

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Budget Committee

BILL: SPB 7100

INTRODUCER: For consideration by the Budget Committee

SUBJECT: Florida Energy and Climate Commission

DATE: March 13, 2011 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Hawkins	Meyer, C.		Pre-meeting
2.				
3.				
4.				
5.				
6.				

I. Summary:

This bill eliminates the Florida Energy and Climate Commission and transfers functions to the Department of Environmental Protection. Funding provided to the commission is transferred to the Department of Environmental Protection in the Senate’s proposed committee bill for the General Appropriations Act. The Department will administer all activities previously assigned to the commission.

This bill substantially amends the following sections of the Florida Statutes: 213.053, 220.192, 288.1089, 288.9607, 366.82, 366.92, 377.602, 377.603, 377.604, 377.605, 377.606, 377.608, 377.701, 377.703, 377.804, 377.806, 377.807, 377.808, 377.809, 403.44, 526.207, 1004.648, ss. 1 and 2 of Chapter 2010-282,

This bill repeals the following sections of the Florida Statutes: 377.6015

II. Present Situation:

Section 377.6015, F.S., creates the Florida Energy and Climate Commission (FECC) within the Executive Office of the Governor. The FECC consists of nine members, seven appointed by the Governor, one appointed by the Commissioner of Agriculture, and one appointed by the Chief Financial Officer. Each appointment is made from a list of three persons nominated by the Florida Public Service Commission Nominating Council. Members are appointed to 3-year terms. The Governor selects the chair. Appointments are subject to confirmation by the Senate during the next regular session after the vacancy occurs.

The chair may designate the following ex officio, nonvoting members to provide information and advice to the FECC at the request of the chair:

- The chair of the PSC, or his or her designee.
- The Public Counsel or his or her designee.
- A representative of the Department of Agriculture and Consumer Services.
- A representative of the Department of Financial Services.
- A representative of the Department of Environmental Protection.
- A representative of the Department of Community Affairs.
- A representative of the Board of Governors of the State University System.
- A representative of the Department of Transportation.

Members must meet the following qualifications and restrictions:

- A member must be an expert in one or more of the following fields: energy, natural resource conservation, economics, engineering, finance, law, transportation and land use, consumer protection, state energy policy, or another field substantially related to the duties and functions of the FECC and the FECC must fairly represent these fields.
- Each member must, at the time of appointment and at each FECC meeting during his or her term of office, disclose:
 - Whether he or she has any financial interest, other than ownership of shares in a mutual fund, in any business entity that, directly or indirectly, owns or controls, or is an affiliate or subsidiary of, any business entity that may be affected by the policy recommendations developed by the FECC.
 - Whether he or she is employed by or is engaged in any business activity with any business entity that, directly or indirectly, owns or controls, or is an affiliate or subsidiary of, any business entity that may be affected by the policy recommendations developed by the FECC.

Members serve without compensation but are entitled to reimbursement for per diem and travel expenses. Meetings may be held in various locations around the state and at the call of the chair; however, the FECC must meet at least six times each year.

The FECC is authorized to:

- Employ staff and counsel as needed in the performance of its duties.
- Prosecute and defend legal actions in its own name.
- Form advisory groups consisting of members of the public to provide information on specific issues.

The FECC is required to:

- Administer the Florida Renewable Energy and Energy-Efficient Technologies Grants Program pursuant to s. 377.804, F.S., to assure a robust grant portfolio.
- Develop policy for requiring grantees to provide royalty-sharing or licensing agreements with state government for commercialized products developed under a state grant.
- Administer the Florida Green Government Grants Act pursuant to s. 377.808, F.S., and set annual priorities for grants.
- Administer the information gathering and reporting functions pursuant to ss. 377.601-377.608, F.S.

- Administer petroleum planning and emergency contingency planning pursuant to ss. 377.701, 377.703, and 377.704, F.S.
- Represent Florida in the Southern States Energy Compact pursuant to ss. 377.71-377.712, F.S.
- Complete the annual assessment of the efficacy of Florida's Energy and Climate Change Action Plan, upon completion by the Governor's Action Team on Energy and Climate Change pursuant to the Governor's Executive Order 2007-128, and provide specific recommendations to the Governor and the Legislature each year to improve results.
- Administer the provisions of the Florida Energy and Climate Protection Act pursuant to ss. 377.801-377.806, F.S.
- Advocate for energy and climate change issues and provide educational outreach and technical assistance in cooperation with the state's academic institutions.
- Be a party in the proceedings to adopt goals and submit comments to the Public Service Commission pursuant to s. 366.82, F.S.
- Adopt rules pursuant to chapter 120 in order to implement all powers and duties described in this section.

III. Effect of Proposed Changes:

Section 1 amends s. 213.053, F.S., to delete a provision allowing the Department of Revenue to provide information to the Energy and Climate Commission relating to exemptions received under s. 212.08(7)(ccc) and s. 220.192, F.S. (s. 212.08, F.S., relates to specified exemptions to the sales, rental, use, consumption, distribution, and storage tax; s. 220.192, F.S., relates to the renewable energy technologies investment tax credit.)

Section 2 amends s. 220.192, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to the renewable energy technologies investment tax credit, to the Department of Environmental Protection.

Section 3 amends s. 288.1089, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to the Innovation Incentive Program, to the Department of Environmental Protection.

Section 4 amends s. 288.9607, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to the guarantee of bond issues by the Florida Development Finance Corporation, to the Department of Environmental Protection.

Section 5 amends s. 366.82, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to providing comments to the Public Service Commission, to the Department of Environmental Protection.

Section 6 amends s. 366.92, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to the renewable energy policy adopted by the Public Service Commission, to the Department of Environmental Protection.

Section 7 repeals s. 377.6015, F.S., creating the Florida Energy and Climate Commission.

Sections 8 through 15 amend Part II of Chapter 377 (specifically s. 377.602, 377.603, 377.604, 377.605, 377.606, 377.608, 377.701, 377.703, F.S.) to transfer functions previously performed by the Florida Energy and Climate Commission; relating to energy data collection, powers and duties, required reports, the use of existing information, records of the commission, limits of confidentiality, the prosecution of cases by the state attorney, petroleum allocation, and additional functions; to the Department of Environmental Protection.

Sections 16 through 21 amend Part III of Chapter 377 (specifically s. 377.804, 377.806, 377.807, 377.808, 377.809, F.S.) to transfer functions previously performed by the Florida Energy and Climate Commission; relating to renewable energy and green government programs including the Renewable Energy and Energy Efficient Technologies Grants Program, Energy-Efficient Appliance Rebate Program, the Solar Energy System Incentives Program, the Florida Green Government Grants Act and the Energy Economic Zone Pilot Program; to the Department of Environmental Protection.

Section 22 amends s. 403.44, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to the Florida Climate Protection Act, to the Department of Environmental Protection.

Section 23 amends s. 526.207, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to the studies and reports relating to the sale of liquid fuels and brake fluid, to the Department of Environmental Protection.

Section 24 amends s. 1004.648, F.S., to transfer functions previously performed by the Florida Energy and Climate Commission, relating to the Florida Energy Systems Consortium, to the Department of Environmental Protection.

Section 25 amends sections 1 and 2 of chapter 2010-282, Laws of Florida to transfer functions previously assigned to the Florida Energy and Climate Commission, relating to the Florida ENERGY STAR Residential HVAC Rebate Program (Section 1) and the Solar Energy System Incentives Program (Section 2), to the Department of Environmental Protection.

Section 26 provides that the Florida Energy and Climate Commission are transferred by a type two transfer to the Department of Environmental Protection.

Section 27 provides for an effective date of July 1, 2011.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

C. Government Sector Impact:

The Senate Proposed Bill 7084 on General Appropriations Act transfers 15 full time equivalent (FTE) positions and \$2,149,516 in the Grants and Donations Trust Fund to the Department of Environmental Protection. \$834,703 in General Revenue Fund expenditures were shifted to the Grants and Donations Trust Fund. The commission currently administers over \$147 million in outstanding grant balances. The Governor recommended transfer of the energy programs to the Department of Environmental Protection in his budget recommendations for Fiscal Year 2011-2012, however the Governor eliminated eight FTE and 834,703 in general revenue funding.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
