

By the Committee on Communications, Energy, and Public Utilities; and Senator Simpson

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1 A bill to be entitled
2 An act relating to a natural gas rebate program;
3 amending s. 377.810, F.S.; authorizing the Department
4 of Agriculture and Consumer Services to award
5 additional rebates for certain applicants using
6 unencumbered funds; creating s. 377.811, F.S.;
7 creating the heavy transportation industry natural gas
8 rebate program within the department; defining terms;
9 prescribing powers and duties of the department with
10 respect to the program; prescribing limits on rebate
11 awards; providing policies and procedures for
12 application approval; authorizing the department to
13 adopt rules by a specified date; requiring the
14 department to publish on its website the availability
15 of rebate funds; requiring the department to submit an
16 annual assessment to the Governor, the Legislature,
17 and the Office of Program Policy Analysis and
18 Government Accountability by a specified date;
19 authorizing an appropriation; providing an effective
20 date.

21
22 Be It Enacted by the Legislature of the State of Florida:

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

26 377.810 Natural gas fuel fleet vehicle rebate program.—

27 (3) NATURAL GAS FUEL FLEET VEHICLE REBATE.—The department
28 shall award rebates for eligible costs as defined in this
29 section. Forty percent of the annual allocation shall be

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30 reserved for governmental applicants, with the remaining funds
31 allocated for commercial applicants. A rebate may not exceed 50
32 percent of the eligible costs of a natural gas fuel fleet
33 vehicle with a dedicated or bi-fuel natural gas fuel operating
34 system placed into service on or after July 1, 2013. An
35 applicant is eligible to receive a maximum rebate of \$25,000 per
36 vehicle up to a total of \$250,000 per fiscal year. Any
37 unencumbered funds remaining after May 1 of each fiscal year may
38 be used by the department to award an additional rebate of up to
39 \$250,000 for a governmental applicant. Any unencumbered funds
40 remaining after June 1 of each fiscal year may be used by the
41 department to award an additional or new rebate of up to
42 \$250,000 for a governmental or commercial applicant. All natural
43 gas fuel fleet vehicles eligible for the rebate must comply with
44 applicable United States Environmental Protection Agency
45 emission standards.

46 Section 2. Section 377.811, Florida Statutes, is created to
47 read:

48 377.811 Heavy transportation industry natural gas rebate
49 program.—

50 (1) CREATION AND PURPOSE OF PROGRAM.—There is created
51 within the Department of Agriculture and Consumer Services a
52 heavy transportation industry natural gas rebate program. The
53 purpose of this program is to help reduce transportation costs
54 in this state, encourage the use of a domestic fuel source, and
55 encourage heavy transportation industry investments that
56 contribute to the economic growth of the state.

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

58 (a) "Conversion costs" means the costs associated with

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59 retrofitting a diesel-, gasoline-, or heavy fuel oil- powered
60 locomotive, waterborne ship, or other high horsepower engine to
61 a natural gas powered eligible vehicle.

62 (b) "Department" means the Department of Agriculture and
63 Consumer Services.

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

70 (d) "Eligible vehicle" means one or more locomotives,
71 waterborne ships, or other high horsepower engines used for
72 transportation purposes registered or licensed in this state and
73 used for commercial business or governmental purposes. Eligible
74 vehicles must be newly constructed or repowered and placed into
75 service on or after July 1, 2015. Waterborne ships must be built
76 and documented in the United States with a coastwise endorsement
77 under the Jones Act, 46 U.S.C. s. 55102, and used to provide
78 regular transportation of merchandise between one or more ports
79 in this state and other domestic ports. If the eligible vehicle
80 is registered with a federal regulatory body, the owner must
81 certify in writing that the eligible vehicle will be used the
82 majority of the time in this state or a waterborne ship that
83 uses a port in this state in its rotation, subject to department
84 review.

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

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

92 (g) "Natural gas fuel" means any liquefied petroleum gas
93 product, compressed natural gas product, or combination thereof
94 used in an eligible vehicle. This term includes, but is not
95 limited to, all forms of fuel commonly or commercially known or
96 sold as natural gasoline, butane gas, propane gas, or any other
97 form of liquefied petroleum gas, compressed natural gas, or
98 liquefied natural gas. The term does not include natural gas or
99 liquefied petroleum placed in a separate tank for cooking,
100 heating, water heating, or electric generation.

101 (3) HEAVY TRANSPORTATION INDUSTRY NATURAL GAS REBATE.—The
102 department shall award rebates for eligible costs. A rebate may
103 not exceed 50 percent of the eligible costs of a natural gas
104 eligible vehicle with a dedicated or bi-fuel natural gas fuel
105 operating system placed into service on or after July 1, 2015.
106 An applicant is eligible to receive a maximum rebate of \$500,000
107 per eligible vehicle up to a total of \$1 million per fiscal
108 year. All eligible vehicles must comply with applicable United
109 States Environmental Protection Agency emission standards.

110 (4) APPLICATION PROCESS.—

111 (a) An applicant seeking to obtain a rebate shall submit an
112 application to the department by a specified date each year as
113 established by department rule. The application must require a
114 complete description of all eligible costs, proof of purchase or
115 lease of the eligible vehicle for which the applicant is seeking
116 a rebate, a copy of the vehicle registration certificate or

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117 equivalent documentation, a description of the total rebate
118 sought by the applicant, and any other information deemed
119 necessary by the department. The application form adopted by
120 department rule must include an affidavit from the applicant
121 certifying that all information contained in the application is
122 true and correct.

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

135 (5) RULES.—The department may adopt rules to implement and
136 administer this section by December 31, 2015, including rules
137 relating to the forms required to claim a rebate under this
138 section, the required documentation and basis for establishing
139 eligibility for a rebate, procedures and guidelines for claiming
140 a rebate, and the collection of economic impact data from
141 applicants.

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

145 (7) ANNUAL ASSESSMENT.—By December 1, 2016, and each year

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146 thereafter that the program is funded, the department shall
147 provide an annual assessment of the use of the rebate program
148 during the previous fiscal year to the Governor, the President
149 of the Senate, the Speaker of the House of Representatives, and
150 the Office of Program Policy Analysis and Government
151 Accountability. The assessment shall include, at a minimum, the
152 following information:

153 (a) The name of each applicant awarded a rebate under this
154 section;

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

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

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

160 (8) APPROPRIATION.—Beginning in the 2015-2016 fiscal year
161 and each year thereafter through the 2019-2020 fiscal year, the
162 General Appropriations Act may provide a specific appropriation
163 in each fiscal year from the General Revenue Fund to the
164 Department of Agriculture and Consumer Services for the purpose
165 of funding the heavy transportation industry natural gas rebate
166 program.

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