

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Governmental Oversight and Accountability

BILL: SB 404

INTRODUCER: Senator Farmer

SUBJECT: Strategic Fuel Reserve

DATE: April 9, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Proctor</u>	<u>Miller</u>	<u>IS</u>	Favorable
2.	<u>Hackett</u>	<u>McVaney</u>	<u>GO</u>	Favorable
3.	_____	_____	<u>RC</u>	_____

I. Summary:

SB 404 creates the Florida Strategic Fuel Reserve Task Force (task force) within the Florida Division of Emergency Management (FDEM) to develop a recommended strategic fuel reserve plan for the state to respond to private and public fuel needs in the event of an emergency or disaster. The FDEM must provide administrative and support services relating to the functions of the task force.

The Governor, President of the Senate, and Speaker of the House of Representatives must each appoint three persons to sit on the nine member task force. The task force must elect a chair and vice chair and submit a recommended strategic fuel reserve plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives by April 30, 2020. The task force terminates on June 30, 2020.

The bill takes effect on July 1, 2019.

II. Present Situation:

Florida Division of Emergency Management

The FDEM within the Executive Office of the Governor administers programs to rapidly apply all available aid to impacted communities stricken by emergency.¹ The FDEM is responsible for maintaining a comprehensive statewide program of emergency management to ensure that Florida is prepared to respond to emergencies, recover from them, and mitigate against their impacts. In doing so, the FDEM coordinates efforts with and among the federal government, other state agencies, local governments, school boards, and private agencies that have a role in

¹ Section 14.2016, F.S.

emergency management.² The FDEM is organized by functional area to include the bureaus of Mitigation, Preparedness, Response, and Recovery.

State Emergency Response Team

The State Emergency Response Team (SERT) serves as the primary operational mechanism through which state assistance to local governments is managed.³ To facilitate effective operations, the SERT is organized into 18 groups called Emergency Support Functions (ESF).⁴ Each ESF focuses on a specific mission area and is led by a representative from the state agency that best reflects the authorities, resources, and capabilities of the ESF.

Emergency Support Function 12 – Fuels

The purpose of ESF 12 (Fuels) is to promulgate the policies and procedures to be used by partner agencies in responding to and recovering from shortages and disruptions in the supply and delivery of transportation fuels, electricity, natural gas, and other forms of energy and fuels that, impact or threaten, significant numbers of citizens and visitors. The primary agencies providing leadership to ESF 12 are the Public Service Commission and the FDEM. Partner agencies in ESF 12 include, but are not limited to, the Florida Department of Agriculture and Consumer Services, Florida Department of Environmental Protection, Florida Department of Health, Florida Department of Management Services, Florida Department of Transportation, Florida National Guard, Florida Petroleum Council, Florida Petroleum Marketers Association, Florida Propane Association, Florida Trucking Association, and other industry trade groups and associations.⁵

Operations in ESF 12 involve close coordination with private sector providers of energy and transportation fuels such as propane, fuel oil, diesel fuel, and gasoline. The FDEM is primarily responsible for monitoring and coordinating with private sector suppliers of such fuels to ensure that adequate supplies of other energy and transportation fuels are available and deliverable for normal community functioning.⁶ Energy planners from the FDEM Bureaus of Response and Preparedness work alongside ESF 12 prior to an emergency or disaster to develop and maintain plans and procedures to ensure an adequate supply of fuels to support emergency response and recovery operations.⁷

Task Force Requirements under Section 20.03, Florida Statutes

Section 20.03(8) defines “task force” to mean an “advisory body created without specific statutory enactment for a time not to exceed 1 year or created by specific statutory enactment for a time not to exceed 3 years and appointed to study a specific problem and recommend a solution

² Section 252.35(1), F.S.

³ FDEM, The State of Florida 2018 Comprehensive Emergency Management Plan, 6 (2018), <https://www.floridadisaster.org/globalassets/cemp/2018-state-cemp.pdf> (last visited February 4, 2019).

⁴ Id.

⁵ FDEM, The State of Florida 2018 Comprehensive Emergency Management Plan, Appendix XII – Emergency Support Function 12 – Energy (2018), <https://www.floridadisaster.org/globalassets/cemp/2018-state-cemp.pdf> (last visited February 6, 2019).

⁶ Id.

⁷ FDEM, Natural Hazards, <https://www.floridadisaster.org/dem/preparedness/natural-hazards/> (last visited February 4, 2019).

or policy alternative related to that problem.” This provision specifies that the existence of the task force terminates upon the completion of its assignment.

III. Effect of Proposed Changes:

Section 1 creates the Florida Strategic Fuel Reserve Task Force within the FDEM to develop a recommended strategic fuel reserve plan for the state to respond to private and public fuel needs in the event of an emergency or disaster, as defined in s. 252.34, F.S. The FDEM must provide administrative and support services relating to the functions of the task force.

The Governor, President of the Senate, and Speaker of the House of Representatives must each appoint three persons to sit on the nine member task force. The task force must elect a chair and vice chair and submit a recommended strategic fuel reserve plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives by April 30, 2020. The task force terminates on June 30, 2020.

Section 2 provides that the bill takes effect on July 1, 2019.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable. The bill does not require counties and municipalities to spend funds, reduce counties’ or municipalities’ ability to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill directs the FDEM to provide administrative and support services relating to the functions of the Florida Strategic Fuel Reserve Task Force. According to the FDEM, the agency may incur an estimated \$569,000 in contractor and staff costs.⁸

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill does not amend the Florida Statutes but does create an undesignated section of Florida law.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

⁸ Email from Jared Rosenstein, Legislative Affairs Director, Florida Division of Emergency Management, RE: SB 404, (February 12, 2019), on file with Florida Senate Infrastructure and Security committee.