

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 Environment and Natural Resources

BILL: CS/SB 62

INTRODUCER: Environment and Natural Resources Committee and Senator Rodriguez

SUBJECT: Resilient Buildings

DATE: February 11, 2025 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Barriero	Rogers	EN	Fav/CS
2.			FT	
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 62 creates the resilient building tax credit program. This program provides a corporate income tax credit for taxable years beginning on or after January 1, 2026, to owners of “resilient buildings,” defined as buildings with a Leadership in Energy and Environmental Design (LEED) certification of silver, gold, or platinum in Building Design and Construction (BD+C) or Operations and Maintenance (O+M) that meets the requirements for the LEED resilience pathway. The tax credits are based on the type and level of LEED certification and range from \$0.50 to \$2.00 per square foot annually for five years. The bill requires building owners to submit an application to the Department of Business and Professional Regulation (DBPR) by March 1 of the year following certification. The application must include documentation evidencing LEED certification, the date on which the certification was granted, and a commitment to report energy use every year for the five-year credit period. DBPR must review the application within 30 days and either approve it and issue an eligibility letter or notify the applicant of ineligibility. The bill provides that the tax credit may be transferred or carried forward for up to five years. The bill directs DBPR and the Department of Revenue to adopt rules to implement the program.

The bill also creates the Florida Resilient Building Advisory Council adjunct to DBPR to provide DBPR and the Legislature with recommendations on policies to foster and enhance resilient buildings and hurricane resiliency in Florida. The bill provides that members of the advisory council must have specialized knowledge regarding resilient building design and construction, resilient building operations and maintenance, policy innovation and incentives, and building and

community challenges. The members will be appointed by the Governor, the President of the Senate, and the Speaker of the House of Representatives. The bill requires appointments to be made by August 1, 2025. The bill also provides that the council must hold its first meeting by November 1, 2025, meet at least semiannually thereafter, and post proposed policies on DBPR's website.

The Revenue Estimating Conference has not reviewed this bill.

II. Present Situation:

Resilience and Green Buildings

Resilience is the ability to anticipate, adapt to, and recover from the impacts of climate change, extreme weather events, and other natural hazards. Resilience planning includes preparing for hazard events, risk mitigation, and post-event recovery and should be proactive and continuous.¹ Green building practices can contribute to resiliency by creating structures that are designed and constructed to minimize damage and operational disruptions from natural disasters.² Applying green building practices can also help reduce a building's overall impact on the natural environment by more efficiently using energy, water, and other resources.³

Green building practices are outlined in several standards and systems, such as the United States Environmental Protection Agency's (EPA) ENERGY STAR program and the U.S. Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) rating system.⁴ These systems provide detailed criteria and guidance for increasing a building's resilience and reducing its environmental impact through practices like siting buildings in well-connected locations, using low-carbon and efficient construction materials, utilizing renewable energy, completing climate resilience assessments, and preparing emergency response plans.⁵

¹ National Institute of Standards and Technology, U.S. Dep't of Commerce, *Community Resilience Planning Guide for Buildings and Infrastructure Systems*, 1 (2016), available at <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.1190v1.pdf>.

² USGBC, *Policy Brief: Resilient by Design: USGBC offers sustainability tools for enhanced resilience*, 1 (2018), available at <https://www.usgbc.org/sites/default/files/2018-USGBC-Resilience-Brief-041118.pdf>; USGBC, *Resilience*, <https://www.usgbc.org/about/priorities/resilience> (last visited Feb. 7, 2025); USGBC, *Defining resilience in LEED v5*, <https://www.usgbc.org/articles/defining-resilience-leed-v5> (last visited Feb. 7, 2025).

³ U.S. Environmental Protection Agency (EPA), *Green Building*, <https://www.epa.gov/smartgrowth/green-building> (last visited Jan. 29, 2025).

⁴ *Id.* ENERGY STAR is a voluntary labeling program: EPA sets energy efficiency specifications, and those that meet them can choose to display the ENERGY STAR logo. Through ENERGY STAR, EPA partners with home builders, developers, energy rating companies, and utilities across the U.S. who construct, verify, promote, and incentivize ENERGY STAR certified residential, commercial, and industrial buildings. ENERGY STAR, *How ENERGY STAR Works*, <https://www.energystar.gov/about/how-energy-star-works> (last visited Feb. 7, 2025).

⁵ EPA, *Green Building*, <https://www.epa.gov/smartgrowth/green-building> (last visited Jan. 29, 2025); USGBC, *LEED v5 Rating System: Building Design and Construction: New Construction*, 6, (2024), available at <https://www.usgbc.org/sites/default/files/2024-09/LEED-v5-BDC-New-Construction-Public-Comment-2-clean.pdf>; USGBC, *LEED v5 Rating System: Operations and Maintenance: Existing Buildings*, 7 (2024), available at <https://www.usgbc.org/sites/default/files/2024-09/LEED-v5-OM-Existing-Buildings-Public-Comment-2-clean.pdf>.

Overview of LEED

LEED is a globally recognized green building certification program administered by the USGBC.⁶ LEED promotes a holistic approach to designing, constructing, and operating buildings in a way that prioritizes energy efficiency, water conservation, improved indoor air quality, and sustainable materials.⁷

LEED is a voluntary program that provides a definitive standard for what constitutes a green building in design, construction, and operation.⁸ The LEED rating system is designed for rating new and existing commercial and residential buildings as well as neighborhood development, and cities and communities. It is based on accepted energy and environmental principles and strikes a balance between established practices and emerging concepts.⁹ The latest version—LEED v5—is scheduled to be fully available for use in early 2025.¹⁰

LEED Certification

The specific requirements for certification vary depending on the type and level of certification. However, all projects must first meet certain minimum program requirements to achieve LEED certification.¹¹ These requirements define the types of buildings that LEED was designed to evaluate.

Projects receive points by earning credits based on direct human and environmental benefit.¹² These benefits are based on the potential effect of each credit with respect to a set of impact categories. Examples of these categories include global warming, greenhouse gas emissions, fossil fuel use, toxins and carcinogens, air and water pollutants, and indoor air quality.¹³ A minimum of 40 points is required for certification; earning more points results in higher levels of certification:

- Certified (40 to 49 points).
- Silver (50 to 59 points).
- Gold (60 to 79 points).
- Platinum (80+ points).¹⁴

⁶ USGBC, *What is LEED Certification?*, <https://support.usgbc.org/hc/en-us/articles/4404406912403-What-is-LEED-certification#LEED> (last visited Feb. 7, 2025).

⁷ *Id.*

⁸ USGBC, *Foundations of LEED*, 9 (2023), available at <https://www.usgbc.org/sites/default/files/2024-07/Foundations-of-LEED.pdf>.

⁹ *Id.*

¹⁰ USGBC, *LEED v5*, <https://support.usgbc.org/hc/en-us/articles/25316160948755-LEED-v5> (last visited Jan. 28, 2025).

¹¹ USGBC, *Foundations of LEED* at 9, available at <https://www.usgbc.org/sites/default/files/2024-07/Foundations-of-LEED.pdf>.

¹² *Id.* at 10.

¹³ *Id.*

¹⁴ USGBC, *LEED credits, prerequisites and points: How are they different?*, <https://www.usgbc.org/articles/leed-credits-prerequisites-and-points-how-are-they-different> (last visited Jan. 28, 2025); USGBC, *Foundations of LEED* at 9, available at <https://www.usgbc.org/sites/default/files/2024-07/Foundations-of-LEED.pdf>.

There are several different types of LEED certifications, including certifications for building design and construction (BD+C), operations and maintenance (O+M), interior design and construction, homes, cities, and neighborhood development.¹⁵

LEED BD+C Certification

This certification is for buildings that are new construction or major renovations.¹⁶ BD+C certification includes several different rating systems based on the type of project:

- **New Construction and Major Renovation:** New construction or major renovation of buildings that do not primarily serve residential, K–12 educational, retail, data centers, warehouses and distribution centers, hospitality, or health care uses.
- **Core and Shell Development:** Buildings that are new construction or major renovation for the exterior shell and core mechanical, electrical, and plumbing units, but not a complete interior fit-out.
- **Schools:** Buildings made up of core and ancillary learning spaces on K–12 school grounds. This rating system may be used for higher education and nonacademic buildings on school campuses.
- **Retail:** Buildings used to conduct the retail sale of consumer product goods; it includes both direct customer service areas (showrooms) and preparation or storage areas that support customer service.
- **Data Centers:** Buildings specifically designed and equipped to meet the needs of high-density computing equipment such as server racks, used for data storage and processing.
- **Warehouses and Distribution Centers:** Buildings used to store goods, manufactured products, merchandise, raw materials or personal belongings, such as self-storage.
- **Hospitality:** Buildings dedicated to hotels, motels, inns or other businesses within the service industry that provide transitional or short-term lodging, with or without food.
- **Healthcare:** Hospitals that operate 24 hours a day, seven days a week and provide inpatient medical treatment, including acute and long-term care.¹⁷

Credits for LEED BD+C certification can be earned for, among other things, renewable energy use, water efficiency, rainwater management, heat island¹⁸ and light pollution reduction, storage and collection of recyclables, the use of low-emitting materials, access to quality transit, and incorporating integrative processes and innovative strategies.¹⁹

¹⁵ USGBC, *LEED rating system*, <https://www.usgbc.org/leed> (last visited Jan. 28, 2025).

¹⁶ USGBC, *LEED v4.1*, <https://www.usgbc.org/leed/v41#bdc> (last visited Jan. 28, 2025). At least 60 percent of the project's gross floor area must be complete by the time of certification (except for LEED BD+C: Core and Shell). *Id.*

¹⁷ *Id.*

¹⁸ Heat islands are urbanized (i.e., highly developed) areas that experience higher temperatures than outlying areas due to having fewer natural features like trees, vegetation, and ponds, and more roadways, sidewalks, and buildings that absorb and retain heat. In the U.S., the heat island effect results in daytime temperatures about 1–7°F higher than temperatures in outlying areas, and nighttime temperatures about 2–5°F higher. EPA, *Frequent Heat Island Questions and Resources*, <https://www.epa.gov/heatislands/frequent-heat-island-questions-and-resources> (last visited Feb. 5, 2025).

¹⁹ See USGBC, *LEED 4.1 Building Design and Construction*, 6-7 (2024), available at https://build.usgbc.org/bd+c_guide.

Newer versions of LEED (v4.1) have a separate certification for residential BD+C, including projects for new single family and multifamily homes.²⁰ Residential projects using LEED v4.1 must use the residential BD+C rating system and may not use LEED BD+C.²¹ Credits for residential BD+C certification can be earned for enhanced indoor air quality strategies, environmentally preferable products, low-emitting products, annual energy use, and indoor water use, among others.²²

LEED v5 includes new resilience requirements and achievement pathways for the BD+C certifications. For example, a climate resilience assessment must be completed as a prerequisite for the integrative processes category.²³ As part of the assessment, project teams must identify observed, projected, and future natural hazards—such as flooding, hurricanes and high winds, sea level rise and storm surge, and tornados—that could potentially affect the project site and building function. Project teams must identify at least two priority hazards to address through proposed operations and maintenance strategies. For each priority hazard, the project team must assess and specify certain information, such as the hazard level, hazard risk rating, potential impact on the project site and building function, and exposure, sensitivity, adaptive capacity, vulnerability, and overall risk levels.²⁴ Information from the assessment should be used to inform the planning, design, operations and maintenance of the project.²⁵ Credits can also be earned for enhanced resilient site design and resilient spaces.²⁶ Resilient spaces include design features that increase the capacity for occupants to adapt to changing climate conditions and be protected from events that may compromise the quality of the indoor environment and subsequently occupant health and wellbeing.²⁷

LEED O+M Certification

This certification is for buildings that are fully operational and occupied for at least one year.²⁸ The project may be undergoing improvement work or little to no construction. O+M certification is available for existing buildings or existing interiors (i.e., existing interior spaces that are contained within a portion of an existing building, whether for commercial, retail, or hospitality purposes).²⁹

²⁰ See USGBC, *LEED v4.1 Residential: Simplified and Streamlined*, <https://www.usgbc.org/articles/leed-v41-residential-simplified-and-streamlined> (last visited Jan. 28, 2025). It is unclear if LEED v5 will also have a separate residential certification.

²¹ However, the LEED v4.1 residential certification for multifamily homes is currently not available in the United States and Canada. Projects in the U.S. and Canada can continue to use the LEED v4 rating systems available to residential projects and substitute credits from the LEED v4.1 Residential rating systems to benefit from the rating system's new features. *Id.*

²² *Id.*

²³ USGBC, *LEED v5 Rating System: Building Design and Construction: New Construction*, 6 (2024), available at <https://www.usgbc.org/sites/default/files/2024-09/LEED-v5-BDC-New-Construction-Public-Comment-2-clean.pdf>.

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.* at 31-32 and 103-104.

²⁷ *Id.* at 103.

²⁸ USGBC, *LEED v.4.1: All in—one space, building and place at a time*, <https://www.usgbc.org/articles/leed-v41-all-in%E2%80%94one-space-building-and-place-time> (last visited Jan. 28, 2025).

²⁹ *Id.*

The categories for which credits can be earned include:³⁰

- Transportation performance (rates the project’s greenhouse gas emissions measured in carbon dioxide equivalent emissions resulting from transportation to and from the building against other high performing buildings worldwide);
- Sustainable sites (rainwater management, heat island reduction, light pollution reduction, site management);
- Water efficiency/performance (rates the building’s total water consumption);
- Energy and atmosphere (energy efficiency and performance, grid harmonization, etc.);
- Materials and resources (purchasing policy, facility maintenance and renovation policy, waste performance);
- Indoor environmental quality (tobacco smoke control, green cleaning policy, integrated pest management, etc.); and
- Innovation (innovation strategy and participation of LEED accredited professional).³¹

LEED v5 includes new resilience requirements and achievement pathways for O+M certifications. Like BD+C certifications, LEED v5 provides that a climate resilience assessment must be completed as a prerequisite for the integrative processes category for O+M certification.³² Points can also be earned for operational planning for resilience through development of an Emergency Response Plan that addresses the priority hazards identified in the climate resilience assessment.³³ Procedures and protocols in the plan must include the following:

- Identify essential personnel responsible for implementing the Emergency Response Plan.
- Ongoing emergency preparedness training and drills for essential personnel.
- Interdepartmental communication during emergencies.
- Pedestrian and vehicle traffic control during emergencies.
- Address special needs for vulnerable populations.
- Protection and restoration of critical facilities and systems.
- Backup power for command centers and essential systems.
- Ongoing maintenance of Emergency Response Plan.³⁴

Overview of Florida Corporate Income Tax

Florida levies a 5.5 percent tax on certain income of corporations and financial institutions doing business in Florida.³⁵ Florida utilizes the taxable income determined for federal income tax purposes as a starting point to determine the total amount of Florida corporate income tax due.³⁶ This means that a corporation paying taxes in Florida generally receives the same benefits from deductions when determining taxable income for federal tax purposes as it does when determining taxable income for state taxation purposes. Corporate income tax is remitted to the Department of Revenue and distributed to the General Revenue Fund.

³⁰ See USGBC, *LEED v4.1: Building Operations and Maintenance* (2023), available at https://build.usgbc.org/clean_om_41; USGBC, *LEED v4.1 O+M scorecard*, available at <https://build.usgbc.org/om41scorecard>.

³¹ *Id.*

³² USGBC, *LEED v5 Rating System: Operations and Maintenance: Existing Buildings*, 7 (2024), available at <https://www.usgbc.org/sites/default/files/2024-09/LEED-v5-OM-Existing-Buildings-Public-Comment-2-clean.pdf>.

³³ *Id.* at 10.

³⁴ *Id.*

³⁵ Section 220.11(2), F.S.

³⁶ Section 220.12, F.S.

Florida provides various tax benefits for certain corporate activities. These tax benefits take the form of subtractions, which reduce the amount of income that is subject to tax, exemptions, which prohibit taxation on certain levels of income, and tax credits, which are a dollar-for-dollar reduction of a corporation's tax liability.

State Advisory Bodies

Advisory councils are a type of advisory body that is created by specific statutory enactment and appointed to function on a continuing basis for the study of the problems arising in a specified functional or program area of state government and to provide recommendations and policy alternatives.³⁷

Advisory bodies and other collegial bodies created as an adjunct to an executive agency must be established, evaluated, or maintained in accordance with the following provisions:³⁸

- They may be created only when it is found to be necessary and beneficial to the furtherance of a public purpose.
- They must be terminated by the Legislature when it is no longer necessary and beneficial to the furtherance of a public purpose. The executive agency to which the advisory body is made an adjunct must advise the Legislature at the time the advisory body is no longer essential to the furtherance of a public purpose.
- The Legislature and the public must be kept informed of the numbers, purposes, memberships, activities, and expenses of advisory bodies.

An advisory body may not be created or reestablished unless:

- It meets a statutorily defined purpose;
- Its powers and responsibilities conform with the statutory definitions for governmental units;³⁹
- Its members, unless expressly provided otherwise in the State Constitution, are appointed for four-year staggered terms; and
- Its members, unless expressly provided otherwise by specific statutory enactment, serve without additional compensation or honorarium, and are authorized to receive only per diem and reimbursement for travel expenses.⁴⁰

The private citizen members of an advisory body that is adjunct to an executive agency must be appointed by the Governor, the head of the department,⁴¹ the executive director of the department, or a Cabinet officer.⁴²

³⁷ Section 20.03(7), F.S.

³⁸ Section 20.052, F.S.

³⁹ See section 20.03, F.S., for definitions of governmental units.

⁴⁰ Section 20.052(4), F.S.

⁴¹ "Department" means the principal administrative unit within the executive branch of state government. Section 20.03(8), F.S.

⁴² Section 20.052(5)(a), F.S.

Unless an exemption is otherwise specifically provided by law, all meetings of an advisory body, must be public.⁴³ Minutes, including a record of all votes cast, must be maintained for all meetings.⁴⁴

Each executive agency that has an adjunct advisory body must annually upload a report by August 15 to the website maintained by the Executive Office of the Governor.⁴⁵ The report must include all the following information:

- The statutory authority pursuant to which each advisory body is created.
- A brief description of the purpose or objective of each advisory body.
- A list indicating the membership of each advisory body, the appointing authority for each member position, whether the member positions are filled or vacant, the term of each member position, and, if vacant, when the vacancy occurred.
- A list of the meeting dates and times of each advisory body for the preceding 3 fiscal years.
- A brief summary of the work plan for each advisory body for the current fiscal year and the next 2 fiscal years.
- The amount of appropriated funds and staff time used in each fiscal year to support each advisory body.
- A recommendation by the agency, with supporting rationale, to continue, terminate, or modify each advisory body.⁴⁶

A law creating, or authorizing the creation of, an advisory body must provide for the repeal of the advisory body on October 2 of the 3rd year after enactment unless the law is reviewed and saved from repeal through reenactment by the Legislature.⁴⁷

Department of Business and Professional Regulation (DBPR)

DBPR is the agency charged with licensing and regulating businesses and professionals in Florida, such as cosmetologists, veterinarians, real estate agents, and pari-mutuel wagering facilities.⁴⁸ DBPR's Division of Professions has several boards and programs, including the Florida Building Code Administrators and Inspectors Board, Construction Industry Licensing Board, Board of Professional Engineers, and a home inspection services licensing program.⁴⁹

III. Effect of Proposed Changes:

Section 1 creates s. 220.197, F.S., establishing the resilient building tax credit program. The bill defines "resilient building" as:

- A building that has a Leadership in Energy and Environmental Design (LEED) certificate of silver, gold, or platinum in building design and construction (BD+C), which certificate meets the requirements for the LEED resilience pathway; or

⁴³ Section 20.052(5)(c), F.S.

⁴⁴ *Id.*

⁴⁵ Section 20.052(7), F.S.

⁴⁶ *Id.*

⁴⁷ Section 20.052(8), F.S.

⁴⁸ DBPR, *Department Overview*, <https://www2.myfloridalicense.com/about-us/departments-overview/> (last visited Feb. 12, 2025).

⁴⁹ Section 20.165(4)(a), F.S.

- A building that has an LEED certificate of silver, gold, or platinum in operations and maintenance (O+M), which certificate meets the requirements for the LEED resilience pathway.

The bill provides that, for taxable years beginning on or after January 1, 2026, the owner of a resilient building is eligible to receive a corporate income tax credit. A resilient building may qualify for such a tax credit only once.

To claim a credit under the resilient building tax credit program, a building owner must file an application for a tax credit with the Department of Business and Professional Regulation (DBPR) on a form prescribed by the DBPR no later than March 1 of the year immediately following the year of the building's LEED certification. DBPR may allow applications to be filed electronically. The building owner must verify the application under oath, under the penalty of perjury, and the application must contain the following:

- Documentation evidencing the type of LEED certification that was granted for the building that is the subject of the application;
- The date on which LEED certification was granted;
- A statement by the building owner that, for the purpose of research, the resilient building's energy use information will be reported in every year of the 5-year credit period to DBPR using the ENERGY STAR Portfolio Manager.⁵⁰ DBPR may publish the reported energy use information but may disclose such data only in the aggregate or individually without identifying information; and
- Other information DBPR deems necessary to make a proper review and determine eligibility.

The bill requires that, no later than 30 days after a building owner submits a completed application for the tax credit, DBPR must do one of the following:

- If the building owner is not eligible for a tax credit, notify the building owner in writing of the reasons the building owner is not entitled to a tax credit; or
- If the building owner is eligible for a tax credit, issue a letter to the building owner which includes the name of the taxpayer, the address of the resilient building, the amount of the tax credit, and the tax years for which the building owner is eligible for the tax credit. The building owner must attach the letter from DBPR to the tax return on which the credit is claimed.

The bill provides that a building owner may file only one application with DBPR for each resilient building, except that a building owner may file a subsequent application if the first application was denied or withdrawn because of errors or omissions in the application and the building owner corrected such errors or omissions in the subsequent application.

The amount of the tax credit provided under this bill depends on the type and level of LEED certification. Specifically, the bill provides:

⁵⁰ EPA's ENERGY STAR Portfolio Manager is a free online tool for measuring and tracking energy performance within commercial buildings. ENERGY STAR, *About ENERGY STAR for Commercial Buildings*, <https://www.energystar.gov/buildings/about-us> (last visited Jan. 29, 2025).

- A gold or silver BD+C LEED certification that fulfills the LEED resilience pathway, the building owner must receive a tax credit equal to 50 cents per square foot of the building every year for 5 years.
- A platinum BD+C LEED certification that fulfills the LEED resilience pathway, the building owner must receive a tax credit equal to \$1 per square foot of the building every year for 5 years.
- A gold or silver O+M LEED certification that fulfills the LEED resilience pathway, the building owner must receive a tax credit equal to \$1 per square foot of the building every year for 5 years.
- A platinum O+M LEED certification that fulfills the LEED resilience pathway, the building owner must receive a tax credit equal to \$2 per square foot of the building every year for 5 years.

If the credit granted under this bill is not fully used in any one taxable year because of insufficient tax liability on the part of the building owner, or because the building owner is not subject to tax under this chapter, the unused amount may be carried forward for a period not to exceed five taxable years or may be transferred. The carryover or transferred credit may be used in the year approved or any of the five subsequent taxable years when the tax for that taxable year exceeds the credit for which the building owner or transferee is eligible in that taxable year and after applying the other credits and unused carryovers in the order provided by s. 220.02(8), F.S.⁵¹

The bill provides that credits may be transferred, in whole or in part:

- By written agreement to a taxpayer subject to the tax under this chapter; and
- At any time after receipt of the letter of eligibility issued by DBPR, or during the five taxable years following the taxable year the credit was originally earned by the building owner.

The written agreement required for transfer must:

- Be filed jointly by the building owner and the transferee with the Department of Revenue within 30 days after the transfer, in accordance with rules adopted by the Department of Revenue; and
- Contain all the following information:
 - The name, address, and taxpayer identification number for the building owner and the transferee;
 - The amount of the credit being transferred;
 - The taxable year in which the credit was originally earned by the building owner; and
 - The remaining taxable years for which the credit may be claimed.

The bill provides that, if the recipient of the credit in any year fails to provide the energy use information required under this bill, DBPR must rescind the authorization for the credit. Within 10 days after the date on which the building owner was required to report the information, the DBPR must send a notice informing the recipient of the credit of DBPR's intent to rescind the credit. If the recipient does not provide the information within 20 days after the date the notice was sent, DBPR must notify the Department of Revenue of the rescindment of the recipient's tax credit, and the Department of Revenue may not allow the credit to be taken.

⁵¹ Section 20.02(8), F.S., provides the Legislature's intended order of tax credit application.

The bill also directs DBPR and the Department of Revenue to adopt rules to implement this section.

Section 2 creates s. 553.972, F.S., which establishes the Florida Resilient Building Advisory Council. The bill provides that the Florida Resilient Building Advisory Council is an advisory council as defined in s. 20.03(7), F.S.,⁵² and is created adjunct to DBPR. The bill provides that the purpose of the advisory council is to provide DBPR and the Legislature with recommendations on policies to foster and enhance resilient buildings and hurricane resiliency in this state. The bill directs DBPR to post on its website any proposed policies from the advisory council.

The bill provides that the advisory council must be composed of the following members, who will serve at the pleasure of their appointing authorities:

- A representative from the Florida State University, who will serve as co-chair and be appointed by the Governor.
- A representative of the Florida Gulf Coast University U.A. Whitaker School of Engineering, who will serve as co-chair and be appointed by the President of the Senate.
- A representative of the University of Florida College of Design, Construction, and Planning's Sustainability and the Built Environment program, who will serve as co-chair and be appointed by the Speaker of the House of Representatives.
- A representative of the University of Miami, who will be appointed by the President of the Senate.
- A representative of the University of South Florida, who will be appointed by the Speaker of the House of Representatives.
- A representative of the Florida International University International Hurricane Research Center, who will be appointed by the President of the Senate.
- A representative of the University of Central Florida, who will be appointed by the Speaker of the House of Representatives.
- Five members appointed by the Governor.
- Five members appointed by the President of the Senate.
- Five members appointed by the Speaker of the House of Representatives.

The bill provides that the appointed members must have specialized knowledge regarding resilient building design and construction, resilient building operations and maintenance, policy innovation and incentives, and building and community challenges.

The bill provides that the Governor, the President of the Senate, and the Speaker of the House of Representatives must make reasonable efforts to appoint persons to the advisory council who include the following:

- Five members who are representatives of local government.
- Two members who are representatives of building codes and standards organizations.

⁵² Section 20.03(7), F.S., defines "advisory council" as an advisory body created by specific statutory enactment and appointed to function on a continuing basis for the study of the problems arising in a specified functional or program area of state government and to provide recommendations and policy alternatives.

- Two members who are representatives of sustainable or resilient building certification organizations.
- One member who is an architect licensed in this state.
- One member who is an engineer licensed in this state.
- One member who is a representative of the commercial and residential property insurance industry.
- Two members who have expertise in renewable energy and energy storage systems.
- One member who has expertise in building-grid integration.

The bill provides that council members must be appointed no later than August 1, 2025. The bill requires members to serve 4-year terms, except that the initial terms must be staggered. The initial appointments must be made as follows:

- The Governor must initially appoint two members for a term of 4 years, two members for a term of 3 years, and two members for a term of 2 years.
- The President of the Senate must initially appoint three members for a term of 4 years, three members for a term of 3 years, and two members for a term of 2 years.
- The Speaker of the House of Representatives must initially appoint three members for a term of 4 years, two members for a term of 3 years, and two members for a term of 2 years.

Members of the advisory council must serve without compensation but are entitled to reimbursement for per diem and travel expenses.

The bill provides that the advisory council must meet at the call of the co-chairs at a time and location in this state designated by the co-chairs, provided that the first meeting must occur no later than November 1, 2025, and that subsequent meetings must occur no less than semiannually thereafter. The bill directs DBPR to provide staffing and administrative assistance to the advisory council in performing its duties.

The bill repeals this section on October 2, 2028, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 3 amend s. 213.053, F.S., regarding confidentiality and information sharing. The bill provides that the Department of Revenue may provide information relative to s. 220.197, F.S., on the new resilient building tax credit, to DBPR in the conduct of its official business.

Section 4 amends s. 220.02, F.S., regarding the legislative intent for applying credits against the corporate income tax or the franchise tax. The bill amends this section to include the new resilient building tax credit at the end of the Legislature's intended order of tax credit application.

Section 5 amends s. 220.13, F.S., regarding the definition of "adjusted federal income," to provide an addition to taxable income for the amount of a credit taken under the new resilient building program.

Section 6 provides an effective date of July 1, 2025.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

Not applicable. The bill does not require counties or municipalities to take action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities. Therefore, the bill may not be subject to Article VII, s. 18 of the Florida Constitution.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Not applicable. The bill does not impose or raise a state tax or fee nor repeal a state tax credit or exemption.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

The Revenue Estimating Conference has not analyzed the bill.

B. Private Sector Impact:

The tax credit will provide eligible corporate taxpayers with tax savings.

C. Government Sector Impact:

The Department of Business and Professional Regulation and Department of Revenue will need to engage in rulemaking and will incur implementation costs. In addition, the tax credit will result in fewer corporate income taxes being remitted to the Department of Revenue and distributed to the General Revenue Fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 213.053, 220.02, and 220.13.

This bill creates the following sections of the Florida Statutes: 220.197 and 553.972.

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

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

CS by Environment and Natural Resources on February 11, 2025:

- Adds two additional advisory council members from state universities (Florida International University and the University of Central Florida);
- Amends the number and term length of the initial appointments made by the Governor, President of the Senate, and Speaker of the House;
- Changes the date for the repeal of the advisory council from June 30, 2030, to October 2, 2028; and
- Changes the Department of Environmental Protection to the Department of Business and Professional Regulation throughout the bill.

B. Amendments:

None.