

MEMORANDUM

AGENDA ITEM IV. B.1

DATE: MAY 7, 2012

TO: COUNCIL MEMBERS

FROM: STAFF

SUBJECT: LEGISLATIVE UPDATE

Since sine die, on March 9, 2012, Governor Scott has signed several Bills that have significance for the South Florida Regional Planning Council and its member local governments. The following summary is not intended to be an exhaustive review of the Governor's actions, rather a strategic analysis. Council staff is prepared to provide additional information regarding the 2012 Legislative Session as requested.

Growth Management

On March 30, 2012, Governor Scott signed SB 842/HB 7081. As noted at the April 2, 2012 Council Meeting, the legislation would affect member local governments as follows (from the House staff report):

- grandfathers local government charter provisions in effect on June 1, 2011, relating to a local initiative or referendum process for the approval of development orders and comprehensive plan or map amendments (requires local governments to treat comments received from a military base commander the same as comments received from any review agency and requires comments provided by a military base commander to be based on data and analysis.);
- clarifies provisions relating to the coordination between local governments and military installations regarding local land use decisions;
- provides criteria for municipalities and the unincorporated area within a county to use in determining population projections;
- removes criteria that exempts certain municipalities from being signatories to the school
 interlocal agreement as a prerequisite to implementing school concurrency, because school
 concurrency is now optional, and restoring criteria to exempt certain municipalities from being a
 party to the school interlocal agreement;
- extends the time for the state land planning agency and the Administration Commission to issue
 recommended and final orders, since the current time requirement is unworkable, and providing
 a time requirement for the state land planning agency to issue a notice of intent for a plan
 amendment adopted pursuant to a compliance agreement; and
- changes one the standards upon which the Future Land Use Map is to be based from "an analysis
 of the minimum amount of land needed as determined by the local government" to from "an
 analysis of the minimum amount of land needed to achieve the goals and requirements of this
 section."

Energy

On March 30, 2012, HB 7117 went into effect without the Governor's signature. The Governor noted in his transmittal letter that the felt the Bill contained many, pro-business reforms, but he was concerned whether taxpayers would receive a return on their investment in the targeted tax credits that are a provision of the Bill. The final staff analysis of HB 7117 noted the Bill accomplishes the following:

- Amends the definition of local government to facilitate Property Assessed Clean Energy projects by local governments by including in the definition separate legal entities created by interlocal agreements.
- Revises the ten-year site plan process to specifically require electric utilities to provide information concerning actual and planned renewable energy production.
- Reinstates and revises the sales tax exemption for renewable energy technologies; the renewable energy technologies investment corporate income tax credit; and the renewable energy production corporate income tax credit. Transfers certification of the renewable energy corporate income tax credits to the Department of Agriculture and Consumer Services (DACS). Directs DACS to do an assessment on the use of each of these programs.
- Clarifies that renewable energy producers not licensed as electric utilities are qualified to receive a tax refund for qualified target industry businesses.
- Streamlines the permitting process for biofuel feedstock crops and revises financial assurance requirements.
- Requires DACS to conduct a statewide forest inventory analysis.
- Authorizes DACS to establish a clearinghouse on its website regarding cost savings associated with energy efficiency and conservation measures.
- Provides that the rates, terms and conditions of electric vehicle charging services by a non-utility are not subject to regulation by the Public Service Commission (PSC). Requires DACS to adopt rules related to sales at electric vehicle charging stations (labeling, price posting, methods of sale, etc.). Directs the PSC to conduct a study on the potential effects of electric vehicle charging stations on both energy consumption and the electric grid.
- Requires the PSC, in consultation with DACS, to contract for a study to evaluate whether the
 Florida Energy Efficiency and Conservation Act (FEECA) remains in the public interest, and
 appropriates funds for the study.
- Requires coordination between the Department of Management Services and the DACS in further developing the state energy management plan for state buildings over 5,000 square feet.
- Expands allowed uses of the local government infrastructure surtax proceeds, if a local government ordinance authorizing such use is approved by referendum.
- Expands the Renewable Fuel Standard to include alternative fuel, as defined in the bill; clarifies that retail dealers are not prohibited from selling or offering to sell unblended gasoline; and directs DACS to compile a list of retail dealers that sell or offer to sell unblended gasoline in the state and post the list on the department's website.

The Revenue Estimating Conference (REC) estimates that the Sales and Use Tax Exemption provision will reduce the State's General Revenue by \$.8 million and local government revenue by \$0.2 million for each fiscal year. The REC has not determined an estimate of the impact on state revenues of the bill for the Renewable Energy Technologies Investment Tax Credits and the Florida Renewable Energy Production Credits. The bill appropriates \$250,000 to contract for an independent FEECA study.

Recommendation

Information only.