By Senator Clemens

31-00841A-17 20171090

A bill to be entitled

An act relating to the Energy Economic Zone Program; amending s. 377.809, F.S.; specifying that the Energy Economic Zone Program is no longer a pilot program and shall be administered by the Department of Economic Opportunity; correcting a cross-reference; deleting a provision that required the department to consult with the Department of Transportation in implementing the program; deleting a requirement that at least one application be selected for the program; deleting obsolete provisions; deleting a provision specifying that certain residency requirements be based on residency in the economic zone; providing an effective date.

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

Section 1. Section 377.809, Florida Statutes, is amended to read:

377.809 Energy Economic Zone Pilot Program.-

(1) The Department of Economic Opportunity, in consultation with the Department of Transportation, shall administer the implement an Energy Economic Zone Pilot Program for the purpose of developing a model to help communities cultivate green economic development, encourage renewable electric energy generation, manufacture products that contribute to energy conservation and green jobs, and further implement chapter 2008-191, Laws of Florida, relative to discouraging sprawl and developing energy-efficient land use patterns and greenhouse gas

31-00841A-17 20171090

reduction strategies. The Department of Agriculture and Consumer Services shall provide technical assistance to the <u>department</u> departments in <u>developing and</u> administering the program.

- (2) (a) The application for <u>an Energy Economic Zone</u> designation must a pilot project shall:
- 1. Identify the proposed location of the energy economic zone, which must be within an adopted urban service area and may include a county landfill outside the urban service boundary;
- 2. Present a proposed strategic plan for development and redevelopment in the energy economic zone;
- 3. Demonstrate consistency of the strategic plan with the local comprehensive plan or include proposed plan amendments necessary to achieve consistency; and
- 4. Identify comprehensive plan amendments that will be proposed to implement chapter 2008-191, Laws of Florida.
- (b) The strategic plan under <u>subparagraph(a)2</u>. <u>subparagraph(a)1</u>. must include mixed-use and form-based standards that integrate multimodal transportation facilities with land use and development patterns to reduce reliance on automobiles, encourage certified green building developments and renewable energy systems, encourage creation of green jobs, and demonstrate how local financial and regulatory incentives will be used in the energy economic zone.
- (c) The Department of Economic Opportunity shall grant the Energy Economic Zone designation at least one application if the application meets the requirements of this subsection and the community has demonstrated a prior commitment to energy conservation, carbon reduction, green building, and economic development. The Department of Economic Opportunity shall

60

61

62

63

64

65

66

67 68

69

70

71

72

73

74

75

76

77

78

79

80

81

82

83

8485

8687

31-00841A-17 20171090

provide the <u>designated</u> pilot community, including businesses within the energy economic zone, with technical assistance in identifying and qualifying for eligible grants and credits in job creation, energy, and other areas.

(3) The Department of Economic Opportunity shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 15, 2015, evaluating whether the pilot program has demonstrated success. The report shall contain recommendations with regard to whether the program should be expanded for use by other local governments and whether state policies should be revised to encourage the goals of the program.

(3) (a) (4) (a) Beginning July 1, 2012, All the incentives and benefits provided for in this subsection are only available to the enterprise zones pursuant to state law shall be available to the energy economic zones designated pursuant to this section on or before July 1, 2010. In order to provide incentives, by March 1, 2012, each local governing body that has jurisdiction over an energy economic zone and that has must, by local ordinance, established establish the boundary of the energy economic zone, specify applicable energy-efficiency standards, and determined determine eligibility criteria for the application of state and local incentives and benefits in the energy economic zone. However, in order to receive benefits provided under s. 288.106, a business must be a qualified target industry business under s. 288.106 for state purposes. An energy economic zone's boundary may be revised by local ordinance. Such incentives and benefits include those in ss. 212.08, 212.096, 220.181, 220.182, 220.183, 288.106, and 624.5105 and the public utility discounts provided

89

90 91

92

93

94

95

9697

98

99

100

101

102

103

104

105

106

107

108

109

110

111

112

113

114115

116

31-00841A-17 20171090

in s. 290.007(8). The exemption provided in s. 212.08(5)(c) shall be for renewable energy as defined in s. 377.803. For purposes of this section, any applicable requirements for employee residency for higher refund or credit thresholds must be based on employee residency in the energy economic zone or an enterprise zone. A business in an energy economic zone may also be eligible for funding under ss. 288.047 and 445.003, and a transportation project in an energy economic zone shall be provided priority in funding under s. 339.2821. Other projects shall be given priority ranking to the extent practicable for grants administered under state energy programs.

- (b) Effective July 1, 2012, The total amount of state credits, refunds, and exemptions that may be provided by the governing body of each energy economic zone to eligible businesses for energy-economic-zone incentives pursuant to paragraph (a) is \$300,000 per designated energy economic zone in any state fiscal year. The governing body of an energy economic zone shall disallow a credit or refund for which an application is submitted after the zone's respective \$300,000 limit is reached. If the \$300,000 incentive cap is not fully used in any one state fiscal year by an energy economic zone, the unused amount under the cap may be carried forward for up to 5 years. The local governing body that has jurisdiction over the energy economic zone is responsible for allocating the incentives, for verifying that businesses receiving such incentives are eligible for the incentives provided, and for ensuring that the incentives provided do not exceed the cap for the state fiscal year.
 - (c) Upon approving an incentive for an eligible business,

118

119

120

121

122123

124

125

126

127

128

129

130

131

132

133

134

135

136

137

138

139

140

141

142143

144

145

31-00841A-17 20171090

the governing body that has jurisdiction over the energy economic zone shall provide the taxpayer with a certificate indicating the name and federal identification number of the eligible business, the date the incentive is provided, the name of the energy economic zone, the incentive type, and the incentive amount. The local governing body shall certify to the Department of Revenue or the Department of Economic Opportunity, whichever is applicable, which businesses or properties are eligible to receive any or all of the state incentives according to their statutory requirements. The governing body that has jurisdiction over the energy economic zone shall provide a copy of the certificate to the Department of Revenue and the Department of Economic Opportunity as notification that such incentives were approved for the specific eligible business or property. For incentives to be claimed against the sales and use tax under chapter 212, the Department of Revenue shall send, within 14 days after receipt, written instructions to an eligible business on how to claim the credit on a sales and use tax return initiated through an electronic data interchange. Any credit against the sales and use tax shall be deducted from any sales and use tax remitted by the dealer to the Department of Revenue by electronic funds transfer and may be deducted only on a sales and use tax return initiated through an electronic data interchange. The dealer shall separately state the credit on the electronic return. The net amount of tax due and payable must be remitted by electronic funds transfer. If the credit exceeds the amount owed on the sales and use tax return, such excess amount may be carried forward for a period not to exceed 12 months after the date that the credit is initially claimed.

147

148

149

150

151

152

153

31-00841A-17 20171090

(d) If all conditions are deemed met, the Department of Economic Opportunity and the Department of Revenue may adopt emergency rules pursuant to ss. 120.536(1) and 120.54 to administer this subsection. The emergency rules shall remain in effect for 6 months after the rules are adopted, and the rules may be renewed while the procedures to adopt permanent rules addressing the subject of the emergency rules are pending.

Section 2. This act shall take effect July 1, 2017.