State of Florida



Public Service Commission

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-M-E-M-O-R-A-N-D-U-M-

DATE: July 24, 2020

TO: Braulio L. Baez, Executive Director

FROM: Adam Potts, Legislative Director

Kaley Slattery, Government Liaison

RE: 2020 Legislative Wrap-Up – Summary of Bills

During the 2020 Legislative Session, the Florida Public Service Commission (PSC) Governmental Affairs team tracked 72 bills of the nearly 3,500 bills initially filed. Of those bills that were filed, over 200 bills passed both chambers of the Legislature and 177 of them have been signed by Governor DeSantis.

This summary notes bills that have an effect on the PSC and also notes bills of interest that did not pass. The summary concludes with a brief update on the total budget for Fiscal Year 2020-2021. This document is for informational purposes only and requires no action by the Commission.

KEY BILLS THAT PASSED

SB 7018 – Essential State Infrastructure by Senator Lee

The bill contains various provisions relating to essential state infrastructure, emergency staging areas, utility permit application processing for use of county or municipal rights-of-way, development of a recommended plan for electric vehicle charging stations along the State Highway System, and use of agricultural land subject to a conservation easement for the construction of a public or private linear facility and right of access.

PSC Impact: The bill requires the Florida Department of Transportation (FDOT), in coordination with the PSC and the Department of Agriculture and Consumer Services, to create a plan for the development of electric vehicle charging station infrastructure along the State Highway System. The recommended plan will be submitted by FDOT to the Governor,

the President of the Senate, and the Speaker of the House of Representatives by July 1, 2021. The plan must include recommendations for legislation and any additional recommendations as determined by the PSC.

The bill also requires the FDOT, by December 1, 2020, to file a status report containing any preliminary recommendations, including recommendations for legislation.

Status: SB 7018 was approved by the Governor on June 30, 2020, Chapter 2020-21. *Floor Vote: Senate 38-0; House 97-19*

HB 1339 - Community Affairs by Representative Yarborough

The bill addresses several issues affecting development zoning, bonding activities, impact fees, building inspections, affordable housing, and the regulation, ownership, and tenancy related to mobile homes, mobile home parks, and related homeowners' associations.

PSC Impact: The bill clarifies provisions exempting mobile home park owners from the jurisdiction of the Public Service Commission when the park owners provide water and wastewater to tenants.

Status: HB 1339 was approved by the Governor on June 9, 2020, Chapter 2020-027. Floor Vote: Senate 39-0; House 101-10

HB 1095 – Infrastructure Regulation by Representative Fitzenhagen

The bill amends provisions of law relating to the Underground Facility Damage Prevention and Safety Act and revises provisions relating to the Office of Public Counsel within the Public Service Commission.

PSC Impact: Specifically, the bill expands the list of entities that may issue citations for existing and new enhanced-penalty violations to include the State Fire Marshal, as well as the fire chiefs of special districts, municipalities, and counties and provides criminal penalties for willful failure to respond to a citation.

The bill also increases the maximum civil penalty (up to \$2,500, in addition to any other court costs) for certain violations that involve an underground pipe or facility transporting hazardous materials regulated by the U.S.D.O.T. Pipeline and Hazardous Material Safety Administration. Eighty percent of the civil penalty will be distributed to the entity that issued the citation, and the remaining 20 percent will be retained by the clerk, in addition to any court costs.

The bill also establishes a four-year term for the Public Counsel beginning March 1, 2021. A person serving as the Public Counsel may be reappointed, but may not serve as Public Counsel for more than 12 consecutive years.

<u>Status:</u> HB 1095 was approved by the Governor on June 29, 2020, Chapter <u>2020-137</u>. *Floor Vote: Senate 37-1; House 115-0*

ADDITIONAL BILLS OF INTEREST THAT PASSED

SB 712 – Environmental Resource Management by Senator Mayfield

Senate Bill 712, also known as the "Clean Waterways Act," addresses a number of environmental issues including several provisions specifically related to water quality improvement. The bill addresses Onsite Sewage Treatment and Disposal Systems (Septic Systems) and transfers the Onsite Sewage Program from the Department of Health (DOH) to the Department of Environmental Protection (DEP) starting in 2021 and also creates a temporary septic technical advisory committee within DEP.

No PSC Impact

Status: SB 712 was approved by the Governor on June 30, 2020 Chapter 2020-150. Floor Vote: Senate 39-0; House 118-0

HB 969 – Broadband Internet Service by Representative Drake

The bill transfers the state's broadband program from the Department of Management Services (DMS) to the Department of Economic Opportunity (DEO), creating the Florida Office of Broadband within DEOs Division of Community Development. The bill also transfers specific powers and duties regarding the development, marketing, and promotion of broadband that were previously under DMS.

No PSC Impact

<u>Status:</u> HB 969 was approved by the Governor on June 9, 2020. Chapter <u>2020-026</u>. *Floor Vote: Senate 37-0; House 114-0*

BILLS OF INTEREST THAT DID NOT PASS

SB 144 – Energy 2040 Task Force by Senator Brandes

This bill would have created the Energy 2040 Task Force within the Public Service Commission.

PSC Impact: The Task Force would have been responsible for projecting the state's electric energy needs over the next 20 years to determine how to best meet those needs in an

efficient, affordable, and reliable manner while increasing competition and consumer choice and ensuring adequate electric reserves in the state.

Status: SB 144 was never heard in committee and no House companion was filed.

HB 207 – Acquisition of Water and Wastewater Systems by Representative McClain

This bill would have allowed certain PSC-regulated water and wastewater utilities, who acquire an existing water or wastewater utility system, to petition the PSC to establish a rate base for the utility system being acquired, without regard to the system's original cost.

PSC Impact: Through this proposed approach, the acquiring utility could petition the PSC to establish a rate base for the system being acquired based on either (1) the negotiated purchase price; or (2) the average of two appraisals of the system conducted by licensed appraisers chosen from a list established by the PSC.

<u>Status</u>: HB 207 passed its first two committees unanimously but was not heard in its final committee. The companion bill, SB 658, also passed its first two committees but was not heard in its final committee.

SB 7016 – Statewide Office of Resiliency by Infrastructure and Security

This bill sought to establish the Statewide Office of Resiliency within the Executive Office of the Governor. The office was to be headed by a Chief Resilience Officer, appointed by and serving at the pleasure of the Governor.

The bill also attempted to create the Statewide Sea-Level Rise Task Force, adjunct to the Statewide Office of Resiliency, to recommend consensus projections of the anticipated sealevel rise and flooding impacts along Florida's coastline.

No PSC Impact

<u>Status</u>: SB 7016 was passed in all of its committees but was indefinitely postponed and withdrawn from consideration when it reached the House special order calendar. The house companion, HB 1073, passed its first two committees but was not heard in its final committee.

HB 935 – Solar Energy Systems in Educational Facilities by Representative Webb

This bill would have outlined the excluding costs associated with a solar energy system from the cost per student station caps on public school construction. Excluded costs would include equipment, installation, design and engineering, permitting, and testing for a solar energy system.

No PSC Impact

<u>Status</u>: HB 935 passed all of its committees but was indefinitely postponed and withdrawn from consideration when it reached the House special order calendar and did not have a Senate companion bill.

HB 1219 – Electric Vehicles by Representative Toledo

This bill would have required the Department of Transportation to establish an Electric Vehicle Infrastructure Grant Program and outlined the distribution of grants to certain entities to install electric vehicle charging infrastructure.

No PSC Impact

Status: HB 1219 was not heard in any of its referenced committees and did not have a Senate companion bill.

2020-2021 FISCAL YEAR BUDGET

Governor DeSantis signed the state budget for Fiscal Year 2020-2021 on June 29, 2020. The budget totals \$92.2 billion, provides over \$350 million in tax relief and includes more than \$1 billion in vetoed spending.

Despite the COVID-19 pandemic, Florida continues to maintain strong reserves. Reserve amounts in this signed budget include:

- \$2.3 billion in unallocated General Revenue which includes the projected reversions of \$781.6 million. This does not include adjustments for COVID-19 revenue losses;
- \$1.7 billion in the Budget Stabilization Fund;
- \$1.5 billion in unallocated Trust Funds:
- \$0.8 billion in Tobacco reserves.

Florida's total reserves now stand at \$6.3 billion, more than 6 percent of the total budget for Fiscal Year 2020-2021.

The signed budget also includes \$500 million to raise the minimum K-12 teacher salary and increases salaries for veteran teachers and other eligible instructional personnel.

The budget also provides more than \$625 million for Everglades restoration and the protection of water resources, a 3% raise for state employees, and \$9.2 billion for the State Transportation Work Program, including \$2.5 billion for highway construction to address critical state infrastructure needs.

In an effort to reduce Floridians' tax burden, the budget also includes tax relief efforts totaling to \$352.2 million and includes a 3-day Back-to-School sales tax holiday, a 7-day disaster preparedness sales tax holiday, as well as property tax relief of \$304.8 million.

FLORIDA PUBLIC SERVICE COMMISSION BUDGET

The Florida PSC budget was fully funded at \$25,931,875, which includes the requested \$121,649 for acquisition of new vehicles, per our Legislative Budget Request, and was approved by Governor DeSantis on June 29, 2020.

cc: Mark Futrell
Apryl Lynn
Keith Hetrick
Mary Anne Helton