

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 5401 PCB ANR 20-01 Department of Environmental Protection

**SPONSOR(S):** Agriculture & Natural Resources Appropriations Subcommittee, Raschein

**TIED BILLS:** **IDEN./SIM. BILLS:**

<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR or BUDGET/POLICY CHIEF</b>
Orig. Comm.: Agriculture & Natural Resources Appropriations Subcommittee	10 Y, 2 N	White	Pigott
1) Appropriations Committee	19 Y, 9 N	White	Pridgeon

**SUMMARY ANALYSIS**

The Office of Energy is established within the Department of Agriculture and Consumer Services and is responsible for administering and enforcing parts II and III of chapter 377, F.S., which are related to energy resources planning and development, renewable energy, and green government programs.

The bill transfers the powers, duties, functions, records, personnel, property, pending issues and existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other funds of the Office of Energy within the Department of Agriculture and Consumer Services by a type two transfer as defined in s. 20.06(2), F.S., to the Department of Environmental Protection.

There may be an insignificant negative fiscal impact on the Department of Environmental Protection that can be absorbed within existing resources. The bill conforms to the proposed House of Representatives' Fiscal Year 2020-2021 General Appropriations Act, which transfers 14 full-time equivalent positions, 605,934 in Salary Rate, \$539,080 in general revenue funds, and \$1,214,900 in trust fund authority from the Department of Agriculture & Consumer Services to the Department of Environmental Protection.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Current Situation

Prior to 2008, there was a state energy program within the Department of Environmental Protection (DEP) that was responsible for developing the state's energy policy. Chapter 2008-227, L.O.F., transferred all of the powers, duties, functions, records, personnel, and property of the state energy program in DEP by a type two transfer to the Florida Energy and Climate Commission (Commission) in the Executive Office of the Governor. The Commission was responsible for the state's energy program until 2011.

Chapter 2011-142, L.O.F., transferred all of the powers, duties, functions, records, personnel, and property of the Commission to the Department of Agriculture & Consumer Services (DACS). Chapter 2014-150, L.O.F., created the Office of Energy within DACS. The duties of the Office of Energy include administering and enforcing parts II and III of chapter 377, F.S., which are related to energy resources planning and development, renewable energy, and green government programs.

#### Effect of the Bill

The bill transfers the powers, duties, functions, records, personnel, property, pending issues and existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other funds of the Office of Energy within DACS by a type two transfer as defined in s. 20.06(2), F.S., to DEP.

The bill makes the following conforming changes:

- Repeals s. 570.67, F.S., which created the Office of Energy within DACS.
- Amends s. 288.1089, F.S., to direct the Department of Economic Opportunity (DEO) to solicit comments and recommendations from DEP for the Innovation Incentive Program.
- Amends s. 366.82, F.S., to require DEP to be a party in the proceedings to adopt goals for increasing the efficiency of energy consumption and increasing the development of demand-side renewable energy systems.
- Amends s. 377.6015, F.S., to require DEP to:
  - Administer the Florida Renewable Energy and Energy-Efficient Technologies Grants Program.
  - Develop policy for requiring grantees to provide royalty-sharing or licensing agreements with state government for commercialized products developed under a state grant.
  - Administer the Florida Green Government Grants Act.
  - Administer information gathering and reporting functions.
  - Administer the provisions of the Florida Energy and Climate Protection Act.
  - Advocate for energy and climate change issues and provide educational outreach and technical assistance in cooperation with the state's academic institutions.
  - Be a party in the proceedings to adopt goals and submit comments to the Public Service Commission.
  - Adopt rules in order to implement all of these powers and duties.
- Amends s. 377.602, F.S., to define "Department" as DEP as used in ss. 377.601-377.608, F.S.
- Amends s. 377.703, F.S., to clarify that DEP is responsible for the development of state energy policy.
- Amends s. 377.711, F.S., to specify that any recommendations for Florida to the Southern States Energy Compact shall be made through DEP.
- Amends s. 377.712, F.S., to give the Secretary of DEP authority to appoint a member to the Southern States Energy Board.
- Amends s. 377.803, F.S., to define "Department" as DEP as used in ss. 377.801-377.804, F.S.

- Amends s. 377.805, F.S., to remove DACS and add DEP to the list of entities that are required to develop a clearinghouse of information regarding cost savings associated with various energy efficiency and conservation measures; also requires DEP to post this information on its website.
- Amends s. 377.808, F.S., to require DEP to use funds specifically appropriated under the Florida Green Governments Act to award grants to assist local governments, including municipalities, counties, and school districts, in the development and implementation of programs that achieve green standards.
- Amends s. 377.809, F.S., to require DEP to provide technical assistance to DEO and the Department of Transportation in developing and administering the Energy Economic Zone Pilot Program.
- Amends s. 377.810, F.S., to establish the natural gas fuel fleet vehicle rebate program within DEP and defines “Department” as DEP.
- Amends s. 377.815, F.S., to allow DEP to post information on its website relating to alternative fueling stations or electric vehicle charging stations that are available for public use in this state.
- Amends s. 377.816, F.S., to direct DEP to establish an allocation program for allocating or reallocating the qualified energy conservation bond volume limitation provided by 26 U.S.C. s. 54D.
- Amends s. 553.74, F.S., to have a representative of DEP serve as a member of the Florida Building Commission and encourage the Secretary of DEP to recommend a list of candidates.
- Amends s. 570.841, F.S., to give authority to DEP to develop a farm-to-fuel initiative.
- Amends s. 1004.648, F.S., to require the director of the Florida Energy Systems Consortium, whose office is located at the University of Florida, to report to DEP.

The bill provides an effective date of July 1, 2020.

#### B. SECTION DIRECTORY:

**Section 1.** Transfers the powers, duties, functions, records, personnel, property, pending issues and existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other funds of the Office of Energy within DACS to DEP.

**Section 2.** Repeals s. 570.67, F.S., relating to the Office of Energy within DACS.

**Section 3.** Amends s. 288.1089, F.S., relating to the Innovation Incentive Program.

**Section 4.** Amends s. 366.82, F.S., relating to goals for increasing the efficiency of energy consumption and increasing the development of demand-side renewable energy systems.

**Section 5.** Amends s. 377.6015, F.S., relating to powers and duties of the Department of Agriculture and Consumer Services.

**Section 6.** Amends s. 377.602, F.S., relating to definitions regarding energy resources planning and development.

**Section 7.** Amends s. 377.703, F.S., relating to additional functions of the Department of Agriculture and Consumer Services.

**Section 8.** Amends s. 377.711, F.S., relating to the Southern States Energy Compact.

**Section 9.** Amends s. 377.712, F.S., relating to Florida participation in the Southern States Energy Board.

**Section 10.** Amends s. 377.803, F.S., relating to definitions regarding renewable energy and green government programs.

**Section 11.** Amends s. 377.805, F.S., relating to the energy efficiency and conservation clearinghouse.

**Section 12.** Amends s. 377.808, F.S., relating to the Florida Green Government Grants Act.

**Section 13.** Amends s. 377.809, F.S., relating to the Energy Economic Zone Pilot Program.

**Section 14.** Amends s. 377.810, F.S., relating to the natural gas fuel fleet vehicle rebate program.

**Section 15.** Amends s. 377.815, F.S., relating to alternative fueling stations and electric vehicle charging stations.

**Section 16.** Amends s. 377.816, F.S., relating to qualified energy conservation bond allocation.

**Section 17.** Amends s. 553.74, F.S., relating to the Florida Building Commission.

**Section 18.** Amends s. 570.841, F.S., relating to the farm-to-fuel initiative.

**Section 19.** Amends s. 1004.648, F.S., relating to the Florida Energy Systems Consortium.

**Section 20.** Provides an effective date of July 1, 2020.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

#### 2. Expenditures:

There may be an insignificant negative fiscal impact on the Department of Environmental Protection to establish the state energy program. There may also be an insignificant negative fiscal impact on DEP related to rulemaking. These impacts can be absorbed within existing resources.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

None.

#### 2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

### D. FISCAL COMMENTS:

The bill conforms to the proposed House of Representatives' Fiscal Year 2020-2021 General Appropriations Act, which transfers 14 full-time equivalent positions, 605,934 in Salary Rate, \$539,080 in general revenue funds, and \$1,214,900 in trust fund authority from the Department of Agriculture & Consumer Services to the Department of Environmental Protection.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

#### 1. Applicability of Municipality/County Mandates Provision:

None.

#### 2. Other:

None.

### B. RULE-MAKING AUTHORITY:

The bill gives DEP rule-making authority in areas related to state energy policy where DACS previously had rule-making authority.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES