HB 887 2017

1 A bill to be entitled 2 3

An act relating to the designation of energy economic zones; amending s. 377.809, F.S.; revising the energy economic zone pilot program to require the Department of Economic Opportunity, with technical assistance from the Department of Agriculture and Consumer Services, to administer an energy economic zone designation program; removing a requirement that the Department of Economic Opportunity consult with the Department of Transportation to implement the pilot program; directing the Department of Economic Opportunity to grant energy economic zone designations to certain applicants; removing an obsolete reporting requirement; limiting eligibility for incentives and benefits to certain local governing bodies; removing employee residency requirements for certain refund and credit thresholds; providing program funding; providing an effective date.

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

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Subsection (1), paragraphs (a) and (c) of Section 1. subsection (2), subsection (3), and paragraphs (a) and (b) of subsection (4) of section 377.809, Florida Statutes, are amended to read:

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377.809 Energy economic zone designation Pilot program.-

- (1) The Department of Economic Opportunity, in consultation with the Department of Transportation, shall administer implement an energy economic zone designation Pilot program for the purpose of helping developing a model to help communities cultivate green economic development, encourage renewable electric energy generation, manufacture products that contribute to energy conservation and green jobs, and further implement chapter 2008-191, Laws of Florida, relative to discouraging sprawl and developing energy-efficient land use patterns and greenhouse gas reduction strategies. The Department of Agriculture and Consumer Services shall provide technical assistance to the department departments in developing and administering the program.
- (2) (a) The application for <u>an energy economic zone</u> <u>designation</u> <u>a pilot project</u> shall:
- 1. Identify the proposed location of the energy economic zone, which must be within an adopted urban service area and may include a county landfill outside the urban service boundary;
- 2. Present a proposed strategic plan for development and redevelopment in the energy economic zone;
- 3. Demonstrate consistency of the strategic plan with the local comprehensive plan or include proposed plan amendments necessary to achieve consistency; and
  - 4. Identify comprehensive plan amendments that will be

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proposed to implement chapter 2008-191, Laws of Florida.

- energy economic zone designation at least one application if the application meets the requirements of this subsection and the community has demonstrated a prior commitment to energy conservation, carbon reduction, green building, and economic development. The Department of Economic Opportunity shall provide the energy economic zone pilot community, including businesses within the energy economic zone, with technical assistance in identifying and qualifying for eligible grants and credits in job creation, energy, and other areas.
- (3) The Department of Economic Opportunity shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 15, 2015, evaluating whether the pilot program has demonstrated success. The report shall contain recommendations with regard to whether the program should be expanded for use by other local governments and whether state policies should be revised to encourage the goals of the program.
- (3)(4)(a) Beginning July 1, 2012, All the incentives and benefits in this subsection are only available to a provided for enterprise zones pursuant to state law shall be available to the energy economic zones designated pursuant to this section on or before July 1, 2010. In order to provide incentives, by March 1, 2012, each local governing body that has jurisdiction over an

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energy economic zone and has must, by local ordinance, established establish the boundary of the energy economic zonespecify applicable energy-efficiency standards, and determined determine eligibility criteria for the application of state and local incentives and benefits in the energy economic zone. However, in order to receive benefits provided under s. 288.106, a business must be a qualified target industry business under s. 288.106 for state purposes. An energy economic zone's boundary may be revised by local ordinance. Such incentives and benefits include those in ss. 212.08, 212.096, 220.181, 220.182, 220.183, 288.106, and 624.5105 and the public utility discounts provided in s. 290.007(8). The exemption provided in s. 212.08(5)(c) shall be for renewable energy as defined in s. 377.803. For purposes of this section, any applicable requirements for employee residency for higher refund or credit thresholds must be based on employee residency in the energy economic zone or an enterprise zone. A business in an energy economic zone may also be eligible for funding under ss. 288.047 and 445.003, and a transportation project in an energy economic zone shall be provided priority in funding under s. 339.2821. Other projects shall be given priority ranking to the extent practicable for grants administered under state energy programs.

(b) Effective July 1, 2017 2012, the total amount of state credits, refunds, and exemptions that may be provided by the governing body of each energy economic zone to eligible

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businesses for energy-economic-zone incentives pursuant to paragraph (a) is \$300,000 per designated energy economic zone in any state fiscal year. The governing body of an energy economic zone shall disallow a credit or refund for which an application is submitted after the zone's respective \$300,000 limit is reached. If the \$300,000 incentive cap is not fully used in any one state fiscal year by an energy economic zone, the unused amount under the cap may be carried forward for up to 5 years. The local governing body that has jurisdiction over the energy economic zone is responsible for allocating the incentives, for verifying that businesses receiving such incentives are eligible for the incentives provided, and for ensuring that the incentives provided do not exceed the cap for the state fiscal year.

Section 2. This act shall take effect July 1, 2017.

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