



135364

576-04116-15

Proposed Committee Substitute by the Committee on Appropriations
(Appropriations Subcommittee on General Government)

A bill to be entitled

An act relating to a natural gas rebate program;
amending s. 377.810, F.S.; authorizing the Department
of Agriculture and Consumer Services to receive
additional applications from certain applicants;
authorizing any remaining unencumbered funds to be
used by the department to award additional rebates;
creating s. 377.811, F.S.; creating the heavy
transportation industry natural gas rebate program
within the department; defining terms; prescribing
powers and duties of the department with respect to
the program; prescribing limits on rebate awards;
providing policies and procedures for application
approval; authorizing the department to adopt rules by
a specified date; requiring the department to publish
on its website the availability of rebate funds;
requiring the department to submit an annual
assessment to the Governor, the Legislature, and the
Office of Program Policy Analysis and Government
Accountability by a specified date; authorizing an
appropriation; providing an effective date.

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

Section 1. Subsection (3) of section 377.810, Florida
Statutes, is amended to read:

377.810 Natural gas fuel fleet vehicle rebate program.—



135364

576-04116-15

28 (3) NATURAL GAS FUEL FLEET VEHICLE REBATE.—The department
29 shall award rebates for eligible costs as defined in this
30 section. Forty percent of the annual allocation shall be
31 reserved for governmental applicants, with the remaining funds
32 allocated for commercial applicants. A rebate may not exceed 50
33 percent of the eligible costs of a natural gas fuel fleet
34 vehicle with a dedicated or bi-fuel natural gas fuel operating
35 system placed into service on or after July 1, 2013. An
36 applicant is eligible to receive a maximum rebate of \$25,000 per
37 vehicle up to a total of \$250,000 per fiscal year. Between June
38 1 and June 30 of each fiscal year the department may receive
39 additional applications from applicants that have met the
40 program maximum of \$250,000 per fiscal year. Those applicants
41 may apply for additional funds for vehicles that have not
42 received a rebate, a maximum rebate of \$25,000 per vehicle up to
43 a total of \$250,000. Any unencumbered funds remaining after June
44 30 of each fiscal year may be used by the department to award
45 the additional rebates. Governmental applicants shall have
46 preference and all remaining unencumbered funds may be used by
47 commercial applicants. Rebates shall be allocated to eligible
48 applicants on a first-come, first-served basis, determined by
49 the date the application is received, until all appropriated
50 funds for the fiscal year are expended or the program ends,
51 whichever comes first. All natural gas fuel fleet vehicles
52 eligible for the rebate must comply with applicable United
53 States Environmental Protection Agency emission standards.

54 Section 2. Section 377.811, Florida Statutes, is created to
55 read:

56 377.811 Heavy transportation industry natural gas rebate



135364

576-04116-15

57 program.—

58 (1) CREATION AND PURPOSE OF PROGRAM.—There is created
59 within the Department of Agriculture and Consumer Services a
60 heavy transportation industry natural gas rebate program. The
61 purpose of this program is to help reduce transportation costs
62 in this state, encourage the use of a domestic fuel source, and
63 encourage heavy transportation industry investments that
64 contribute to the economic growth of the state.

65 (2) DEFINITIONS.—As used in this section, the term:

66 (a) "Conversion costs" means the costs associated with
67 retrofitting a diesel-, gasoline-, or heavy fuel oil- powered
68 locomotive, waterborne ship, or other high horsepower engine to
69 a natural gas powered eligible vehicle.

70 (b) "Department" means the Department of Agriculture and
71 Consumer Services.

72 (c) "Eligible costs" means the conversion costs or the
73 incremental costs incurred by an applicant in connection with an
74 investment in the conversion, purchase, or lease lasting at
75 least 10 years of a natural gas-powered eligible vehicle. The
76 term does not include costs for project development, fueling
77 stations, or other fueling infrastructure.

78 (d) "Eligible vehicle" means one or more locomotives,
79 waterborne ships, or other high horsepower engines used for
80 transportation purposes registered or licensed in this state and
81 used for commercial business or governmental purposes. Eligible
82 vehicles must be newly constructed or repowered and placed into
83 service on or after July 1, 2015. Waterborne ships must be built
84 and documented in the United States with a coastwise endorsement
85 under the Jones Act, 46 U.S.C. s. 55102, and used to provide



135364

576-04116-15

86 regular transportation of merchandise between one or more ports
87 in this state and other domestic ports. If the eligible vehicle
88 is registered with a federal regulatory body, the owner must
89 certify in writing that the eligible vehicle will be used the
90 majority of the time in this state or a waterborne ship that
91 uses a port in this state in its rotation, subject to department
92 review.

93 (e) "High horsepower engine" means any engine that provides
94 more than 1,000 horsepower and is used for nonhighway
95 transportation purposes.

96 (f) "Incremental costs" means the excess costs associated
97 with the purchase or lease of a natural gas-powered eligible
98 vehicle as compared to an equivalent diesel-, gasoline-, or
99 heavy fuel oil- powered eligible vehicle.

100 (g) "Natural gas fuel" means any liquefied petroleum gas
101 product, compressed natural gas product, or combination thereof
102 used in an eligible vehicle. This term includes, but is not
103 limited to, all forms of fuel commonly or commercially known or
104 sold as natural gasoline, butane gas, propane gas, or any other
105 form of liquefied petroleum gas, compressed natural gas, or
106 liquefied natural gas. The term does not include natural gas or
107 liquefied petroleum placed in a separate tank for cooking,
108 heating, water heating, or electric generation.

109 (3) HEAVY TRANSPORTATION INDUSTRY NATURAL GAS REBATE.—The
110 department shall award rebates for eligible costs. A rebate may
111 not exceed 50 percent of the eligible costs of a natural gas
112 eligible vehicle with a dedicated or bi-fuel natural gas fuel
113 operating system placed into service on or after July 1, 2015.
114 An applicant is eligible to receive a maximum rebate of \$500,000



135364

576-04116-15

115 per eligible vehicle up to a total of \$1 million per fiscal
116 year. All eligible vehicles must comply with applicable United
117 States Environmental Protection Agency emission standards.

118 (4) APPLICATION PROCESS.—

119 (a) An applicant seeking to obtain a rebate shall submit an
120 application to the department by a specified date each year as
121 established by department rule. The application must require a
122 complete description of all eligible costs, proof of purchase or
123 lease of the eligible vehicle for which the applicant is seeking
124 a rebate, a copy of the vehicle registration certificate or
125 equivalent documentation, a description of the total rebate
126 sought by the applicant, and any other information deemed
127 necessary by the department. The application form adopted by
128 department rule must include an affidavit from the applicant
129 certifying that all information contained in the application is
130 true and correct.

131 (b) The department shall determine the rebate eligibility
132 of each applicant in accordance with the requirements of this
133 section and department rule. The total amount of rebates
134 allocated to certified applicants in each fiscal year may not
135 exceed the amount appropriated for the program in a fiscal year.
136 Rebates shall be allocated to eligible applicants on a first-
137 come, first-served basis, determined by the date and time the
138 application is received, until all appropriated funds for the
139 fiscal year are expended or the program ends, whichever comes
140 first. Incomplete applications submitted to the department may
141 not be accepted and do not secure a place in the first-come,
142 first-served application process.

143 (5) RULES.—The department may adopt rules to implement and



135364

576-04116-15

144 administer this section by December 31, 2015, including rules
145 relating to the forms required to claim a rebate under this
146 section, the required documentation and basis for establishing
147 eligibility for a rebate, procedures and guidelines for claiming
148 a rebate, and the collection of economic impact data from
149 applicants.

150 (6) PUBLICATION.—The department shall determine and publish
151 on its website on an ongoing basis the amount of available
152 funding for rebates remaining in each fiscal year.

153 (7) ANNUAL ASSESSMENT.—By December 1, 2016, and each year
154 thereafter that the program is funded, the department shall
155 provide an annual assessment of the use of the rebate program
156 during the previous fiscal year to the Governor, the President
157 of the Senate, the Speaker of the House of Representatives, and
158 the Office of Program Policy Analysis and Government
159 Accountability. The assessment shall include, at a minimum, the
160 following information:

161 (a) The name of each applicant awarded a rebate under this
162 section;

163 (b) The amount of the rebates awarded to each applicant;

164 (c) The type and description of each eligible vehicle for
165 which each applicant applied for a rebate; and

166 (d) The aggregate amount of funding awarded for all
167 applicants claiming rebates under this section.

168 (8) APPROPRIATION.—Beginning in the 2015-2016 fiscal year
169 and each year thereafter through the 2019-2020 fiscal year, the
170 General Appropriations Act may provide a specific appropriation
171 in each fiscal year from the General Revenue Fund to the
172 Department of Agriculture and Consumer Services for the purpose



135364

576-04116-15

173 of funding the heavy transportation industry natural gas rebate
174 program.

175 Section 3. This act shall take effect July 1, 2015.