fee shall not be less than the comparable rate~~
 1256 ~~for similar investments in terms of size and risk.~~

1257 4. ~~The proceeds of bonds, or portions thereof, issued by~~
 1258 ~~the corporation for which a guaranty has been or will be issued~~
 1259 ~~pursuant to s. 288.9606, s. 288.9608, or this section used to~~

1260 ~~make loans to any one person, including any related interests,~~
 1261 ~~as defined in s. 658.48, of such person, shall not exceed 20~~
 1262 ~~percent of the principal of all such outstanding bonds of the~~
 1263 ~~corporation issued prior to the first composite bond issue of~~
 1264 ~~the corporation, or December 31, 1995, whichever comes first,~~
 1265 ~~and shall not exceed 15 percent of the principal of all such~~
 1266 ~~outstanding bonds of the corporation issued thereafter, in each~~
 1267 ~~case determined as of the date of issuance of the bonds for~~
 1268 ~~which such determination is being made and taking into account~~
 1269 ~~the principal amount of such bonds to be issued. The provisions~~
 1270 ~~of this subparagraph shall not apply when the total amount of~~
 1271 ~~all such outstanding bonds issued by the corporation is less~~
 1272 ~~than \$10 million. For the purpose of calculating the limits~~
 1273 ~~imposed by the provisions of this subparagraph, the first \$10~~
 1274 ~~million of bonds issued by the corporation shall be taken into~~
 1275 ~~account.~~

1276 ~~5. The corporation shall establish a debt service reserve~~
 1277 ~~account which contains not less than 6 months' debt service~~
 1278 ~~reserves from the proceeds of the sale of any bonds, or portions~~
 1279 ~~thereof, guaranteed by the corporation.~~

1280 ~~6. The corporation shall establish an account known as the~~
 1281 ~~Revenue Bond Guaranty Reserve Account, the Guaranty Fund. The~~
 1282 ~~corporation shall deposit a sum of money or other cash~~
 1283 ~~equivalents into this fund and maintain a balance of money or~~
 1284 ~~cash equivalents in this fund, from sources other than the~~
 1285 ~~investment of earnings accrued and collected upon the investment~~
 1286 ~~of the minimum balance of funds required to be maintained in the~~
 1287 ~~State Transportation Trust Fund, not less than a sum equal to 1~~

1288 ~~year of maximum debt service on all outstanding bonds, or~~
 1289 ~~portions thereof, of the corporation for which a guaranty has~~
 1290 ~~been issued pursuant to ss. 288.9606, 288.9607, and 288.9608. In~~
 1291 ~~the event the corporation fails to maintain the balance required~~
 1292 ~~pursuant to this subparagraph for any reason other than a~~
 1293 ~~default on a bond issue of the corporation guaranteed pursuant~~
 1294 ~~to this section or because of the use by the corporation of any~~
 1295 ~~such funds to pay insurance, maintenance, or other costs which~~
 1296 ~~may be required for the preservation of any project or other~~
 1297 ~~collateral security for any bond issued by the corporation, or~~
 1298 ~~to otherwise protect the Revenue Bond Guaranty Reserve Account~~
 1299 ~~from loss while the applicant is in default on amortization~~
 1300 ~~payments, or to minimize losses to the reserve account in each~~
 1301 ~~case in such manner as may be deemed necessary or advisable by~~
 1302 ~~the corporation, the corporation shall immediately notify the~~
 1303 ~~Department of Transportation of such deficiency. Any~~
 1304 ~~supplemental funding authorized by an investment agreement~~
 1305 ~~entered into with the Department of Transportation and the State~~
 1306 ~~Board of Administration concerning the use of investment~~
 1307 ~~earnings of the minimum balance of funds is void unless such~~
 1308 ~~deficiency of funds is cured by the corporation within 90 days~~
 1309 ~~after the corporation has notified the Department of~~
 1310 ~~Transportation of such deficiency.~~

1311 ~~(b) Unless specifically prohibited in the General~~
 1312 ~~Appropriations Act, the earnings accrued and collected upon the~~
 1313 ~~investment of the minimum balance of funds required to be~~
 1314 ~~maintained in the State Transportation Trust Fund may continue~~
 1315 ~~to be used pursuant to paragraph (a).~~

1316 ~~(e)~~ The guaranty is ~~shall~~ not be a general obligation of
 1317 the corporation or of the state, but is ~~shall be~~ a special
 1318 obligation, which constitutes the investment of a public trust
 1319 fund. In no event shall the guaranty constitute an indebtedness
 1320 of the corporation, the state ~~of Florida~~, or any political
 1321 subdivision thereof within the meaning of any constitutional or
 1322 statutory limitation. Each guaranty agreement shall have plainly
 1323 stated on the face thereof that it has been entered into under
 1324 the provisions of this act and that it does not constitute an
 1325 indebtedness of the corporation, the state, or any political
 1326 subdivision thereof within any constitutional or statutory
 1327 limitation, and that neither the full faith and credit of the
 1328 state ~~of Florida~~ nor any of its revenues is pledged to meet any
 1329 of the obligations of the corporation under such guaranty
 1330 agreement. Each such agreement shall state that the obligation
 1331 of the corporation under the guaranty shall be limited to the
 1332 funds available in the Energy, Technology, and Economic
 1333 Development Guaranty Fund Revenue Bond Guaranty Reserve Account
 1334 as authorized by this section.

1335
 1336 ~~The corporation shall include, as part of the annual report~~
 1337 ~~prepared pursuant to s. 288.9610, a detailed report concerning~~
 1338 ~~the use of guaranteed bond proceeds for loans guaranteed or~~
 1339 ~~issued pursuant to any agreement with the Florida Black Business~~
 1340 ~~Investment Board, including the percentage of such loans~~
 1341 ~~guaranteed or issued and the total volume of such loans~~
 1342 ~~guaranteed or issued.~~

1343 (8) In the event the corporation does not approve the

1344 application for a guaranty, the applicant shall be notified in
 1345 writing of the corporation's determination that the application
 1346 not be approved.

1347 (9) The membership of the corporation is authorized and
 1348 directed to conduct such investigation as it may deem necessary
 1349 for promulgation of regulations to govern the operation of the
 1350 guaranty program authorized by this section. The regulations may
 1351 include such other additional provisions, restrictions, and
 1352 conditions as the corporation, after its investigation referred
 1353 to in this subsection, shall determine to be proper to achieve
 1354 the most effective utilization of the guaranty program. This may
 1355 include, without limitation, a detailing of the remedies that
 1356 must be exhausted by ~~the~~ bondholders, ~~or~~ a trustee acting on
 1357 their behalf, or other credit provided before ~~prior to~~ calling
 1358 upon the corporation to perform under its guaranty agreement and
 1359 the subrogation of other rights of the corporation with
 1360 reference to the capital project and its operation or the
 1361 financing in the event the corporation makes payment pursuant to
 1362 the applicable guaranty agreement. The regulations promulgated
 1363 by the corporation to govern the operation of the guaranty
 1364 program may ~~shall~~ contain specific provisions with respect to
 1365 the rights of the corporation to enter, take over, and manage
 1366 all financed properties upon default. These regulations shall be
 1367 submitted by ~~set forth the respective rights of~~ the corporation
 1368 to the Florida Energy and Climate Commission for approval ~~and~~
 1369 ~~the bondholders in regard thereto.~~

1370 (10) The guaranty program described in this section may be
 1371 used by the corporation in conjunction with any federal guaranty

1372 programs described in s. 406 of the American Recovery and
 1373 Reinvestment Act of 2009. All policies, procedures, and
 1374 regulations of the guaranty program adopted by the corporation,
 1375 to the extent such guaranty program of the corporation is used
 1376 in conjunction with a federal guaranty program described in s.
 1377 406 of the American Recovery and Reinvestment Act of 2009, must
 1378 be consistent with s. 406 of the American Recovery and
 1379 Reinvestment Act of 2009.

1380 Section 15. Section 288.9608, Florida Statutes, is amended
 1381 to read:

1382 288.9608 Creation and funding of the Energy, Technology,
 1383 and Economic Development Guaranty Fund ~~guaranty account.-~~

1384 (1) ~~The corporation shall establish a debt service reserve~~
 1385 ~~account which contains not less than 6 months' debt service~~
 1386 ~~reserves from the proceeds of the sale of any bonds guaranteed~~
 1387 ~~by the corporation. Funds in such debt service reserve account~~
 1388 ~~shall be used prior to funds in the Revenue Bond Guaranty~~
 1389 ~~Reserve Account established in subsection (2). The corporation~~
 1390 ~~shall make best efforts to liquidate collateralized property and~~
 1391 ~~draw upon personal guarantees, and shall utilize the Revenue~~
 1392 ~~Bond Guaranty Reserve Account prior to use of supplemental~~
 1393 ~~funding for the Guaranty Reserve Account under the provisions of~~
 1394 ~~subsection (3).~~

1395 (2) (a) The corporation shall establish an account known as
 1396 the Energy, Technology, and Economic Development Guaranty Fund
 1397 ~~Revenue Bond Guaranty Reserve Account, the Guaranty Fund.~~ The
 1398 corporation may ~~shall~~ deposit moneys ~~a sum of money~~ or other
 1399 cash equivalents into the ~~this~~ fund and maintain a balance in

1400 the this fund, from general revenue funds of the state as are
 1401 authorized for that purpose or any other designated funding
 1402 sources not inconsistent with state law ~~sources other than the~~
 1403 ~~State Transportation Trust Fund, not less than a sum equal to 1~~
 1404 ~~year of maximum debt service on all outstanding bonds, or~~
 1405 ~~portions thereof, of the corporation for which a guaranty has~~
 1406 ~~been issued pursuant to ss. 288.9606, 288.9607, and 288.9608.~~

1407 (2)(b) If the corporation determines that the moneys in
 1408 the guaranty agreement fund are not sufficient to meet the
 1409 obligations of the guaranty agreement fund, the corporation is
 1410 authorized to use the necessary amount of any available moneys
 1411 that it may have which are not needed for, then or in the
 1412 foreseeable future, or committed to other authorized functions
 1413 and purposes of the corporation. Any such moneys so used may be
 1414 reimbursed out of the guaranty agreement fund if and when there
 1415 are moneys therein available for the purpose.

1416 (3)(e) The determination of when additional moneys will be
 1417 needed for the guaranty agreement fund, the amounts that will be
 1418 needed, and the availability or unavailability of other moneys
 1419 shall be made solely by the corporation in the exercise of its
 1420 discretion. ~~However, supplemental funding for the Guaranty Fund~~
 1421 ~~as described in subsection (3) shall be made in accordance with~~
 1422 ~~the investment agreement of the corporation and the Department~~
 1423 ~~of Transportation and the State Board of Administration.~~

1424 ~~(3)(a)~~ If the corporation determines that the funds in the
 1425 Guaranty Fund will not be sufficient to meet the present or
 1426 reasonably projected obligations of the Guaranty Fund, due to a
 1427 default on a loan made by the corporation from the proceeds of a

1428 ~~bond issued by the corporation which is guaranteed pursuant to~~
1429 ~~s. 288.9607(7), no later than 90 days before amortization~~
1430 ~~payments are due on such bonds, the corporation shall notify the~~
1431 ~~Secretary of Transportation and the State Board of~~
1432 ~~Administration of the amount of funds required to meet, as and~~
1433 ~~when due, all amortization payments for which the Guaranty Fund~~
1434 ~~is obligated. The Secretary of Transportation shall immediately~~
1435 ~~notify the Speaker of the House of Representatives, the~~
1436 ~~President of the Senate, and the chairs of the Senate and House~~
1437 ~~Committees on Appropriations of the amount of funds required,~~
1438 ~~and the projected impact on each affected year of the adopted~~
1439 ~~work program of the Department of Transportation.~~

1440 ~~(b) Within 30 days of the receipt of notification from the~~
1441 ~~corporation, the Department of Transportation shall submit a~~
1442 ~~budget amendment request to the Executive Office of the Governor~~
1443 ~~pursuant to chapter 216, to increase budget authority to carry~~
1444 ~~out the purposes of this section. Upon approval of said~~
1445 ~~amendment, the department shall proceed to amend the adopted~~
1446 ~~work program, if necessary, in accordance with the amendment.~~
1447 ~~Within 60 days of the receipt of notification, and subject to~~
1448 ~~approval of the budget authority, the Secretary of~~
1449 ~~Transportation shall transfer, subject to the amount available~~
1450 ~~from the source described in paragraph (c), the amount of funds~~
1451 ~~requested by the corporation required to meet, as and when due,~~
1452 ~~all amortization payments for which the Guaranty Fund is~~
1453 ~~obligated. Any moneys so transferred shall be reimbursed to the~~
1454 ~~Department of Transportation, with interest at the rate earned~~
1455 ~~on investment by the State Treasury, from the funds available in~~

1456 ~~the Guaranty Fund or as otherwise available to the corporation.~~

1457 ~~(c) Pursuant to s. 288.9607(7), the Secretary of~~
1458 ~~Transportation and the State Board of Administration may make~~
1459 ~~available for transfer to the Guaranty Fund, earnings accrued~~
1460 ~~and collected upon the investment of the minimum balance of~~
1461 ~~funds required to be maintained in the State Transportation~~
1462 ~~Trust Fund. However, the earnings accrued and collected upon the~~
1463 ~~investment of the minimum balance of funds required to be~~
1464 ~~maintained in the State Transportation Trust Fund which shall be~~
1465 ~~subject to transfer shall be limited to those earnings accrued~~
1466 ~~and collected on the investment of the minimum balance of funds~~
1467 ~~required to be maintained in the State Transportation Trust Fund~~
1468 ~~for the fiscal year in which the notification is received by the~~
1469 ~~secretary and fiscal years thereafter.~~

1470 ~~(4) If the corporation receives supplemental funding for~~
1471 ~~the Guaranty Fund under the provisions of this section, then any~~
1472 ~~proceeds received by the corporation with respect to a loan in~~
1473 ~~default, including proceeds from the sale of collateral for such~~
1474 ~~loan, enforcement of personal guarantees or other pledges to the~~
1475 ~~corporation to secure such loan, shall first be applied to the~~
1476 ~~obligation of the corporation to repay the Department of~~
1477 ~~Transportation pursuant to this section. Until such repayment is~~
1478 ~~complete, no new bonds may be guaranteed pursuant to this~~
1479 ~~section.~~

1480 ~~(5) Prior to the use of the guaranty provided in this~~
1481 ~~section, and on an annual basis, the corporation must certify in~~
1482 ~~writing to the State Board of Administration and the Secretary~~
1483 ~~of Transportation that it has fully implemented the requirements~~

1484 ~~of this section and s. 288.9607 and the regulations of the~~
 1485 ~~corporation.~~

1486 Section 16. Section 288.9609, Florida Statutes, is amended
 1487 to read:

1488 288.9609 Bonds as legal investments.—All banks, trust
 1489 companies, bankers, savings banks and institutions, building and
 1490 loan associations, savings and loan associations, investment
 1491 companies, and other persons carrying on a banking and
 1492 investment business; all insurance companies, insurance
 1493 associations, and other persons carrying on an insurance
 1494 business; and all executors, administrators, curators, trustees,
 1495 and other fiduciaries may legally invest any sinking funds,
 1496 moneys, or other funds belonging to them or within their control
 1497 in any bonds or other obligations issued by the corporation
 1498 ~~pursuant to an interlocal agreement with a public agency of this~~
 1499 ~~state.~~ Such bonds and obligations shall be authorized security
 1500 for all public deposits. It is the purpose of this section to
 1501 authorize all persons, political subdivisions, and officers,
 1502 public and private, to use any funds owned or controlled by them
 1503 for the purchase of any such bonds or other obligations. Nothing
 1504 contained in this section with regard to legal investments shall
 1505 be construed as relieving any person of any duty of exercising
 1506 reasonable care in selecting securities.

1507 Section 17. Section 288.9610, Florida Statutes, is amended
 1508 to read:

1509 288.9610 Annual reports of Florida Development Finance
 1510 Corporation.—By December 1 of each year, the Florida Development
 1511 Finance Corporation shall submit to the Governor, the President

1512 of the Senate, the Speaker of the House of Representatives, the
 1513 Senate Minority Leader, and the House Minority Leader, ~~and the~~
 1514 ~~city or county activating the Florida Development Finance~~
 1515 ~~Corporation~~ a complete and detailed report setting forth:

- 1516 (1) The evaluation required in s. 11.45(3)(j).
- 1517 (2) The operations and accomplishments of the Florida
 1518 Development Finance Corporation, including the number of
 1519 businesses assisted by the corporation.
- 1520 (3) Its assets and liabilities at the end of its most
 1521 recent fiscal year, including a description of all of its
 1522 outstanding revenue bonds.

1523 Section 18. Subsection (4) of section 206.46, Florida
 1524 Statutes, is amended to read:

1525 206.46 State Transportation Trust Fund.—

- 1526 (4) The department may authorize the investment of the
 1527 earnings accrued and collected upon the investment of the
 1528 minimum balance of funds required to be maintained in the State
 1529 Transportation Trust Fund pursuant to s. 339.135(6)(b). ~~Such~~
 1530 ~~investment shall be limited as provided in s. 288.9607(7).~~

1531 Section 19. Subsection (14) of section 215.47, Florida
 1532 Statutes, is amended to read:

1533 215.47 Investments; authorized securities; loan of
 1534 securities.—Subject to the limitations and conditions of the
 1535 State Constitution or of the trust agreement relating to a trust
 1536 fund, moneys available for investments under ss. 215.44–215.53
 1537 may be invested as follows:

- 1538 (14) The State Board of Administration, consistent with
 1539 sound investment policy, may invest the earnings accrued and

1540 collected upon the investment of the minimum balance of funds
 1541 required to be maintained in the State Transportation Trust Fund
 1542 pursuant to s. 339.135(6)(b). ~~Such investment shall be limited~~
 1543 ~~as provided in s. 288.9607(7).~~

1544 Section 20. Subsection (3) of section 339.08, Florida
 1545 Statutes, is amended to read:

1546 339.08 Use of moneys in State Transportation Trust Fund.—

1547 (3) The department may authorize the investment of the
 1548 earnings accrued and collected upon the investment of the
 1549 minimum balance of funds required to be maintained in the State
 1550 Transportation Trust Fund pursuant to s. 339.135(6)(b). ~~Such~~
 1551 ~~investment shall be limited as provided in s. 288.9607(7).~~

1552 Section 21. Paragraph (f) of subsection (7) of section
 1553 339.135, Florida Statutes, is amended to read:

1554 339.135 Work program; legislative budget request;
 1555 definitions; preparation, adoption, execution, and amendment.—

1556 (7) AMENDMENT OF THE ADOPTED WORK PROGRAM.—

1557 (f) The department may authorize the investment of the
 1558 earnings accrued and collected upon the investment of the
 1559 minimum balance of funds required to be maintained in the State
 1560 Transportation Trust Fund pursuant to paragraph (b). ~~Such~~
 1561 ~~investment shall be limited as provided in s. 288.9607(7).~~

1562 Section 22. (1) The Legislature finds that the ability of
 1563 the pilot communities designated under the Energy Economic Zone
 1564 Pilot Program pursuant to s. 377.809, Florida Statutes, to
 1565 provide incentives is essential to these communities attracting
 1566 clean technology industries and investments to the state and
 1567 establishing the base information necessary to assess whether to

1568 revise state policies and expand the pilot program to other
 1569 communities.

1570 (2) By February 1, 2011, the Department of Community
 1571 Affairs and the Office of Tourism, Trade, and Economic
 1572 Development, in consultation with the Florida Energy and Climate
 1573 Commission, shall submit recommendations to the Governor, the
 1574 President of the Senate, and the Speaker of the House of
 1575 Representatives of appropriate incentives and statutory
 1576 revisions necessary to provide the pilot communities with the
 1577 tools for accomplishing the goals of the pilot program. In
 1578 developing their recommendations, the Department of Community
 1579 Affairs and the Office of Tourism, Trade, and Economic
 1580 Development, at a minimum, shall consider:

1581 (a) Fiscal and regulatory incentives.

1582 (b) A jobs tax credit and corporate property tax credit
 1583 pursuant to chapter 220, Florida Statutes.

1584 (c) Refunds and exemptions from the sales and use tax in
 1585 chapter 212, Florida Statutes, for job creation, building
 1586 materials, business property, and products used for clean
 1587 technology industries and investments within the designated
 1588 energy economic zones.

1589 (3) The Department of Community Affairs and the Office of
 1590 Tourism, Trade, and Economic Development shall also coordinate
 1591 with the pilot communities and clean technology industries in
 1592 identifying incentives and strategies that will help attract
 1593 emerging clean technology industries and investments to the
 1594 state.

1595 Section 23. If any provision of this act or the
1596 application thereof to any person or circumstance is held
1597 invalid, the invalidity does not affect other provisions or
1598 applications of the act that may be given effect without the
1599 invalid provision or application, and to this end the provisions
1600 of this act are declared to be severable.

1601 Section 24. The Division of Statutory Revision is directed
1602 to replace the phrase "the effective date of this act" wherever
1603 it occurs in the underlined additions provided in this act with
1604 the date this act becomes a law.

1605 Section 25. This act shall take effect upon becoming a
1606 law.