

FECA's Florida Legislative Report

April 21, 2023

Week 7 of the 2023 Legislative Session concluded today, leaving only two weeks for legislators to finalize any outstanding issues. Budget allocations are close to being agreed to and conferencing between chambers is expected to begin Monday, April 24. The result of the negotiations is the Conference Committee Report, which is made available for a 72 hour "cooling off" period for review before each chamber adopts and votes on the final version of the budget. The regular legislative session is scheduled to adjourn on Friday, May 5.

On Tuesday the Senate Finance & Tax committee approved a tax package that would provide \$973 million in tax breaks next fiscal year, while the House has countered with a \$1.38 billion package. Legislative leaders will negotiate and agree on the final plan next week. The Senate and House packages are the same or similar on a series of issues, such as holding sales-tax holidays on back-to-school items, hurricane-preparedness supplies, summer activities, and certain tools. Also, they would remove taxes on items such as gas stoves, Energy Star appliances, and renewable natural gas equipment. Senate proposals not in the House plan include providing \$32.9 million in tax credits on Brownfield site cleanup projects and \$4.1 million in tax exemptions on the purchase of firearm-storage devices.

On April 7, the Department of Economic Opportunity (DEO) issued notice to providers who administer funding for the Low-Income Home Energy Assistance Program (LIHEAP), the Low-Income Household Water Assistance Program (LIHWAP), the Weatherization Assistance Program, and the Community Services Block Grant (CSBG) program that they have reached their budget authority limit for the current fiscal year. The programs provide assistance to low-income families for heating and cooling costs, water costs, upgrades to make homes more energy efficient, and a variety of anti-poverty services including emergency health, housing, and job counseling aid. The lack of funds is due to an increased demand for these programs due to inflation, Hurricane Ian, wildfires, and other disasters. DEO is seeking additional budget authority from the legislature to bridge the gap between now and when the current budget goes into effect July 1.

Last week, CS/HB 1221 by Rep. Josie Tomkow passed the House unanimously and was sent to the Senate. The Senate has placed CS/SB 626 by Senator Nick DiCeglie on the second reading calendar but has not added it to the special-order calendar as of today. Both bills are identical and place the broadband language in the communications service's statute (Chapter 364), with only a reference to our enabling act (Chapter 425). The bill would put electric cooperatives that elect to provide broadband services under the jurisdiction of the PSC for pole attachment rates, terms, and conditions.

Representative Bobby Payne is hosting the largest ever Rural Counties Day on Wednesday, April 26. Officials and representatives from 27 counties will be in attendance for the event to be held in the Capitol Courtyard. The event highlights the unique benefits, offerings, and importance of our rural counties to the overall economic success of Florida. This promises to be an event that allows citizens and officials who live in and serve rural Florida to showcase their respective communities, culture, and products.

This week Florida was well represented at the annual NRECA Legislative Conference and in meetings with the Florida Congressional delegation. Thirty-four Directors, managers and staff made the trip to Washington DC to represent Florida's electric cooperatives and discuss our priorities.

On Tuesday and Wednesday our co-ops took to Capitol Hill for 16 meetings with members of Congress and their staff. One highlight was our meeting with Senator Marco Rubio, who was glad to welcome his constituents and announce that on that very morning he had filed a bill addressing one of our priorities, the FEMA Loan Interest Payment Relief Act (S 1180 / HR 2672). Representative Kat Cammack met with the Florida co-ops she represents and agreed to lead a delegation letter asking for federal action to alleviate supply chain issues that affect our co-ops, particularly distribution transformer availability, and the impending DOE rule that would exacerbate the problem. Many of the other Representatives and staff that the group met with were enthusiastic about supporting these efforts. In addition, the group had meetings with Rep. Daniel Webster, Rep. Bill Posey, Rep. Gus Bilirakis, Rep. Neal Dunn, Rep. Carlos Gimenez, Rep. Greg Steube, Rep. Aaron Bean, and Rep. Kathy Castor. Staff members from the offices of Senator Rick Scott, Rep. Scott Franklin, Rep. Mike Waltz, Rep. Laurel Lee, and Rep. Anna Paulina Luna also took the opportunity to hear from Florida's electric cooperatives. Thank you to all the people that made the trip and especially to our federal lobbyist Michael Nolan, NRECA's lobby team, and Seminole EC for their support.

Below are bills of interest filed thus far. Moving forward each week, the report will prioritize in the following manner: priority, monitor, and tracking. Any new activities will be highlighted in **RED**. If you would like more detailed information or an explanation of any legislation or why it is located in a specific area, please do not hesitate to reach out to Drew or Mike.

PRIORITY

Rural Electric Cooperatives / Broadband Internet Service Providers

(CS/SB 626 / CS/HB 1221)

Sponsors: Sen. DiCeglie / Rep. Tomkow

Summary:

The bill as amended moves language relating to the regulation of broadband co-ops by the PSC from Chapter 425 to Chapter 364. It retains the authorization for co-ops to engage in the provision of broadband in Chapter 425.

Committee Assignments:

SB 626: Ready for the floor

HB 1221: Sent to Senate (In messages)

ACTION RECOMMENDED: SUPPORT CS/SB 626 and CS/HB 1221 IN CURRENT FORM

MONITOR

Trees and Other Vegetation within Rights-of-way

(CS/SB 108 / HB 55)

Sponsors: Sen. Rodriguez/Rep. Garcia

Summary:

The bill provides that the current prohibition against the removal, cutting, marring, defacing or destruction of trees or other vegetation within the rights-of-way of roads of the state highway system

does not apply if the Department of Transportation (DOT) suspends the prohibition due to a declared state of emergency. It requires DOT to adopt guidelines related to the removal process for debris from an emergency that is subject to an emergency declaration such as a hurricane or tropical storm.

Committee Assignments:

SB 108: Sent to House (In messages)

HB 55: Transportation & Modals; Constitutional Rights, Rule of Law & Government Operations; Infrastructure Strategies

ACTION RECOMMENDED: SUPPORT

Land Use and Development Regulations

(CS/CS SB 1604 / CS/CS/CS HB 439)

Sponsors: Sen. Ingoglia / Rep. McClain

Summary:

The House bill provides if the application for development of a distribution substation demonstrates that the substation design is consistent with the local government's standards, the local government must approve the application. Prior to submitting an application for a substation in a residential area, the utility is to consult the local government regarding site selection. The utility must provide information on the proposed site and up to three alternative sites. The local government must make a determination on the proposed sites within 90 days. If the local government and the utility are unable to agree upon a site, the site selection must be submitted to mediation. If a local government has adopted standards for siting an electrical substation, it must grant or deny an application to locate an electrical substation within 90 days after the date the properly completed application is declared complete. If the local government does not take action on the application within the specified timeframe, the application is deemed automatically approved. Issuance of a permit does not relieve the applicant from complying with applicable federal or state laws or rules or applicable local land development or building rules.

The substation language is currently not included in the Senate bill.

Committee Assignments:

SB 1604: Ready for the floor

HB 439: Ready for the floor

ACTION RECOMMENDED: NEUTRAL

ACTION ITEM: SENATE RULES – PASSED 4/19

ACTION ITEM: HOUSE STATE AFFAIRS – PASSED 4/20

Energy Equity Task Force

(SB 680 / HB 293)

Sponsors: Sen. Davis / Rep. Hinson

Summary:

This bill would create the Energy Equity Task Force who would provide recommendations to Florida Department of Agriculture and Consumer Services for fostering a fair and equitable transition of the state's energy infrastructure to renewable technologies within minority, underserved, rural and low-income communities. The task force would consist of a minimum of 11 members reflecting ethnic and gender diversity of the state. The Commissioner of Agriculture will appoint: 1) four representatives from minority, underserved, rural or low-income communities from different regions of the state; 2) at least one environmental justice expert; 3) at least one representative from the electrical workers profession;

4) at least two energy industry liaisons representing utility and solar energy interests; 5) at least one representative from a statewide environmentally focused group; 6) one appointed by the President of the Senate and one Speaker of the House. The task force must recommend policies for the equitable siting of energy infrastructure throughout the state including siting of utility-scale and industrial solar arrays. In addition, the taskforce must examine strategies to assist minority underserved, rural and low-income communities in transitioning to energy efficiency programs. The task force would be required to present a report to the Governor, Commissioner of Agriculture, the President of the Senate, and the Speaker of the House by September 30, 2024.

Committee Assignments:

SB 680: Regulated Industries; Agriculture, Environment & General Government Appropriations; Fiscal Policy

HB 293: Energy, Communications & Cyber Security; Agriculture & Natural Resources Appropriations; Commerce

ACTION RECOMMENDED: NEUTRAL (Bill is dead)

Renewable Energy Cost Recovery

(CS/CS SB 1162 / CS/HB 821)

Sponsors:

Sen. DiCeglie / Rep. Yeager

Summary:

The bill authorizes an IOU to recover in rates prudently incurred renewable natural gas and hydrogen fuel infrastructure project costs through the proper PSC cost-recovery procedure.

Committee Assignments:

SB 1162: Ready for the floor

HB 821: Commerce

ACTION RECOMMENDED: NEUTRAL

Government and Corporate Activism

(CS/SB 302 / CS/CS HB 3)

Sponsors: Sen. Grall / Rep. Rommel

Summary:

The bill eliminates environmental, social and governance factors in state investments and prohibits banks from using “unsafe and unsound practices” to deny services based on an individual’s political, religious, or business sector opinions. It prevents the financial institutions from considering “social credit scores” in determining an individual’s ability to obtain loans, lines of credit, and bank accounts.

Committee Assignments:

SB 302: Laid on the table

HB 3: Enrolled

ACTION RECOMMENDED: NEUTRAL

ACTION ITEM: SENATE FISCAL POLICY – PASSED 4/19

ACTION ITEM: ENROLLED – SENT TO GOVERNOR

State Renewable Energy Goals

(SB 970 / HB 957)

Sponsors: Sen. Berman / Rep. Eskamani

Summary:

The bill modifies the definition of “renewable energy” to exclude energy produced using high quality synthetic gas produced from waste petroleum coke with CO2 capture and sequestration. In addition, the bill would prohibit the drilling or exploration of, or production or transportation of, oil, gas, or other petroleum products on the land and waters of the state. The Office of Energy would be directed to develop a plan to have 100% of the state’s energy generated from renewable resources by 2050. The bill would create the Renewable Energy Workforce Development Advisory Committee consisting of 13 members appointed by the Commissioner of Agriculture. The committee would make recommendations to promote employment growth and access to jobs in the energy efficiency and renewable energy industry. A report of the committee’s findings would be presented to the President of the Senate and the Speaker of the House by January 1, 2024 and each January 1 thereafter.

Committee Assignments:

SB 970: Environment & Natural Resources; Agriculture, Environment & General Government; Fiscal Policy

HB 957: Energy, Security & Cyber Security; Agriculture & Natural Resources Appropriations; Commerce

ACTION RECOMMENDED: NEUTRAL (Bill is dead)

New Nuclear Energy

(SM__ / HM 1137)

Sponsors: Sen.__ / Rep. Overdorf

Summary:

The memorial urges the President and Congress of the United States to take action to adjust regulatory policy as necessary to allow states the ability to conduct feasibility studies on reclamation and repurposing of spent nuclear fuel for new nuclear energy generation.

Committee assignments:

SM__:

HM 1137: Ready for the floor

ACTION RECOMMENDED: SUPPORT

Municipal Electric Utilities / Municipal Utilities

(SB 1380 / CS/HB 1331)

Sponsors: Sen. Martin / Rep. Busatta Cabrera

Summary:

The Senate bill provides that a municipal electric utility, supplying electricity to any retail customer outside its corporate boundaries, will meet the definition of a “Public Utility” as defined in 366.02. It further states, a municipal electric utility meeting these criteria will be regulated under this chapter for a minimum of 5 years. The PSC is directed to adopt rules to implement.

The House bill places limits on the portion of municipal utility revenues that may be used to fund or finance a municipality’s non-utility related general government functions. In doing so, the bill limits the rate of transfer for municipal electric, natural gas, and water or wastewater utilities. Under the bill, the greater the proportion of customers outside of the city boundaries that a municipal utility serves, the lower the cap is on transfers. However, if a municipal utility is governed by a utility authority board that provides for representation of retail customers located outside the municipal boundaries approximately

proportionate to the percentage of such customers, then transfers of revenue are not subject to a reduced cap.

Committee Assignments:

SB 1380: Regulated Industries; Agriculture, Environment & General Government Appropriations; Fiscal Policy

HB 1331: Commerce

ACTION RECOMMENDED: NEUTRAL

Electric Vehicle Infrastructure

(SB 1176 / HB 1591)

Sponsors: Sen. Simon / Rep. Maggard

Summary:

The bill requires the Public Service Commission (PSC) to adopt rules for electric vehicle charging stations to facilitate the widespread deployment of electric vehicle charging infrastructure. The rules must ensure consumer choice and competition, provide for reasonable and affordable cost-based electric rates for public utility rate payers, and be competitively neutral and apply to public utilities offering electric vehicle charging station services to the public. It provides the PSC shall propose rules by January 1, 2024, with final adoption required by January 1, 2025.

Committee Assignments:

SB 1176: Regulated Industries; Transportation; Rules

HB 1591: Energy, Communications & Cybersecurity; State Administration & Technology Appropriations; Commerce

ACTION RECOMMENDED: NEUTRAL (Bill is dead)

TRACKING

United States – Produced Iron and Steel in Public Works Projects

(SB/CS 304 / HB 1239)

Sponsors: Sen. Boyd / Rep. Griffiths

Summary:

This bill provides that a governmental entity entering into a contract for a public works project or for the purchase of materials for a public works project must include in such contract a requirement that any iron or steel product used in or purchased for the project must be produced in the United States. Exemptions from this requirement include: 1) sufficient quantities or satisfactory quality of the iron or steel products needed are not produced in the United States; 2) the cost to use products produced in the U.S. would increase the total cost of the project by more than 20 percent; and 3) compliance is inconsistent with public interest.

Committee Assignments:

SB 304: Fiscal Policy

HB 1239: Local Administration, Federal Affairs & Special Districts; State Administration & Technology Appropriations; State Affairs

ACTION RECOMMENDED: NEUTRAL

Requiring Broader Public Support for Constitutional Amendments or

Revisions

(SJR 1410 / HJR/CS 129)

Sponsors: Sen. Gruters / Rep. Roth

Summary:

This joint resolution would propose a constitutional amendment to increase the percentage of elector votes required to approve an amendment to the State Constitution from 60 percent to 66.67 percent. The repeal of an amendment or revision need only be approved by the same percentage elector votes as required at the time of passage of amendment or revision.

Committee Assignments:

SJR 1410: Ethics & Elections; Judiciary; Rules

HJR 129: Ready for the floor

ACTION RECOMMENDED: NEUTRAL

Energy

(CS/CS SB 284 / CS/CS HB 1025)

Sponsors: Sen. Brodeur/Rep. Caruso

Summary:

The bill revises the selection criteria for purchasing or leasing vehicles for a state agency, universities, community colleges, and local governments under the state purchasing plan. It removes the provision requiring the use and procurement of ethanol and biodiesel blended fuels and requires the Department of Management Services, before July 1, 2024, to make recommendations to all state agencies, universities, community colleges, and local governments regarding the procurement of electric and natural gas fuel vehicles and best practices for integrating these vehicles into existing fleets.

Committee Assignments:

SB 284: Sent to House (in messages)

HB 1025: Ready for the floor

ACTION RECOMMENDED: NEUTRAL

Florida Hometown Hero Housing Program

(SB 772 / HB 771)

Sponsors: Sen. Davis / Rep. Nixon

Summary:

The bill creates a housing program, to be administered by the Florida Housing Finance Corporation, authorizing the corporation to underwrite and make loans to frontline emergency workers, certain medical and health personnel, and educators to purchase a primary residence home. A purchaser may reduce the amount of the down payment and closing cost they pay by a maximum of 5% of the first mortgage loan or \$25,000, whichever is less. The loans must be available at a 0% interest rate. This is available to persons or families with incomes not exceeding 150% of the state or local medium income, whichever is greater. Eligible borrowers would include electric lineman, or an employee of a public utility or an electric utility whose primary job responsibilities are to install and/or maintain systems for the utility as well as other emergency workers.

Committee Assignments:

SB 772: Community Affairs; Transportation, Tourism, Economic Development Appropriations; Appropriations

HB 771: Local Administration, Federal Affairs & Special Districts; Infrastructure & Tourism

Appropriations; State Affairs (Withdrawn prior to introduction)

ACTION RECOMMENDED: NEUTRAL (Bill is dead)

Carbon Sequestration

(SB__ / CS/HB 1149)

Sponsors: Sen. __ / Rep. Massullo

Summary:

The bill directs the Department of Agriculture and Consumer Services to conduct a study on carbon sequestration activities and programs. The study must include a comprehensive list of existing state agency carbon sequestration activities and programs available to agriculture producers in the state; recommendations for a state level exchange program to assist agriculture producers in participating in carbon sequestration activities; and legislative recommendations for the creation of a carbon sequestration program. It requires the Department to submit a report on the results of the study to the Senate President and Speaker of the House by October 1, 2023.

Committee Assignments:

SB__:

HB 1149: Agriculture & Natural Resources Appropriations; Infrastructure Strategies

ACTION RECOMMENDED: NEUTRAL (Bill is dead)

Drones

(CS/CS/CS SB 1068 / CS/CS/CS HB 1071)

Sponsors: Sen. Collins / Rep. Duggan

Summary:

The bill defines “drone delivery service” as a person engaged in a business or profession of delivering goods via drone. It further defines a “drone port” as any area of nonresidential land or water used, or intended for use, for the landing and takeoff of drones. The bill provides that a political subdivision may not withhold issuance of a business tax receipt or enact or enforce an ordinance that prohibits a drone delivery service’s operation based on the location of the service’s port.

Committee Assignments:

SB 1068: Sent to House (in messages)

HB 1071: Ready for the floor

ACTION RECOMMENDED: NEUTRAL

Unmanned Aircraft Systems Act

(CS/CS SB 908 / CS/CS HB 645)

Sponsors: Sen. Rodriguez / Rep. Brackett

Summary:

The bill deletes a provision requiring a person or government entity, seeking to restrict or limit the use of drones in close proximity to owned infrastructure or facilities, from having to apply to the Federal Aviation Administration for the designation.

Committee Assignments:

SB 908: Ready for the floor

HB 645: Sent to Senate (in messages)

ACTION RECOMMENDED: NEUTRAL

Drones

(SB 1514 / HB 1455)

Sponsors: Sen. Wright / Rep. Altman

Summary:

The bill requires government agencies that use drones not produced by approved by manufactures to submit a plan to DMS by August 1, 2023, for discontinuing use by July 1, 2026. It provides that all government agencies that do not submit a plan by August 1, 2023 shall discontinue use as of this date.

Committee Assignments:

SB 1514: Government Oversight & Accountability; Community Affairs; Rules

HB 1455: Constitutional Rights, Rule of Law & Government Operations; State Affairs

ACTION RECOMMENDED: NEUTRAL (Bill is dead)

Taxation

(SB 7062 / HB 7063)

Sponsors: Finance & Tax, Ingoglia / Ways & Means, McClain

Summary:

The bill serves as this year's tax package and relates to sales tax, property tax, and corporate income tax.

Committee Assignments:

SB 7062: Appropriations

HB 7063: Ready for the floor

ACTION RECOMMENDED: NEUTRAL

ACTION ITEM: SENATE FINANCE & TAX – PASSED 4/18