

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. 193.624, F.S.; revising and
5 defining terms related to renewable energy source
6 devices; excluding the value of a renewable energy
7 source device installed on or after a specified date
8 from the assessed value of real property; creating s.
9 196.182, F.S.; exempting the assessed value of certain
10 renewable energy source devices from ad valorem
11 taxation; amending s. 501.604, F.S.; correcting a
12 cross-reference; creating part II of chapter 520,
13 F.S., entitled "Distributed Energy Generation System
14 Sales"; providing definitions; providing applicability
15 relating to, and specifying the disclosures required
16 of, certain agreements to sell or lease distributed
17 energy generation systems; requiring sellers that
18 install such systems to comply with specified safety
19 standards; requiring the Department of Business and
20 Professional Regulation to adopt rules and publish
21 standard disclosure forms; providing penalties;
22 providing exemptions; amending s. 671.304, F.S.;
23 correcting cross-references; providing for the future
24 expiration and reversion of specified statutory text;
25 providing an effective date.

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

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

24.118 Other prohibited acts; penalties.—

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

Section 2. Section 193.624, Florida Statutes, is amended to read:

193.624 Assessment of renewable energy source devices ~~residential property~~.—

(1) As used in this section, the term "renewable energy source device" means any of the following equipment that collects, transmits, stores, or uses solar energy, wind energy,

- 51 or energy derived from geothermal deposits:
- 52 (a) Solar energy collectors, photovoltaic modules, and
- 53 inverters.
- 54 (b) Storage tanks and other storage systems, excluding
- 55 swimming pools used as storage tanks.
- 56 (c) Rockbeds.
- 57 (d) Thermostats and other control devices.
- 58 (e) Heat exchange devices.
- 59 (f) Pumps and fans.
- 60 (g) Roof ponds.
- 61 (h) Freestanding thermal containers.
- 62 (i) Pipes, ducts, wiring, structural supports, refrigerant
- 63 handling systems, and other components ~~equipment~~ used as
- 64 integral parts of ~~to interconnect~~ such systems; however, such
- 65 equipment does not include conventional backup systems of any
- 66 type or any equipment or structure that would be required in the
- 67 absence of the renewable energy source device.
- 68 (j) Windmills and wind turbines.
- 69 (k) Wind-driven generators.
- 70 (l) Power conditioning and storage devices that store or
- 71 use solar energy, wind energy, or energy derived from geothermal
- 72 deposits to generate electricity or mechanical forms of energy.
- 73 (m) Pipes and other equipment used to transmit hot
- 74 geothermal water to a dwelling or structure from a geothermal
- 75 deposit.

76
 77 The term does not include equipment that is on the distribution
 78 or transmission side of the point at which a renewable energy
 79 source device is interconnected to an electric utility's
 80 distribution grid or transmission lines.

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

85 (3) This section applies to the installation of a
 86 renewable energy source device installed on or after January 1,
 87 2013, to new and existing residential real property. This
 88 section applies to a renewable energy source device installed on
 89 or after January 1, 2018, to all other real property, except
 90 when installed as part of a project planned for a location in a
 91 fiscally constrained county, as defined in s. 218.67(1), and for
 92 which an application for a comprehensive plan amendment or
 93 planned unit development zoning has been filed with the county
 94 on or before December 31, 2017.

95 Section 3. Section 196.182, Florida Statutes, is created
 96 to read:

97 196.182 Exemption of renewable energy source devices.—

98 (1) A renewable energy source device, as defined in s.
 99 193.624, that is considered tangible personal property and that
 100 is installed on real property on or after January 1, 2018, is

101 exempt from ad valorem taxation.

102 (2) The exemption provided in this section does not apply
 103 to a renewable energy source device that is installed as part of
 104 a project planned for a location in a fiscally constrained
 105 county, as defined in s. 218.67(1), and for which an application
 106 for a comprehensive plan amendment or planned unit development
 107 zoning has been filed with the county on or before December 31,
 108 2017.

109 (3) This section expires December 31, 2037.

110 Section 4. Subsection (13) of section 501.604, Florida
 111 Statutes, is amended to read:

112 501.604 Exemptions.—The provisions of this part, except
 113 ss. 501.608 and 501.616(6) and (7), do not apply to:

114 (13) A commercial telephone seller licensed pursuant to
 115 chapter 516 or part III ~~part II~~ of chapter 520. For purposes of
 116 this exemption, the seller must solicit to sell a consumer good
 117 or service within the scope of his or her license and the
 118 completed transaction must be subject to the provisions of
 119 chapter 516 or part III ~~part II~~ of chapter 520.

120 Section 5. Parts II, III, IV, and V of chapter 520,
 121 Florida Statutes, are renumbered as Parts III, IV, V, and VI,
 122 respectively, and a new Part II, consisting of sections 520.20,
 123 520.21, 520.22, 520.23, 520.24, 520.25, and 520.26, is created
 124 to read:

125 PART II

DISTRIBUTED ENERGY GENERATION SYSTEM SALES

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

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

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

(3) "Distributed energy generation system" means a device or system that is used to generate or store electricity; that has an electric delivery capacity, individually or in connection with other similar devices or systems, of greater than one kilowatt or one kilowatt-hour; and that is used primarily for on-site consumption. The term does not include an electric generator intended for occasional use.

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

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

(6) "Seller" means a person regularly engaged in, and

151 whose business substantially consists of, selling or leasing
152 goods, including distributed energy generation systems, to
153 buyers or lessees. A seller that is also an installer must be
154 licensed under chapter 489.

155 520.21 Applicability.—This part applies to agreements to
156 sell or lease a distributed energy generation system and is
157 supplemental to other provisions contained in part III related
158 to retail installment contracts. If any provision related to
159 retail installment contract requirements for a distributed
160 energy generation system under this part conflicts with any
161 other provision related to retail installment contracts, this
162 part controls.

163 520.22 Safety compliance.—A seller who installs a
164 distributed energy generation system must comply with applicable
165 safety standards established by the Department of Business and
166 Professional Regulation pursuant to chapter 489 and part IV of
167 chapter 553.

168 520.23 Disclosures required.—Each agreement governing the
169 sale or lease of a distributed energy generation system shall,
170 at a minimum, include a written statement printed in at least
171 12-point type that is separate from the agreement, is separately
172 acknowledged by the buyer, and includes the following
173 information and disclosures, if applicable:

174 (1) The name, address, telephone number, and e-mail
175 address of the buyer.

176 (2) The name, address, telephone number, e-mail address,
177 and valid state contractor license number of the person
178 responsible for installing the distributed energy generation
179 system.

180 (3) The name, address, telephone number, e-mail address,
181 and valid state contractor license number of the distributed
182 energy generation system maintenance provider, if different from
183 the person responsible for installing the distributed energy
184 generation system.

185 (4) A written statement indicating whether the buyer is
186 purchasing or leasing the distributed energy generation system.

187 (a) If the buyer is leasing the distributed energy
188 generation system, the written statement must include a
189 disclosure in substantially the following form: "YOU ARE
190 ENTERING INTO AN AGREEMENT TO LEASE A DISTRIBUTED ENERGY
191 GENERATION SYSTEM. YOU WILL LEASE (NOT OWN) THE SYSTEM INSTALLED
192 ON YOUR PROPERTY."

193 (b) If the buyer is purchasing the distributed energy
194 generation system, the written statement must include a
195 disclosure in substantially the following form: "YOU ARE
196 ENTERING INTO AN AGREEMENT TO PURCHASE A DISTRIBUTED ENERGY
197 GENERATION SYSTEM. YOU WILL OWN (NOT LEASE) THE SYSTEM INSTALLED
198 ON YOUR PROPERTY."

199 (5) The total cost to be paid by the buyer or lessee,
200 including any interest, installation fees, document preparation

201 fees, service fees, or other fees.

202 (6) A payment schedule, including any amounts owed at
203 contract signing, at the commencement of installation, at the
204 completion of installation, and any final payments. If the
205 distributed energy generation system is being leased, the
206 written statement must include the frequency and amount of each
207 payment due under the lease and the total estimated lease
208 payments over the term of the lease.

209 (7) Each state or federal tax incentive or rebate, if any,
210 relied upon by the seller in determining the price of the
211 distributed energy generation system.

212 (8) A description of the assumptions used to calculate any
213 savings estimates provided to the buyer, and if such estimates
214 are provided, a statement in substantially the following form:
215 "It is important to understand that future electric utility
216 rates are estimates only. Your future electric utility rates may
217 vary."

218 (9) A description of any one-time or recurring fees,
219 including, but not limited to, estimated system removal fees,
220 maintenance fees, Internet connection fees, and automated
221 clearinghouse fees. If late fees may apply, the description must
222 describe the circumstances triggering such late fees.

223 (10) A statement notifying the buyer whether the
224 distributed energy generation system is being financed and, if
225 so, a statement in substantially the following form: "If your

226 system is financed, carefully read any agreements and/or
227 disclosure forms provided by your lender. This statement does
228 not contain the terms of your financing agreement. If you have
229 any questions about your financing agreement, contact your
230 finance provider before signing a contract."

231 (11) A statement notifying the buyer whether the seller is
232 assisting in arranging financing of the distributed energy
233 generation system and, if so, a statement in substantially the
234 following form: "If your system is financed, carefully read any
235 agreements and/or disclosure forms provided by your lender. This
236 statement does not contain the terms of your financing
237 agreement. If you have any questions about your financing
238 agreement, contact your finance provider before signing a
239 contract."

240 (12) A provision notifying the buyer or lessee of the
241 right to rescind the agreement for a period of at least 3
242 business days after the agreement is signed. This subsection
243 does not apply to a contract to sell or lease a distributed
244 energy generation system in a solar community in which the
245 entire community has been marketed as a solar community and all
246 of the homes in the community are intended to have a distributed
247 energy generation system, or a solar community in which the
248 developer has incorporated solar technology for purposes of
249 meeting the Florida Building Code in s. 553.73.

250 (13) A description of the distributed energy generation

251 system design assumptions, including the make and model of the
252 major components, system size, estimated first-year energy
253 production, and estimated annual energy production decreases,
254 including the overall percentage degradation over the estimated
255 life of the distributed energy generation system, and the status
256 of utility compensation for excess energy generated by the
257 system at the time of contract signing. A seller who provides a
258 warranty or guarantee of the energy production output of the
259 distributed energy generation system may provide a description
260 of such warranty or guarantee in lieu of a description of the
261 system design and components.

262 (14) A description of any performance or production
263 guarantees.

264 (15) A description of the ownership and transferability of
265 any tax credits, rebates, incentives, or renewable energy
266 certificates associated with the distributed energy generation
267 system, including a disclosure as to whether the seller will
268 assign or sell any associated renewable energy certificates to a
269 third party.

270 (16) A statement in substantially the following form: "You
271 are responsible for property taxes on property you own. Consult
272 a tax professional to understand any tax liability or
273 eligibility for any tax credits that may result from the
274 purchase of your distributed energy generation system."

275 (17) The approximate start and completion dates for the

276 installation of the distributed energy generation system.

277 (18) A disclosure as to whether maintenance and repairs of
278 the distributed energy generation system are included in the
279 purchase price.

280 (19) A disclosure as to whether any warranty or
281 maintenance obligations related to the distributed energy
282 generation system may be sold or transferred by the seller to a
283 third party and, if so, a statement in substantially the
284 following form: "Your contract may be assigned, sold, or
285 transferred without your consent to a third party who will be
286 bound to all the terms of the contract. If a transfer occurs,
287 you will be notified if this will change the address or phone
288 number to use for system maintenance or repair requests."

289 (20) If the buyer is purchasing the distributed energy
290 generation system, a disclosure notifying the buyer of the
291 requirements for interconnecting the system to the utility
292 system.

293 (21) A disclosure notifying the buyer or lessee of the
294 party responsible for obtaining interconnection approval.

295 (22) A description of any roof warranties.

296 (23) A disclosure notifying the lessee whether the seller
297 will insure a leased distributed energy generation system
298 against damage or loss and, if applicable, the circumstances
299 under which the seller will not insure the system against damage
300 or loss.

301 (24) A statement, if applicable, in substantially the
302 following form: "You are responsible for obtaining insurance
303 policies or coverage for any loss of or damage to the system.
304 Consult an insurance professional to understand how to protect
305 against the risk of loss or damage to the system."

306 (25) A disclosure notifying the buyer or lessee whether
307 the seller or lessor will place a lien on the buyer's or
308 lessee's home or other property as a result of entering into a
309 purchase or lease agreement for the distributed energy
310 generation system.

311 (26) A disclosure notifying the buyer or lessee whether
312 the seller or lessor will file a fixture filing or a State of
313 Florida Uniform Commercial Code Financing Statement Form (UCC-1)
314 on the distributed energy generation system.

315 (27) A disclosure identifying whether the agreement
316 contains any restrictions on the buyer's or lessee's ability to
317 modify or transfer ownership of a distributed energy generation
318 system, including whether any modification or transfer is
319 subject to review or approval by a third party.

320 (28) A disclosure as to whether the lease agreement may be
321 transferred to a purchaser upon sale of the home or real
322 property to which the system is affixed, and any conditions for
323 such transfer.

324 (29) A blank section that allows the seller to provide
325 additional relevant disclosures or explain disclosures made

326 elsewhere in the disclosure form.

327 520.24 Rulemaking authority; standard disclosure form.-

328 (1) The Department of Business and Professional Regulation
329 shall adopt rules to implement and enforce the provisions of
330 this part.

331 (2) The Department of Business and Professional Regulation
332 shall, by January 1, 2018, publish standard disclosure forms
333 that may be used to comply with the disclosure requirements of
334 this part. Disclosures provided in substantially the form
335 published by the department shall be regarded as complying with
336 the disclosure requirements of this part.

337 520.25 Penalties.-

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

342 (2) In the case of a willful and intentional violation of
343 this part, the owner may recover from the person committing such
344 violation, or may set off or counterclaim in any action against
345 the owner by such person, an amount equal to any finance charges
346 and fees charged to the owner under the agreement, plus attorney
347 fees and costs incurred by the owner to assert his or her rights
348 under this part.

349 520.26 Exemptions.-The provisions of this part do not
350 apply to the following:

351 (1) A person or company, acting through its officers,
 352 employees, brokers, or agents, that markets, sells, solicits,
 353 negotiates, or enters into an agreement for the sale or
 354 financing of a distributed energy generation system as part of a
 355 transaction involving the sale or transfer of the real property
 356 on which the system is or will be affixed.

357 (2) A transaction involving the sale or transfer of the
 358 real property on which a distributed energy generation system is
 359 located.

360 (3) A third party, including a local government, that
 361 enters into an agreement for the financing of a distributed
 362 energy generation system.

363 Section 6. Paragraph (d) of subsection (2) of section
 364 671.304, Florida Statutes, is amended to read:

365 671.304 Laws not repealed; precedence where code
 366 provisions in conflict with other laws; certain statutory
 367 remedies retained.—

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

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

374 Section 7. The amendments made by this act to s.
 375 193.624(2), (3), (4), and (5), Florida Statutes, expire on

376 | December 31, 2037, and the text of those subsections shall
377 | revert to that in existence on December 31, 2017, except that
378 | any amendments to such text enacted other than by this act shall
379 | be preserved and continue to operate to the extent that such
380 | amendments are not dependent upon the portions of the text which
381 | expire pursuant to this section.

382 | Section 8. This act shall take effect July 1, 2017.