

1                   A bill to be entitled  
2           An act relating to renewable energy source devices;  
3           amending s. 24.118, F.S.; correcting a cross-  
4           reference; amending s. 163.08, F.S.; articulating the  
5           2016 constitutional amendment prohibiting  
6           consideration of solar or renewable energy source  
7           devices in determining assessed values of real  
8           properties; requiring local government financing  
9           agreements related to certain qualifying improvements  
10          to contain certain disclosures; amending s. 193.624,  
11          F.S.; revising the definition of the term "renewable  
12          energy source device"; excluding the value of a  
13          renewable energy source device installed on or after a  
14          specified date from the assessed value of real  
15          property; amending s. 196.183, F.S.; exempting the  
16          assessed value of certain renewable energy source  
17          devices from ad valorem taxation; amending s. 501.604,  
18          F.S.; correcting a cross-reference; creating part II  
19          of chapter 520, F.S., entitled "Distributed Energy  
20          Generation System Sales"; providing definitions;  
21          providing applicability relating to, and specifying  
22          the disclosures required of, certain agreements to  
23          sell, finance, or lease distributed energy generation  
24          systems; providing exemptions; requiring sellers,  
25          buyers, and lessees of such systems to comply with

26 | specified standards and rules; providing penalties;  
 27 | amending s. 671.304, F.S.; correcting cross-  
 28 | references; providing for the future expiration and  
 29 | reversion of specified statutory text; providing an  
 30 | effective date.

31 |  
 32 | Be It Enacted by the Legislature of the State of Florida:

33 |  
 34 | Section 1. Subsection (1) of section 24.118, Florida  
 35 | Statutes, is amended to read:

36 | 24.118 Other prohibited acts; penalties.—

37 | (1) UNLAWFUL EXTENSIONS OF CREDIT.—Any retailer who  
 38 | extends credit or lends money to a person for the purchase of a  
 39 | lottery ticket is guilty of a misdemeanor of the second degree,  
 40 | punishable as provided in s. 775.082 or s. 775.083. This  
 41 | subsection shall not be construed to prohibit the purchase of a  
 42 | lottery ticket through the use of a credit or charge card or  
 43 | other instrument issued by a bank, savings association, credit  
 44 | union, or charge card company or by a retailer pursuant to part  
 45 | III ~~part II~~ of chapter 520, provided that any such purchase from  
 46 | a retailer shall be in addition to the purchase of goods and  
 47 | services other than lottery tickets having a cost of no less  
 48 | than \$20.

49 | Section 2. Paragraph (a) of subsection (1) and subsection  
 50 | (4) of section 163.08, Florida Statutes, are amended to read:

51           163.08 Supplemental authority for improvements to real  
52 property.—

53           (1) (a) In chapter 2008-227, Laws of Florida, the  
54 Legislature amended the energy goal of the state comprehensive  
55 plan to provide, in part, that the state shall reduce its energy  
56 requirements through enhanced conservation and efficiency  
57 measures in all end-use sectors and reduce atmospheric carbon  
58 dioxide by promoting an increased use of renewable energy  
59 resources. That act also declared it the public policy of the  
60 state to play a leading role in developing and instituting  
61 energy management programs that promote energy conservation,  
62 energy security, and the reduction of greenhouse gases. In  
63 addition to establishing policies to promote the use of  
64 renewable energy, the Legislature provided for a schedule of  
65 increases in energy performance of buildings subject to the  
66 Florida Energy Efficiency Code for Building Construction. In  
67 chapter 2008-191, Laws of Florida, the Legislature adopted new  
68 energy conservation and greenhouse gas reduction comprehensive  
69 planning requirements for local governments. In the 2008 general  
70 election, the voters of this state approved a constitutional  
71 amendment authorizing the Legislature, by general law, to  
72 prohibit consideration of any change or improvement made for the  
73 purpose of improving a property's resistance to wind damage or  
74 the installation of a renewable energy source device in the  
75 determination of the assessed value of residential real

76 | property. In the 2016 general election, the voters of this state  
77 | approved a constitutional amendment authorizing the Legislature,  
78 | by general law, to prohibit consideration of the installation of  
79 | a solar or renewable energy source device on any property in the  
80 | determination of the assessed value of the underlying real  
81 | property.

82 |       (4) (a) Subject to local government ordinance or  
83 | resolution, a property owner may apply to the local government  
84 | for funding to finance a qualifying improvement and enter into a  
85 | financing agreement with the local government. Costs incurred by  
86 | the local government for such purpose may be collected as a non-  
87 | ad valorem assessment. Any financing agreement entered into  
88 | between a local government and a property owner for the  
89 | financing of a qualifying improvement must comply with the  
90 | disclosure requirements in s. 520.23 that apply to distributed  
91 | energy generation systems.

92 |       (b) A non-ad valorem assessment shall be collected  
93 | pursuant to s. 197.3632 and, notwithstanding s. 197.3632(8)(a),  
94 | shall not be subject to discount for early payment. However, the  
95 | notice and adoption requirements of s. 197.3632(4) do not apply  
96 | if this section is used and complied with, and the intent  
97 | resolution, publication of notice, and mailed notices to the  
98 | property appraiser, tax collector, and Department of Revenue  
99 | required by s. 197.3632(3)(a) may be provided on or before  
100 | August 15 in conjunction with any non-ad valorem assessment

101 authorized by this section, if the property appraiser, tax  
 102 collector, and local government agree.

103 Section 3. Section 193.624, Florida Statutes, is amended  
 104 to read:

105 193.624 Assessment of renewable energy source devices  
 106 ~~residential property.~~

107 (1) As used in this section, the term "renewable energy  
 108 source device" means any of the following equipment or devices  
 109 that collect, transmit, store, or use ~~collects, transmits,~~  
 110 ~~stores, or uses~~ solar energy, wind energy, or energy derived  
 111 from geothermal deposits:

112 (a) Solar energy collectors, photovoltaic modules, and  
 113 inverters.

114 (b) Storage tanks and other storage systems, excluding  
 115 swimming pools used as storage tanks.

116 (c) Rockbeds.

117 (d) Thermostats and other control devices.

118 (e) Heat exchange devices.

119 (f) Pumps and fans.

120 (g) Roof ponds.

121 (h) Freestanding thermal containers.

122 (i) Pipes, ducts, refrigerant handling systems, and other  
 123 equipment used to interconnect such systems; however, such  
 124 equipment does not include conventional backup systems of any  
 125 type.

126 (j) Windmills and wind turbines.

127 (k) Wind-driven generators.

128 (l) Power conditioning and storage devices that use wind  
129 energy to generate electricity or mechanical forms of energy.

130 (m) Pipes and other equipment used to transmit hot  
131 geothermal water to a dwelling or structure from a geothermal  
132 deposit.

133 (2) In determining the assessed value of real property  
134 ~~used for residential purposes~~, an increase in the just value of  
135 the property attributable to the installation of a renewable  
136 energy source device may not be considered.

137 (3) This section applies to ~~the installation of a~~  
138 renewable energy source device installed on or after January 1,  
139 2013, ~~on~~ to new and existing residential real property. This  
140 section applies to a renewable energy source device installed on  
141 or after January 1, 2018, on all other real property.

142 Section 4. Subsection (1) of section 196.183, Florida  
143 Statutes, is amended to read:

144 196.183 Exemption for tangible personal property.—

145 (1) (a) Each tangible personal property tax return is  
146 eligible for an exemption from ad valorem taxation of up to  
147 \$25,000 of assessed value.

148 (b) In addition, the assessed value of a renewable energy  
149 source device, as defined in s. 193.624, that is otherwise  
150 subject to tangible personal property tax is exempt from ad

151 valorem taxation.

152

153 A single return must be filed for each site in the county where  
154 the owner of tangible personal property transacts business.  
155 Owners of freestanding property placed at multiple sites, other  
156 than sites where the owner transacts business, must file a  
157 single return, including all such property located in the  
158 county. Freestanding property placed at multiple sites includes  
159 vending and amusement machines, LP/propane tanks, utility and  
160 cable company property, billboards, leased equipment, and  
161 similar property that is not customarily located in the offices,  
162 stores, or plants of the owner, but is placed throughout the  
163 county. Railroads, private carriers, and other companies  
164 assessed pursuant to s. 193.085 shall be allowed one \$25,000  
165 exemption for each county to which the value of their property  
166 is allocated. The \$25,000 exemption for freestanding property  
167 placed at multiple locations and for centrally assessed property  
168 shall be allocated to each taxing authority based on the  
169 proportion of just value of such property located in the taxing  
170 authority; however, the amount of the exemption allocated to  
171 each taxing authority may not change following the extension of  
172 the tax roll pursuant to s. 193.122.

173 Section 5. Subsection (13) of section 501.604, Florida  
174 Statutes, is amended to read:

175 501.604 Exemptions.—The provisions of this part, except

176 ss. 501.608 and 501.616(6) and (7), do not apply to:

177 (13) A commercial telephone seller licensed pursuant to  
 178 chapter 516 or part III ~~part II~~ of chapter 520. For purposes of  
 179 this exemption, the seller must solicit to sell a consumer good  
 180 or service within the scope of his or her license and the  
 181 completed transaction must be subject to the provisions of  
 182 chapter 516 or part III ~~part II~~ of chapter 520.

183 Section 6. Parts II, III, IV, and V of chapter 520,  
 184 Florida Statutes, are renumbered as Parts III, IV, V, and VI,  
 185 respectively, and a new Part II, consisting of sections 520.20,  
 186 520.21, 520.22, 520.23, and 520.24, is created to read:

187 PART II

188 DISTRIBUTED ENERGY GENERATION SYSTEM SALES

189 520.20 Definitions.—As used in this part, the term:

190 (1) "Agreement" means a contract executed between a buyer  
 191 or lessee and a seller that leases, finances, or sells a  
 192 distributed energy generation system. For purposes of this part,  
 193 the term includes retail installment contracts.

194 (2) "Buyer" means a person that enters into an agreement  
 195 to buy, lease, or finance a distributed energy generation system  
 196 from a seller.

197 (3) "Distributed energy generation system" means a  
 198 renewable energy source device, as defined in s. 193.624, that  
 199 has a capacity, alone or in connection with other similar  
 200 devices, of one kilowatt and that is primarily intended for on-

201 site use. The term does not include an electric generator  
202 intended for occasional use.

203 (4) "Lessee" means a person that enters into an agreement  
204 to lease or rent a distributed energy generation system.

205 (5) "Retail installment contract" means an agreement  
206 executed in this state between a buyer and a seller in which the  
207 title to, or a lien upon, a distributed energy source device is  
208 retained or taken by the seller from the buyer as security, in  
209 whole or in part, for the buyer's obligations to make specified  
210 payments over time.

211 (6) "Seller" means a person regularly engaged in, and  
212 whose business substantially consists of, selling, financing, or  
213 leasing goods, including distributed energy generation systems,  
214 to buyers or lessees. For purposes of the disclosure  
215 requirements of s. 520.23, the term includes a local government  
216 that finances the purchase of a qualified improvement under s.  
217 163.08(4).

218 520.21 Applicability.—This part applies to agreements to  
219 sell, finance, or lease a distributed energy generation system  
220 and is supplemental to other provisions contained in part III  
221 related to retail installment contracts. If any provision  
222 related to retail installment contract requirements for a  
223 distributed energy generation system under this part conflicts  
224 with any other provision related to retail installment  
225 contracts, this part controls.

226           520.22 Required safety standards.—  
 227           (1) A seller who installs a distributed energy generation  
 228 system must comply with applicable safety, performance, and  
 229 reliability standards established by:  
 230           (a) The Florida Public Service Commission.  
 231           (b) The public utility, as defined in s. 366.02, if the  
 232 distributed energy generation system will be installed in  
 233 service territory not regulated by the Public Service  
 234 Commission.  
 235           (c) The National Electric Code.  
 236           (d) The National Electrical Safety Code.  
 237           (e) The Institute of Electrical and Electronics Engineers.  
 238           (f) UL.  
 239           (g) The Federal Energy Regulatory Commission.  
 240           (h) Local regulatory authorities.  
 241           (2) A buyer or lessee who installs a distributed energy  
 242 generation system must comply with the applicable  
 243 interconnection rules and standards established by the Florida  
 244 Public Service Commission and any approved public utility  
 245 tariffs that apply for interconnecting the system.  
 246           520.23 Disclosures required.—  
 247           (1) Each agreement between a buyer or lessee and a seller  
 248 that sells, finances, or leases a distributed energy generation  
 249 system must be in at least 12-point type and must:  
 250           (a) Be signed and dated by the person buying, financing,

251 or leasing the distributed energy generation system and the  
252 seller.

253 (b) Contain a provision granting the buyer or lessee the  
254 right to rescind the agreement for a period of not less than 3  
255 business days after the agreement is signed by the buyer or  
256 lessee and before the distributed energy generation system is  
257 installed.

258 (c) Provide a description of the distributed energy  
259 generation system, including the make and model of its major  
260 components and the expected amount of energy it will produce  
261 based on average weather conditions. In lieu of providing this  
262 information, a seller may provide a warranty or guarantee of the  
263 energy production output that the distributed energy generation  
264 system will provide over the life of the distributed energy  
265 generation system.

266 (d) Separately set forth the following items, if  
267 applicable:

268 1. The total cost to be paid by the buyer or lessee,  
269 including any interest, installation fees, document preparation  
270 fees, service fees, or other fees.

271 2. If the distributed energy generation system is being  
272 financed or leased, the total number of payments, the payment  
273 frequency, the amount of the payment expressed in dollars, the  
274 total amount of interest expressed in dollars, and the payment  
275 due dates.

276 (e) Disclose and specifically identify all tax credits,  
277 including public utility rate credits, rebates, or state or  
278 federal tax incentives for which the buyer or lessee may be  
279 eligible and that are used by the seller in calculating the  
280 purchase price of the distributed energy generation system. The  
281 disclosure must identify any conditions or requirements to  
282 obtain such credits, rebates, or tax incentives.

283 (f) Identify any tax obligations that the buyer or lessee  
284 may be required to pay in buying, financing, or leasing the  
285 distributed energy generation system, including:

286 1. The assessed value of the system.

287 2. Any other taxes that may be assessed against the buyer  
288 or lessee.

289 3. Any obligation of the buyer or lessee to transfer tax  
290 credits, rebates, or other state or federal tax incentives that  
291 may apply to the system to any other person or to the seller.

292 (g) Disclose whether the seller will insure the  
293 distributed energy generation system against damage or loss and,  
294 if applicable, circumstances under which the seller will not  
295 insure the system against damage or loss.

296 (h) Disclose whether the warranty or maintenance  
297 obligations of the distributed energy generation system may be  
298 sold or transferred to a third party.

299 (i) In each lease agreement, an identification of the  
300 party responsible for the balance of the lease payments if the

301 property on which the distributed energy generation system is  
302 located is sold or if the lessee dies before the end of the  
303 lease agreement.

304 (j) Provide a full and accurate summary of the total costs  
305 under the agreement for maintaining and operating the  
306 distributed energy generation system over the life of the  
307 system, including financing, maintenance, and construction costs  
308 related to the system.

309 (k) If the agreement contains an estimate of the buyer's  
310 or lessee's future utility charges based on projected utility  
311 rates after the installation of a distributed energy generation  
312 system, provide an estimate of the buyer's or lessee's estimated  
313 utility charges during the same period as impacted by potential  
314 utility rate changes ranging from at least a 5-percent annual  
315 decrease to at least a 5-percent annual increase from current  
316 utility costs. The comparative estimates must be calculated  
317 using the same utility rates.

318 (2) In addition to the requirements in subsection (1),  
319 each agreement shall include the following disclosures,  
320 separately acknowledged and signed by the buyer or lessee:

321 (a) A statement identifying whether the agreement contains  
322 any restrictions on the buyer's or lessee's ability to modify or  
323 transfer ownership of a distributed energy generation system,  
324 including whether any modification or transfer is subject to  
325 review or approval by a third party. If the modification or

326 transfer of the distributed energy generation system is subject  
 327 to review or approval by a third party, the agreement must  
 328 identify the name, address, and telephone number of the person  
 329 responsible for approving the modification or transfer and must  
 330 specify the method for updating any change in the person's  
 331 information.

332 (b) A provision disclosing whether the agreement contains  
 333 any restrictions on the ability of the buyer or lessee to modify  
 334 or transfer ownership of real property to which a distributed  
 335 energy generation system is or will be affixed, including  
 336 whether a modification or transfer is subject to review or  
 337 approval by a third party. The disclosure must identify the  
 338 name, address, and telephone number of the person responsible  
 339 for approving any modification or transfer and must specify the  
 340 method for updating any change in the person's information.

341 (c) A statement that contains the following language:

342  
 343 UTILITY RATES AND UTILITY RATE STRUCTURES MAY CHANGE AND THESE  
 344 CHANGES CANNOT BE ACCURATELY PREDICTED. THEREFORE, PROJECTED  
 345 SAVINGS FROM YOUR DISTRIBUTED ENERGY GENERATION SYSTEM MAY  
 346 CHANGE. IN ADDITION, TAX CREDITS, REBATES, AND OTHER STATE OR  
 347 FEDERAL INCENTIVES ARE SUBJECT TO CHANGE OR TERMINATION BY  
 348 FEDERAL OR STATE EXECUTIVE, LEGISLATIVE, OR REGULATORY ACTION.

349  
 350 (3) A person who is obligated to maintain or warrant a

351 distributed energy generation system under an agreement may not  
352 transfer the maintenance or warranty obligations of that system  
353 until the person discloses the name, address, and telephone  
354 number of the person who will be assuming the maintenance or  
355 warranty of that system.

356 (4) Marketing materials that are provided to a buyer or  
357 lessee that estimate a buyer's or lessee's future utility  
358 charges based on projected utility rates that might apply after  
359 installation of a distributed energy generation system must also  
360 provide an estimate of the buyer's or lessee's estimated utility  
361 charges for the same period assuming a rate increase of at least  
362 5 percent and assuming a rate decrease of at least 5 percent.

363 (5) This section does not apply to a person or company,  
364 acting through its officers, employees, or agents, that markets,  
365 sells, solicits, negotiates, or enters into an agreement for a  
366 distributed energy generation system as part of a transaction  
367 involving the sale or transfer of real property to which the  
368 system is affixed.

369 520.24 Penalties.—

370 (1) Any seller who willfully and intentionally violates  
371 any provision of this part commits a noncriminal violation, as  
372 defined in s. 775.08(3), punishable by a fine not to exceed the  
373 cost of the distributed energy generation system.

374 (2) In the case of a willful and intentional violation of  
375 this part, the owner may recover from the person committing such

376 violation, or may set off or counterclaim in any action against  
377 the owner by such person, an amount equal to any finance charges  
378 and fees charged to the owner under the agreement, plus attorney  
379 fees and costs incurred by the owner to assert his or her rights  
380 under this part.

381 Section 7. Paragraph (d) of subsection (2) of section  
382 671.304, Florida Statutes, is amended to read:

383 671.304 Laws not repealed; precedence where code  
384 provisions in conflict with other laws; certain statutory  
385 remedies retained.—

386 (2) The following laws and parts of laws are specifically  
387 not repealed and shall take precedence over any provisions of  
388 this code which may be inconsistent or in conflict therewith:

389 (d) Chapter 520—Retail installment sales (Part I, Motor  
390 Vehicle Sales Finance Act; Part III ~~Part II~~, Retail Installment  
391 Sales Act; Part IV ~~Part III~~, Installment Sales Finance Act).

392 Section 8. The amendments made by this act to s.  
393 193.624(2) and (3) and s. 196.183(1), Florida Statutes, expire  
394 on December 31, 2037, and the text of those subsections shall  
395 revert to that in existence on December 31, 2017, except that  
396 any amendments to such text enacted other than by this act shall  
397 be preserved and continue to operate to the extent that such  
398 amendments are not dependent upon the portions of the text which  
399 expire pursuant to this section.

400 Section 9. This act shall take effect January 1, 2018.