A bill to be entitled An act relating to alternative energy and energy efficiency; creating s. 125.0112, F.S.; providing for the construction and operation of a biofuel processing facility or a renewable energy generating facility; creating s. 166.0446, F.S.; providing for the construction and operation of a biofuel processing facility or a renewable energy generating facility; prohibiting such regulation from requiring the owner or operator of the facility to obtain a special exemption, use permit, waiver, or variance, or to pay a special fee exceeding a specified amount; amending s. 193.461, F.S.; relating to the classification and assessment of agricultural lands; amending s. 213.053, F.S.; updating references; amending s. 220.192, F.S.; relating to duties of the Florida Energy and Climate Commission regarding the renewable energy technologies investment tax credit; amending s. 366.91, F.S.; providing definition of renewable energy; amending s. 366.92, F.S.; providing definitions; relating to renewable energy; amending s. 373.236, F.S.; requiring that a permit for the use of water for cultivating agricultural products and renewable energy be granted for a specified number of years if certain conditions are met; providing requirements for permittees; providing an exemption; amending s. 403.503, F.S.; relating to definitions under the Florida Electrical Power Plant Siting Act; amending s. 403.973, F.S.; providing for the expedited review of permit applications for projects

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resulting in the production of biofuels or in the construction of a biofuel or biodiesel processing facility or renewable energy generating facility; clarifying provisions relating to memoranda of agreement which establish regional teams for the expedited review of such applications; amending s. 525.09, F.S.; providing for an inspection fee; amending s. 553.792, F.S.; relating to building permit applications; requiring the Florida Energy and Climate Commission to prepare a report on energy efficiency with respect to low-income households and rental housing properties to be submitted to the Legislature by a specified date; providing report requirements; providing an effective date.

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

Section 1. Section 125.0112, Florida Statutes, is created to read:

and operation of a biofuel processing facility or a renewable energy generating facility, as defined in s. 366.91(2)(d), and the cultivation and production of bioenergy, as defined in s. 570.957(1)(a), are each a valid industrial, agricultural and silvicultural use permitted within those land use categories in the local comprehensive land use plan and for purposes of any local zoning regulation. Such comprehensive land use plans and local zoning regulations may not require the owner or operator of a biofuel processing facility or a renewable energy

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generating facility to obtain any comprehensive plan amendment, special exemption, use permit, waiver, or variance, or to pay any special fee in excess of \$1,000 to operate in an area zoned for or categorized as industrial, agricultural or silvicultural use. The construction and operation of a facility and related improvements on a portion of a property pursuant to this section shall not affect the remainder of that property's classification as agricultural pursuant to s. 193.461.

Section 2. Section 166.0446, Florida Statutes, is created to read:

166.0446 Biofuels and renewable energy. -- The construction and operation of a biofuel processing facility or a renewable energy generating facility, as defined in s. 366.91(2)(d), and the cultivation and production of bioenergy, as defined in s. 570.957(1)(a), are each a valid industrial, agricultural and silvicultural use permitted within those land use categories in the local comprehensive land use plan and for purposes of any local zoning regulation. Such comprehensive land use plans and local zoning regulations may not require the owner or operator of a biofuel processing facility to obtain any comprehensive plan amendment, special exemption, use permit, waiver, or variance, or to pay any special fee in excess of \$1,000 to operate in an area zoned for or categorized as industrial, agricultural or silvicultural use. The construction and operation of a facility and related improvements on a portion of a property pursuant to this section shall not affect the remainder of that property's classification as agricultural pursuant to s. 193.461.

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Section 3. Paragraph (d) of subsection (3) of section 193.461, Florida Statutes, is amended to read:

193.461 Agricultural lands; classification and assessment; mandated eradication or quarantine program.--

(3)

(d) When property receiving an agricultural classification contains a residence under the same ownership, the portion of the property consisting of the residence and curtilage must be assessed separately, pursuant to s. 193.011, to qualify for the assessment limitation set forth in s. 193.155. The remaining property may be classified under the provisions of paragraphs (a) and (b). When property receiving an agricultural classification contains a solar energy facility or biofuel processing facility under the same ownership, the portion of the property consisting of the solar energy facility or biofuel processing facility must be assessed separately, pursuant to s. 193.011. The remaining property may be classified under the provisions of paragraphs (a) and (b).

Section 4. Effective upon becoming law and applying retroactively to July 1, 2008, paragraph (y) of subsection (8) of section 213.053, Florida Statutes, is amended to read:

213.053 Confidentiality and information sharing.--

(8) Notwithstanding any other provision of this section, the department may provide:

(y) Information relative to ss. 212.08(7)(ccc) and 220.192 to the Florida Energy and Climate Commission Department of

Environmental Protection for use in the conduct of its official

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business. <u>Information relative to s. 220.192 to the Department</u>
of Environmental Protection for use in the conduct of its
official business.

Disclosure of information under this subsection shall be pursuant to a written agreement between the executive director and the agency. Such agencies, governmental or nongovernmental, shall be bound by the same requirements of confidentiality as the Department of Revenue. Breach of confidentiality is a misdemeanor of the first degree, punishable as provided by s. 775.082 or s. 775.083.

Section 5. Effective upon becoming law and applying retroactively to July 1, 2008, subsections (4) and (5) of section 220.192, Florida Statutes, are amended to read:

220.192 Renewable energy technologies investment tax credit.--

(4) TAXPAYER APPLICATION PROCESS.—To claim a credit under this section, each taxpayer must apply to the Florida Energy and Climate Commission Department of Environmental Protection for an allocation of each type of annual credit by the date established by the Florida Energy and Climate Commission Department of Environmental Protection. The application form may be established by the Florida Energy and Climate Commission Department of Environmental Protection and shall include an affidavit from each taxpayer certifying that all information contained in the application, including all records of eligible costs claimed as the basis for the tax credit, are true and correct. Approval of the credits under this section shall be

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accomplished on a first-come, first-served basis, based upon the date complete applications are received by the Florida Energy
and Climate Commission
Pepartment of Environmental Protection
<a href="mailto:Ataxpayer shall submit only one complete application based upon eligible costs incurred within a particular state fiscal year
Incomplete placeholder applications will not be accepted and will not secure a place in the first-come, first-served application line. If a taxpayer does not receive a tax credit allocation due to the exhaustion of the annual tax credit authorizations, then such taxpayer may reapply in the following year for those eligible costs and will have priority over other applicants for the allocation of credits.

- (5) ADMINISTRATION; AUDIT AUTHORITY; RECAPTURE OF CREDITS.--
- (a) In addition to its existing audit and investigation authority, the Department of Revenue may perform any additional financial and technical audits and investigations, including examining the accounts, books, and records of the tax credit applicant, that are necessary to verify the eligible costs included in the tax credit return and to ensure compliance with this section. The Florida Energy and Climate Commission and the Department of Environmental Protection shall provide technical assistance when requested by the Department of Revenue on any technical audits or examinations performed pursuant to this section.
- (b) It is grounds for forfeiture of previously claimed and received tax credits if the Department of Revenue determines, as a result of either an audit or examination or from information

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received from the Florida Energy and Climate Commission

Department of Environmental Protection, that a taxpayer received tax credits pursuant to this section to which the taxpayer was not entitled. The taxpayer is responsible for returning forfeited tax credits to the Department of Revenue, and such funds shall be paid into the General Revenue Fund of the state.

- c) The Florida Energy and Climate Commission Department of Environmental Protection may revoke or modify any written decision granting eligibility for tax credits under this section if it is discovered that the tax credit applicant submitted any false statement, representation, or certification in any application, record, report, plan, or other document filed in an attempt to receive tax credits under this section. The Florida Energy and Climate Commission Department of Environmental Protection shall immediately notify the Department of Revenue of any revoked or modified orders affecting previously granted tax credits. Additionally, the taxpayer must notify the Department of Revenue of any change in its tax credit claimed.
- (d) The taxpayer shall file with the Department of Revenue an amended return or such other report as the Department of Revenue prescribes by rule and shall pay any required tax and interest within 60 days after the taxpayer receives notification from the Florida Energy and Climate Commission Department of Environmental Protection that previously approved tax credits have been revoked or modified. If the revocation or modification order is contested, the taxpayer shall file an amended return or other report as provided in this paragraph within 60 days after a final order is issued following proceedings.

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(e) A notice of deficiency may be issued by the Department of Revenue at any time within 3 years after the taxpayer receives formal notification from the Florida Energy and Climate Commission Department of Environmental Protection that previously approved tax credits have been revoked or modified. If a taxpayer fails to notify the Department of Revenue of any changes to its tax credit claimed, a notice of deficiency may be issued at any time.

Section 6. Paragraph (d) of subsection (2) of section 366.91, Florida Statutes, is amended to read:

366.91 Renewable energy.--

- (2) As used in this section, the term:
- (d) "Renewable energy" means electrical energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen produced from sources other than fossil fuels, hydrogen blended fuels, biodiesel, cogeneration, biomass, solar energy, geothermal energy, wind energy, ocean energy, and hydroelectric power. The term includes the alternative energy resource, waste heat, from sulfuric acid manufacturing operations.

Section 7. Subsection (2) of section 366.92, Florida Statutes, are amended to read:

366.92 Florida renewable energy policy. --

- (2) As used in this section, the term:
- (a) "Combined heat and power system" means a system that simultaneously or sequentially generates electricity and thermal energy from the same primary energy source.

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- $\underline{\text{(b)}}$ "Florida renewable energy resources" means renewable energy, as defined in s. 377.803, that is produced in Florida.
- $\underline{\text{(c)}}$ "Provider" means a "utility" as defined in s. 366.8255(1)(a).
- (d) (c) "Renewable energy" means renewable energy as defined in s. 366.91(2)(d). The term also includes waste heat thermal energy which is produced by a combined heat and power system placed in service in Florida after the effective date of this legislation and which is used to produce biofuel and, if any, associated co-products.
- (e) (d) "Renewable energy credit" or "REC" means a product that represents the unbundled, separable, renewable attribute of renewable energy produced in Florida and is equivalent to 1 megawatt-hour of electricity generated by a source of renewable energy located in Florida. For combined heat and power systems placed in service in Florida after the effective date of this legislation, one renewable energy credit shall be produced for every 3.412 million British thermal units of waste heat thermal energy used to produce biofuel and, if any, associated coproducts.
- (f) (e) "Renewable portfolio standard" or "RPS" means the minimum percentage of total annual retail electricity sales by a provider to consumers in Florida that shall be supplied by renewable energy produced in Florida.
- Section 8. Subsection (6) is added to section 373.236, Florida Statutes, to read:
- 251 373.236 Duration of permits; compliance reports.--

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(6) A permit that is approved for the use of water for cultivating agricultural products on lands consisting of 1,000 acres or more and for renewable energy, as defined in s.

366.91(2)(d), shall be granted for a term of at least 25 years commensurate with the foreseeable life of the renewable energy generating facility, including the extension of a facility's life from viable repowering projects. The permittee shall provide a compliance report every 5 years during the term of the permit as required in subsection (4); however, s. 373.243(4) does not apply due to the financial and land requirements that must be met before initiating energy production.

Section 9. Subsection (14) of section 403.503, Florida Statutes, is amended to read:

403.503 Definitions relating to Florida Electrical Power Plant Siting Act.--As used in this act:

(14) "Electrical power plant" means, for the purpose of certification, any steam or solar electrical generating facility using any process or fuel, including nuclear materials, except that this term does not include any steam or solar electrical generating facility of less than 75 megawatts in capacity unless the applicant for such a facility elects to apply for certification under this act. This term also includes the site; all associated facilities that will be owned by the applicant that are physically connected to the site; all associated facilities that are indirectly connected to the site by other proposed associated facilities that will be owned by the applicant; and associated transmission lines that will be owned by the applicant which connect the electrical power plant to an

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existing transmission network or rights-of-way to which the applicant intends to connect. At the applicant's option, this term may include any offsite associated facilities that will not be owned by the applicant; offsite associated facilities that are owned by the applicant but that are not directly connected to the site; any proposed terminal or intermediate substations or substation expansions connected to the associated transmission line; or new transmission lines, upgrades, or improvements of an existing transmission line on any portion of the applicant's electrical transmission system necessary to support the generation injected into the system from the proposed electrical power plant.

Section 10. Subsections (3), (4), (7), (11), paragraph (b) of subsection (13), paragraph (b) of subsection (14), subsection (15), and paragraph (b) of subsection (19), of section 403.973, Florida Statutes, are amended to read:

403.973 Expedited permitting; comprehensive plan amendments.--

- (3) (a) The Governor, through the office, shall direct the creation of regional permit action teams, for the purpose of expediting review of permit applications and local comprehensive plan amendments submitted by:
 - 1. Businesses creating at least 100 jobs, or
- 2. Businesses creating at least 50 jobs if the project is located in an enterprise zone, or in a county having a population of less than 75,000 or in a county having a population of less than 100,000 which is contiguous to a county having a population of less than 75,000, as determined by the

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most recent decennial census, residing in incorporated and unincorporated areas of the county., or

- (b) On a case-by-case basis and at the request of a county or municipal government, the office may certify as eligible for expedited review a project not meeting the minimum job creation thresholds but creating a minimum of 10 jobs. The recommendation from the governing body of the county or municipality in which the project may be located is required in order for the office to certify that any project is eligible for expedited review under this paragraph. When considering projects that do not meet the minimum job creation thresholds but that are recommended by the governing body in which the project may be located, the office shall consider economic impact factors that include, but are not limited to:
- 1. The proposed wage and skill levels relative to those existing in the area in which the project may be located;
- 2. The project's potential to diversify and strengthen the area's economy;
 - 3. The amount of capital investment; and
- 4. The number of jobs that will be made available for persons served by the welfare transition program.
- (c) At the request of a county or municipal government, the office or a Quick Permitting County may certify projects located in counties where the ratio of new jobs per participant in the welfare transition program, as determined by Workforce Florida, Inc., is less than one or otherwise critical, as eligible for the expedited permitting process. Such projects must meet the numerical job creation criteria of this

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subsection, but the jobs created by the project do not have to be high-wage jobs that diversify the state's economy.

- (d) Projects located in a designated brownfield area are eligible for the expedited permitting process.
- (e) Projects that are part of the state-of-the-art biomedical research institution and campus to be established in this state by the grantee under s. 288.955 are eligible for the expedited permitting process, if the projects are designated as part of the institution or campus by the board of county commissioners of the county in which the institution and campus are established.
- (f) Projects that result in the production of biofuels cultivated on lands consisting of 1,000 acres or more, or in the construction of a biofuel or biodiesel processing facility or renewable energy generating facility as defined in s.

 366.91(2)(d), are eligible for the expedited permitting process.
- (4) The regional teams shall be established through the execution of memoranda of agreement developed by the applicant and between the office with input solicited from and the respective heads of the Department of Environmental Protection, the Department of Community Affairs, the Department of Transportation and its district offices, the Department of Agriculture and Consumer Services, the Fish and Wildlife Conservation Commission, appropriate regional planning councils, appropriate water management districts, and voluntarily participating municipalities and counties. The memoranda of agreement must should also accommodate participation in the this

expedited process by other local governments and federal agencies as circumstances warrant.

- (7) An appeal At the option of the participating local government, appeals of a local government's its final approval for a project <u>must may</u> be <u>conducted</u> pursuant to the summary hearing provisions <u>in of</u> s. 120.574, pursuant to subsection (14), and consolidated with the challenge of applicable state agency actions, if any or pursuant to other appellate processes available to the local government. The local government's decision to enter into a summary hearing must be made as provided in s. 120.574 or in the memorandum of agreement.
- (11) The standard form memorandum memoranda of agreement must shall include guidelines to be used in working with state, regional, and local permitting authorities. Guidelines may include, but are not limited to, the following:
- (a) A central contact point for filing permit applications and local comprehensive plan amendments and for obtaining information on permit and local comprehensive plan amendment requirements;
- (b) Identification of the individual or individuals within each respective agency who will be responsible for processing the expedited permit application or local comprehensive plan amendment for the that agency;
- (c) A mandatory preapplication review process to reduce permitting conflicts by providing guidance to applicants regarding the permits needed from each agency and governmental entity, site planning and development, site suitability and limitations, facility design, and steps the applicant can take

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to ensure expeditious permit application and local comprehensive plan amendment review. As a part of the this process, the first interagency meeting to discuss a project shall be held within 14 days after the office's determination that the project is eligible for expedited review. Subsequent interagency meetings may be scheduled to accommodate the needs of participating local governments that are unable to meet public notice requirements for executing a memorandum of agreement within the this timeframe. Such This accommodation may not exceed 45 days from the office's determination that the project is eligible for expedited review;

- (d) The preparation of a single coordinated project description form and checklist and an agreement by state and regional agencies to reduce the burden on an applicant to provide duplicate information to multiple agencies;
- (e) Establishment of A process for the adoption and review of any comprehensive plan amendment needed by any certified project within 90 days after the submission of an application for a comprehensive plan amendment. However, the memorandum of agreement may not prevent affected persons as defined in s. 163.3184 from appealing or participating in the this expedited plan amendment process and any review or appeals of decisions made under this paragraph; and
- (f) Additional incentives for an applicant who proposes a project that provides a net ecosystem benefit.
 - (13) Notwithstanding any other provisions of law:
- (b) Projects that are qualified under this section are not subject to interstate highway level-of-service standards adopted

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by the Department of Transportation for concurrency purposes. The memorandum of agreement specified in subsection (5) must include a process by which the applicant will be assessed a fair share of the cost of mitigating the project's significant traffic impacts, as defined in chapter 380 and related rules. The agreement must also specify whether the significant traffic impacts on the interstate system will be mitigated through the implementation of a project or payment of funds to the Department of Transportation. If Where funds are paid, the Department of Transportation must include in the 5-year work program transportation projects or project phases, in an amount equal to the funds received, to mitigate the traffic impacts associated with the proposed project.

(14)

- (b) Challenges to state agency action in the expedited permitting process for establishment of a state-of-the-art biomedical research institution and campus in the this state by the grantee under s. 288.955 or a project identified in paragraph (3)(f) are subject to the same requirements as challenges brought under paragraph (a), except that, notwithstanding s. 120.574, summary proceedings must be conducted within 30 days after a party files the motion for summary hearing, regardless of whether the parties agree to the summary proceeding.
- (15) The office, working with the agencies that provide input to participating in the memoranda of agreement, shall review sites proposed for the location of facilities eligible for the Innovation Incentive Program under s. 288.1089. Within

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20 days after the request for the review by the office, the agencies shall provide to the office a statement as to each site's necessary permits under local, state, and federal law and an identification of significant permitting issues, which if unresolved, may result in the denial of an agency permit or approval or any significant delay caused by the permitting process.

- (19) The following projects are ineligible for review under this part:
 - (b) A project, the primary purpose of which is to:
- 1. Effect the final disposal of solid waste, biomedical waste, or hazardous waste in this state.
- 2. Produce electrical power, unless the production of electricity is incidental and not the primary function of the project or the electrical power is derived from a renewable energy fuel source as defined in s. 366.91(2)(d).
- . 3. Extract natural resources.
 - 4. Produce oil.
- 5. Construct, maintain, or operate an oil, petroleum, natural gas, or sewage pipeline.
- Section 11. Subsection (1) of section 525.09, Florida Statutes, is amended to read:
 - 525.09 Inspection fee.--
- (1) For the purpose of defraying the expenses incident to inspecting, testing, and analyzing petroleum fuels in this state, there shall be paid to the department a charge of one-eighth cent per gallon on all gasoline, <u>alternative fuel</u> containing alcohol as described in s. 525.01(1)(c) or 2.,

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kerosene (except when used as aviation turbine fuel), and #1 fuel oil for sale or use in this state. This inspection fee shall be imposed in the same manner as the motor fuel tax pursuant to s. 206.41. Payment shall be made on or before the 25th day of each month.

Section 12. Subsection (3) is added to section 553.792, Florida Statutes, to read:

553.792 Building permit application to local government.--

(3) A local government shall only require a single permit, permit application, and fee for the installation of a single system that is covered by a single warranty. The permit fee shall be based upon the time required to review the application and issue the number of inspections required.

Section 13. (1) The Florida Energy and Climate Commission shall prepare a report that:

- (a) Identifies methods of increasing energy-efficiency practices among low-income households as defined in s. 420.9071, Florida Statutes. The commission shall, at a minimum, identify energy-efficiency programs currently offered to low-income households by community action agencies, community-based organizations, and utility companies in this state and similar programs offered to low-income households in other states.
- (b) Determines the statewide impact of improving the level of energy efficiency of rental housing properties, including, but not limited to, the environmental benefits of the improvements and the potential fiscal impact on property tenants, owners, and landlords and the economy. The commission shall consider the relative equity and economic efficiency of

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the	cost	share fo	r such	energy-ef:	fic	iency i	mprove	ements.
	(c)	Provides	recom	mendations	to	effect	more	energy-

- efficiency practices among low-income household residents.
- (2) The commission shall submit the report to the President of the Senate and the Speaker of the House of Representatives by February 1, 2010.
- Section 14. Except as otherwise provided, this act shall take effect July 1, 2009.

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