

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 2148

SPONSOR: Comprehensive Planning, Local and Military Affairs Committee, Senators Lee and Campbell

SUBJECT: Alternative Fuel Vehicles

DATE: April 12, 1999 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Cooper	Yeatman	CA	Favorable/CS
2.	_____	_____	FP	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This bill creates the “Florida Clean Fuel Act,” which establishes the Clean Fuel Florida Advisory Board within the Department of Community Affairs (DCA). This board must study the implementation of alternative fuel vehicles and provide recommendations on expanding the use of alternative fuel vehicles in the state.

This bill creates a new Law of Florida.

II. Present Situation:

Concerns about energy conservation, and the environmental effects of increasing use of fossil fuel have prompted research and development of alternative fueled motor vehicles with the intent of substantially reducing pollutants in the atmosphere. The Federal Government has addressed the use of alternative fueled vehicles by creating programs to promote the development and use of alternative fueled vehicles. Federal regulations require automobile manufacturers, federal agencies and fuel suppliers to produce specific percentages of alternative fueled vehicles. In addition, the federal Clean Air Act creates state and local incentive-based programs to further encourage alternative fuel vehicle usage. However, the federal government does not mandate that the State of Florida produce alternative fueled vehicles nor does it require the state to implement any alternative fuel-based program.

“Alternative fuel” is defined under subsection (4) of s. 206.86, F.S., as “any liquefied petroleum gas product or compressed natural gas product or combination thereof used in an internal combustion engine or motor to propel any form of vehicle, machine, or mechanical contrivance. This term includes, but is not limited to, all forms of fuel commonly or commercially known or sold as natural gasoline, butane gas, propane gas, or any other form of liquefied petroleum gas or compressed natural gas.” Subsection (5) defines “natural gasoline” as a “liquid hydrocarbon that is produced by natural gas and must be blended with other liquid petroleum products to produce motor fuel.”

III. Effect of Proposed Changes:

Section 1 creates the “Florida Clean Fuel Act,” which establishes the Clean Fuel Florida Advisory Board within the DCA. This board must study the implementation of alternative fuel vehicles and provide recommendations on expanding the use of alternative fuel vehicles in the state.

Section 2 defines “alternative fuels” as electricity, biodiesel, natural gas, propane, and any other fuel that is determined to be appropriate by DCA with guidance from the Clean Fuel Florida Advisory Board. The term “alternative fuel vehicle” is inclusive of any vehicle that is powered by an alternative fuel or a combination of alternative fuels.

Section 3 establishes board membership, to include the secretaries of four departments in state government, the commissioners of Agriculture and Education, and representatives of various related industries, associations, and interest groups. Board members are appointed to one year terms with reappointment at the discretion of the Secretary of DCA. The board must meet at least once each quarter and members are entitled to travel expenses. The board is terminated on July 1, 2004.

The board is to serve as a resource to DCA and to provide private-sector and other public agency perspectives on achieving the goal of increasing the use of alternative fuel vehicles in the state. The board must review the performance of the state with reference to alternative fuel vehicle implementation in complying with federal statutes and maximizing available federal funding and may provide related recommendations and reports.

Within 90 days of their first meeting, the board must make recommendations to DCA for establishing pilot programs related to the expansion of the alternative fuel vehicle industry in the state. Funds for such projects are contingent upon at least a 50-percent private or local match. The board must assess federal, state, and local initiatives and obstacles to alternative fuel vehicle use, and programs to educate the public concerning alternative fuel vehicles. The board must determine a reasonable way to address current motor fuel taxes as they apply to alternative fuels and at what threshold of market penetration. The board must provide recommendations to the Legislature on future alternative fuel vehicle programs and related legislative changes. The board and DCA must develop a budget in support of its work. Expenditures must be approved by DCA. Finally, DCA must conduct an audit of the board and its programs at the conclusion of the first year of the board’s existence.

Section 4 provides that the act will take effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The various related industries, associations, and interest groups may incur some expenses in committing time and resources to accomplish the objectives of the board.

C. Government Sector Impact:

The various departments in state government may incur some expenses in committing time and resources to accomplish the objectives of the board. Board program support expenditures must not exceed \$150,000 in the first year.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.