

HB 7217

2011

1 A bill to be entitled
2 An act relating to energy incentives and initiatives;
3 amending s. 377.601, F.S.; revising legislative intent
4 relating to the state's energy policy; creating s. 366.90,
5 F.S.; providing legislative intent relating to renewable
6 energy production of electricity; amending s. 366.92,
7 F.S.; deleting legislative intent provisions relating to
8 the state's renewable energy policy; deleting and revising
9 definitions; deleting provisions for the renewable
10 portfolio standard and renewable energy credits; providing
11 a mechanism for providers to recover costs to produce or
12 purchase renewable energy under certain conditions;
13 exempting renewable energy projects for which cost
14 recovery is provided under the mechanism from requirements
15 for a determination of need; requiring providers to
16 include specified information relating to renewable energy
17 development in reports to the Public Service Commission;
18 amending s. 403.503, F.S.; revising the definition of the
19 term "electrical power plant" for purposes of the Florida
20 Electrical Power Plant Siting Act; providing for a type
21 two transfer of the Florida Energy and Climate Commission
22 within the Executive Office of the Governor to the
23 Department of Agriculture and Consumer Services; providing
24 for a type two transfer of the low-income home energy
25 assistance program and the weatherization assistance
26 program within the Department of Community Affairs to the
27 Department of Agriculture and Consumer Services; amending
28 ss. 163.03, 212.05, 213.053, 220.192, 288.1089, 288.9607,

Page 1 of 76

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

hb7217-00

HB 7217

2011

29 | 366.82, 377.6015, 377.602, 377.603, 377.604, 377.605,
 30 | 377.606, 377.608, 377.701, 377.703, 377.801, 377.802,
 31 | 377.803, 377.804, 377.807, 377.808, 377.809, 403.44,
 32 | 409.508, 409.509, 570.954, and 1004.648, F.S.; conforming
 33 | provisions to changes made by the act; amending s. 212.08,
 34 | F.S.; removing an obsolete provision exempting renewable
 35 | energy technologies from the tax on equipment, machinery,
 36 | and other materials; amending s. 570.074, F.S.; providing
 37 | for the creation of the Office of Energy and Water within
 38 | the Department of Agriculture and Consumer Services;
 39 | repealing s. 366.85, F.S., relating to the consumer
 40 | conciliatory conference responsibilities of the Division
 41 | of Consumer Services of the Department of Agriculture and
 42 | Consumer Services; repealing s. 377.806, F.S., relating to
 43 | the Solar Energy System Incentives Program; repealing s.
 44 | 526.207, F.S., relating to studies and reports on the
 45 | life-cycle greenhouse gas emissions associated with
 46 | renewable fuels; providing an effective date.

47 |
 48 | Be It Enacted by the Legislature of the State of Florida:

49 |
 50 | Section 1. Section 377.601, Florida Statutes, is amended
 51 | to read:

52 | 377.601 Legislative intent.—

53 | (1) The purpose of the state's energy policy is to ensure
 54 | an affordable, adequate, and reliable supply of energy for the
 55 | state in a manner that promotes the health and welfare of the
 56 | public, promotes sustainable economic growth, and minimizes and

HB 7217

2011

57 mitigates any adverse impacts. The Legislature intends that
58 governance of the state's energy policy be efficiently directed
59 toward achieving this purpose. ~~The Legislature finds that the~~
60 ~~state's energy security can be increased by lessening dependence~~
61 ~~on foreign oil; that the impacts of global climate change can be~~
62 ~~reduced through the reduction of greenhouse gas emissions; and~~
63 ~~that the implementation of alternative energy technologies can~~
64 ~~be a source of new jobs and employment opportunities for many~~
65 ~~Floridians. The Legislature further finds that the state is~~
66 ~~positioned at the front line against potential impacts of global~~
67 ~~climate change. Human and economic costs of these impacts can be~~
68 ~~averted by global actions and, where necessary, adapted to by a~~
69 ~~concerted effort to make Florida's communities more resilient~~
70 ~~and less vulnerable to these impacts. In focusing the~~
71 ~~government's policy and efforts to benefit and protect our~~
72 ~~state, its citizens, and its resources, the Legislature believes~~
73 ~~that a single government entity with a specific focus on energy~~
74 ~~and climate change is both desirable and advantageous. Further,~~
75 ~~the Legislature finds that energy infrastructure provides the~~
76 ~~foundation for secure and reliable access to the energy supplies~~
77 ~~and services on which Florida depends. Therefore, there is~~
78 ~~significant value to Florida consumers that comes from~~
79 ~~investment in Florida's energy infrastructure that increases~~
80 ~~system reliability, enhances energy independence and~~
81 ~~diversification, stabilizes energy costs, and reduces greenhouse~~
82 ~~gas emissions.~~

83 (2) In furtherance of this purpose, the state's energy
84 policy shall be implemented through effective, efficient, and

85 reliable governance and shall be guided by the following goals
 86 in order of their priority:

- 87 (a) Ensuring an affordable energy supply.
- 88 (b) Ensuring adequate energy supply and capacity.
- 89 (c) Ensuring a secure and reliable energy supply.
- 90 (d) Minimizing energy cost volatility.
- 91 (e) Minimizing the negative impacts of energy production
 92 on the state's environment, social fabric, and public health and
 93 welfare.
- 94 (f) Maximizing economic synergies for the state associated
 95 with its energy policy.
- 96 (g) Reducing the net export of energy expenditures.

97 (3) It is further the policy of the state of Florida to:

- 98 (a) Develop and promote the effective use of energy in the
 99 state, discourage all forms of energy waste, and recognize and
 100 address the potential of global climate change wherever
 101 possible.
- 102 (b) Play a leading role in developing and instituting
 103 energy management programs aimed at promoting energy
 104 conservation, energy security, and the reduction of greenhouse
 105 gas emissions.
- 106 (c) Include energy considerations in all state, regional,
 107 and local planning.
- 108 (d) Utilize and manage effectively energy resources used
 109 within state agencies.
- 110 (e) Encourage local governments to include energy
 111 considerations in all planning and to support their work in
 112 promoting energy management programs.

HB 7217

2011

113 (f) Include the full participation of citizens in the
 114 development and implementation of energy programs.

115 (g) Consider in its decisions the energy needs of each
 116 economic sector, including residential, industrial, commercial,
 117 agricultural, and governmental uses, and reduce those needs
 118 whenever possible.

119 (h) Promote energy education and the public dissemination
 120 of information on energy and its environmental, economic, and
 121 social impact.

122 (i) Encourage the research, development, demonstration,
 123 and application of alternative energy resources, particularly
 124 renewable energy resources.

125 (j) Consider, in its decisionmaking, the social, economic,
 126 and environmental impacts of energy-related activities,
 127 including the whole-life-cycle impacts of any potential energy
 128 use choices, so that detrimental effects of these activities are
 129 understood and minimized.

130 (k) Develop and maintain energy emergency preparedness
 131 plans to minimize the effects of an energy shortage within
 132 Florida.

133 Section 2. Section 366.90, Florida Statutes, is created to
 134 read:

135 366.90 Renewable energy for electricity production.—In
 136 furtherance of the energy policy goals established in s.
 137 377.601, the Legislature finds that it is in the public interest
 138 to promote the development of renewable energy resources in the
 139 state, for purposes of electricity production, through the
 140 mechanisms established in ss. 366.91 and 366.92. The Legislature

HB 7217

2011

141 further finds that renewable energy resources have the potential
 142 to help diversify fuel types to alleviate the state's growing
 143 dependence on natural gas and other fossil fuels for the
 144 production of electricity, minimize the volatility of fuel
 145 costs, encourage investment within the state, improve
 146 environmental conditions, and make the state a leader in new and
 147 innovative technologies.

148 Section 3. Section 366.92, Florida Statutes, is amended to
 149 read:

150 366.92 Florida renewable energy policy.—

151 ~~(1) It is the intent of the Legislature to promote the~~
 152 ~~development of renewable energy; protect the economic viability~~
 153 ~~of Florida's existing renewable energy facilities; diversify the~~
 154 ~~types of fuel used to generate electricity in Florida; lessen~~
 155 ~~Florida's dependence on natural gas and fuel oil for the~~
 156 ~~production of electricity; minimize the volatility of fuel~~
 157 ~~costs; encourage investment within the state; improve~~
 158 ~~environmental conditions; and, at the same time, minimize the~~
 159 ~~costs of power supply to electric utilities and their customers.~~

160 (1)(2) As used in this section, the term:

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

163 ~~(a)(b)~~ "Provider" means a "utility" as defined in s.
 164 366.8255(1) (a) .

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

167 ~~(d) "Renewable energy credit" or "REC" means a product~~
 168 ~~that represents the unbundled, separable, renewable attribute of~~

HB 7217

2011

169 ~~renewable energy produced in Florida and is equivalent to 1~~
170 ~~megawatt-hour of electricity generated by a source of renewable~~
171 ~~energy located in Florida.~~

172 ~~(c) "Renewable portfolio standard" or "RPS" means the~~
173 ~~minimum percentage of total annual retail electricity sales by a~~
174 ~~provider to consumers in Florida that shall be supplied by~~
175 ~~renewable energy produced in Florida.~~

176 ~~(3) The commission shall adopt rules for a renewable~~
177 ~~portfolio standard requiring each provider to supply renewable~~
178 ~~energy to its customers directly, by procuring, or through~~
179 ~~renewable energy credits. In developing the RPS rule, the~~
180 ~~commission shall consult the Department of Environmental~~
181 ~~Protection and the Florida Energy and Climate Commission. The~~
182 ~~rule shall not be implemented until ratified by the Legislature.~~
183 ~~The commission shall present a draft rule for legislative~~
184 ~~consideration by February 1, 2009.~~

185 ~~(a) In developing the rule, the commission shall evaluate~~
186 ~~the current and forecasted levelized cost in cents per kilowatt~~
187 ~~hour through 2020 and current and forecasted installed capacity~~
188 ~~in kilowatts for each renewable energy generation method through~~
189 ~~2020.~~

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

191 ~~1. Shall include methods of managing the cost of~~
192 ~~compliance with the renewable portfolio standard, whether~~
193 ~~through direct supply or procurement of renewable power or~~
194 ~~through the purchase of renewable energy credits. The commission~~
195 ~~shall have rulemaking authority for providing annual cost~~
196 ~~recovery and incentive-based adjustments to authorized rates of~~

HB 7217

2011

197 ~~return on common equity to providers to incentivize renewable~~
198 ~~energy. Notwithstanding s. 366.91(3) and (4), upon the~~
199 ~~ratification of the rules developed pursuant to this subsection,~~
200 ~~the commission may approve projects and power sales agreements~~
201 ~~with renewable power producers and the sale of renewable energy~~
202 ~~credits needed to comply with the renewable portfolio standard.~~
203 ~~In the event of any conflict, this subparagraph shall supersede~~
204 ~~s. 366.91(3) and (4). However, nothing in this section shall~~
205 ~~alter the obligation of each public utility to continuously~~
206 ~~offer a purchase contract to producers of renewable energy.~~

207 ~~2. Shall provide for appropriate compliance measures and~~
208 ~~the conditions under which noncompliance shall be excused due to~~
209 ~~a determination by the commission that the supply of renewable~~
210 ~~energy or renewable energy credits was not adequate to satisfy~~
211 ~~the demand for such energy or that the cost of securing~~
212 ~~renewable energy or renewable energy credits was cost~~
213 ~~prohibitive.~~

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

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

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

223 ~~6. Shall ensure that energy credited toward compliance~~
224 ~~with the requirements of this section is not credited toward any~~

HB 7217

2011

225 ~~other purpose.~~

226 ~~7. Shall include procedures to track and account for~~
227 ~~renewable energy credits, including ownership of renewable~~
228 ~~energy credits that are derived from a customer-owned renewable~~
229 ~~energy facility as a result of any action by a customer of an~~
230 ~~electric power supplier that is independent of a program~~
231 ~~sponsored by the electric power supplier.~~

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

235 ~~(c) Beginning on April 1 of the year following final~~
236 ~~adoption of the commission's renewable portfolio standard rule,~~
237 ~~each provider shall submit a report to the commission describing~~
238 ~~the steps that have been taken in the previous year and the~~
239 ~~steps that will be taken in the future to add renewable energy~~
240 ~~to the provider's energy supply portfolio. The report shall~~
241 ~~state whether the provider was in compliance with the renewable~~
242 ~~portfolio standard during the previous year and how it will~~
243 ~~comply with the renewable portfolio standard in the upcoming~~
244 ~~year.~~

245 ~~(2)-(4) Subject to the provisions of this subsection In~~
246 ~~order to demonstrate the feasibility and viability of clean~~
247 ~~energy systems, the commission shall provide for full cost~~
248 ~~recovery under the environmental cost-recovery clause of all~~
249 ~~reasonable and prudent costs incurred by a provider to produce~~
250 ~~or purchase for renewable energy for purposes of supplying~~
251 ~~electrical energy to its retail customers projects that are zero~~
252 ~~greenhouse gas emitting at the point of generation, up to a~~

HB 7217

2011

253 ~~total of 110 megawatts statewide, and for which the provider has~~
254 ~~secured necessary land, zoning permits, and transmission rights~~
255 ~~within the state. Such costs shall be deemed reasonable and~~
256 ~~prudent for purposes of cost recovery so long as the provider~~
257 ~~has used reasonable and customary industry practices in the~~
258 ~~design, procurement, and construction of the project in a cost-~~
259 ~~effective manner appropriate to the location of the facility.~~
260 ~~The provider shall report to the commission as part of the cost-~~
261 ~~recovery proceedings the construction costs, in-service costs,~~
262 ~~operating and maintenance costs, hourly energy production of the~~
263 ~~renewable energy project, and any other information deemed~~
264 ~~relevant by the commission. Any provider constructing a clean~~
265 ~~energy facility pursuant to this section shall file for cost~~
266 ~~recovery no later than July 1, 2009.~~

267 (a) A provider may petition the commission no later than
268 July 1, 2015, requesting recovery of costs over the useful life
269 of a project to produce renewable energy or over the term of a
270 contract to purchase renewable energy, or a combination of both,
271 subject to the cost cap in paragraph (c). The provider has sole
272 discretion to determine the type and technology of the renewable
273 energy resource that it intends to use. However, at least 20
274 percent of the total capacity for which a provider is permitted
275 to recover costs in any calendar year under this subsection must
276 be produced or purchased from renewable energy resources other
277 than solar energy. A provider must file with the commission, no
278 later than when the provider files a petition for cost recovery
279 under this subsection, a schedule of planned production and
280 purchases for the calendar year in which cost recovery is

HB 7217

2011

281 requested. If any portion of the capacity required from nonsolar
282 renewable energy resources is committed but, for reasons found
283 by the commission to be beyond the control of the provider, is
284 not available during the calendar year for which cost recovery
285 is requested, the provider may continue to recover costs to
286 produce or purchase renewable energy from solar energy resources
287 if the provider continues in good faith to pursue the production
288 or purchase of renewable energy from nonsolar resources. The
289 provider has sole discretion to determine whether to construct
290 new renewable energy generating facilities, convert existing
291 fossil fuel generating facilities to renewable energy generating
292 facilities, or contract for the purchase of renewable energy
293 from third-party generating facilities in the state.

294 (b) In addition to the full cost recovery for such
295 renewable energy projects, a return on equity of 50 basis points
296 above the provider's last authorized rate of return on equity
297 approved by the commission for energy projects shall be approved
298 and provided for a project to produce renewable energy if a
299 majority of the costs of the energy-producing components
300 incorporated into such projects are manufactured in the state.

301 (c) For the production or purchase of renewable energy
302 under this subsection, a provider may annually recover costs up
303 to and in excess of its full avoided cost, as defined in s.
304 366.051 and approved by the commission, if the recovery of costs
305 in excess of the provider's full avoided cost does not exceed,
306 on an annual basis, 2 percent of the provider's total revenues
307 from the retail sale of electricity for calendar year 2010. For
308 purposes of cost recovery under this subsection, costs shall be

HB 7217

2011

309 computed using a methodology that reflects the actual annual
310 revenue requirements contracted for payment for the purchase of
311 renewable capacity and energy from a nonutility renewable
312 generator or the revenue requirements using conventional
313 regulatory accounting for a utility-owned renewable generator.

314 (d) Cost recovery under this subsection is limited to new
315 construction or conversion projects for which construction is
316 commenced on or after July 1, 2011, and to purchases made on or
317 after that date. All renewable energy projects for which costs
318 are approved by the commission for recovery through the
319 environmental cost recovery clause before July 1, 2011, are not
320 subject to or included in the calculation of the cost cap. At
321 least 5 percent of the total costs of solar generation for which
322 a provider is permitted recovery in any calendar year under this
323 subsection shall be dedicated to the provider's demand-side
324 renewable energy system incentive program approved by the
325 commission pursuant to s. 366.82.

326 (e) The costs incurred by a provider to produce or
327 purchase renewable energy under this subsection are deemed to be
328 prudent for purposes of cost recovery if the provider
329 demonstrates to the commission that the project is the most
330 cost-effective alternative for the type of renewable energy
331 resource selected by the utility and that it has used reasonable
332 and customary industry practices in the design, procurement, and
333 construction of the project.

334 (f) Subject to the cost cap in paragraph (c), the
335 commission shall allow a provider to recover the costs
336 associated with the production or purchase of renewable energy

HB 7217

2011

337 under this subsection as follows:

338 1. For new renewable energy generating facilities, the
339 commission shall allow recovery of reasonable and prudent costs,
340 including, but not limited to, the siting, licensing,
341 engineering, design, permitting, construction, operation, and
342 maintenance of such facilities, including any applicable taxes
343 and a return based on the provider's last authorized rate of
344 return.

345 2. For conversion of existing fossil fuel generating
346 facilities to renewable energy generating facilities, the
347 commission shall allow recovery of reasonable and prudent
348 conversion costs, including the costs of retirement of the
349 fossil fuel plant that exceed any amounts accrued by the
350 provider for such purposes through rates previously set by the
351 commission.

352 3. For purchase of renewable energy from third-party
353 generating facilities in the state, the commission shall allow
354 recovery of reasonable and prudent costs associated with the
355 purchase.

356 (g) In a proceeding to recover costs incurred under this
357 subsection, a provider must provide the commission all cost
358 information, hourly energy production information, and other
359 information deemed relevant by the commission with respect to
360 each project.

361 (h) When a provider purchases renewable energy under this
362 subsection at a cost in excess of its full avoided cost, the
363 seller must surrender to the provider all renewable attributes
364 of the renewable energy purchased.

HB 7217

2011

365 (i) Revenues derived from any renewable energy credit,
366 carbon credit, or other mechanism that attributes value to the
367 production of renewable energy, either existing or hereafter
368 devised, received by a provider by virtue of the production or
369 purchase of renewable energy for which cost recovery is approved
370 under this subsection shall be shared with the provider's
371 ratepayers such that the ratepayers are credited at least 75
372 percent of such revenues. However, the provider is not required
373 to share with its ratepayers any value derived from credits
374 received by the provider by virtue of the purchase of renewable
375 energy from a third-party generating facility in the state that
376 does not exceed 2 megawatts in capacity and that is not a
377 regulated utility or its unregulated affiliate.

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

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

386 (a) The amount of renewable energy resources the provider
387 produces or purchases.

388 (b) The amount of renewable energy resources the provider
389 plans to produce or purchase over the 10-year planning horizon
390 and the means by which such production or purchases will be
391 achieved.

392 (c) A statement indicating how the production and purchase

393 of renewable energy resources impact the provider's present and
 394 future capacity and energy needs.

395 ~~(4)-(5)~~ Each municipal electric utility and rural electric
 396 cooperative shall develop standards for the promotion,
 397 encouragement, and expansion of the use of renewable energy
 398 resources and energy conservation and efficiency measures. On or
 399 before April 1, 2009, and annually thereafter, each municipal
 400 electric utility and electric cooperative shall submit to the
 401 commission a report that identifies such standards.

402 ~~(5)-(6)~~ ~~Nothing in~~ This section and any action taken under
 403 this section may not shall be construed to impede or impair the
 404 terms and conditions of, or serve as a basis for renegotiating
 405 or repricing, an existing contract contracts.

406 ~~(6)-(7)~~ The commission may adopt rules to administer and
 407 implement the provisions of this section.

408 Section 4. Subsection (14) of section 403.503, Florida
 409 Statutes, is amended to read:

410 403.503 Definitions relating to Florida Electrical Power
 411 Plant Siting Act.—As used in this act:

412 (14) "Electrical power plant" means, for the purpose of
 413 certification, any steam ~~or solar~~ electrical generating facility
 414 using any process or fuel, including nuclear materials, except
 415 that this term does not include any steam ~~or solar~~ electrical
 416 generating facility of less than 75 megawatts in capacity or any
 417 solar electrical generating facility of any sized capacity
 418 unless the applicant for such a facility elects to apply for
 419 certification under this act. This term also includes the site;
 420 all associated facilities that will be owned by the applicant

421 that are physically connected to the site; all associated
 422 facilities that are indirectly connected to the site by other
 423 proposed associated facilities that will be owned by the
 424 applicant; and associated transmission lines that will be owned
 425 by the applicant which connect the electrical power plant to an
 426 existing transmission network or rights-of-way to which the
 427 applicant intends to connect. At the applicant's option, this
 428 term may include any offsite associated facilities that will not
 429 be owned by the applicant; offsite associated facilities that
 430 are owned by the applicant but that are not directly connected
 431 to the site; any proposed terminal or intermediate substations
 432 or substation expansions connected to the associated
 433 transmission line; or new transmission lines, upgrades, or
 434 improvements of an existing transmission line on any portion of
 435 the applicant's electrical transmission system necessary to
 436 support the generation injected into the system from the
 437 proposed electrical power plant.

438 Section 5. The powers, duties, functions, records,
 439 personnel, property, pending issues and existing contracts,
 440 administrative authority, administrative rules, and unexpended
 441 balances of appropriations, allocations, and other funds of the
 442 Florida Energy and Climate Commission within the Executive
 443 Office of the Governor are transferred by a type two transfer,
 444 as defined in s. 20.06(2), Florida Statutes, to the Department
 445 of Agriculture and Consumer Services.

446 Section 6. The powers, duties, functions, records,
 447 personnel, property, pending issues and existing contracts,
 448 administrative authority, administrative rules, and unexpended

449 balances of appropriations, allocations, and other funds of the
 450 low-income home energy assistance program, authorized under s.
 451 409.508, Florida Statutes, and the weatherization assistance
 452 program, authorized under ss. 409.509-409.5093, Florida
 453 Statutes, within the Department of Community Affairs, are
 454 transferred by a type two transfer, pursuant to s. 20.06(2),
 455 Florida Statutes, to the Department of Agriculture and Consumer
 456 Services.

457 Section 7. Paragraph (e) of subsection (3) of section
 458 163.03, Florida Statutes, is amended to read:

459 163.03 Secretary of Community Affairs; powers and duties;
 460 function of Department of Community Affairs with respect to
 461 federal grant-in-aid programs.—

462 (3) The department is authorized to adopt rules
 463 implementing the following grant programs, which rules shall be
 464 consistent with the laws, regulations, or guidelines governing
 465 the grant to the department:

466 ~~(c) Federal weatherization grant programs.~~

467 Section 8. Paragraph (a) of subsection (1) of section
 468 212.05, Florida Statutes, is amended to read:

469 212.05 Sales, storage, use tax.—It is hereby declared to
 470 be the legislative intent that every person is exercising a
 471 taxable privilege who engages in the business of selling
 472 tangible personal property at retail in this state, including
 473 the business of making mail order sales, or who rents or
 474 furnishes any of the things or services taxable under this
 475 chapter, or who stores for use or consumption in this state any
 476 item or article of tangible personal property as defined herein

477 and who leases or rents such property within the state.

478 (1) For the exercise of such privilege, a tax is levied on
 479 each taxable transaction or incident, which tax is due and
 480 payable as follows:

481 (a)1.a. At the rate of 6 percent of the sales price of
 482 each item or article of tangible personal property when sold at
 483 retail in this state, computed on each taxable sale for the
 484 purpose of remitting the amount of tax due the state, and
 485 including each and every retail sale.

486 b. Each occasional or isolated sale of an aircraft, boat,
 487 mobile home, or motor vehicle of a class or type which is
 488 required to be registered, licensed, titled, or documented in
 489 this state or by the United States Government shall be subject
 490 to tax at the rate provided in this paragraph. The department
 491 shall by rule adopt any nationally recognized publication for
 492 valuation of used motor vehicles as the reference price list for
 493 any used motor vehicle which is required to be licensed pursuant
 494 to s. 320.08(1), (2), (3)(a), (b), (c), or (e), or (9). If any
 495 party to an occasional or isolated sale of such a vehicle
 496 reports to the tax collector a sales price which is less than 80
 497 percent of the average loan price for the specified model and
 498 year of such vehicle as listed in the most recent reference
 499 price list, the tax levied under this paragraph shall be
 500 computed by the department on such average loan price unless the
 501 parties to the sale have provided to the tax collector an
 502 affidavit signed by each party, or other substantial proof,
 503 stating the actual sales price. Any party to such sale who
 504 reports a sales price less than the actual sales price is guilty

HB 7217

2011

505 of a misdemeanor of the first degree, punishable as provided in
 506 s. 775.082 or s. 775.083. The department shall collect or
 507 attempt to collect from such party any delinquent sales taxes.
 508 In addition, such party shall pay any tax due and any penalty
 509 and interest assessed plus a penalty equal to twice the amount
 510 of the additional tax owed. Notwithstanding any other provision
 511 of law, the Department of Revenue may waive or compromise any
 512 penalty imposed pursuant to this subparagraph.

513 2. This paragraph does not apply to the sale of a boat or
 514 aircraft by or through a registered dealer under this chapter to
 515 a purchaser who, at the time of taking delivery, is a
 516 nonresident of this state, does not make his or her permanent
 517 place of abode in this state, and is not engaged in carrying on
 518 in this state any employment, trade, business, or profession in
 519 which the boat or aircraft will be used in this state, or is a
 520 corporation none of the officers or directors of which is a
 521 resident of, or makes his or her permanent place of abode in,
 522 this state, or is a noncorporate entity that has no individual
 523 vested with authority to participate in the management,
 524 direction, or control of the entity's affairs who is a resident
 525 of, or makes his or her permanent abode in, this state. For
 526 purposes of this exemption, either a registered dealer acting on
 527 his or her own behalf as seller, a registered dealer acting as
 528 broker on behalf of a seller, or a registered dealer acting as
 529 broker on behalf of the purchaser may be deemed to be the
 530 selling dealer. This exemption shall not be allowed unless:

531 a. The purchaser removes a qualifying boat, as described
 532 in sub-subparagraph f., from the state within 90 days after the

HB 7217

2011

533 date of purchase or extension, or the purchaser removes a
534 nonqualifying boat or an aircraft from this state within 10 days
535 after the date of purchase or, when the boat or aircraft is
536 repaired or altered, within 20 days after completion of the
537 repairs or alterations;

538 b. The purchaser, within 30 days from the date of
539 departure, shall provide the department with written proof that
540 the purchaser licensed, registered, titled, or documented the
541 boat or aircraft outside the state. If such written proof is
542 unavailable, within 30 days the purchaser shall provide proof
543 that the purchaser applied for such license, title,
544 registration, or documentation. The purchaser shall forward to
545 the department proof of title, license, registration, or
546 documentation upon receipt;

547 c. The purchaser, within 10 days of removing the boat or
548 aircraft from Florida, shall furnish the department with proof
549 of removal in the form of receipts for fuel, dockage, slippage,
550 tie-down, or hangaring from outside of Florida. The information
551 so provided must clearly and specifically identify the boat or
552 aircraft;

553 d. The selling dealer, within 5 days of the date of sale,
554 shall provide to the department a copy of the sales invoice,
555 closing statement, bills of sale, and the original affidavit
556 signed by the purchaser attesting that he or she has read the
557 provisions of this section;

558 e. The seller makes a copy of the affidavit a part of his
559 or her record for as long as required by s. 213.35; and

560 f. Unless the nonresident purchaser of a boat of 5 net

HB 7217

2011

561 tons of admeasurement or larger intends to remove the boat from
562 this state within 10 days after the date of purchase or when the
563 boat is repaired or altered, within 20 days after completion of
564 the repairs or alterations, the nonresident purchaser shall
565 apply to the selling dealer for a decal which authorizes 90 days
566 after the date of purchase for removal of the boat. The
567 nonresident purchaser of a qualifying boat may apply to the
568 selling dealer within 60 days after the date of purchase for an
569 extension decal that authorizes the boat to remain in this state
570 for an additional 90 days, but not more than a total of 180
571 days, before the nonresident purchaser is required to pay the
572 tax imposed by this chapter. The department is authorized to
573 issue decals in advance to dealers. The number of decals issued
574 in advance to a dealer shall be consistent with the volume of
575 the dealer's past sales of boats which qualify under this sub-
576 subparagraph. The selling dealer or his or her agent shall mark
577 and affix the decals to qualifying boats in the manner
578 prescribed by the department, prior to delivery of the boat.

579 (I) The department is hereby authorized to charge dealers
580 a fee sufficient to recover the costs of decals issued, except
581 the extension decal shall cost \$425.

582 (II) The proceeds from the sale of decals will be
583 deposited into the administrative trust fund.

584 (III) Decals shall display information to identify the
585 boat as a qualifying boat under this sub-subparagraph,
586 including, but not limited to, the decal's date of expiration.

587 (IV) The department is authorized to require dealers who
588 purchase decals to file reports with the department and may

HB 7217

2011

589 prescribe all necessary records by rule. All such records are
590 subject to inspection by the department.

591 (V) Any dealer or his or her agent who issues a decal
592 falsely, fails to affix a decal, mismarks the expiration date of
593 a decal, or fails to properly account for decals will be
594 considered prima facie to have committed a fraudulent act to
595 evade the tax and will be liable for payment of the tax plus a
596 mandatory penalty of 200 percent of the tax, and shall be liable
597 for fine and punishment as provided by law for a conviction of a
598 misdemeanor of the first degree, as provided in s. 775.082 or s.
599 775.083.

600 (VI) Any nonresident purchaser of a boat who removes a
601 decal prior to permanently removing the boat from the state, or
602 defaces, changes, modifies, or alters a decal in a manner
603 affecting its expiration date prior to its expiration, or who
604 causes or allows the same to be done by another, will be
605 considered prima facie to have committed a fraudulent act to
606 evade the tax and will be liable for payment of the tax plus a
607 mandatory penalty of 200 percent of the tax, and shall be liable
608 for fine and punishment as provided by law for a conviction of a
609 misdemeanor of the first degree, as provided in s. 775.082 or s.
610 775.083.

611 (VII) The department is authorized to adopt rules
612 necessary to administer and enforce this subparagraph and to
613 publish the necessary forms and instructions.

614 (VIII) The department is hereby authorized to adopt
615 emergency rules pursuant to s. 120.54(4) to administer and
616 enforce the provisions of this subparagraph.

617
 618 If the purchaser fails to remove the qualifying boat from this
 619 state within the maximum 180 days after purchase or a
 620 nonqualifying boat or an aircraft from this state within 10 days
 621 after purchase or, when the boat or aircraft is repaired or
 622 altered, within 20 days after completion of such repairs or
 623 alterations, or permits the boat or aircraft to return to this
 624 state within 6 months from the date of departure, except as
 625 provided in s. 212.08(7) (fff)~~(ggg)~~, or if the purchaser fails to
 626 furnish the department with any of the documentation required by
 627 this subparagraph within the prescribed time period, the
 628 purchaser shall be liable for use tax on the cost price of the
 629 boat or aircraft and, in addition thereto, payment of a penalty
 630 to the Department of Revenue equal to the tax payable. This
 631 penalty shall be in lieu of the penalty imposed by s. 212.12(2).
 632 The maximum 180-day period following the sale of a qualifying
 633 boat tax-exempt to a nonresident may not be tolled for any
 634 reason.

635 Section 9. Paragraph (y) of subsection (8) of section
 636 213.053, Florida Statutes, is amended to read:

637 213.053 Confidentiality and information sharing.—

638 (8) Notwithstanding any other provision of this section,
 639 the department may provide:

640 (y) Information relative to s. ss. 212.08(7)(ccc) and
 641 220.192 to the Department of Agriculture and Consumer Services
 642 ~~Florida Energy and Climate Commission~~ for use in the conduct of
 643 its official business.

644

HB 7217

2011

645 Disclosure of information under this subsection shall be
646 pursuant to a written agreement between the executive director
647 and the agency. Such agencies, governmental or nongovernmental,
648 shall be bound by the same requirements of confidentiality as
649 the Department of Revenue. Breach of confidentiality is a
650 misdemeanor of the first degree, punishable as provided by s.
651 775.082 or s. 775.083.

652 Section 10. Section 220.192, Florida Statutes, is amended
653 to read:

654 220.192 Renewable energy technologies investment tax
655 credit.—

656 (1) DEFINITIONS.—For purposes of this section, the term:

657 (a) "Biodiesel" means the mono-alkyl esters of long-chain
658 fatty acids derived from plant or animal matter for use as a
659 source of energy and meeting the specifications for biodiesel
660 and biodiesel blends with petroleum products as adopted by the
661 Department of Agriculture and Consumer Services. Biodiesel may
662 refer to biodiesel blends designated BXX, where XX represents
663 the volume percentage of biodiesel fuel in the blend ~~biodiesel~~
664 ~~as defined in s. 212.08(7)(ccc).~~

665 (b) "Corporation" includes a general partnership, limited
666 partnership, limited liability company, unincorporated business,
667 or other business entity, including entities taxed as
668 partnerships for federal income tax purposes.

669 (c) "Eligible costs" means:

670 1. Seventy-five percent of all capital costs, operation
671 and maintenance costs, and research and development costs
672 incurred between July 1, 2006, and June 30, 2010, up to a limit

HB 7217

2011

673 of \$3 million per state fiscal year for all taxpayers, in
 674 connection with an investment in hydrogen-powered vehicles and
 675 hydrogen vehicle fueling stations in the state, including, but
 676 not limited to, the costs of constructing, installing, and
 677 equipping such technologies in the state.

678 2. Seventy-five percent of all capital costs, operation
 679 and maintenance costs, and research and development costs
 680 incurred between July 1, 2006, and June 30, 2010, up to a limit
 681 of \$1.5 million per state fiscal year for all taxpayers, and
 682 limited to a maximum of \$12,000 per fuel cell, in connection
 683 with an investment in commercial stationary hydrogen fuel cells
 684 in the state, including, but not limited to, the costs of
 685 constructing, installing, and equipping such technologies in the
 686 state.

687 3. Seventy-five percent of all capital costs, operation
 688 and maintenance costs, and research and development costs
 689 incurred between July 1, 2006, and June 30, 2010, up to a limit
 690 of \$6.5 million per state fiscal year for all taxpayers, in
 691 connection with an investment in the production, storage, and
 692 distribution of biodiesel (B10-B100) and ethanol (E10-E100) in
 693 the state, including the costs of constructing, installing, and
 694 equipping such technologies in the state. Gasoline fueling
 695 station pump retrofits for ethanol (E10-E100) distribution
 696 qualify as an eligible cost under this subparagraph.

697 (d) "Ethanol" means an anhydrous denatured alcohol
 698 produced by the conversion of carbohydrates meeting the
 699 specifications for fuel ethanol and fuel ethanol blends with
 700 petroleum products as adopted by the Department of Agriculture

HB 7217

2011

701 and Consumer Services. Ethanol may refer to fuel ethanol blends
702 designated EXX, where XX represents the volume percentage of
703 fuel ethanol in the blend ~~ethanol as defined in s.~~
704 ~~212.08(7)(ccc).~~

705 (e) "Hydrogen fuel cell" means equipment using hydrogen or
706 a hydrogen-rich fuel in an electrochemical process to generate
707 energy, electricity, or the transfer of heat ~~hydrogen fuel cell~~
708 ~~as defined in s. 212.08(7)(ccc).~~

709 (f) "Taxpayer" includes a corporation as defined in
710 paragraph (b) or s. 220.03.

711 (2) TAX CREDIT.—For tax years beginning on or after
712 January 1, 2007, a credit against the tax imposed by this
713 chapter shall be granted in an amount equal to the eligible
714 costs. Credits may be used in tax years beginning January 1,
715 2007, and ending December 31, 2010, after which the credit shall
716 expire. If the credit is not fully used in any one tax year
717 because of insufficient tax liability on the part of the
718 corporation, the unused amount may be carried forward and used
719 in tax years beginning January 1, 2007, and ending December 31,
720 2012, after which the credit carryover expires and may not be
721 used. A taxpayer that files a consolidated return in this state
722 as a member of an affiliated group under s. 220.131(1) may be
723 allowed the credit on a consolidated return basis up to the
724 amount of tax imposed upon the consolidated group. Any eligible
725 cost for which a credit is claimed and which is deducted or
726 otherwise reduces federal taxable income shall be added back in
727 computing adjusted federal income under s. 220.13.

728 (3) CORPORATE APPLICATION PROCESS.—Any corporation wishing

HB 7217

2011

729 to obtain tax credits available under this section must submit
730 to the Department of Agriculture and Consumer Services ~~Florida~~
731 ~~Energy and Climate Commission~~ an application for tax credit that
732 includes a complete description of all eligible costs for which
733 the corporation is seeking a credit and a description of the
734 total amount of credits sought. The Department of Agriculture
735 and Consumer Services ~~Florida Energy and Climate Commission~~
736 shall make a determination on the eligibility of the applicant
737 for the credits sought and certify the determination to the
738 applicant and the Department of Revenue. The corporation must
739 attach the Department of Agriculture and Consumer Services'
740 ~~Florida Energy and Climate Commission's~~ certification to the tax
741 return on which the credit is claimed. The Department of
742 Agriculture and Consumer Services ~~Florida Energy and Climate~~
743 ~~Commission~~ shall be responsible for ensuring that the corporate
744 income tax credits granted in each fiscal year do not exceed the
745 limits provided for in this section. The Department of
746 Agriculture and Consumer Services ~~Florida Energy and Climate~~
747 ~~Commission~~ is authorized to adopt the necessary rules,
748 guidelines, and application materials for the application
749 process.

750 (4) TAXPAYER APPLICATION PROCESS.—To claim a credit under
751 this section, each taxpayer must apply to the Department of
752 Agriculture and Consumer Services ~~Florida Energy and Climate~~
753 ~~Commission~~ for an allocation of each type of annual credit by
754 the date established by the Department of Agriculture and
755 Consumer Services ~~Florida Energy and Climate Commission~~. The
756 application form may be established by the Department of

757 Agriculture and Consumer Services ~~Florida Energy and Climate~~
 758 ~~Commission~~. The form must include an affidavit from each
 759 taxpayer certifying that all information contained in the
 760 application, including all records of eligible costs claimed as
 761 the basis for the tax credit, are true and correct. Approval of
 762 the credits under this section shall be accomplished on a first-
 763 come, first-served basis, based upon the date complete
 764 applications are received by the Department of Agriculture and
 765 Consumer Services ~~Florida Energy and Climate Commission~~. A
 766 taxpayer shall submit only one complete application based upon
 767 eligible costs incurred within a particular state fiscal year.
 768 Incomplete placeholder applications will not be accepted and
 769 will not secure a place in the first-come, first-served
 770 application line. If a taxpayer does not receive a tax credit
 771 allocation due to the exhaustion of the annual tax credit
 772 authorizations, then such taxpayer may reapply in the following
 773 year for those eligible costs and will have priority over other
 774 applicants for the allocation of credits.

775 (5) ADMINISTRATION; AUDIT AUTHORITY; RECAPTURE OF
 776 CREDITS.—

777 (a) In addition to its existing audit and investigation
 778 authority, the Department of Revenue may perform any additional
 779 financial and technical audits and investigations, including
 780 examining the accounts, books, and records of the tax credit
 781 applicant, which are necessary to verify the eligible costs
 782 included in the tax credit return and to ensure compliance with
 783 this section. The Department of Agriculture and Consumer
 784 Services ~~Florida Energy and Climate Commission~~ shall provide

785 technical assistance when requested by the Department of Revenue
 786 on any technical audits or examinations performed pursuant to
 787 this section.

788 (b) It is grounds for forfeiture of previously claimed and
 789 received tax credits if the Department of Revenue determines, as
 790 a result of an audit or examination or from information received
 791 from the Department of Agriculture and Consumer Services ~~Florida~~
 792 ~~Energy and Climate Commission~~, that a taxpayer received tax
 793 credits pursuant to this section to which the taxpayer was not
 794 entitled. The taxpayer is responsible for returning forfeited
 795 tax credits to the Department of Revenue, and such funds shall
 796 be paid into the General Revenue Fund of the state.

797 (c) The Department of Agriculture and Consumer Services
 798 ~~Florida Energy and Climate Commission~~ may revoke or modify any
 799 written decision granting eligibility for tax credits under this
 800 section if it is discovered that the tax credit applicant
 801 submitted any false statement, representation, or certification
 802 in any application, record, report, plan, or other document
 803 filed in an attempt to receive tax credits under this section.
 804 The Department of Agriculture and Consumer Services ~~Florida~~
 805 ~~Energy and Climate Commission~~ shall immediately notify the
 806 Department of Revenue of any revoked or modified orders
 807 affecting previously granted tax credits. Additionally, the
 808 taxpayer must notify the Department of Revenue of any change in
 809 its tax credit claimed.

810 (d) The taxpayer shall file with the Department of Revenue
 811 an amended return or such other report as the Department of
 812 Revenue prescribes by rule and shall pay any required tax and

HB 7217

2011

813 interest within 60 days after the taxpayer receives notification
 814 from the Department of Agriculture and Consumer Services ~~Florida~~
 815 ~~Energy and Climate Commission~~ that previously approved tax
 816 credits have been revoked or modified. If the revocation or
 817 modification order is contested, the taxpayer shall file an
 818 amended return or other report as provided in this paragraph
 819 within 60 days after a final order is issued after proceedings.

820 (e) A notice of deficiency may be issued by the Department
 821 of Revenue at any time within 3 years after the taxpayer
 822 receives formal notification from the Department of Agriculture
 823 and Consumer Services ~~Florida Energy and Climate Commission~~ that
 824 previously approved tax credits have been revoked or modified.
 825 If a taxpayer fails to notify the Department of Revenue of any
 826 changes to its tax credit claimed, a notice of deficiency may be
 827 issued at any time.

828 (6) TRANSFERABILITY OF CREDIT.—

829 (a) For tax years beginning on or after January 1, 2009,
 830 any corporation or subsequent transferee allowed a tax credit
 831 under this section may transfer the credit, in whole or in part,
 832 to any taxpayer by written agreement without transferring any
 833 ownership interest in the property generating the credit or any
 834 interest in the entity owning such property. The transferee is
 835 entitled to apply the credits against the tax with the same
 836 effect as if the transferee had incurred the eligible costs.

837 (b) To perfect the transfer, the transferor shall provide
 838 the Department of Revenue with a written transfer statement
 839 notifying the Department of Revenue of the transferor's intent
 840 to transfer the tax credits to the transferee; the date the

HB 7217

2011

841 transfer is effective; the transferee's name, address, and
842 federal taxpayer identification number; the tax period; and the
843 amount of tax credits to be transferred. The Department of
844 Revenue shall, upon receipt of a transfer statement conforming
845 to the requirements of this section, provide the transferee with
846 a certificate reflecting the tax credit amounts transferred. A
847 copy of the certificate must be attached to each tax return for
848 which the transferee seeks to apply such tax credits.

849 (c) A tax credit authorized under this section that is
850 held by a corporation and not transferred under this subsection
851 shall be passed through to the taxpayers designated as partners,
852 members, or owners, respectively, in the manner agreed to by
853 such persons regardless of whether such partners, members, or
854 owners are allocated or allowed any portion of the federal
855 energy tax credit for the eligible costs. A corporation that
856 passes the credit through to a partner, member, or owner must
857 comply with the notification requirements described in paragraph
858 (b). The partner, member, or owner must attach a copy of the
859 certificate to each tax return on which the partner, member, or
860 owner claims any portion of the credit.

861 (7) RULES.—The Department of Revenue shall have the
862 authority to adopt rules pursuant to ss. 120.536(1) and 120.54
863 to administer this section, including rules relating to:

864 (a) The forms required to claim a tax credit under this
865 section, the requirements and basis for establishing an
866 entitlement to a credit, and the examination and audit
867 procedures required to administer this section.

868 (b) The implementation and administration of the

HB 7217

2011

869 provisions allowing a transfer of a tax credit, including rules
 870 prescribing forms, reporting requirements, and specific
 871 procedures, guidelines, and requirements necessary to transfer a
 872 tax credit.

873 (8) PUBLICATION.—The Department of Agriculture and
 874 Consumer Services ~~Florida Energy and Climate Commission~~ shall
 875 determine and publish on a regular basis the amount of available
 876 tax credits remaining in each fiscal year.

877 Section 11. Paragraphs (d) and (e) of subsection (2) and
 878 subsection (5) of section 288.1089, Florida Statutes, are
 879 amended to read:

880 288.1089 Innovation Incentive Program.—

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

882 (d) ~~(e)~~ "Cumulative investment" means cumulative capital
 883 investment and all eligible capital costs, as defined in s.
 884 220.191.

885 (e) ~~(d)~~ "Department" "~~Commission~~" means the Department of
 886 Agriculture and Consumer Services ~~Florida Energy and Climate~~
 887 ~~Commission~~.

888 (5) Enterprise Florida, Inc., shall evaluate proposals for
 889 all three categories of innovation incentive awards and transmit
 890 recommendations for awards to the office. Before making its
 891 recommendations on alternative and renewable energy projects,
 892 Enterprise Florida, Inc., shall solicit comments and
 893 recommendations from the department ~~Florida Energy and Climate~~
 894 ~~Commission~~. For each project, the evaluation and recommendation
 895 to the office must include, but need not be limited to:

896 (a) A description of the project, its required facilities,

HB 7217

2011

897 and the associated product, service, or research and development
898 associated with the project.

899 (b) The percentage of match provided for the project.

900 (c) The number of full-time equivalent jobs that will be
901 created by the project, the total estimated average annual wages
902 of such jobs, and the types of business activities and jobs
903 likely to be stimulated by the project.

904 (d) The cumulative investment to be dedicated to the
905 project within 5 years and the total investment expected in the
906 project if more than 5 years.

907 (e) The projected economic and fiscal impacts on the local
908 and state economies relative to investment.

909 (f) A statement of any special impacts the project is
910 expected to stimulate in a particular business sector in the
911 state or regional economy or in the state's universities and
912 community colleges.

913 (g) A statement of any anticipated or proposed
914 relationships with state universities.

915 (h) A statement of the role the incentive is expected to
916 play in the decision of the applicant to locate or expand in
917 this state.

918 (i) A recommendation and explanation of the amount of the
919 award needed to cause the applicant to expand or locate in this
920 state.

921 (j) A discussion of the efforts and commitments made by
922 the local community in which the project is to be located to
923 induce the applicant's location or expansion, taking into
924 consideration local resources and abilities.

HB 7217

2011

925 (k) A recommendation for specific performance criteria the
 926 applicant would be expected to achieve in order to receive
 927 payments from the fund and penalties or sanctions for failure to
 928 meet or maintain performance conditions.

929 (l) Additional evaluative criteria for a research and
 930 development facility project, including:

931 1. A description of the extent to which the project has
 932 the potential to serve as catalyst for an emerging or evolving
 933 cluster.

934 2. A description of the extent to which the project has or
 935 could have a long-term collaborative research and development
 936 relationship with one or more universities or community colleges
 937 in this state.

938 3. A description of the existing or projected impact of
 939 the project on established clusters or targeted industry
 940 sectors.

941 4. A description of the project's contribution to the
 942 diversity and resiliency of the innovation economy of this
 943 state.

944 5. A description of the project's impact on special needs
 945 communities, including, but not limited to, rural areas,
 946 distressed urban areas, and enterprise zones.

947 (m) Additional evaluative criteria for alternative and
 948 renewable energy proposals, including:

949 1. The availability of matching funds or other in-kind
 950 contributions applied to the total project from an applicant.

951 The department ~~commission~~ shall give greater preference to
 952 projects that provide such matching funds or other in-kind

953 contributions.

954 2. The degree to which the project stimulates in-state
 955 capital investment and economic development in metropolitan and
 956 rural areas, including the creation of jobs and the future
 957 development of a commercial market for renewable energy
 958 technologies.

959 3. The extent to which the proposed project has been
 960 demonstrated to be technically feasible based on pilot project
 961 demonstrations, laboratory testing, scientific modeling, or
 962 engineering or chemical theory that supports the proposal.

963 4. The degree to which the project incorporates an
 964 innovative new technology or an innovative application of an
 965 existing technology.

966 5. The degree to which a project generates thermal,
 967 mechanical, or electrical energy by means of a renewable energy
 968 resource that has substantial long-term production potential.

969 6. The degree to which a project demonstrates efficient
 970 use of energy and material resources.

971 7. The degree to which the project fosters overall
 972 understanding and appreciation of renewable energy technologies.

973 8. The ability to administer a complete project.

974 9. Project duration and timeline for expenditures.

975 10. The geographic area in which the project is to be
 976 conducted in relation to other projects.

977 11. The degree of public visibility and interaction.

978 Section 12. Subsection (9) of section 288.9607, Florida
 979 Statutes, is amended to read:

980 288.9607 Guaranty of bond issues.—

HB 7217

2011

981 (9) The membership of the corporation is authorized and
 982 directed to conduct such investigation as it may deem necessary
 983 for promulgation of regulations to govern the operation of the
 984 guaranty program authorized by this section. The regulations may
 985 include such other additional provisions, restrictions, and
 986 conditions as the corporation, after its investigation referred
 987 to in this subsection, shall determine to be proper to achieve
 988 the most effective utilization of the guaranty program. This may
 989 include, without limitation, a detailing of the remedies that
 990 must be exhausted by bondholders, a trustee acting on their
 991 behalf, or other credit provided before calling upon the
 992 corporation to perform under its guaranty agreement and the
 993 subrogation of other rights of the corporation with reference to
 994 the capital project and its operation or the financing in the
 995 event the corporation makes payment pursuant to the applicable
 996 guaranty agreement. The regulations promulgated by the
 997 corporation to govern the operation of the guaranty program may
 998 contain specific provisions with respect to the rights of the
 999 corporation to enter, take over, and manage all financed
 1000 properties upon default. These regulations shall be submitted by
 1001 the corporation to the Department of Agriculture and Consumer
 1002 Services ~~Florida Energy and Climate Commission~~ for approval.

1003 Section 13. Subsection (5) of section 366.82, Florida
 1004 Statutes, is amended to read:

1005 366.82 Definition; goals; plans; programs; annual reports;
 1006 energy audits.—

1007 (5) The Department of Agriculture and Consumer Services
 1008 ~~Florida Energy and Climate Commission~~ shall be a party in the

HB 7217

2011

1009 | proceedings to adopt goals and shall file with the commission
 1010 | comments on the proposed goals, including, but not limited to:

1011 | (a) An evaluation of utility load forecasts, including an
 1012 | assessment of alternative supply-side and demand-side resource
 1013 | options.

1014 | (b) An analysis of various policy options that can be
 1015 | implemented to achieve a least-cost strategy, including
 1016 | nonutility programs targeted at reducing and controlling the per
 1017 | capita use of electricity in the state.

1018 | (c) An analysis of the impact of state and local building
 1019 | codes and appliance efficiency standards on the need for
 1020 | utility-sponsored conservation and energy efficiency measures
 1021 | and programs.

1022 | Section 14. Section 377.6015, Florida Statutes, is amended
 1023 | to read:

1024 | 377.6015 Department of Agriculture and Consumer Services;
 1025 | powers and duties ~~Florida Energy and Climate Commission.~~ To
 1026 | carry out the purposes of this part:

1027 | ~~(1) The Florida Energy and Climate Commission is created~~
 1028 | ~~within the Executive Office of the Governor. The commission~~
 1029 | ~~shall be comprised of nine members appointed by the Governor,~~
 1030 | ~~the Commissioner of Agriculture, and the Chief Financial~~
 1031 | ~~Officer.~~

1032 | ~~(a) The Governor shall appoint one member from three~~
 1033 | ~~persons nominated by the Florida Public Service Commission~~
 1034 | ~~Nominating Council, created in s. 350.031, to each of seven~~
 1035 | ~~seats on the commission. The Commissioner of Agriculture shall~~
 1036 | ~~appoint one member from three persons nominated by the council~~

HB 7217

2011

1037 ~~to one seat on the commission. The Chief Financial Officer shall~~
 1038 ~~appoint one member from three persons nominated by the council~~
 1039 ~~to one seat on the commission.~~

1040 ~~1. The council shall submit the recommendations to the~~
 1041 ~~Governor, the Commissioner of Agriculture, and the Chief~~
 1042 ~~Financial Officer by September 1 of those years in which the~~
 1043 ~~terms are to begin the following October or within 60 days after~~
 1044 ~~a vacancy occurs for any reason other than the expiration of the~~
 1045 ~~term. The Governor, the Commissioner of Agriculture, and the~~
 1046 ~~Chief Financial Officer may proffer names of persons to be~~
 1047 ~~considered for nomination by the council.~~

1048 ~~2. The Governor, the Commissioner of Agriculture, and the~~
 1049 ~~Chief Financial Officer shall fill a vacancy occurring on the~~
 1050 ~~commission by appointment of one of the applicants nominated by~~
 1051 ~~the council only after a background investigation of such~~
 1052 ~~applicant has been conducted by the Department of Law~~
 1053 ~~Enforcement.~~

1054 ~~3. Members shall be appointed to 3-year terms; however, in~~
 1055 ~~order to establish staggered terms, for the initial~~
 1056 ~~appointments, the Governor shall appoint four members to 3-year~~
 1057 ~~terms, two members to 2-year terms, and one member to a 1-year~~
 1058 ~~term, and the Commissioner of Agriculture and the Chief~~
 1059 ~~Financial Officer shall each appoint one member to a 3-year term~~
 1060 ~~and shall appoint a successor when that appointee's term expires~~
 1061 ~~in the same manner as the original appointment.~~

1062 ~~4. The Governor shall select from the membership of the~~
 1063 ~~commission one person to serve as chair.~~

1064 ~~5. A vacancy on the commission shall be filled for the~~

HB 7217

2011

1065 ~~unexpired portion of the term in the same manner as the original~~
 1066 ~~appointment.~~

1067 ~~6. If the Governor, the Commissioner of Agriculture, or~~
 1068 ~~the Chief Financial Officer has not made an appointment within~~
 1069 ~~30 consecutive calendar days after the receipt of the~~
 1070 ~~recommendations, the council shall initiate, in accordance with~~
 1071 ~~this section, the nominating process within 30 days.~~

1072 ~~7. Each appointment to the commission shall be subject to~~
 1073 ~~confirmation by the Senate during the next regular session after~~
 1074 ~~the vacancy occurs. If the Senate refuses to confirm or fails to~~
 1075 ~~consider the appointment of the Governor, the Commissioner of~~
 1076 ~~Agriculture, or the Chief Financial Officer, the council shall~~
 1077 ~~initiate, in accordance with this section, the nominating~~
 1078 ~~process within 30 days.~~

1079 ~~8. The Governor or the Governor's successor may recall an~~
 1080 ~~appointee.~~

1081 ~~9. Notwithstanding subparagraph 7. and for the initial~~
 1082 ~~appointments to the commission only, each initial appointment to~~
 1083 ~~the commission is subject to confirmation by the Senate by the~~
 1084 ~~2010 Regular Session. If the Senate refuses to confirm or fails~~
 1085 ~~to consider an appointment made by the Governor, the~~
 1086 ~~Commissioner of Agriculture, or the Chief Financial Officer, the~~
 1087 ~~council shall initiate, in accordance with this section, the~~
 1088 ~~nominating process within 30 days after the Senate's refusal to~~
 1089 ~~confirm or failure to consider such appointment. This~~
 1090 ~~subparagraph expires July 1, 2010.~~

1091 ~~(b) Members must meet the following qualifications and~~
 1092 ~~restrictions:~~

HB 7217

2011

1093 ~~1. A member must be an expert in one or more of the~~
1094 ~~following fields: energy, natural resource conservation,~~
1095 ~~economics, engineering, finance, law, transportation and land~~
1096 ~~use, consumer protection, state energy policy, or another field~~
1097 ~~substantially related to the duties and functions of the~~
1098 ~~commission. The commission shall fairly represent the fields~~
1099 ~~specified in this subparagraph.~~

1100 ~~2. Each member shall, at the time of appointment and at~~
1101 ~~each commission meeting during his or her term of office,~~
1102 ~~disclose:~~

1103 ~~a. Whether he or she has any financial interest, other~~
1104 ~~than ownership of shares in a mutual fund, in any business~~
1105 ~~entity that, directly or indirectly, owns or controls, or is an~~
1106 ~~affiliate or subsidiary of, any business entity that may be~~
1107 ~~affected by the policy recommendations developed by the~~
1108 ~~commission.~~

1109 ~~b. Whether he or she is employed by or is engaged in any~~
1110 ~~business activity with any business entity that, directly or~~
1111 ~~indirectly, owns or controls, or is an affiliate or subsidiary~~
1112 ~~of, any business entity that may be affected by the policy~~
1113 ~~recommendations developed by the commission.~~

1114 ~~(c) The chair may designate the following ex officio,~~
1115 ~~nonvoting members to provide information and advice to the~~
1116 ~~commission at the request of the chair:~~

1117 ~~1. The chair of the Florida Public Service Commission, or~~
1118 ~~his or her designee.~~

1119 ~~2. The Public Counsel, or his or her designee.~~

1120 ~~3. A representative of the Department of Agriculture and~~

HB 7217

2011

1121 ~~Consumer Services.~~
 1122 ~~4. A representative of the Department of Financial~~
 1123 ~~Services.~~
 1124 ~~5. A representative of the Department of Environmental~~
 1125 ~~Protection.~~
 1126 ~~6. A representative of the Department of Community~~
 1127 ~~Affairs.~~
 1128 ~~7. A representative of the Board of Governors of the State~~
 1129 ~~University System.~~
 1130 ~~8. A representative of the Department of Transportation.~~
 1131 ~~(2) Members shall serve without compensation but are~~
 1132 ~~entitled to reimbursement for per diem and travel expenses as~~
 1133 ~~provided in s. 112.061.~~
 1134 ~~(3) Meetings of the commission may be held in various~~
 1135 ~~locations around the state and at the call of the chair;~~
 1136 ~~however, the commission must meet at least six times each year.~~
 1137 (1)~~(4)~~ The department ~~commission~~ may:
 1138 (a) Employ staff and counsel as needed in the performance
 1139 of its duties.
 1140 (b) Prosecute and defend legal actions in its own name.
 1141 (c) Form advisory groups consisting of members of the
 1142 public to provide information on specific issues.
 1143 (2)~~(5)~~ The department ~~commission~~ shall:
 1144 (a) Administer the Florida Renewable Energy and Energy-
 1145 Efficient Technologies Grants Program pursuant to s. 377.804 to
 1146 assure a robust grant portfolio.
 1147 (b) Develop policy for requiring grantees to provide
 1148 royalty-sharing or licensing agreements with state government

HB 7217

2011

1149 for commercialized products developed under a state grant.

1150 (c) Administer the Florida Green Government Grants Act
 1151 pursuant to s. 377.808 and set annual priorities for grants.

1152 (d) Administer the information gathering and reporting
 1153 functions pursuant to ss. 377.601-377.608.

1154 (e) Administer petroleum planning and emergency
 1155 contingency planning pursuant to ss. 377.701, 377.703, and
 1156 377.704.

1157 (f) Represent Florida in the Southern States Energy
 1158 Compact pursuant to ss. 377.71-377.712.

1159 ~~(g) Complete the annual assessment of the efficacy of~~
 1160 ~~Florida's Energy and Climate Change Action Plan, upon completion~~
 1161 ~~by the Governor's Action Team on Energy and Climate Change~~
 1162 ~~pursuant to the Governor's Executive Order 2007-128, and provide~~
 1163 ~~specific recommendations to the Governor and the Legislature~~
 1164 ~~each year to improve results.~~

1165 (g)~~(h)~~ Administer the provisions of the Florida Energy and
 1166 Climate Protection Act pursuant to ss. 377.801-377.807 ~~377.801-~~
 1167 ~~377.806.~~

1168 (h)~~(i)~~ Advocate for energy and climate change issues and
 1169 provide educational outreach and technical assistance in
 1170 cooperation with the state's academic institutions.

1171 (i)~~(j)~~ Be a party in the proceedings to adopt goals and
 1172 submit comments to the Public Service Commission pursuant to s.
 1173 366.82.

1174 (j)~~(k)~~ Adopt rules pursuant to chapter 120 in order to
 1175 implement all powers and duties described in this section.

HB 7217

2011

1176 Section 15. Section 377.602, Florida Statutes, is amended
 1177 to read:

1178 377.602 Definitions.—As used in ss. 377.601-377.608:

1179 (1) "Department" ~~"Commission"~~ means the Department of
 1180 Agriculture and Consumer Services ~~Florida Energy and Climate~~
 1181 ~~Commission~~.

1182 (2) "Energy resources" includes, but shall not be limited
 1183 to:

1184 (a) Energy converted from solar radiation, wind, hydraulic
 1185 potential, tidal movements, biomass, geothermal sources, and
 1186 other energy resources the department ~~commission~~ determines to
 1187 be important to the production or supply of energy.

1188 (b) Propane, butane, motor gasoline, kerosene, home
 1189 heating oil, diesel fuel, other middle distillates, aviation
 1190 gasoline, kerosene-type jet fuel, naphtha-type jet fuel,
 1191 residual fuels, crude oil, and other petroleum products and
 1192 hydrocarbons as may be determined by the department ~~commission~~
 1193 to be of importance.

1194 (c) All natural gas, including casinghead gas, all other
 1195 hydrocarbons not defined as petroleum products in paragraph (b),
 1196 and liquefied petroleum gas as defined in s. 527.01.

1197 (d) All types of coal and products derived from its
 1198 conversion and used as fuel.

1199 (e) All types of nuclear energy, special nuclear material,
 1200 and source material, as defined in former s. 290.07.

1201 (f) All electrical energy.

1202 (3) "Person" means producer, refiner, wholesaler,
 1203 marketer, consignee, jobber, distributor, storage operator,

HB 7217

2011

1204 importer, exporter, firm, corporation, broker, cooperative,
 1205 public utility as defined in s. 366.02, rural electrification
 1206 cooperative, municipality engaged in the business of providing
 1207 electricity or other energy resources to the public, pipeline
 1208 company, person transporting any energy resources as defined in
 1209 subsection (2), and person holding energy reserves for further
 1210 production; however, "person" does not include persons
 1211 exclusively engaged in the retail sale of petroleum products.

1212 Section 16. Section 377.603, Florida Statutes, is amended
 1213 to read:

1214 377.603 Energy data collection; powers and duties of the
 1215 department ~~commission~~.

1216 (1) The department ~~commission~~ may collect data on the
 1217 extraction, production, importation, exportation, refinement,
 1218 transportation, transmission, conversion, storage, sale, or
 1219 reserves of energy resources in this state in an efficient and
 1220 expeditious manner.

1221 (2) The department ~~commission~~ may prepare periodic reports
 1222 of energy data it collects.

1223 (3) The department ~~commission~~ may adopt and promulgate
 1224 such rules and regulations as are necessary to carry out the
 1225 provisions of ss. 377.601-377.608. Such rules shall be pursuant
 1226 to chapter 120.

1227 (4) The department ~~commission~~ shall maintain internal
 1228 validation procedures to assure the accuracy of information
 1229 received.

1230 Section 17. Section 377.604, Florida Statutes, is amended
 1231 to read:

HB 7217

2011

1232 377.604 Required reports.—Every person who produces,
 1233 imports, exports, refines, transports, transmits, converts,
 1234 stores, sells, or holds known reserves of any form of energy
 1235 resources used as fuel shall report to the department
 1236 ~~commission~~, at the request of and in a manner prescribed by the
 1237 department ~~commission~~, on forms provided by the department
 1238 ~~commission~~. Such forms shall be designed in such a manner as to
 1239 indicate:

1240 (1) The identity of the person or persons making the
 1241 report.

1242 (2) The quantity of energy resources extracted, produced,
 1243 imported, exported, refined, transported, transmitted,
 1244 converted, stored, or sold except at retail.

1245 (3) The quantity of energy resources known to be held in
 1246 reserve in the state.

1247 (4) The identity of each refinery from which petroleum
 1248 products have normally been obtained and the type and quantity
 1249 of products secured from that refinery for sale or resale in
 1250 this state.

1251 (5) Any other information which the department ~~commission~~
 1252 deems proper pursuant to the intent of ss. 377.601-377.608.

1253 Section 18. Section 377.605, Florida Statutes, is amended
 1254 to read:

1255 377.605 Use of existing information.—The department
 1256 ~~commission~~ may utilize to the fullest extent possible any
 1257 existing energy information already prepared for state or
 1258 federal agencies. Every state, county, and municipal agency
 1259 shall cooperate with the department ~~commission~~ and shall submit

HB 7217

2011

1260 any information on energy to the department ~~commission~~ upon
 1261 request.

1262 Section 19. Section 377.606, Florida Statutes, is amended
 1263 to read:

1264 377.606 Records of the department ~~commission~~; limits of
 1265 confidentiality.—The information or records of individual
 1266 persons, as defined in this section, obtained by the department
 1267 ~~commission~~ as a result of a report, investigation, or
 1268 verification required by the department ~~commission~~ shall be open
 1269 to the public, except such information the disclosure of which
 1270 would be likely to cause substantial harm to the competitive
 1271 position of the person providing such information and which is
 1272 requested to be held confidential by the person providing such
 1273 information. Such proprietary information is confidential and
 1274 exempt from the provisions of s. 119.07(1). Information reported
 1275 by entities other than the department ~~commission~~ in documents or
 1276 reports open to public inspection shall under no circumstances
 1277 be classified as confidential by the department ~~commission~~.
 1278 Divulgence of proprietary information as is requested to be held
 1279 confidential, except upon order of a court of competent
 1280 jurisdiction or except to an officer of the state entitled to
 1281 receive the same in his or her official capacity, shall be a
 1282 misdemeanor of the second degree, punishable as provided in ss.
 1283 775.082 and 775.083. Nothing in this section shall be construed
 1284 to prohibit the publication or divulgence by other means of data
 1285 so classified as to prevent identification of particular
 1286 accounts or reports made to the department ~~commission~~ in
 1287 compliance with s. 377.603 or to prohibit the disclosure of such

HB 7217

2011

1288 information to properly qualified legislative committees. The
 1289 department ~~commission~~ shall establish a system which permits
 1290 reasonable access to information developed.

1291 Section 20. Section 377.608, Florida Statutes, is amended
 1292 to read:

1293 377.608 Prosecution of cases by state attorney.—The state
 1294 attorney shall prosecute all cases certified to him or her for
 1295 prosecution by the department ~~commission~~ immediately upon
 1296 receipt of the evidence transmitted by the department
 1297 ~~commission~~, or as soon thereafter as practicable.

1298 Section 21. Section 377.701, Florida Statutes, is amended
 1299 to read:

1300 377.701 Petroleum allocation.—

1301 (1) The Department of Agriculture and Consumer Services
 1302 ~~Florida Energy and Climate Commission~~ shall assume the state's
 1303 role in petroleum allocation and conservation, including the
 1304 development of a fair and equitable petroleum plan. The
 1305 department ~~commission~~ shall constitute the responsible state
 1306 agency for performing the functions of any federal program
 1307 delegated to the state, which relates to petroleum supply,
 1308 demand, and allocation.

1309 (2) The department ~~commission~~ shall, in addition to
 1310 assuming the duties and responsibilities provided by subsection
 1311 (1), perform the following:

1312 (a) In projecting available supplies of petroleum,
 1313 coordinate with the Department of Revenue to secure information
 1314 necessary to assure the sufficiency and accuracy of data
 1315 submitted by persons affected by any federal fuel allocation

HB 7217

2011

1316 program.

1317 (b) Require such periodic reports from public and private
 1318 sources as may be necessary to the fulfillment of its
 1319 responsibilities under this act. Such reports may include:
 1320 petroleum use; all sales, including end-user sales, except
 1321 retail gasoline and retail fuel oil sales; inventories; expected
 1322 supplies and allocations; and petroleum conservation measures.

1323 (c) In cooperation with the Department of Revenue and
 1324 other relevant state agencies, provide for long-range studies
 1325 regarding the usage of petroleum in the state in order to:

1326 1. Comprehend the consumption of petroleum resources.

1327 2. Predict future petroleum demands in relation to
 1328 available resources.

1329 3. Report the results of such studies to the Legislature.

1330 (3) For the purpose of determining accuracy of data, all
 1331 state agencies shall timely provide the department ~~commission~~
 1332 with petroleum-use information in a format suitable to the needs
 1333 of the allocation program.

1334 (4) A state employee may not divulge or make known in any
 1335 manner any proprietary information acquired under this act if
 1336 the disclosure of such information would be likely to cause
 1337 substantial harm to the competitive position of the person
 1338 providing such information and if the person requests that such
 1339 information be held confidential, except in accordance with a
 1340 court order or in the publication of statistical information
 1341 compiled by methods which do not disclose the identity of
 1342 individual suppliers or companies. Such proprietary information
 1343 is confidential and exempt from the provisions of s. 119.07(1).

HB 7217

2011

1344 Nothing in this subsection shall be construed to prevent
 1345 inspection of reports by the Attorney General, members of the
 1346 Legislature, and interested state agencies; however, such
 1347 agencies and their employees and members are bound by the
 1348 requirements set forth in this subsection.

1349 (5) Any person who willfully fails to submit information
 1350 required by this act or submits false information or who
 1351 violates any provision of this act commits a misdemeanor of the
 1352 first degree and shall be punished as provided in ss. 775.082
 1353 and 775.083.

1354 Section 22. Section 377.703, Florida Statutes, is amended
 1355 to read:

1356 377.703 Additional functions of the Department of
 1357 Agriculture and Consumer Services ~~Florida Energy and Climate~~
 1358 ~~Commission.~~—

1359 (1) LEGISLATIVE INTENT.—Recognizing that energy supply and
 1360 demand questions have become a major area of concern to the
 1361 state which must be dealt with by effective and well-coordinated
 1362 state action, it is the intent of the Legislature to promote the
 1363 efficient, effective, and economical management of energy
 1364 problems, centralize energy coordination responsibilities,
 1365 pinpoint responsibility for conducting energy programs, and
 1366 ensure the accountability of state agencies for the
 1367 implementation of s. 377.601~~(2)~~, the state energy policy. It is
 1368 the specific intent of the Legislature that nothing in this act
 1369 shall in any way change the powers, duties, and responsibilities
 1370 assigned by the Florida Electrical Power Plant Siting Act, part
 1371 II of chapter 403, or the powers, duties, and responsibilities

1372 of the Florida Public Service Commission.

1373 (2) ~~FLORIDA ENERGY AND CLIMATE COMMISSION;~~ DUTIES.—The
 1374 department ~~commission~~ shall perform the following functions
 1375 consistent with the development of a state energy policy:

1376 (a) The department ~~commission~~ shall assume the
 1377 responsibility for development of an energy emergency
 1378 contingency plan to respond to serious shortages of primary and
 1379 secondary energy sources. Upon a finding by the Governor,
 1380 implementation of any emergency program shall be upon order of
 1381 the Governor that a particular kind or type of fuel is, or that
 1382 the occurrence of an event which is reasonably expected within
 1383 30 days will make the fuel, in short supply. The department
 1384 ~~commission~~ shall then respond by instituting the appropriate
 1385 measures of the contingency plan to meet the given emergency or
 1386 energy shortage. The Governor may utilize the provisions of s.
 1387 252.36(5) to carry out any emergency actions required by a
 1388 serious shortage of energy sources.

1389 (b) The department ~~commission~~ shall be responsible for
 1390 performing or coordinating the functions of any federal energy
 1391 programs delegated to the state, including energy supply,
 1392 demand, conservation, or allocation.

1393 (c) The department ~~commission~~ shall analyze present and
 1394 proposed federal energy programs and make recommendations
 1395 regarding those programs to the Governor and the Legislature.

1396 (d) The department ~~commission~~ shall coordinate efforts to
 1397 seek federal support or other support for state energy
 1398 activities, including energy conservation, research, or
 1399 development, and shall be responsible for the coordination of

HB 7217

2011

1400 multiagency energy conservation programs and plans.

1401 (e) The department ~~commission~~ shall analyze energy data
 1402 collected and prepare long-range forecasts of energy supply and
 1403 demand in coordination with the Florida Public Service
 1404 Commission, which shall have responsibility for electricity and
 1405 natural gas forecasts. To this end, the forecasts shall contain:

1406 1. An analysis of the relationship of state economic
 1407 growth and development to energy supply and demand, including
 1408 the constraints to economic growth resulting from energy supply
 1409 constraints.

1410 2. Plans for the development of renewable energy resources
 1411 and reduction in dependence on depletable energy resources,
 1412 particularly oil and natural gas, and an analysis of the extent
 1413 to which renewable energy sources are being utilized in the
 1414 state.

1415 3. Consideration of alternative scenarios of statewide
 1416 energy supply and demand for 5, 10, and 20 years to identify
 1417 strategies for long-range action, including identification of
 1418 potential social, economic, and environmental effects.

1419 4. An assessment of the state's energy resources,
 1420 including examination of the availability of commercially
 1421 developable and imported fuels, and an analysis of anticipated
 1422 effects on the state's environment and social services resulting
 1423 from energy resource development activities or from energy
 1424 supply constraints, or both.

1425 (f) The department ~~commission~~ shall submit an annual
 1426 report to the Governor and the Legislature reflecting its
 1427 activities and making recommendations of policies for

HB 7217

2011

1428 improvement of the state's response to energy supply and demand
 1429 and its effect on the health, safety, and welfare of the people
 1430 of Florida. The report shall include a report from the Florida
 1431 Public Service Commission on electricity and natural gas and
 1432 information on energy conservation programs conducted and
 1433 underway in the past year and shall include recommendations for
 1434 energy conservation programs for the state, including, but not
 1435 limited to, the following factors:

1436 1. Formulation of specific recommendations for improvement
 1437 in the efficiency of energy utilization in governmental,
 1438 residential, commercial, industrial, and transportation sectors.

1439 2. Collection and dissemination of information relating to
 1440 energy conservation.

1441 3. Development and conduct of educational and training
 1442 programs relating to energy conservation.

1443 4. An analysis of the ways in which state agencies are
 1444 seeking to implement s. 377.601~~(2)~~, the state energy policy, and
 1445 recommendations for better fulfilling this policy.

1446 (g) The department ~~commission~~ has authority to adopt rules
 1447 pursuant to ss. 120.536(1) and 120.54 to implement the
 1448 provisions of this act.

1449 (h) The department ~~commission~~ shall promote the
 1450 development and use of renewable energy resources, in
 1451 conformance with the provisions of chapter 187 and s. 377.601,
 1452 by:

1453 1. Establishing goals and strategies for increasing the
 1454 use of solar energy in this state.

1455 2. Aiding and promoting the commercialization of solar

HB 7217

2011

1456 energy technology, in cooperation with the Florida Solar Energy
1457 Center, Enterprise Florida, Inc., and any other federal, state,
1458 or local governmental agency which may seek to promote research,
1459 development, and demonstration of solar energy equipment and
1460 technology.

1461 3. Identifying barriers to greater use of solar energy
1462 systems in this state, and developing specific recommendations
1463 for overcoming identified barriers, with findings and
1464 recommendations to be submitted annually in the report to the
1465 Governor and Legislature required under paragraph (f).

1466 4. In cooperation with the Department of Environmental
1467 Protection, the Department of Transportation, the Department of
1468 Community Affairs, Enterprise Florida, Inc., the Florida Solar
1469 Energy Center, and the Florida Solar Energy Industries
1470 Association, investigating opportunities, pursuant to the
1471 National Energy Policy Act of 1992, the Housing and Community
1472 Development Act of 1992, and any subsequent federal legislation,
1473 for solar electric vehicles and other solar energy
1474 manufacturing, distribution, installation, and financing efforts
1475 which will enhance this state's position as the leader in solar
1476 energy research, development, and use.

1477 5. Undertaking other initiatives to advance the
1478 development and use of renewable energy resources in this state.

1479
1480 In the exercise of its responsibilities under this paragraph,
1481 the department ~~commission~~ shall seek the assistance of the solar
1482 energy industry in this state and other interested parties and
1483 is authorized to enter into contracts, retain professional

1484 consulting services, and expend funds appropriated by the
 1485 Legislature for such purposes.

1486 (i) The department ~~commission~~ shall promote energy
 1487 conservation in all energy use sectors throughout the state and
 1488 shall constitute the state agency primarily responsible for this
 1489 function. To this end, the department ~~commission~~ shall
 1490 coordinate the energy conservation programs of all state
 1491 agencies and review and comment on the energy conservation
 1492 programs of all state agencies.

1493 (j) The department ~~commission~~ shall serve as the state
 1494 clearinghouse for indexing and gathering all information related
 1495 to energy programs in state universities, in private
 1496 universities, in federal, state, and local government agencies,
 1497 and in private industry and shall prepare and distribute such
 1498 information in any manner necessary to inform and advise the
 1499 citizens of the state of such programs and activities. This
 1500 shall include developing and maintaining a current index and
 1501 profile of all research activities, which shall be identified by
 1502 energy area and may include a summary of the project, the amount
 1503 and sources of funding, anticipated completion dates, or, in
 1504 case of completed research, conclusions, recommendations, and
 1505 applicability to state government and private sector functions.
 1506 The department ~~commission~~ shall coordinate, promote, and respond
 1507 to efforts by all sectors of the economy to seek financial
 1508 support for energy activities. The department ~~commission~~ shall
 1509 provide information to consumers regarding the anticipated
 1510 energy-use and energy-saving characteristics of products and
 1511 services in coordination with any federal, state, or local

HB 7217

2011

1512 governmental agencies as may provide such information to
1513 consumers.

1514 (k) The department ~~commission~~ shall coordinate energy-
1515 related programs of state government, including, but not limited
1516 to, the programs provided in this section. To this end, the
1517 department ~~commission~~ shall:

1518 1. Provide assistance to other state agencies, counties,
1519 municipalities, and regional planning agencies to further and
1520 promote their energy planning activities.

1521 2. Require, in cooperation with the Department of
1522 Management Services, all state agencies to operate state-owned
1523 and state-leased buildings in accordance with energy
1524 conservation standards as adopted by the Department of
1525 Management Services. Every 3 months, the Department of
1526 Management Services shall furnish the department ~~commission~~ data
1527 on agencies' energy consumption and emissions of greenhouse
1528 gases in a format prescribed by the department ~~commission~~.

1529 3. Promote the development and use of renewable energy
1530 resources, energy efficiency technologies, and conservation
1531 measures.

1532 4. Promote the recovery of energy from wastes, including,
1533 but not limited to, the use of waste heat, the use of
1534 agricultural products as a source of energy, and recycling of
1535 manufactured products. Such promotion shall be conducted in
1536 conjunction with, and after consultation with, the Department of
1537 Environmental Protection and the Florida Public Service
1538 Commission where electrical generation or natural gas is
1539 involved, and any other relevant federal, state, or local

HB 7217

2011

1540 governmental agency having responsibility for resource recovery
 1541 programs.

1542 (1) The department ~~commission~~ shall develop, coordinate,
 1543 and promote a comprehensive research plan for state programs.
 1544 Such plan shall be consistent with state energy policy and shall
 1545 be updated on a biennial basis.

1546 (m) In recognition of the devastation to the economy of
 1547 this state and the dangers to the health and welfare of
 1548 residents of this state caused by severe hurricanes, and the
 1549 potential for such impacts caused by other natural disasters,
 1550 the department ~~commission~~ shall include in its energy emergency
 1551 contingency plan and provide to the Florida Building Commission
 1552 for inclusion in the Florida Energy Efficiency Code for Building
 1553 Construction specific provisions to facilitate the use of cost-
 1554 effective solar energy technologies as emergency remedial and
 1555 preventive measures for providing electric power, street
 1556 lighting, and water heating service in the event of electric
 1557 power outages.

1558 (3) The department ~~commission~~ shall be responsible for the
 1559 administration of the Coastal Energy Impact Program provided for
 1560 and described in Pub. L. No. 94-370, 16 U.S.C. s. 1456a.

1561 Section 23. Section 377.801, Florida Statutes, is amended
 1562 to read:

1563 377.801 Short title.—Sections 377.801-377.807 ~~377.801-~~
 1564 ~~377.806~~ may be cited as the "Florida Energy and Climate
 1565 Protection Act."

1566 Section 24. Section 377.802, Florida Statutes, is amended
 1567 to read:

HB 7217

2011

1568 377.802 Purpose.—This act is intended to provide
 1569 incentives for Florida's citizens, businesses, school districts,
 1570 and local governments to take action to diversify the state's
 1571 energy supplies, reduce dependence on foreign oil, and mitigate
 1572 the effects of climate change by providing funding for
 1573 activities designed to achieve these goals. The grant programs
 1574 in this act are intended to stimulate capital investment in and
 1575 enhance the market for renewable energy technologies and
 1576 technologies intended to diversify Florida's energy supplies,
 1577 reduce dependence on foreign oil, and combat or limit climate
 1578 change impacts. This act is also intended to provide incentives
 1579 for the purchase of energy-efficient appliances ~~and rebates for~~
 1580 ~~solar energy equipment installations for residential and~~
 1581 ~~commercial buildings.~~

1582 Section 25. Section 377.803, Florida Statutes, is amended
 1583 to read:

1584 377.803 Definitions.—As used in ss. 377.801-377.807
 1585 ~~377.801-377.806~~, the term:

1586 (1) "Act" means the Florida Energy and Climate Protection
 1587 Act.

1588 (2) "Department" "Commission" means the Department of
 1589 Agriculture and Consumer Services ~~Florida Energy and Climate~~
 1590 ~~Commission.~~

1591 (3) "Person" means an individual, partnership, joint
 1592 venture, private or public corporation, association, firm,
 1593 public service company, or any other public or private entity.

1594 (4) "Renewable energy" means electrical, mechanical, or
 1595 thermal energy produced from a method that uses one or more of

HB 7217

2011

1596 the following fuels or energy sources: hydrogen, biomass, as
 1597 defined in s. 366.91, solar energy, geothermal energy, wind
 1598 energy, ocean energy, waste heat, or hydroelectric power.

1599 (5) "Renewable energy technology" means any technology
 1600 that generates or utilizes a renewable energy resource.

1601 ~~(6) "Solar energy system" means equipment that provides~~
 1602 ~~for the collection and use of incident solar energy for water~~
 1603 ~~heating, space heating or cooling, or other applications that~~
 1604 ~~would normally require a conventional source of energy such as~~
 1605 ~~petroleum products, natural gas, or electricity that performs~~
 1606 ~~primarily with solar energy. In other systems in which solar~~
 1607 ~~energy is used in a supplemental way, only those components that~~
 1608 ~~collect and transfer solar energy shall be included in this~~
 1609 ~~definition.~~

1610 ~~(7) "Solar photovoltaic system" means a device that~~
 1611 ~~converts incident sunlight into electrical current.~~

1612 ~~(8) "Solar thermal system" means a device that traps heat~~
 1613 ~~from incident sunlight in order to heat water.~~

1614 Section 26. Section 377.804, Florida Statutes, is amended
 1615 to read:

1616 377.804 Renewable Energy and Energy-Efficient Technologies
 1617 Grants Program.—

1618 (1) The Renewable Energy and Energy-Efficient Technologies
 1619 Grants Program is established within the department ~~commission~~
 1620 to provide renewable energy matching grants for demonstration,
 1621 commercialization, research, and development projects relating
 1622 to renewable energy technologies and innovative technologies
 1623 that significantly increase energy efficiency for vehicles and

HB 7217

2011

1624 commercial buildings.

1625 (2) Matching grants for projects described in subsection

1626 (1) may be made to any of the following:

1627 (a) Municipalities and county governments.

1628 (b) Established for-profit companies licensed to do

1629 business in the state.

1630 (c) Universities and colleges in the state.

1631 (d) Utilities located and operating within the state.

1632 (e) Not-for-profit organizations.

1633 (f) Other qualified persons, as determined by the

1634 department ~~commission~~.

1635 (3) The department ~~commission~~ may adopt rules pursuant to

1636 ss. 120.536(1) and 120.54 to provide for application

1637 requirements, provide for ranking of applications, and

1638 administer the awarding of grants under this program.

1639 (4) Factors the department ~~commission~~ shall consider in

1640 awarding grants include, but are not limited to:

1641 (a) The availability of matching funds or other in-kind

1642 contributions applied to the total project from an applicant.

1643 The department ~~commission~~ shall give greater preference to

1644 projects that provide such matching funds or other in-kind

1645 contributions.

1646 (b) The degree to which the project stimulates in-state

1647 capital investment and economic development in metropolitan and

1648 rural areas, including the creation of jobs and the future

1649 development of a commercial market for renewable energy

1650 technologies.

1651 (c) The extent to which the proposed project has been

1652 demonstrated to be technically feasible based on pilot project
 1653 demonstrations, laboratory testing, scientific modeling, or
 1654 engineering or chemical theory that supports the proposal.

1655 (d) The degree to which the project incorporates an
 1656 innovative new technology or an innovative application of an
 1657 existing technology.

1658 (e) The degree to which a project generates thermal,
 1659 mechanical, or electrical energy by means of a renewable energy
 1660 resource that has substantial long-term production potential.

1661 (f) The degree to which a project demonstrates efficient
 1662 use of energy and material resources.

1663 (g) The degree to which the project fosters overall
 1664 understanding and appreciation of renewable energy technologies.

1665 (h) The ability to administer a complete project.

1666 (i) Project duration and timeline for expenditures.

1667 (j) The geographic area in which the project is to be
 1668 conducted in relation to other projects.

1669 (k) The degree of public visibility and interaction.

1670 (5) The department ~~commission~~ shall solicit the expertise
 1671 of state agencies, Enterprise Florida, Inc., and state
 1672 universities, and may solicit the expertise of other public and
 1673 private entities it deems appropriate, in evaluating project
 1674 proposals. State agencies shall cooperate with the department
 1675 ~~commission~~ and provide such assistance as requested.

1676 (6) ~~The commission shall coordinate and actively consult~~
 1677 ~~with the Department of Agriculture and Consumer Services during~~
 1678 ~~the review and approval process of grants relating to bioenergy~~
 1679 ~~projects for renewable energy technology.~~ Factors for

HB 7217

2011

1680 consideration in awarding grants relating to bioenergy projects
 1681 may include, but are not limited to, the degree to which:

1682 (a) The project stimulates in-state capital investment and
 1683 economic development in metropolitan and rural areas, including
 1684 the creation of jobs and the future development of a commercial
 1685 market for bioenergy.

1686 (b) The project produces bioenergy from Florida-grown
 1687 crops or biomass.

1688 (c) The project demonstrates efficient use of energy and
 1689 material resources.

1690 (d) The project fosters overall understanding and
 1691 appreciation of bioenergy technologies.

1692 (e) Matching funds and in-kind contributions from an
 1693 applicant are available.

1694 (f) The project duration and the timeline for expenditures
 1695 are acceptable.

1696 (g) The project has a reasonable assurance of enhancing
 1697 the value of agricultural products or will expand agribusiness
 1698 in the state.

1699 (h) Preliminary market and feasibility research has been
 1700 conducted by the applicant or others and shows there is a
 1701 reasonable assurance of a potential market.

1702 (7) Each grant application shall be accompanied by an
 1703 affidavit from the applicant attesting to the accuracy of the
 1704 statements contained in the application.

1705 Section 27. Section 377.807, Florida Statutes, is amended
 1706 to read:

1707 377.807 Energy-efficient appliance rebate program.—

HB 7217

2011

1708 (1) The department ~~Florida Energy and Climate Commission~~
 1709 is authorized to develop and administer a consumer rebate
 1710 program for residential energy-efficient appliances, consistent
 1711 with 42 U.S.C. s. 15821 and any federal agency guidance or
 1712 regulations issued in furtherance of federal law.

1713 (2) The department ~~commission~~ may adopt rules pursuant to
 1714 ss. 120.536(1) and 120.54 designating eligible appliances,
 1715 rebate amounts, and the administration of the issuance of
 1716 rebates. The rules shall be consistent with 42 U.S.C. s. 15821
 1717 and any subsequent implementing federal regulations or guidance.

1718 (3) The department ~~commission~~ is authorized to enter into
 1719 contracts or memoranda of agreement with other agencies of the
 1720 state, public-private partnerships, or other arrangements such
 1721 that the most efficient means of administering consumer rebates
 1722 can be achieved.

1723 Section 28. Section 377.808, Florida Statutes, is amended
 1724 to read:

1725 377.808 Florida Green Government Grants Act.—

1726 (1) This section may be cited as the "Florida Green
 1727 Government Grants Act."

1728 (2) The department ~~Florida Energy and Climate Commission~~
 1729 shall use funds specifically appropriated to award grants under
 1730 this section to assist local governments, including
 1731 municipalities, counties, and school districts, in the
 1732 development and implementation of programs that achieve green
 1733 standards. Green standards shall be determined by the department
 1734 ~~commission~~ and shall provide for cost-efficient solutions,
 1735 reducing greenhouse gas emissions, improving quality of life,

HB 7217

2011

1736 and strengthening the state's economy.

1737 (3) The department ~~commission~~ shall adopt rules pursuant
1738 to chapter 120 to administer the grants provided for in this
1739 section. In accordance with the rules adopted by the department
1740 ~~commission~~ under this section, the department ~~commission~~ may
1741 provide grants from funds specifically appropriated for this
1742 purpose to local governments for the costs of achieving green
1743 standards, including necessary administrative expenses. The
1744 rules of the department ~~commission~~ shall:

1745 (a) Designate one or more suitable green government
1746 standards frameworks from which local governments may develop a
1747 greening government initiative and from which projects may be
1748 eligible for funding pursuant to this section.

1749 (b) Require that projects that plan, design, construct,
1750 upgrade, or replace facilities reduce greenhouse gas emissions
1751 and be cost-effective, environmentally sound, permittable, and
1752 implementable.

1753 (c) Require local governments to match state funds with
1754 direct project cost sharing or in-kind services.

1755 (d) Provide for a scale of matching requirements for local
1756 governments on the basis of population in order to assist rural
1757 and undeveloped areas of the state with any financial burden of
1758 addressing climate change impacts.

1759 (e) Require grant applications to be submitted on
1760 appropriate forms developed and adopted by the department
1761 ~~commission~~ with appropriate supporting documentation and require
1762 records to be maintained.

1763 (f) Establish a system to determine the relative priority

HB 7217

2011

1764 of grant applications. The system shall consider greenhouse gas
 1765 reductions, energy savings and efficiencies, and proven
 1766 technologies.

1767 (g) Establish requirements for competitive procurement of
 1768 engineering and construction services, materials, and equipment.

1769 (h) Provide for termination of grants when program
 1770 requirements are not met.

1771 (4) Each local government is limited to not more than two
 1772 grant applications during each application period announced by
 1773 the department ~~commission~~. However, a local government may not
 1774 have more than three active projects expending grant funds
 1775 during any state fiscal year.

1776 (5) The department ~~commission~~ shall perform an adequate
 1777 overview of each grant, which may include technical review, site
 1778 inspections, disbursement approvals, and auditing to
 1779 successfully implement this section.

1780 Section 29. Subsection (1) of section 377.809, Florida
 1781 Statutes, is amended to read:

1782 377.809 Energy Economic Zone Pilot Program.—

1783 (1) The Department of Community Affairs, in consultation
 1784 with the Department of Transportation, shall implement an Energy
 1785 Economic Zone Pilot Program for the purpose of developing a
 1786 model to help communities cultivate green economic development,
 1787 encourage renewable electric energy generation, manufacture
 1788 products that contribute to energy conservation and green jobs,
 1789 and further implement chapter 2008-191, Laws of Florida,
 1790 relative to discouraging sprawl and developing energy-efficient
 1791 land use patterns and greenhouse gas reduction strategies. The

HB 7217

2011

1792 Office of Tourism, Trade, and Economic Development and the
 1793 Department of Agriculture and Consumer Services ~~Florida Energy~~
 1794 ~~and Climate Commission~~ shall provide technical assistance to the
 1795 departments in developing and administering the program.

1796 Section 30. Subsections (3) and (6) of section 403.44,
 1797 Florida Statutes, are amended to read:

1798 403.44 Florida Climate Protection Act.—

1799 (3) The department may adopt rules for a cap-and-trade
 1800 regulatory program to reduce greenhouse gas emissions from major
 1801 emitters. When developing the rules, the department shall
 1802 consult with the Department of Agriculture and Consumer Services
 1803 ~~Florida Energy and Climate Commission~~ and the Florida Public
 1804 Service Commission and may consult with the Governor's Action
 1805 Team for Energy and Climate Change. The department shall not
 1806 adopt rules until after January 1, 2010. The rules shall not
 1807 become effective until ratified by the Legislature.

1808 (6) Recognizing that the international, national, and
 1809 neighboring state policies and the science of climate change
 1810 will evolve, prior to submitting the proposed rules to the
 1811 Legislature for consideration, the department shall submit the
 1812 proposed rules to the Department of Agriculture and Consumer
 1813 Services ~~Florida Energy and Climate Commission~~, which shall
 1814 review the proposed rules and submit a report to the Governor,
 1815 the President of the Senate, the Speaker of the House of
 1816 Representatives, and the department. The report shall address:

1817 (a) The overall cost-effectiveness of the proposed cap-
 1818 and-trade system in combination with other policies and measures
 1819 in meeting statewide targets.

HB 7217

2011

- 1820 (b) The administrative burden to the state of
- 1821 implementing, monitoring, and enforcing the program.
- 1822 (c) The administrative burden on entities covered under
- 1823 the cap.
- 1824 (d) The impacts on electricity prices for consumers.
- 1825 (e) The specific benefits to the state's economy for early
- 1826 adoption of a cap-and-trade system for greenhouse gases in the
- 1827 context of federal climate change legislation and the
- 1828 development of new international compacts.
- 1829 (f) The specific benefits to the state's economy
- 1830 associated with the creation and sale of emissions offsets from
- 1831 economic sectors outside of the emissions cap.
- 1832 (g) The potential effects on leakage if economic activity
- 1833 relocates out of the state.
- 1834 (h) The effectiveness of the combination of measures in
- 1835 meeting identified targets.
- 1836 (i) The economic implications for near-term periods of
- 1837 short-term and long-term targets specified in the overall
- 1838 policy.
- 1839 (j) The overall costs and benefits of a cap-and-trade
- 1840 system to the economy of the state.
- 1841 (k) The impacts on low-income consumers that result from
- 1842 energy price increases.
- 1843 (l) The consistency of the program with other state and
- 1844 possible federal efforts.
- 1845 (m) The evaluation of the conditions under which the state
- 1846 should consider linking its trading system to the systems of
- 1847 other states or other countries and how that might be affected

HB 7217

2011

1848 | by the potential inclusion in the rule of a safety valve.

1849 | (n) The timing and changes in the external environment,
1850 | such as proposals by other states or implementation of a federal
1851 | program that would spur reevaluation of the Florida program.

1852 | (o) The conditions and options for eliminating the Florida
1853 | program if a federal program were to supplant it.

1854 | (p) The need for a regular reevaluation of the progress of
1855 | other emitting regions of the country and of the world, and
1856 | whether other regions are abating emissions in a commensurate
1857 | manner.

1858 | (q) The desirability of and possibilities of broadening
1859 | the scope of the state's cap-and-trade system at a later date to
1860 | include more emitting activities as well as sinks in Florida,
1861 | the conditions that would need to be met to do so, and how the
1862 | program would encourage these conditions to be met, including
1863 | developing monitoring and measuring techniques for land use
1864 | emissions and sinks, regulating sources upstream, and other
1865 | considerations.

1866 | Section 31. Section 409.508, Florida Statutes, is amended
1867 | to read:

1868 | 409.508 Low-income home energy assistance program.—

1869 | (1) As used in this section:

1870 | (a) "Eligible household" means a household eligible for
1871 | funds from the Low-income Home Energy Assistance Act of 1981, 42
1872 | U.S.C. ss. 8621 et seq.

1873 | (b) "Home energy" means a source of heating or cooling in
1874 | residential dwellings.

1875 | (c) "Utility" means any person, corporation, partnership,

HB 7217

2011

1876 municipality, cooperative, association, or other legal entity
 1877 and its lessees, trustees, or receivers now or hereafter owning,
 1878 operating, managing, or controlling any plant or other facility
 1879 supplying electricity or natural gas to or for the public within
 1880 this state, directly or indirectly, for compensation.

1881 (2) The Department of Agriculture and Consumer Services
 1882 ~~Community Affairs~~ is designated as the state agency to
 1883 administer the Low-income Home Energy Assistance Act of 1981, 42
 1884 U.S.C. ss. 8621 et seq. The Department of Agriculture and
 1885 Consumer Services ~~Community Affairs~~ is authorized to provide
 1886 home energy assistance benefits to eligible households which may
 1887 be in the form of cash, vouchers, certificates, or direct
 1888 payments to electric or natural gas utilities or other energy
 1889 suppliers and operators of low-rent, subsidized housing in
 1890 behalf of eligible households. Priority shall be given to
 1891 eligible households having at least one elderly or handicapped
 1892 individual and to eligible households with the lowest incomes.

1893 (3) Agreements may be established between electric or
 1894 natural gas utility companies, other energy suppliers, the
 1895 Department of Revenue, and the Department of Agriculture and
 1896 Consumer Services ~~Community Affairs~~ for the purpose of providing
 1897 payments to energy suppliers in the form of a credit against
 1898 sales and use taxes due or direct payments to energy suppliers
 1899 for services rendered to low-income, eligible households.

1900 (4) The Department of Agriculture and Consumer Services
 1901 ~~Community Affairs~~ shall adopt rules to carry out the provisions
 1902 of this act.

1903 Section 32. Section 409.509, Florida Statutes, is amended

HB 7217

2011

1904 to read:

1905 409.509 Definitions; weatherization of low-income

1906 residences.—As used in ss. 409.509-409.5093 ~~this act~~, the term:

1907 (1) "Community action agency" means a private corporation

1908 or public agency established pursuant to the Economic

1909 Opportunity Act of 1964, Pub. L. No. 88-452, which is authorized

1910 to administer funds from federal, state, local, or private

1911 funding entities to assess, design, operate, finance, and

1912 oversee antipoverty programs.

1913 (2) "Department" means the Department of Agriculture and

1914 Consumer Services ~~Community Affairs~~.

1915 (3) "Energy assessment" means an analysis of a dwelling

1916 unit to determine the need for cost-effective energy

1917 conservation measures as determined by the department.

1918 (4) "Household" means an individual or group of

1919 individuals living in a dwelling unit as defined by the

1920 department.

1921 (5) "Low income" means household income that is at or

1922 below 125 percent of the federally established poverty level.

1923 (6) "Residence" means a dwelling unit as defined by the

1924 department.

1925 (7) "Weatherization" means materials or measures and their

1926 installation as defined in the federal Energy Conservation and

1927 Production Act, Pub. L. No. 94-385, which are used to improve

1928 the thermal efficiency of a residence.

1929 (8) "Weatherizing agency" means any approved department

1930 grantee that bears the responsibility for ensuring the

1931 performance of weatherization of residences under this act and

HB 7217

2011

1932 has been approved by the department, that was performing
 1933 weatherization services as of July 1, 1988, unless such agency
 1934 has withdrawn or lost its designation as a result of failure to
 1935 perform under acceptable contract conditions as determined by
 1936 the department.

1937 Section 33. Subsection (3) of section 570.954, Florida
 1938 Statutes, is amended to read:

1939 570.954 Farm-to-fuel initiative.—

1940 ~~(3) The department shall coordinate with and solicit the~~
 1941 ~~expertise of the state energy office within the Department of~~
 1942 ~~Environmental Protection when developing and implementing this~~
 1943 ~~initiative.~~

1944 Section 34. Subsections (5), (11), (12), and (13) of
 1945 section 1004.648, Florida Statutes, are amended to read:

1946 1004.648 Florida Energy Systems Consortium.—

1947 (5) The director, whose office shall be located at the
 1948 University of Florida, shall report to the Department of
 1949 Agriculture and Consumer Services ~~Florida Energy and Climate~~
 1950 ~~Commission created pursuant to s. 377.6015.~~

1951 (11) The oversight board, in consultation with the
 1952 Department of Agriculture and Consumer Services ~~Florida Energy~~
 1953 ~~and Climate Commission~~, shall ensure that the consortium:

1954 (a) Maintains accurate records of any funds received by
 1955 the consortium.

1956 (b) Meets financial and technical performance
 1957 expectations, which may include external technical reviews as
 1958 required.

1959 (12) The steering committee shall consist of the

HB 7217

2011

1960 university representatives included in the Centers of Excellence
 1961 proposals for the Florida Energy Systems Consortium and the
 1962 Center of Excellence in Ocean Energy Technology-Phase II which
 1963 were reviewed during the 2007-2008 fiscal year by the Florida
 1964 Technology, Research, and Scholarship Board created in s.
 1965 1004.226(4); a university representative appointed by the
 1966 President of Florida International University; and a
 1967 representative from the Department of Agriculture and Consumer
 1968 Services ~~the Florida Energy and Climate Commission~~. The steering
 1969 committee shall be responsible for establishing and ensuring the
 1970 success of the consortium's mission under subsection (9).

1971 (13) By November 1 of each year, the consortium shall
 1972 submit an annual report to the Governor, the President of the
 1973 Senate, the Speaker of the House of Representatives, and the
 1974 Department of Agriculture and Consumer Services ~~Florida Energy~~
 1975 ~~and Climate Commission~~ regarding its activities, including, but
 1976 not limited to, education and research related to, and the
 1977 development and deployment of, alternative energy technologies.

1978 Section 35. Paragraphs (ddd) through (hhh) of subsection
 1979 (7) of section 212.08, Florida Statutes, are redesignated as
 1980 paragraphs (ccc) through (ggg), respectively, and paragraph
 1981 (ccc) of that subsection is amended to read:

1982 212.08 Sales, rental, use, consumption, distribution, and
 1983 storage tax; specified exemptions.—The sale at retail, the
 1984 rental, the use, the consumption, the distribution, and the
 1985 storage to be used or consumed in this state of the following
 1986 are hereby specifically exempt from the tax imposed by this
 1987 chapter.

HB 7217

2011

1988 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
 1989 entity by this chapter do not inure to any transaction that is
 1990 otherwise taxable under this chapter when payment is made by a
 1991 representative or employee of the entity by any means,
 1992 including, but not limited to, cash, check, or credit card, even
 1993 when that representative or employee is subsequently reimbursed
 1994 by the entity. In addition, exemptions provided to any entity by
 1995 this subsection do not inure to any transaction that is
 1996 otherwise taxable under this chapter unless the entity has
 1997 obtained a sales tax exemption certificate from the department
 1998 or the entity obtains or provides other documentation as
 1999 required by the department. Eligible purchases or leases made
 2000 with such a certificate must be in strict compliance with this
 2001 subsection and departmental rules, and any person who makes an
 2002 exempt purchase with a certificate that is not in strict
 2003 compliance with this subsection and the rules is liable for and
 2004 shall pay the tax. The department may adopt rules to administer
 2005 this subsection.

2006 ~~(ccc) Equipment, machinery, and other materials for~~
 2007 ~~renewable energy technologies.—~~

2008 ~~1. As used in this paragraph, the term:~~

2009 ~~a. "Biodiesel" means the mono-alkyl esters of long-chain~~
 2010 ~~fatty acids derived from plant or animal matter for use as a~~
 2011 ~~source of energy and meeting the specifications for biodiesel~~
 2012 ~~and biodiesel blends with petroleum products as adopted by the~~
 2013 ~~Department of Agriculture and Consumer Services. Biodiesel may~~
 2014 ~~refer to biodiesel blends designated BXX, where XX represents~~
 2015 ~~the volume percentage of biodiesel fuel in the blend.~~

2016 ~~b. "Ethanol" means an anhydrous denatured alcohol produced~~
 2017 ~~by the conversion of carbohydrates meeting the specifications~~
 2018 ~~for fuel ethanol and fuel ethanol blends with petroleum products~~
 2019 ~~as adopted by the Department of Agriculture and Consumer~~
 2020 ~~Services. Ethanol may refer to fuel ethanol blends designated~~
 2021 ~~EXX, where XX represents the volume percentage of fuel ethanol~~
 2022 ~~in the blend.~~

2023 ~~e. "Hydrogen fuel cells" means equipment using hydrogen or~~
 2024 ~~a hydrogen-rich fuel in an electrochemical process to generate~~
 2025 ~~energy, electricity, or the transfer of heat.~~

2026 ~~2. The sale or use of the following in the state is exempt~~
 2027 ~~from the tax imposed by this chapter:~~

2028 ~~a. Hydrogen-powered vehicles, materials incorporated into~~
 2029 ~~hydrogen-powered vehicles, and hydrogen-fueling stations, up to~~
 2030 ~~a limit of \$2 million in tax each state fiscal year for all~~
 2031 ~~taxpayers.~~

2032 ~~b. Commercial stationary hydrogen fuel cells, up to a~~
 2033 ~~limit of \$1 million in tax each state fiscal year for all~~
 2034 ~~taxpayers.~~

2035 ~~e. Materials used in the distribution of biodiesel (B10-~~
 2036 ~~B100) and ethanol (E10-E100), including fueling infrastructure,~~
 2037 ~~transportation, and storage, up to a limit of \$1 million in tax~~
 2038 ~~each state fiscal year for all taxpayers. Gasoline fueling~~
 2039 ~~station pump retrofits for ethanol (E10-E100) distribution~~
 2040 ~~qualify for the exemption provided in this sub-subparagraph.~~

2041 ~~3. The Florida Energy and Climate Commission shall provide~~
 2042 ~~to the department a list of items eligible for the exemption~~
 2043 ~~provided in this paragraph.~~

2044 ~~4.a. The exemption provided in this paragraph shall be~~
 2045 ~~available to a purchaser only through a refund of previously~~
 2046 ~~paid taxes. An eligible item is subject to refund one time. A~~
 2047 ~~person who has received a refund on an eligible item shall~~
 2048 ~~notify the next purchaser of the item that such item is no~~
 2049 ~~longer eligible for a refund of paid taxes. This notification~~
 2050 ~~shall be provided to each subsequent purchaser on the sales~~
 2051 ~~invoice or other proof of purchase.~~

2052 ~~b. To be eligible to receive the exemption provided in~~
 2053 ~~this paragraph, a purchaser shall file an application with the~~
 2054 ~~Florida Energy and Climate Commission. The application shall be~~
 2055 ~~developed by the Florida Energy and Climate Commission, in~~
 2056 ~~consultation with the department, and shall require:~~

2057 ~~(I) The name and address of the person claiming the~~
 2058 ~~refund.~~

2059 ~~(II) A specific description of the purchase for which a~~
 2060 ~~refund is sought, including, when applicable, a serial number or~~
 2061 ~~other permanent identification number.~~

2062 ~~(III) The sales invoice or other proof of purchase showing~~
 2063 ~~the amount of sales tax paid, the date of purchase, and the name~~
 2064 ~~and address of the sales tax dealer from whom the property was~~
 2065 ~~purchased.~~

2066 ~~(IV) A sworn statement that the information provided is~~
 2067 ~~accurate and that the requirements of this paragraph have been~~
 2068 ~~met.~~

2069 ~~e. Within 30 days after receipt of an application, the~~
 2070 ~~Florida Energy and Climate Commission shall review the~~
 2071 ~~application and shall notify the applicant of any deficiencies.~~

HB 7217

2011

2072 ~~Upon receipt of a completed application, the Florida Energy and~~
 2073 ~~Climate Commission shall evaluate the application for exemption~~
 2074 ~~and issue a written certification that the applicant is eligible~~
 2075 ~~for a refund or issue a written denial of such certification~~
 2076 ~~within 60 days after receipt of the application. The Florida~~
 2077 ~~Energy and Climate Commission shall provide the department with~~
 2078 ~~a copy of each certification issued upon approval of an~~
 2079 ~~application.~~

2080 ~~d. Each certified applicant shall be responsible for~~
 2081 ~~forwarding a certified copy of the application and copies of all~~
 2082 ~~required documentation to the department within 6 months after~~
 2083 ~~certification by the Florida Energy and Climate Commission.~~

2084 ~~e. A refund approved pursuant to this paragraph shall be~~
 2085 ~~made within 30 days after formal approval by the department.~~

2086 ~~f. The Florida Energy and Climate Commission may adopt the~~
 2087 ~~form for the application for a certificate, requirements for the~~
 2088 ~~content and format of information submitted to the Florida~~
 2089 ~~Energy and Climate Commission in support of the application,~~
 2090 ~~other procedural requirements, and criteria by which the~~
 2091 ~~application will be determined by rule. The department may adopt~~
 2092 ~~all other rules pursuant to ss. 120.536(1) and 120.54 to~~
 2093 ~~administer this paragraph, including rules establishing~~
 2094 ~~additional forms and procedures for claiming this exemption.~~

2095 ~~g. The Florida Energy and Climate Commission shall be~~
 2096 ~~responsible for ensuring that the total amounts of the~~
 2097 ~~exemptions authorized do not exceed the limits as specified in~~
 2098 ~~subparagraph 2.~~

2099 ~~5. The Florida Energy and Climate Commission shall~~

HB 7217

2011

2100 ~~determine and publish on a regular basis the amount of sales tax~~
 2101 ~~funds remaining in each fiscal year.~~

2102 ~~6. This paragraph expires July 1, 2010.~~

2103 Section 36. Section 570.074, Florida Statutes, is amended
 2104 to read:

2105 570.074 Department of Agriculture and Consumer Services;
 2106 energy and water policy coordination.—The commissioner may
 2107 create an Office of Energy and Water Coordination under the
 2108 supervision of a senior manager exempt under s. 110.205 in the
 2109 Senior Management Service. The commissioner may designate the
 2110 bureaus and positions in the various organizational divisions of
 2111 the department that report to this office relating to any matter
 2112 over which the department has jurisdiction in matters relating
 2113 to energy and water policy affecting agriculture, application of
 2114 such policies, and coordination of such matters with state and
 2115 federal agencies.

2116 Section 37. Sections 366.85, 377.806, and 526.207, Florida
 2117 Statutes, are repealed.

2118 Section 38. This act shall take effect July 1, 2011.