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1                   A bill to be entitled  
2           An act relating to renewable energy source devices;  
3           amending s. 24.118, F.S.; correcting a cross-  
4           reference; amending s. 193.624, F.S.; revising and  
5           defining terms related to renewable energy source  
6           devices; prohibiting consideration of the just value  
7           of property attributable to a renewable energy source  
8           device in determining the assessed value of  
9           residential real property; prohibiting the  
10          consideration of a specified percentage of the just  
11          value of property attributable to a renewable energy  
12          source device in determining the assessed value of  
13          nonresidential real property; revising applicability;  
14          creating s. 196.182, F.S.; exempting a specified  
15          percentage of the assessed value of certain renewable  
16          energy source devices from ad valorem taxation;  
17          exempting a specified percentage of the assessed value  
18          of renewable energy source devices affixed to property  
19          owned or leased by the United States Department of  
20          Defense for the military from ad valorem taxation;  
21          providing for the future expiration of specified  
22          statutory text; amending s. 501.604, F.S.; correcting  
23          cross-references; creating part II of chapter 520,  
24          F.S., entitled "Distributed Energy Generation System  
25          Sales"; providing definitions; providing applicability  
26          relating to, and specifying the disclosures required  
27          of, certain agreements to sell or lease distributed  
28          energy generation systems; requiring sellers that  
29          install such systems to comply with specified safety

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standards; requiring the Department of Business and Professional Regulation to adopt rules and publish standard disclosure forms; providing penalties; providing exemptions; amending s. 671.304, F.S.; correcting cross-references; providing for the future expiration and reversion of specified statutory text; providing an effective date.

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

Section 1. Subsection (1) of section 24.118, Florida Statutes, is amended to read:

24.118 Other prohibited acts; penalties.—

(1) UNLAWFUL EXTENSIONS OF CREDIT.—Any retailer who extends credit or lends money to a person for the purchase of a lottery ticket is guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. This subsection shall not be construed to prohibit the purchase of a lottery ticket through the use of a credit or charge card or other instrument issued by a bank, savings association, credit union, or charge card company or by a retailer pursuant to part III ~~part II~~ of chapter 520, provided that any such purchase from a retailer shall be in addition to the purchase of goods and services other than lottery tickets having a cost of no less than \$20.

Section 2. Section 193.624, Florida Statutes, is amended to read:

193.624 Assessment of renewable energy source devices ~~residential property~~.—

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59 (1) As used in this section, the term "renewable energy  
60 source device" means any of the following equipment that  
61 collects, transmits, stores, or uses solar energy, wind energy,  
62 or energy derived from geothermal deposits:

63 (a) Solar energy collectors, photovoltaic modules, and  
64 inverters.

65 (b) Storage tanks and other storage systems, excluding  
66 swimming pools used as storage tanks.

67 (c) Rockbeds.

68 (d) Thermostats and other control devices.

69 (e) Heat exchange devices.

70 (f) Pumps and fans.

71 (g) Roof ponds.

72 (h) Freestanding thermal containers.

73 (i) Pipes, ducts, wiring, structural supports, refrigerant  
74 handling systems, and other components ~~equipment~~ used as  
75 integral parts of ~~to interconnect~~ such systems; however, such  
76 equipment does not include conventional backup systems of any  
77 type or any equipment or structure that would be required in the  
78 absence of the renewable energy source device.

79 (j) Windmills and wind turbines.

80 (k) Wind-driven generators.

81 (l) Power conditioning and storage devices that store or  
82 use solar energy, wind energy, or energy derived from geothermal  
83 deposits to generate electricity or mechanical forms of energy.

84 (m) Pipes and other equipment used to transmit hot  
85 geothermal water to a dwelling or structure from a geothermal  
86 deposit.

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88 The term does not include equipment that is on the distribution  
89 or transmission side of the point at which a renewable energy  
90 source device is interconnected to an electric utility's  
91 distribution grid or transmission lines.

92 (2) In determining the assessed value of real property  
93 used:

94 (a) For residential purposes, ~~an increase in~~ the just value  
95 of the property attributable to ~~the installation of~~ a renewable  
96 energy source device may not be considered.

97 (b) For nonresidential purposes, 80 percent of the just  
98 value of the property attributable to a renewable energy source  
99 device may not be considered.

100 (3) This section applies to the installation of a renewable  
101 energy source device installed on or after January 1, 2013, to  
102 new and existing residential real property. This section applies  
103 to a renewable energy source device installed on or after  
104 January 1, 2018, to all other real property, except when  
105 installed as part of a project planned for a location in a  
106 fiscally constrained county, as defined in s. 218.67(1), and for  
107 which an application for a comprehensive plan amendment or  
108 planned unit development zoning has been filed with the county  
109 on or before December 31, 2017.

110 Section 3. Section 196.182, Florida Statutes, is created to  
111 read:

112 196.182 Exemption of renewable energy source devices.—

113 (1) Eighty percent of the assessed value of a renewable  
114 energy source device, as defined in s. 193.624, that is  
115 considered tangible personal property is exempt from ad valorem  
116 taxation if the renewable energy source device:

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117 (a) Is installed on real property on or after January 1,  
118 2018;

119 (b) Was installed before January 1, 2018, to supply a  
120 municipal electric utility located within a consolidated  
121 government; or

122 (c) Was installed after August 30, 2016, on municipal land  
123 as part of a project incorporating other renewable energy source  
124 devices under common ownership on municipal land for the sole  
125 purpose of supplying a municipal electric utility with at least  
126 2 megawatts and no more than 5 megawatts of alternating current  
127 power when the renewable energy source devices in the project  
128 are used together.

129 (2) The exemption provided in this section does not apply  
130 to a renewable energy source device that is installed as part of  
131 a project planned for a location in a fiscally constrained  
132 county, as defined in s. 218.67(1), and for which an application  
133 for a comprehensive plan amendment or planned unit development  
134 zoning has been filed with the county on or before December 31,  
135 2017.

136 (3) Notwithstanding this section, 80 percent of the  
137 assessed value of a renewable energy source device, as defined  
138 in s. 193.624, that is affixed to property owned or leased by  
139 the United States Department of Defense for the military is  
140 exempt from ad valorem taxation, including, but not limited to,  
141 the tangible personal property tax.

142 (4) This section expires December 31, 2037.

143 Section 4. Subsection (13) of section 501.604, Florida  
144 Statutes, is amended to read:

145 501.604 Exemptions.—The provisions of this part, except ss.

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146 501.608 and 501.616(6) and (7), do not apply to:

147 (13) A commercial telephone seller licensed pursuant to  
148 chapter 516 or part III ~~part II~~ of chapter 520. For purposes of  
149 this exemption, the seller must solicit to sell a consumer good  
150 or service within the scope of his or her license and the  
151 completed transaction must be subject to the provisions of  
152 chapter 516 or part III ~~part II~~ of chapter 520.

153 Section 5. Parts II, III, IV, and V of chapter 520, Florida  
154 Statutes, are renumbered as Parts III, IV, V, and VI,  
155 respectively, and a new Part II, consisting of sections 520.20,  
156 520.21, 520.22, 520.23, 520.24, 520.25, and 520.26, is created  
157 to read:

158 PART II

159 DISTRIBUTED ENERGY GENERATION SYSTEM SALES

160 520.20 Definitions.— As used in this part, the term:

161 (1) "Agreement" means a contract executed between a buyer  
162 or lessee and a seller that leases or sells a distributed energy  
163 generation system. For purposes of this part, the term includes  
164 retail installment contracts.

165 (2) "Buyer" means a person that enters into an agreement to  
166 buy a distributed energy generation system from a seller.

167 (3) "Distributed energy generation system" means a device  
168 or system that is used to generate or store electricity; that  
169 has an electric delivery capacity, individually or in connection  
170 with other similar devices or systems, of greater than one  
171 kilowatt or one kilowatt-hour; and that is used primarily for  
172 on-site consumption. The term does not include an electric  
173 generator intended for occasional use.

174 (4) "Lessee" means a person that enters into an agreement

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175 to lease or rent a distributed energy generation system.

176 (5) "Retail installment contract" means an agreement  
177 executed in this state between a buyer and a seller in which the  
178 title to, or a lien upon, a distributed energy generation system  
179 is retained or taken by the seller from the buyer as security,  
180 in whole or in part, for the buyer's obligations to make  
181 specified payments over time.

182 (6) "Seller" means a person regularly engaged in, and whose  
183 business substantially consists of, selling or leasing goods,  
184 including distributed energy generation systems, to buyers or  
185 lessees. A seller that is also an installer must be licensed  
186 under chapter 489.

187 520.21 Applicability.—This part applies to agreements to  
188 sell or lease a distributed energy generation system and is  
189 supplemental to other provisions contained in part III related  
190 to retail installment contracts. If any provision related to  
191 retail installment contract requirements for a distributed  
192 energy generation system under this part conflicts with any  
193 other provision related to retail installment contracts, this  
194 part controls.

195 520.22 Safety compliance.—A seller who installs a  
196 distributed energy generation system must comply with applicable  
197 safety standards established by the Department of Business and  
198 Professional Regulation pursuant to chapter 489 and part IV of  
199 chapter 553.

200 520.23 Disclosures required.—Each agreement governing the  
201 sale or lease of a distributed energy generation system shall,  
202 at a minimum, include a written statement printed in at least  
203 12-point type that is separate from the agreement, is separately

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204 acknowledged by the buyer or lessee, and includes the following  
205 information and disclosures, if applicable:

206 (1) The name, address, telephone number, and e-mail address  
207 of the buyer or lessee.

208 (2) The name, address, telephone number, e-mail address,  
209 and valid state contractor license number of the person  
210 responsible for installing the distributed energy generation  
211 system.

212 (3) The name, address, telephone number, e-mail address,  
213 and valid state contractor license number of the distributed  
214 energy generation system maintenance provider, if different from  
215 the person responsible for installing the distributed energy  
216 generation system.

217 (4) A written statement indicating whether the distributed  
218 energy generation system is being purchased or leased.

219 (a) If the distributed energy generation system will be  
220 leased, the written statement must include a disclosure in  
221 substantially the following form: "You are entering into an  
222 agreement to lease a distributed energy generation system. You  
223 will lease (not own) the system installed on your property."

224 (b) If the distributed energy generation system will be  
225 purchased, the written statement must include a disclosure in  
226 substantially the following form: "You are entering into an  
227 agreement to purchase a distributed energy generation system.  
228 You will own (not lease) the system installed on your property."

229 (5) The total cost to be paid by the buyer or lessee,  
230 including any interest, installation fees, document preparation  
231 fees, service fees, or other fees.

232 (6) A payment schedule, including any amounts owed at



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233 contract signing, at the commencement of installation, at the  
234 completion of installation, and any final payments. If the  
235 distributed energy generation system is being leased, the  
236 written statement must include the frequency and amount of each  
237 payment due under the lease and the total estimated lease  
238 payments over the term of the lease.

239 (7) Each state or federal tax incentive or rebate, if any,  
240 relied upon by the seller in determining the price of the  
241 distributed energy generation system.

242 (8) A description of the assumptions used to calculate any  
243 savings estimates provided to the buyer or lessee, and if such  
244 estimates are provided, a statement in substantially the  
245 following form: "It is important to understand that future  
246 electric utility rates are estimates only. Your future electric  
247 utility rates may vary."

248 (9) A description of any one-time or recurring fees,  
249 including, but not limited to, estimated system removal fees,  
250 maintenance fees, Internet connection fees, and automated  
251 clearinghouse fees. If late fees may apply, the description must  
252 describe the circumstances triggering such late fees.

253 (10) A statement notifying the buyer whether the  
254 distributed energy generation system is being financed and, if  
255 so, a statement in substantially the following form: "If your  
256 system is financed, carefully read any agreements and/or  
257 disclosure forms provided by your lender. This statement does  
258 not contain the terms of your financing agreement. If you have  
259 any questions about your financing agreement, contact your  
260 finance provider before signing a contract."

261 (11) A statement notifying the buyer whether the seller is

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262 assisting in arranging financing of the distributed energy  
263 generation system and, if so, a statement in substantially the  
264 following form: "If your system is financed, carefully read any  
265 agreements and/or disclosure forms provided by your lender. This  
266 statement does not contain the terms of your financing  
267 agreement. If you have any questions about your financing  
268 agreement, contact your finance provider before signing a  
269 contract."

270 (12) A provision notifying the buyer or lessee of the right  
271 to rescind the agreement for a period of at least 3 business  
272 days after the agreement is signed. This subsection does not  
273 apply to a contract to sell or lease a distributed energy  
274 generation system in a solar community in which the entire  
275 community has been marketed as a solar community and all of the  
276 homes in the community are intended to have a distributed energy  
277 generation system, or a solar community in which the developer  
278 has incorporated solar technology for purposes of meeting the  
279 Florida Building Code in s. 553.73.

280 (13) A description of the distributed energy generation  
281 system design assumptions, including the make and model of the  
282 major components, system size, estimated first-year energy  
283 production, and estimated annual energy production decreases,  
284 including the overall percentage degradation over the estimated  
285 life of the distributed energy generation system, and the status  
286 of utility compensation for excess energy generated by the  
287 system at the time of contract signing. A seller who provides a  
288 warranty or guarantee of the energy production output of the  
289 distributed energy generation system may provide a description  
290 of such warranty or guarantee in lieu of a description of the

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291 system design and components.

292 (14) A description of any performance or production  
293 guarantees.

294 (15) A description of the ownership and transferability of  
295 any tax credits, rebates, incentives, or renewable energy  
296 certificates associated with the distributed energy generation  
297 system, including a disclosure as to whether the seller will  
298 assign or sell any associated renewable energy certificates to a  
299 third party.

300 (16) A statement in substantially the following form: "You  
301 are responsible for property taxes on property you own. Consult  
302 a tax professional to understand any tax liability or  
303 eligibility for any tax credits that may result from the  
304 purchase of your distributed energy generation system."

305 (17) The approximate start and completion dates for the  
306 installation of the distributed energy generation system.

307 (18) A disclosure as to whether maintenance and repairs of  
308 the distributed energy generation system are included in the  
309 purchase price.

310 (19) A disclosure as to whether any warranty or maintenance  
311 obligations related to the distributed energy generation system  
312 may be sold or transferred by the seller to a third party and,  
313 if so, a statement in substantially the following form: "Your  
314 contract may be assigned, sold, or transferred without your  
315 consent to a third party who will be bound to all the terms of  
316 the contract. If a transfer occurs, you will be notified if this  
317 will change the address or phone number to use for system  
318 maintenance or repair requests."

319 (20) If the distributed energy generation system will be

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320 purchased, a disclosure notifying the buyer of the requirements  
321 for interconnecting the system to the utility system.

322 (21) A disclosure notifying the buyer or lessee of the  
323 party responsible for obtaining interconnection approval.

324 (22) A description of any roof warranties.

325 (23) A disclosure notifying the lessee whether the seller  
326 will insure a leased distributed energy generation system  
327 against damage or loss and, if applicable, the circumstances  
328 under which the seller will not insure the system against damage  
329 or loss.

330 (24) A statement, if applicable, in substantially the  
331 following form: "You are responsible for obtaining insurance  
332 policies or coverage for any loss of or damage to the system.  
333 Consult an insurance professional to understand how to protect  
334 against the risk of loss or damage to the system."

335 (25) A disclosure notifying the buyer or lessee whether the  
336 seller or lessor will place a lien on the buyer's or lessee's  
337 home or other property as a result of entering into a purchase  
338 or lease agreement for the distributed energy generation system.

339 (26) A disclosure notifying the buyer or lessee whether the  
340 seller or lessor will file a fixture filing or a State of  
341 Florida Uniform Commercial Code Financing Statement Form (UCC-1)  
342 on the distributed energy generation system.

343 (27) A disclosure identifying whether the agreement  
344 contains any restrictions on the buyer's or lessee's ability to  
345 modify or transfer ownership of a distributed energy generation  
346 system, including whether any modification or transfer is  
347 subject to review or approval by a third party.

348 (28) A disclosure as to whether the lease agreement may be

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349 transferred to a purchaser upon sale of the home or real  
350 property to which the system is affixed, and any conditions for  
351 such transfer.

352 (29) A blank section that allows the seller to provide  
353 additional relevant disclosures or explain disclosures made  
354 elsewhere in the disclosure form.

355

356 The requirement to provide a written statement under this  
357 section may be satisfied by the electronic delivery of a  
358 document containing the required statement if the intended  
359 recipient of the electronic document affirmatively acknowledges  
360 its receipt. An electronic document satisfies the font and other  
361 formatting standards required for the written statement if the  
362 format and the relative size of characters of the electronic  
363 document are reasonably similar to those required in the written  
364 document or if the information is otherwise displayed in a  
365 reasonably conspicuous manner.

366 520.24 Rulemaking authority; standard disclosure form.-

367 (1) The Department of Business and Professional Regulation  
368 shall adopt rules to implement and enforce the provisions of  
369 this part.

370 (2) The Department of Business and Professional Regulation  
371 shall, by January 1, 2018, publish standard disclosure forms  
372 that may be used to comply with the disclosure requirements of  
373 this part. Disclosures provided in substantially the form  
374 published by the department shall be regarded as complying with  
375 the disclosure requirements of this part.

376 520.25 Penalties.-

377 (1) Any seller who willfully and intentionally violates any

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378 provision of this part commits a noncriminal violation, as  
379 defined in s. 775.08(3), punishable by a fine not to exceed the  
380 cost of the distributed energy generation system.

381 (2) In the case of a willful and intentional violation of  
382 this part, the owner may recover from the person committing such  
383 violation, or may set off or counterclaim in any action against  
384 the owner by such person, an amount equal to any finance charges  
385 and fees charged to the owner under the agreement, plus attorney  
386 fees and costs incurred by the owner to assert his or her rights  
387 under this part.

388 520.26 Exemptions.—The provisions of this part do not apply  
389 to the following:

390 (1) A person or company, acting through its officers,  
391 employees, brokers, or agents, that markets, sells, solicits,  
392 negotiates, or enters into an agreement for the sale or  
393 financing of a distributed energy generation system as part of a  
394 transaction involving the sale or transfer of the real property  
395 on which the system is or will be affixed.

396 (2) A transaction involving the sale or transfer of the  
397 real property on which a distributed energy generation system is  
398 located.

399 (3) A third party, including a local government, that  
400 enters into an agreement for the financing of a distributed  
401 energy generation system.

402 (4) The sale or lease of a distributed energy generation  
403 system that will be installed on nonresidential real property.

404 (5) The sale of a distributed energy generation system  
405 pursuant to an agreement that requires full payment of the  
406 system from the buyer to the seller no later than the date the

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407 system is installed by the seller or is delivered from the  
408 seller to the buyer or a third party for installation.

409 (6) A person, other than the seller or lessor, who installs  
410 a distributed energy generation system on residential property.

411 Section 6. Paragraph (d) of subsection (2) of section  
412 671.304, Florida Statutes, is amended to read:

413 671.304 Laws not repealed; precedence where code provisions  
414 in conflict with other laws; certain statutory remedies  
415 retained.—

416 (2) The following laws and parts of laws are specifically  
417 not repealed and shall take precedence over any provisions of  
418 this code which may be inconsistent or in conflict therewith:

419 (d) Chapter 520—Retail installment sales (Part I, Motor  
420 Vehicle Sales Finance Act; Part III ~~Part II~~, Retail Installment  
421 Sales Act; Part IV ~~Part III~~, Installment Sales Finance Act).

422 Section 7. The amendments made by this act to s. 193.624(2)  
423 and (3), Florida Statutes, expire on December 31, 2037, and the  
424 text of those subsections shall revert to that in existence on  
425 December 31, 2017, except that any amendments to such text  
426 enacted other than by this act shall be preserved and continue  
427 to operate to the extent that such amendments are not dependent  
428 upon the portions of the text which expire pursuant to this  
429 section.

430 Section 8. This act shall take effect July 1, 2017.