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1
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; prohibiting consideration of the just value
7 of property attributable to a renewable energy source
8 device in determining the assessed value of
9 residential real property; prohibiting the
10 consideration of a specified percentage of the just
11 value of property attributable to a renewable energy
12 source device in determining the assessed value of
13 nonresidential real property; revising applicability;
14 creating s. 196.182, F.S.; exempting a specified
15 percentage of the assessed value of certain renewable
16 energy source devices from ad valorem taxation;
17 exempting a specified percentage of the assessed value
18 of renewable energy source devices affixed to property
19 owned or leased by the United States Department of
20 Defense for the military from ad valorem taxation;
21 providing for the future expiration of specified
22 statutory text; amending s. 501.604, F.S.; correcting
23 cross-references; creating part II of chapter 520,
24 F.S., entitled "Distributed Energy Generation System
25 Sales"; providing definitions; providing applicability
26 relating to, and specifying the disclosures required
27 of, certain agreements to sell or lease distributed
28 energy generation systems; requiring sellers that
29 install such systems to comply with specified safety

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30 standards; requiring the Department of Business and
31 Professional Regulation to adopt rules and publish
32 standard disclosure forms; providing penalties;
33 providing exemptions; amending s. 671.304, F.S.;
34 correcting cross-references; providing for the future
35 expiration and reversion of specified statutory text;
36 providing an effective date.

37
38 Be It Enacted by the Legislature of the State of Florida:

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

42 24.118 Other prohibited acts; penalties.—

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

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

57 193.624 Assessment of renewable energy source devices
58 ~~residential property~~.—

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59 (1) As used in this section, the term "renewable energy
60 source device" means any of the following equipment that
61 collects, transmits, stores, or uses solar energy, wind energy,
62 or energy derived from geothermal deposits:

63 (a) Solar energy collectors, photovoltaic modules, and
64 inverters.

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

67 (c) Rockbeds.

68 (d) Thermostats and other control devices.

69 (e) Heat exchange devices.

70 (f) Pumps and fans.

71 (g) Roof ponds.

72 (h) Freestanding thermal containers.

73 (i) Pipes, ducts, wiring, structural supports, refrigerant
74 handling systems, and other components ~~equipment~~ used as
75 integral parts of ~~to interconnect~~ such systems; however, such
76 equipment does not include conventional backup systems of any
77 type or any equipment or structure that would be required in the
78 absence of the renewable energy source device.

79 (j) Windmills and wind turbines.

80 (k) Wind-driven generators.

81 (l) Power conditioning and storage devices that store or
82 use solar energy, wind energy, or energy derived from geothermal
83 deposits to generate electricity or mechanical forms of energy.

84 (m) Pipes and other equipment used to transmit hot
85 geothermal water to a dwelling or structure from a geothermal
86 deposit.

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88 The term does not include equipment that is on the distribution
89 or transmission side of the point at which a renewable energy
90 source device is interconnected to an electric utility's
91 distribution grid or transmission lines.

92 (2) In determining the assessed value of real property
93 used:

94 (a) For residential purposes, ~~an increase in~~ the just value
95 of the property attributable to ~~the installation of~~ a renewable
96 energy source device may not be considered.

97 (b) For nonresidential purposes, 80 percent of the just
98 value of the property attributable to a renewable energy source
99 device may not be considered.

100 (3) This section applies to the installation of a renewable
101 energy source device installed on or after January 1, 2013, to
102 new and existing residential real property. This section applies
103 to a renewable energy source device installed on or after
104 January 1, 2018, to all other real property, except when
105 installed as part of a project planned for a location in a
106 fiscally constrained county, as defined in s. 218.67(1), and for
107 which an application for a comprehensive plan amendment or
108 planned unit development zoning has been filed with the county
109 on or before December 31, 2017.

110 Section 3. Section 196.182, Florida Statutes, is created to
111 read:

112 196.182 Exemption of renewable energy source devices.—

113 (1) Eighty percent of the assessed value of a renewable
114 energy source device, as defined in s. 193.624, that is
115 considered tangible personal property is exempt from ad valorem
116 taxation if the renewable energy source device:

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117 (a) Is installed on real property on or after January 1,
118 2018;

119 (b) Was installed before January 1, 2018, to supply a
120 municipal electric utility located within a consolidated
121 government; or

122 (c) Was installed after August 30, 2016, on municipal land
123 as part of a project incorporating other renewable energy source
124 devices under common ownership on municipal land for the sole
125 purpose of supplying a municipal electric utility with at least
126 2 megawatts and no more than 5 megawatts of alternating current
127 power when the renewable energy source devices in the project
128 are used together.

129 (2) The exemption provided in this section does not apply
130 to a renewable energy source device that is installed as part of
131 a project planned for a location in a fiscally constrained
132 county, as defined in s. 218.67(1), and for which an application
133 for a comprehensive plan amendment or planned unit development
134 zoning has been filed with the county on or before December 31,
135 2017.

136 (3) Notwithstanding this section, 80 percent of the
137 assessed value of a renewable energy source device, as defined
138 in s. 193.624, that is affixed to property owned or leased by
139 the United States Department of Defense for the military is
140 exempt from ad valorem taxation, including, but not limited to,
141 the tangible personal property tax.

142 (4) This section expires December 31, 2037.

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

145 501.604 Exemptions.—The provisions of this part, except ss.

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146 501.608 and 501.616(6) and (7), do not apply to:

147 (13) A commercial telephone seller licensed pursuant to
148 chapter 516 or part III ~~part II~~ of chapter 520. For purposes of
149 this exemption, the seller must solicit to sell a consumer good
150 or service within the scope of his or her license and the
151 completed transaction must be subject to the provisions of
152 chapter 516 or part III ~~part II~~ of chapter 520.

153 Section 5. Parts II, III, IV, and V of chapter 520, Florida
154 Statutes, are renumbered as Parts III, IV, V, and VI,
155 respectively, and a new Part II, consisting of sections 520.20,
156 520.21, 520.22, 520.23, 520.24, 520.25, and 520.26, is created
157 to read:

158 PART II

159 DISTRIBUTED ENERGY GENERATION SYSTEM SALES

160 520.20 Definitions.— As used in this part, the term:

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

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

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

174 (4) "Lessee" means a person that enters into an agreement

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175 to lease or rent a distributed energy generation system.

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

182 (6) "Seller" means a person regularly engaged in, and whose
183 business substantially consists of, selling or leasing goods,
184 including distributed energy generation systems, to buyers or
185 lessees. A seller that is also an installer must be licensed
186 under chapter 489.

187 520.21 Applicability.—This part applies to agreements to
188 sell or lease a distributed energy generation system and is
189 supplemental to other provisions contained in part III related
190 to retail installment contracts. If any provision related to
191 retail installment contract requirements for a distributed
192 energy generation system under this part conflicts with any
193 other provision related to retail installment contracts, this
194 part controls.

195 520.22 Safety compliance.—A seller who installs a
196 distributed energy generation system must comply with applicable
197 safety standards established by the Department of Business and
198 Professional Regulation pursuant to chapter 489 and part IV of
199 chapter 553.

200 520.23 Disclosures required.—Each agreement governing the
201 sale or lease of a distributed energy generation system shall,
202 at a minimum, include a written statement printed in at least
203 12-point type that is separate from the agreement, is separately

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204 acknowledged by the buyer or lessee, and includes the following
205 information and disclosures, if applicable:

206 (1) The name, address, telephone number, and e-mail address
207 of the buyer or lessee.

208 (2) The name, address, telephone number, e-mail address,
209 and valid state contractor license number of the person
210 responsible for installing the distributed energy generation
211 system.

212 (3) The name, address, telephone number, e-mail address,
213 and valid state contractor license number of the distributed
214 energy generation system maintenance provider, if different from
215 the person responsible for installing the distributed energy
216 generation system.

217 (4) A written statement indicating whether the distributed
218 energy generation system is being purchased or leased.

219 (a) If the distributed energy generation system will be
220 leased, the written statement must include a disclosure in
221 substantially the following form: "You are entering into an
222 agreement to lease a distributed energy generation system. You
223 will lease (not own) the system installed on your property."

224 (b) If the distributed energy generation system will be
225 purchased, the written statement must include a disclosure in
226 substantially the following form: "You are entering into an
227 agreement to purchase a distributed energy generation system.
228 You will own (not lease) the system installed on your property."

229 (5) The total cost to be paid by the buyer or lessee,
230 including any interest, installation fees, document preparation
231 fees, service fees, or other fees.

232 (6) A payment schedule, including any amounts owed at

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233 contract signing, at the commencement of installation, at the
234 completion of installation, and any final payments. If the
235 distributed energy generation system is being leased, the
236 written statement must include the frequency and amount of each
237 payment due under the lease and the total estimated lease
238 payments over the term of the lease.

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

242 (8) A description of the assumptions used to calculate any
243 savings estimates provided to the buyer or lessee, and if such
244 estimates are provided, a statement in substantially the
245 following form: "It is important to understand that future
246 electric utility rates are estimates only. Your future electric
247 utility rates may vary."

248 (9) A description of any one-time or recurring fees,
249 including, but not limited to, estimated system removal fees,
250 maintenance fees, Internet connection fees, and automated
251 clearinghouse fees. If late fees may apply, the description must
252 describe the circumstances triggering such late fees.

253 (10) A statement notifying the buyer whether the
254 distributed energy generation system is being financed and, if
255 so, a statement in substantially the following form: "If your
256 system is financed, carefully read any agreements and/or
257 disclosure forms provided by your lender. This statement does
258 not contain the terms of your financing agreement. If you have
259 any questions about your financing agreement, contact your
260 finance provider before signing a contract."

261 (11) A statement notifying the buyer whether the seller is

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262 assisting in arranging financing of the distributed energy
263 generation system and, if so, a statement in substantially the
264 following form: "If your system is financed, carefully read any
265 agreements and/or disclosure forms provided by your lender. This
266 statement does not contain the terms of your financing
267 agreement. If you have any questions about your financing
268 agreement, contact your finance provider before signing a
269 contract."

270 (12) A provision notifying the buyer or lessee of the right
271 to rescind the agreement for a period of at least 3 business
272 days after the agreement is signed. This subsection does not
273 apply to a contract to sell or lease a distributed energy
274 generation system in a solar community in which the entire
275 community has been marketed as a solar community and all of the
276 homes in the community are intended to have a distributed energy
277 generation system, or a solar community in which the developer
278 has incorporated solar technology for purposes of meeting the
279 Florida Building Code in s. 553.73.

280 (13) A description of the distributed energy generation
281 system design assumptions, including the make and model of the
282 major components, system size, estimated first-year energy
283 production, and estimated annual energy production decreases,
284 including the overall percentage degradation over the estimated
285 life of the distributed energy generation system, and the status
286 of utility compensation for excess energy generated by the
287 system at the time of contract signing. A seller who provides a
288 warranty or guarantee of the energy production output of the
289 distributed energy generation system may provide a description
290 of such warranty or guarantee in lieu of a description of the

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291 system design and components.

292 (14) A description of any performance or production
293 guarantees.

294 (15) A description of the ownership and transferability of
295 any tax credits, rebates, incentives, or renewable energy
296 certificates associated with the distributed energy generation
297 system, including a disclosure as to whether the seller will
298 assign or sell any associated renewable energy certificates to a
299 third party.

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

305 (17) The approximate start and completion dates for the
306 installation of the distributed energy generation system.

307 (18) A disclosure as to whether maintenance and repairs of
308 the distributed energy generation system are included in the
309 purchase price.

310 (19) A disclosure as to whether any warranty or maintenance
311 obligations related to the distributed energy generation system
312 may be sold or transferred by the seller to a third party and,
313 if so, a statement in substantially the following form: "Your
314 contract may be assigned, sold, or transferred without your
315 consent to a third party who will be bound to all the terms of
316 the contract. If a transfer occurs, you will be notified if this
317 will change the address or phone number to use for system
318 maintenance or repair requests."

319 (20) If the distributed energy generation system will be

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320 purchased, a disclosure notifying the buyer of the requirements
321 for interconnecting the system to the utility system.

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

324 (22) A description of any roof warranties.

325 (23) A disclosure notifying the lessee whether the seller
326 will insure a leased distributed energy generation system
327 against damage or loss and, if applicable, the circumstances
328 under which the seller will not insure the system against damage
329 or loss.

330 (24) A statement, if applicable, in substantially the
331 following form: "You are responsible for obtaining insurance
332 policies or coverage for any loss of or damage to the system.
333 Consult an insurance professional to understand how to protect
334 against the risk of loss or damage to the system."

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

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

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

348 (28) A disclosure as to whether the lease agreement may be

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349 transferred to a purchaser upon sale of the home or real
350 property to which the system is affixed, and any conditions for
351 such transfer.

352 (29) A blank section that allows the seller to provide
353 additional relevant disclosures or explain disclosures made
354 elsewhere in the disclosure form.

355
356 The requirement to provide a written statement under this
357 section may be satisfied by the electronic delivery of a
358 document containing the required statement if the intended
359 recipient of the electronic document affirmatively acknowledges
360 its receipt. An electronic document satisfies the font and other
361 formatting standards required for the written statement if the
362 format and the relative size of characters of the electronic
363 document are reasonably similar to those required in the written
364 document or if the information is otherwise displayed in a
365 reasonably conspicuous manner.

366 520.24 Rulemaking authority; standard disclosure form.-

367 (1) The Department of Business and Professional Regulation
368 shall adopt rules to implement and enforce the provisions of
369 this part.

370 (2) The Department of Business and Professional Regulation
371 shall, by January 1, 2018, publish standard disclosure forms
372 that may be used to comply with the disclosure requirements of
373 this part. Disclosures provided in substantially the form
374 published by the department shall be regarded as complying with
375 the disclosure requirements of this part.

376 520.25 Penalties.-

377 (1) Any seller who willfully and intentionally violates any

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378 provision of this part commits a noncriminal violation, as
379 defined in s. 775.08(3), punishable by a fine not to exceed the
380 cost of the distributed energy generation system.

381 (2) In the case of a willful and intentional violation of
382 this part, the owner may recover from the person committing such
383 violation, or may set off or counterclaim in any action against
384 the owner by such person, an amount equal to any finance charges
385 and fees charged to the owner under the agreement, plus attorney
386 fees and costs incurred by the owner to assert his or her rights
387 under this part.

388 520.26 Exemptions.—The provisions of this part do not apply
389 to the following:

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

396 (2) A transaction involving the sale or transfer of the
397 real property on which a distributed energy generation system is
398 located.

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

402 (4) The sale or lease of a distributed energy generation
403 system that will be installed on nonresidential real property.

404 (5) The sale of a distributed energy generation system
405 pursuant to an agreement that requires full payment of the
406 system from the buyer to the seller no later than the date the

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407 system is installed by the seller or is delivered from the
408 seller to the buyer or a third party for installation.

409 (6) A person, other than the seller or lessor, who installs
410 a distributed energy generation system on residential property.

411 Section 6. Paragraph (d) of subsection (2) of section
412 671.304, Florida Statutes, is amended to read:

413 671.304 Laws not repealed; precedence where code provisions
414 in conflict with other laws; certain statutory remedies
415 retained.—

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

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

422 Section 7. The amendments made by this act to s. 193.624(2)
423 and (3), Florida Statutes, expire on December 31, 2037, and the
424 text of those subsections shall revert to that in existence on
425 December 31, 2017, except that any amendments to such text
426 enacted other than by this act shall be preserved and continue
427 to operate to the extent that such amendments are not dependent
428 upon the portions of the text which expire pursuant to this
429 section.

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