

FECA's Florida Legislative Report May 5, 2023

Week 9 of the 2023 Legislative Session has concluded with both chambers adjourning "Sine Die" today. Though this is the end of the 60-day legislative session, the actual work began during the Organizational Session in November, so the process is truly a marathon with several sprints along the way. In all, there were 1,873 bills filed, 2,674 amendments, 3,229 votes taken, and 356 bills passed by the House and Senate. Committee meetings for the 2024 Session, which begins in January, start in September, so there is not much of an off season or down time.

This fiscal year's \$117 billion budget hit the desk on Tuesday and was passed today by the Legislature after the required 72-hour review period. It now goes to Governor DeSantis for his consideration. The spending plan (SB 2500) is the largest in state history and provides \$2 billion for the new school choice expansion program. Environmental and conservation efforts are getting a 17% boost in spending, including more than \$1 billion for land acquisition and hundreds of millions for water quality and supply initiatives. The budget is scheduled to take effect on July 1.

This morning the House and Senate signed off on a \$1.4 billion tax package that provides tax exemptions for both consumers and businesses. HB 7063 provides a one-year sales tax cut on ENERGY STAR appliances and includes a business rent tax reduction of 1%, from 5.5% to 4.5% for 13 months, which is expected to save businesses around \$394.4 million. Other items include a permanent sales tax break on gas stoves, a 28-day "back-to-school" sales tax holiday, another for tools and other home improvement items, and includes the annual Disaster Preparedness tax holiday. The tax relief proposal is the largest in state history. Total tax relief including the tax package amounted to \$2.7 billion. For a comprehensive list of all the items please see the link. [Press Release - The Florida Senate \(flsenate.gov\)](https://www.flsenate.gov/press-releases/2023/05/05/tax-relief-package)

As a recap, CS/HB 1221 by Representative Josie Tomkow and Senator Nick DiCeglie passed and is currently awaiting the Governor's signature. The bill remains identical to the FECA Board approved version, and places 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.

Below are bills of interest filed this year. The bills will be shown as: Ready for Governor Action or Bills that Did Not Pass. If you would like more detailed information or an explanation on any legislation or why it is located in a specific area, please do not hesitate to reach out to Drew or Mike.

READY FOR GOVERNOR ACTION

Rural Electric Cooperatives / Broadband Internet Service Providers

(SB 626 / HB 1221)

Sponsors: Sen. DiCeglie / Rep. Tomkow

Summary:

The bill places language relating to the regulation of broadband co-ops by the PSC in Chapter 364. It

provides authorization for co-ops to engage in the provision of broadband in Chapter 425.

Committee Assignments:

SB 626: Refer to HB 1221

HB 1221: Ready for Governor Action

ACTION RECOMMENDED: SUPPORT

Land Use and Development Regulations

(SB 1604 / HB 439)

Sponsors: Sen. Ingoglia / Rep. McClain

Summary:

The bill provides comprehensive land use and development regulations. The bill includes provisions which revise the local substation approval process to include applications for changes to existing electric substation. The definition of “distribution electric substation” is expanded to include accessory administration or maintenance buildings and related structures which will allow utilities to make these improvements to substations without going through a costly and time-consuming permitting process.

Committee Assignments:

SB 1604: Ready for Governor Action

HB 439: Refer to SB 1604

ACTION RECOMMENDED: NEUTRAL

Consumer Protection

(SB 1398 / HB 1185)

Sponsors: Sen. DiCeglie / Rep. Giallombardo

Summary:

The bill adds information and disclosures that must be provided to customers when they purchase or lease Distributed Energy Generation System (DEGS). The customer must be given the phone number for the Department of Business and Professional Regulation’s customer contact center. Customers must be informed they should consider the age and remaining life of their roofs before installing a DEGS and that replacement of their roofs may require reinstallation of the DEGS. The bill also requires customers be provided a statement informing them that placing a DEGS on their roof may impact their future insurance premiums and that customers are responsible for contacting their insurers prior to entering a purchase or lease agreement for the DEGS to determine whether their current policy or coverage needs modification upon installing the DEGS onto their dwelling.

Committee Assignments:

SB 1398: Refer to HB 1185

HB 1185: Ready for Governor Action

ACTION RECOMMENDED: NEUTRAL

Government and Corporate Activism

(SB 302 / 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: Refer to HB 3

HB 3: Ready for Governor Action

ACTION RECOMMENDED: NEUTRAL

Drones

(SB 1068 / 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: Ready for Governor Action

HB 1071: Refer to SB 1068

ACTION RECOMMENDED: NEUTRAL

Unmanned Aircraft Systems Act

(SB 908 / 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: Refer to HB 645

HB 645: Ready for Governor Action

ACTION RECOMMENDED: NEUTRAL

Energy

(SB 284 / 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: Ready for Governor Action

HB 1025: Refer to SB 284

ACTION RECOMMENDED: NEUTRAL

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. Additionally, the bill contains several sales tax holidays such as the Disaster Preparedness sales tax holiday.

Committee Assignments:

SB 7062: Refer to HB 7063

HB 7063: Ready for Governor Action

ACTION RECOMMENDED: NEUTRAL

City of Gainesville, Alachua County

(HB 1645)

Sponsor: Rep. Clemons

Summary:

The bill creates the Gainesville Regional Utilities Authority to serve as the governing board over Gainesville Regional Utility (GRU). It authorizes the Governor to appoint a five-member board to oversee all operations.

Committee Assignments:

HB 1645: Ready for Governor Action

ACTION RECOMMENDED: NEUTRAL

BILLS THAT DID NOT PASS

Trees and Other Vegetation within Rights-of-way

(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

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

Renewable Energy Cost Recovery

(SB 1162 / 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: Sent to House (in messages)

HB 821: Commerce

ACTION RECOMMENDED: NEUTRAL

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

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 / 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

United States – Produced Iron and Steel in Public Works Projects

(SB 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: Sent to House (in messages)

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 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

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

ACTION RECOMMENDED: NEUTRAL

Carbon Sequestration

(SB__ / 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

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