

Energy, Communications & Cybersecurity Subcommittee

Tuesday, December 12, 2023
1:00 PM - 3:00 PM
Reed Hall (102 HOB)

Meeting Packet

Paul Renner
Speaker

Mike Giallombardo
Chair

The Florida House of Representatives

Commerce Committee

Energy, Communications & Cybersecurity Subcommittee

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Meeting Agenda

Tuesday, December 12, 2023
1:00 pm – 3:00 pm
Reed Hall (102 HOB)

I. Call to Order

II. Roll Call

III. Welcome and Opening Remarks

IV. Consideration of the following bill(s):
- HB 551 Designation of Eligible Telecommunications Carriers by Barnaby

Presentations on Automotive Electrification Technologies

V. Closing Remarks

VI. Adjournment

HB 551

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 551 Designation of Eligible Telecommunications Carriers
SPONSOR(S): Barnaby
TIED BILLS: **IDEN./SIM. BILLS:** SB 478

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Energy, Communications & Cybersecurity Subcommittee		Bauldree	Keating
2) Commerce Committee			

SUMMARY ANALYSIS

The federal Lifeline program (Lifeline) provides telecommunications service discounts for qualifying low-income consumers. Consumers may qualify to participate in Lifeline either through program-based or income-based eligibility standards. Qualifying households can receive a discount on their monthly phone or broadband Internet bills from providers which have been designated as eligible telecommunications carriers (ETCs).

Pursuant to federal law, state commissions are granted authority to designate a company as an ETC. In Florida, the Public Service Commission (PSC) oversees Lifeline. Florida law does not authorize the PSC to designate wireless carriers as ETCs. If a company is not subject to the jurisdiction of the state commission, the company must petition the Federal Communications Commission (FCC) for ETC designation.

The bill authorizes the PSC to designate wireless providers as ETCs for the limited purpose of providing Lifeline service.

The bill does not appear to have a fiscal impact on state or local governments.

The bill provides that it will take effect upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

In 1985 the Lifeline program (Lifeline) was created by federal law, providing telecommunications service discounts for qualifying low-income consumers. Lifeline's initial goal was to ensure that all Americans had the opportunity and security that basic phone service provides. Over time, that goal has evolved to include broadband service. Qualifying households can receive up to a $9.25 discount on their monthly phone or broadband Internet bills from wireline service providers that have been designated as eligible telecommunications carriers (ETCs). Alternatively, consumers may choose to receive monthly wireless minutes and/or measured data service from designated wireless providers.[1]

Consumers may qualify to participate in Lifeline either through program-based or income-based eligibility standards. Program-based eligibility is determined by a customer's enrollment in specific qualifying programs. Customers can qualify for Lifeline by being enrolled in any of the following programs:

- Supplemental Nutrition Assistance Program (SNAP)
- Medicaid
- Federal Public Housing Assistance
- Supplemental Security Income
- Veterans or Survivors Pension Program
- Bureau of Indian Affairs Programs, including Tribal Temporary Assistance to Needy Families, Head Start Subsidy, and National School Lunch Program.[2]

Consumers whose total household income is less than 135 percent of the Federal Poverty Guidelines may participate in Lifeline under the income-based standard. The Federal Poverty Guidelines are annually updated by the United States Department of Health and Human Services.[3]

Florida Lifeline ETC Designation

Pursuant to federal law, state commissions[4] are granted authority to designate a company as an ETC.[5] In Florida, the Public Service Commission (PSC) oversees Lifeline. As permitted by federal law, the PSC designates telecommunications companies[6] as ETCs pursuant to standards outlined in federal law.[7, 8] Telecommunications providers must be designated as an ETC in order to participate in the Lifeline program.[9] Florida law requires that an ETC must provide Lifeline service to qualified residential subscribers as defined in the ETC's published schedules.[10]

Designation of Wireless Carriers

Florida law does not authorize the PSC to designate commercial mobile radio service providers (wireless carriers) as ETCs. If a wireless carrier is not subject to the jurisdiction of the state commission, the company must petition the Federal Communications Commission (FCC) for ETC

[1] Public Service Commission (PSC), *2022 Florida Lifeline Assistance Report,* December 2022, p. 3., https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/Telecommunication/LifelineReport/2022.pdf.
[2] *Id.*
[3] *Id.* at 4.
[4] The term state commission means the commission, board or official (by whatever name designated) that, under the laws of any state, has regulatory jurisdiction with respect to intrastate operations of carriers. 47 C.F.R. § 54.5 (1997).
[5] Florida Public Service Commission, Agency Analysis of 2024 Senate Bill 478, p. 1 (Nov. 28, 2023).
[6] A telecommunications company does not include commercial mobile radio service providers. S. 364.02(13), F.S.
[7] S. 364.10(1)(a), F.S.
[8] *See* 47 C.F.R. § 54.5 (1997).
[9] Florida Public Service Commission, Agency Analysis of 2024 Senate Bill 478, p. 1 (Nov. 28, 2023).
[10] S. 364.10(1)(a), F.S.

designation.[11] The PSC indicates that, since 2011, there have been 37 ETC applications by wireless carriers to the FCC for which no action has been taken.[12]

Effect of the Bill

The bill authorizes the PSC to designate wireless providers as ETCs for the limited purpose of providing Lifeline service.

B. SECTION DIRECTORY:

Section 1: Amends s. 364.10, F.S., relating to Lifeline service.

Section 2: Provides that the bill is effective upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.[13]

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

According to the PSC, allowing wireless providers to petition the PSC for ETC designation may result in a more expedited application process, which may likely lead to more companies offering service with a Lifeline discount.[14] The bill does not alter the pool of eligible consumers.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. The bill does not appear to affect county or municipal government.

2. Other:

[11] Florida Public Service Commission, Agency Analysis of 2024 Senate Bill 478, p. 1 (Nov. 28, 2023).
[12] *Id.*
[13] Florida Public Service Commission, Agency Analysis of 2024 Senate Bill 478, p. 2 (Nov. 28, 2023).
[14] *Id.* at 2.

None.

B. RULE-MAKING AUTHORITY:

The bill does not authorize or require rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Not applicable.

A bill to be entitled

An act relating to designation of eligible telecommunications carriers; amending s. 364.10, F.S.; revising the definition of the term "eligible telecommunications carrier"; authorizing the Public Service Commission to designate certain entities as eligible telecommunications carriers for a specified purpose; providing legislative intent; providing an effective date.

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

Section 1. Present paragraph (i) of subsection (2) of section 364.10, Florida Statutes, is redesignated as subsection (4) of that section, subsection (3) is added to that section, and paragraph (a) of subsection (1) of that section is amended, to read:

364.10 Lifeline service.—

(1)(a) An eligible telecommunications carrier shall provide a Lifeline Assistance Plan to qualified residential subscribers, as defined in the eligible telecommunications carrier's published schedules. For the purposes of this section, the term "eligible telecommunications carrier" means an entity ~~a telecommunications company, as defined by s. 364.02, which is~~ designated as an eligible telecommunications carrier by the

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

commission pursuant to 47 C.F.R. s. 54.201 and this section.

(3)(a) The commission has the power and authority to designate an entity, upon petition and in accordance with 47 C.F.R. s. 54.201, as an eligible telecommunications carrier, provided that such entity is:

1. A telecommunications company; or

2. A commercial mobile radio service provider.

(b) This legislative authority is intended to be sufficient to enable the commission, for the limited purpose of providing Lifeline service under this section, to approve any of the types of entities specified in paragraph (a) as an eligible telecommunications carrier. The commission may exercise such authority in addition to the commission jurisdiction otherwise specified in this chapter.

Section 2. This act shall take effect upon becoming a law.

Energy, Communications & Cybersecurity Subcommittee
HB 551 by Rep. Barnaby
Designation of Eligible Telecommunication Carriers

AMENDMENT SUMMARY
December 12, 2023

Amendment 1 by Barnaby (lines 39-40 with title amendment):

- Clarifies the Public Service Commission's regulatory jurisdiction with respect to commercial mobile radio service providers (i.e. wireless service providers).

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	__	(Y/N)
ADOPTED AS AMENDED	__	(Y/N)
ADOPTED W/O OBJECTION	__	(Y/N)
FAILED TO ADOPT	__	(Y/N)
WITHDRAWN	__	(Y/N)
OTHER	_____	

Committee/Subcommittee hearing bill: Energy, Communications & Cybersecurity Subcommittee

Representative Barnaby offered the following:

Amendment (with title amendment)

Between lines 39 and 40, insert:

(c) Nothing in this subsection shall confer upon the commission any regulatory jurisdiction over commercial mobile radio service providers that have been previously designated as eligible telecommunications carriers prior to the enactment of this subsection.

T I T L E A M E N D M E N T

Remove line 8 and insert:

purpose; providing legislative intent; providing construction; providing an

Presentation 1

Meeting Customer Automotive Needs Sustainably

Florida House Energy, Communications & Cybersecurity Subcommittee

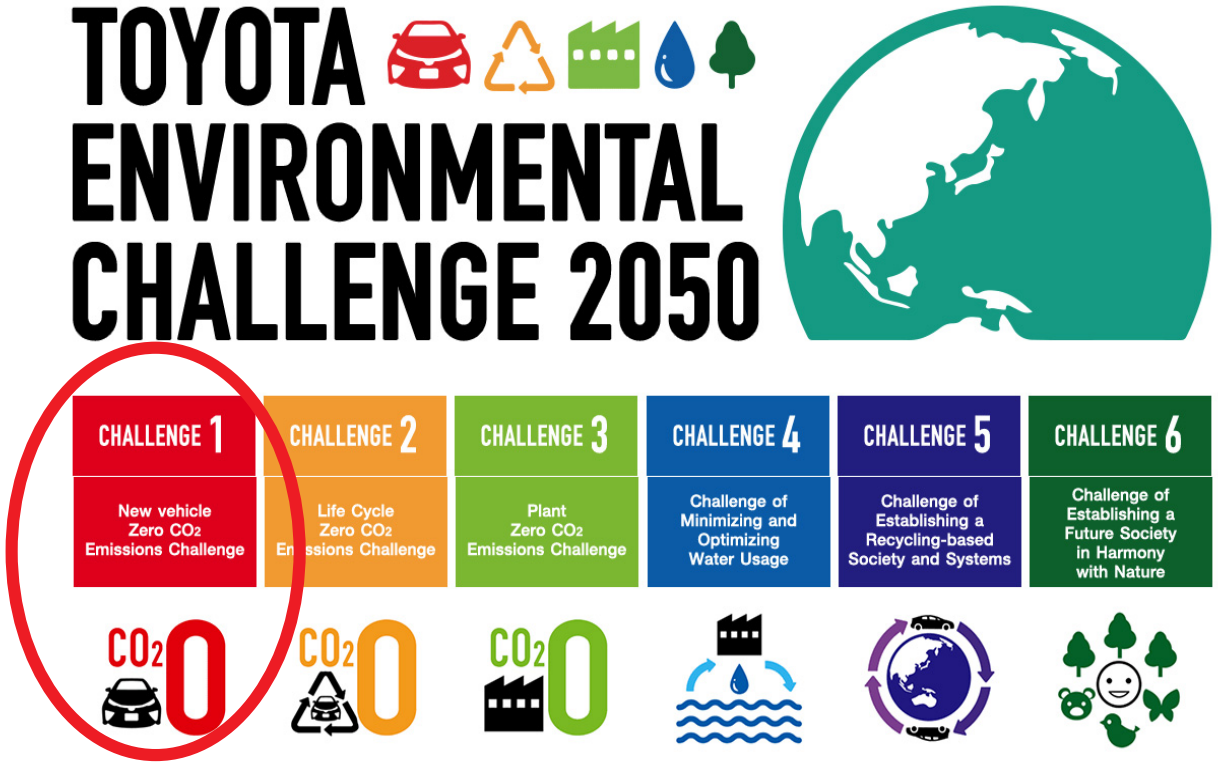
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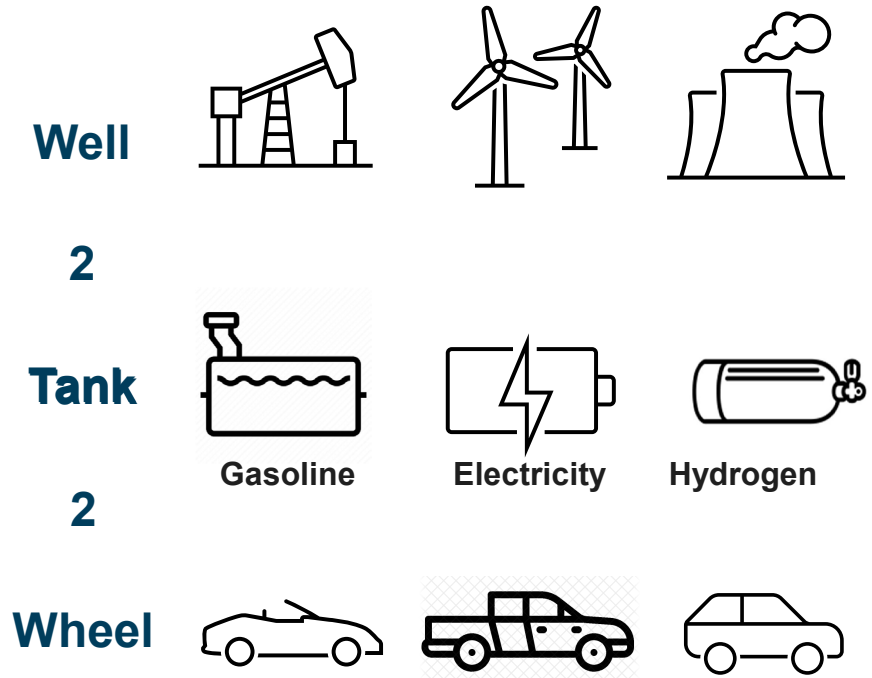
Robert Wimmer

Director

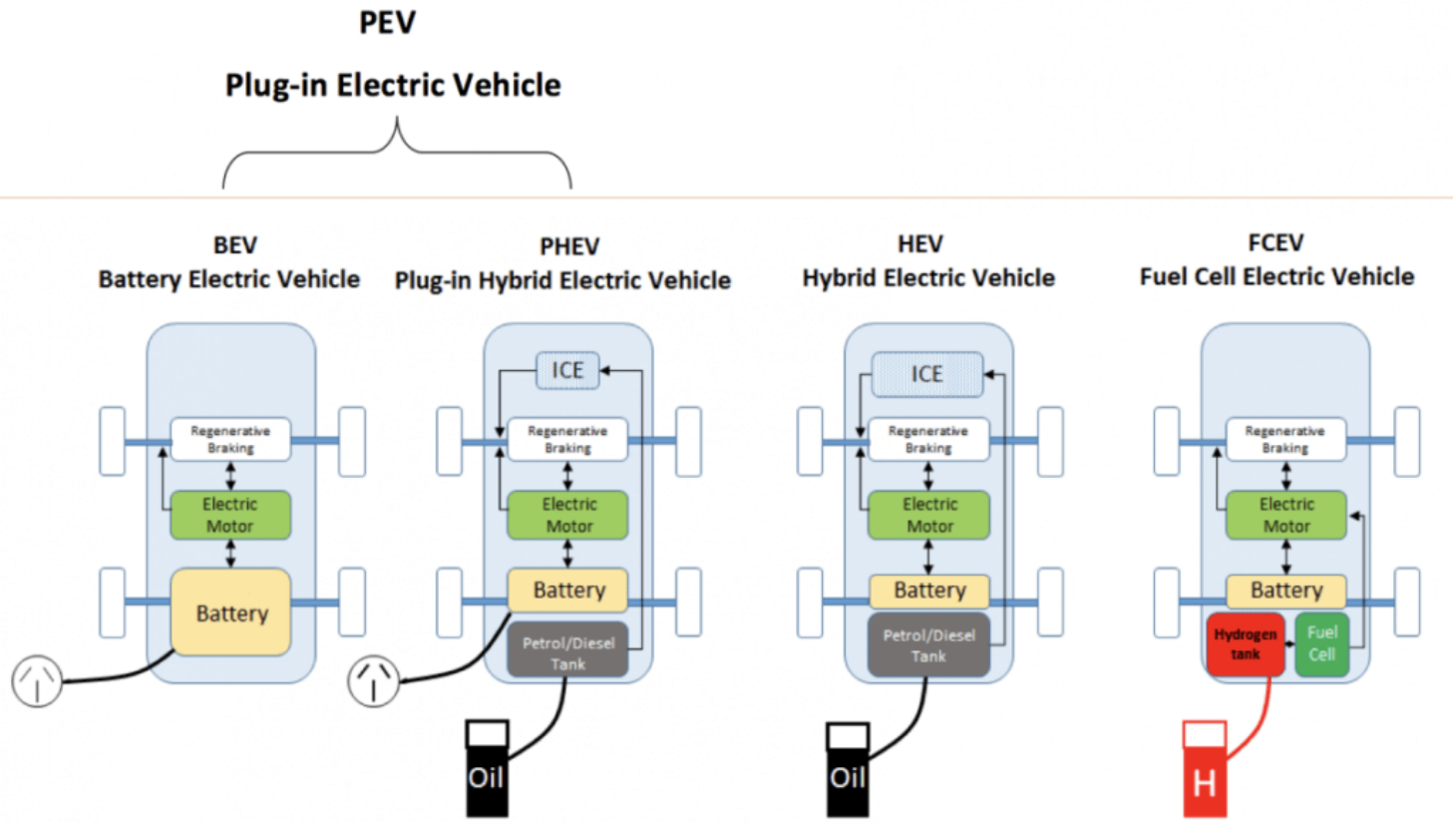
Toyota Motor North America

Our Environment Commitment





Electrification = Variety & Consumer Choice



- **The Right Vehicle**
- **at the Right Time**
- **in the Right Place**
  - Satisfy consumer needs in all markets
  - Rapid expansion of electrified vehicles

Sustainable Decarbonization

Current U.S. Electrified Portfolio



Toyota has sold more electrified vehicles than all other automakers *combined*

(5.4M US, 23.4M global)

Electrification Announcements

2025

Electrified option for every model

Production begins at $13.9B US battery manufacturing plant

2026

10 new BEV models

Next-generation fuel cell system, half the cost and 20% more range

1.5M BEVs/year sold globally

2028

Solid-state batteries with 20% more range

2030

Cumulative investment >$70B on HEVs, PEVs, FCEVs

200,000 fuel cell cars, trucks, buses sold

3.5M BEVs/year sold globally

Next-generation fuel cell system reach 100k/year production

Sustainable use of Battery Resources

Li-Ion battery materials and supply-chain insufficient to meet global needs

New metric => CO2 reduction per kw-hr of battery

Heavy-Duty Fuel Cell Activities

Initial Prototypes



10 Truck Pilot



Production Intent





HD Fuel Cell System Assembly in the US



HD Hydrogen Fueling Stations

Other Fuel Cell Applications



Small Stationary Power
(also for EV charging)



Large Stationary Power
(1MW, NREL)



Utility Tractor Rig
(Port of LA)



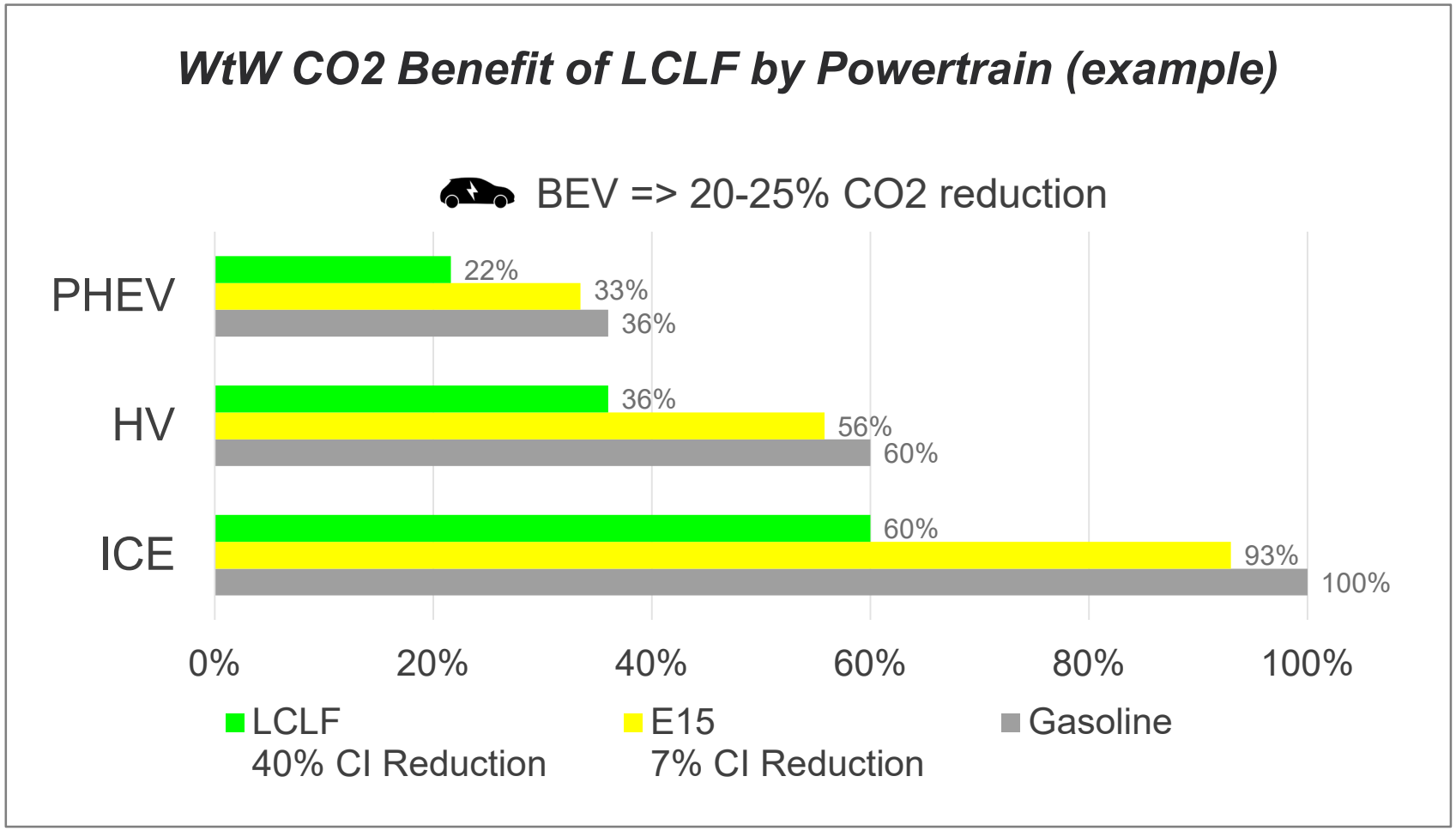
Electrolyzer to
produce H_2

Tri-Gen Station (Long Beach, CA)



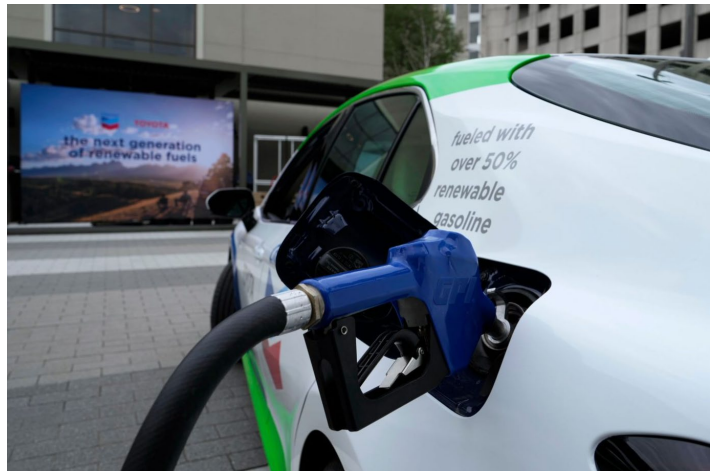
Green H2, electricity & heat from biogas

Low Carbon Drop-in Liquid Fuels (LCLF)





Toyota's 1200 Mile LCLF "Road Trip"



Sustainable Vehicle Decarbonization Requires

- All technology options
- Accelerated vehicle electrification
- Low Carbon Drop-in Liquid Fuels

Thank You for Your Attention

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Presentation 2

The Transition to EVs: A Dealers Perspective

Brett A. Morgan



Who am I?

Brett A. Morgan



- 20 years in the Automotive Space
- CEO, Morgan Automotive Group
- We represent 66 franchised retail locations
- All are within the state of Florida
- 29 unique brands represented

Furthermore

Full Disclosure: My daily driver has been a full EV since December of 2021

- I have overseen all efforts related to EV related infrastructure at Morgan
- We have over 30 new models of full EVs currently for sale within our stores
- I have a level 2 charging station in my home for my own EVs
- I am a graduate of the NADA Dealer Academy

My Fear

- The narrative around EV adoption has become highly political
- I am highly fearful of federal government mandates and controls removing consumer choice from the equation, forcing us to stock and sell products that consumers do not wish to buy
- I am also fearful that practical stepping stones such as hybrid and plug in hybrids are being disregarded in the greater conversation as we move towards lower tailpipe emissions
- Even our existing stock of EVs are much slower turning than current Hybrid and ICE Models, meaning customers don’t want what we currently have (Case Study)

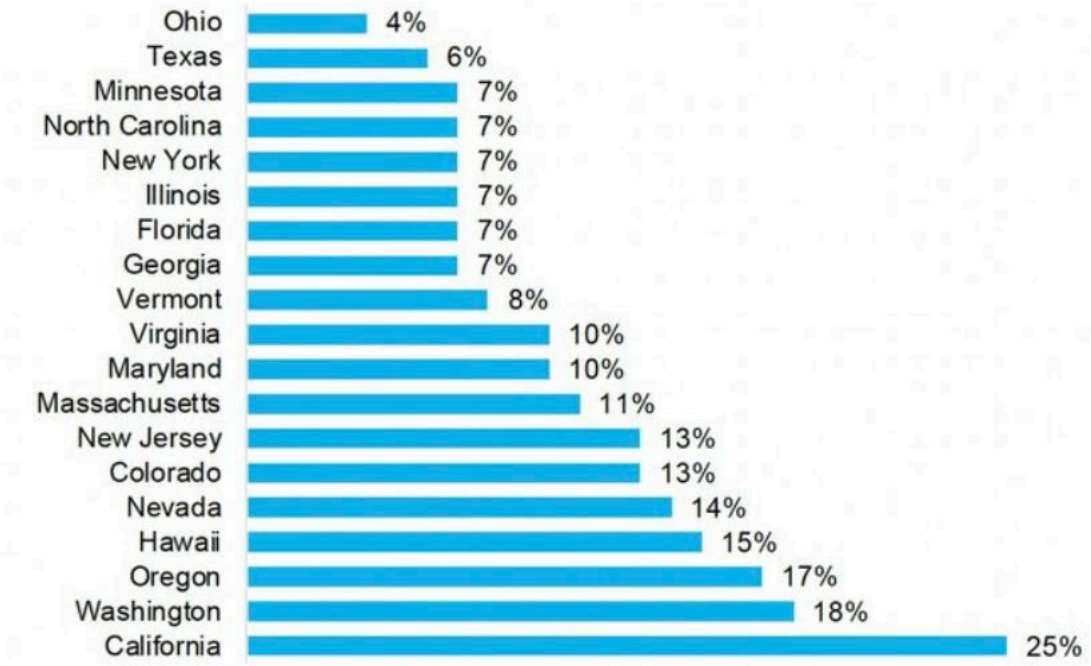
EPA 2032 Mandate: Why I have become vocal

- The EPA has proposed emissions standards that would effectively require 67.5% of US Vehicle Sales to be electric by 2032
- This is unrealistic to say the least and would exacerbate many current issues as they relate to EV adoption:
  - Affordability in Transportation
  - Insufficient Charging Infrastructure
  - Electrical Grid Complications
  - Raw material sourcing for Lithium Battery Production
  - The ability of legacy manufacturers and dealerships to be profitable

Current EV Sales Leaders by State

- The EPA would be counting on a massive increase in EV adoption in less than 10 years time
- Currently only 9 states (outside of California) have higher than a 10% EV share of new car sales (all less than 20%)
- Many of these current leaders are made up of CARB states
  - California, Washington, Vermont, Rhode Island, Pennsylvania, Oregon, New York, New Mexico, New Jersey, Massachusetts, Maryland, Maine, Delaware, Colorado, Connecticut and DC

Figure 4: 1H 2023 EV share of new passenger car sales in select states



Source: Experian Automotive, BloombergNEF, California New Car Dealers Association. Note: values rounded to nearest percent.

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Has the train already left the station?

- In summary California (within the past 50 years) has leveraged what began as a unique smog problem into becoming a global leader in Greenhouse Gas Policy
- There have been many attempts to reduce CA's authority in this matter, but my current production and sales concerns are largely based on past administrations allowing California policy to govern standards related to tailpipe emissions
- Under Biden (who reinstated California's "Clean Air Act" waiver), California opted for "retroactive" enforcement of policy putting many manufacturers in a real bind (For Example: Stellantis with their Chrysler, Dodge, Jeep, Ram brands)
- Stellantis is unable to meet requirements within CARB state sales alone
  - Result: The Dodge Charger and Challenger are in their last year with an internal combustion engine; increased production of the Jeep Wrangler 4xe PHEV that Florida consumers REALLY don't want

Case Study: “Popular EV Sales in 2023”

Hyundai Ioniq 5 / 6	Total Sales '23	In Stock	Days Supply	Average NC Days Supply
Hyundai of Fort Myers	19	14	246	24
Brandon Hyundai (Tpa)	52	31	199	36
Kia EV6 & EV9	**Total Sales '23**	**In Stock**	**Days Supply**	**Average NC Days Supply**
Kia of Orange Park (Jax)	16	10	208	44
Niro EV	**Total Sales '23**	**In Stock**	**Days Supply**	**Average NC Days Supply**
Kia of Orange Park (Jax)	6	4	222	44



Case Study: “Popular EV Sales in 2023”

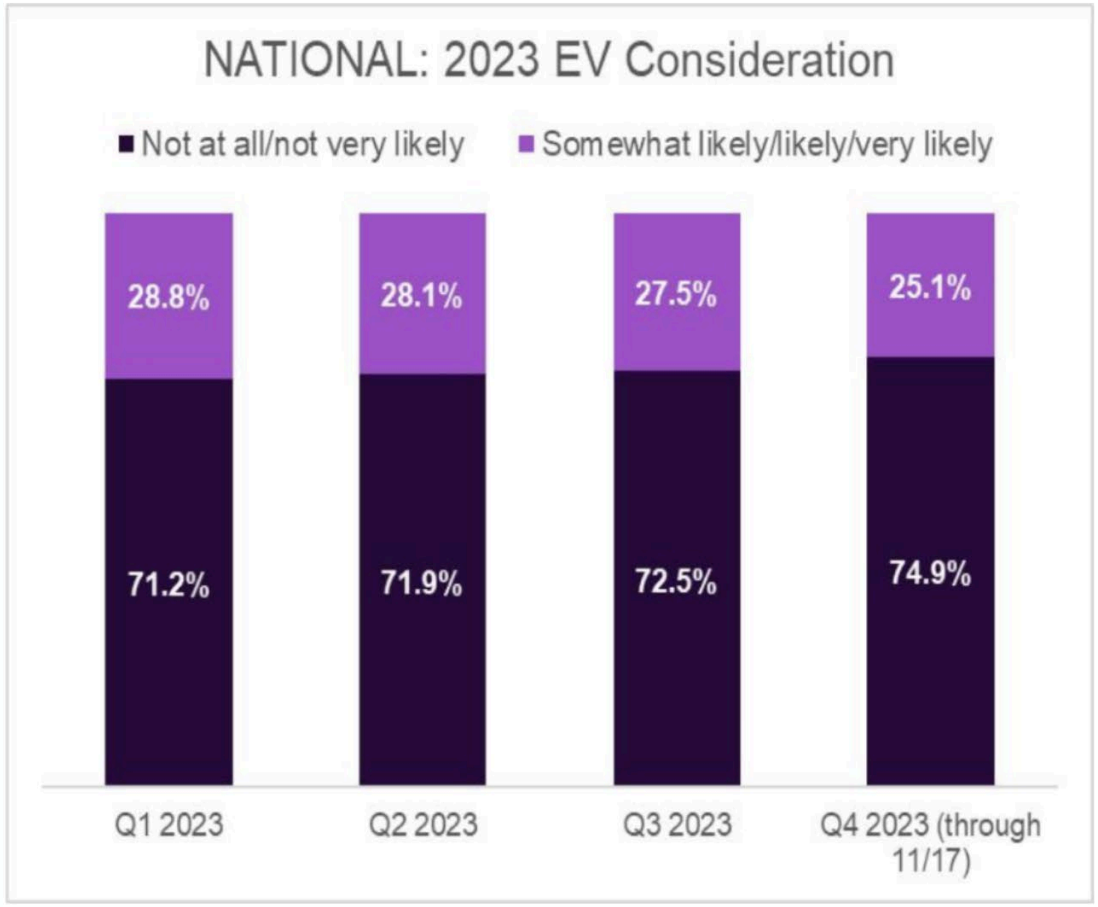
Volkswagen ID.4	Total Sales '23	In Stock	Days Supply	Average NC Days Supply
VW of North Tampa	34	10	98	33
VW of Gainesville	19	11	193	55
Ford Mach-E	**Total Sales '23**	**In Stock**	**Days Supply**	**Average NC Days Supply**
Gator Ford	3	7	779	45
Ford of Port Richey	9	10	371	39
Ford F150 Lightning	**Total Sales '23**	**In Stock**	**Days Supply**	**Average NC Days Supply**
Gator Ford	4	5	417	45
Ford of Port Richey	10	4	133	39

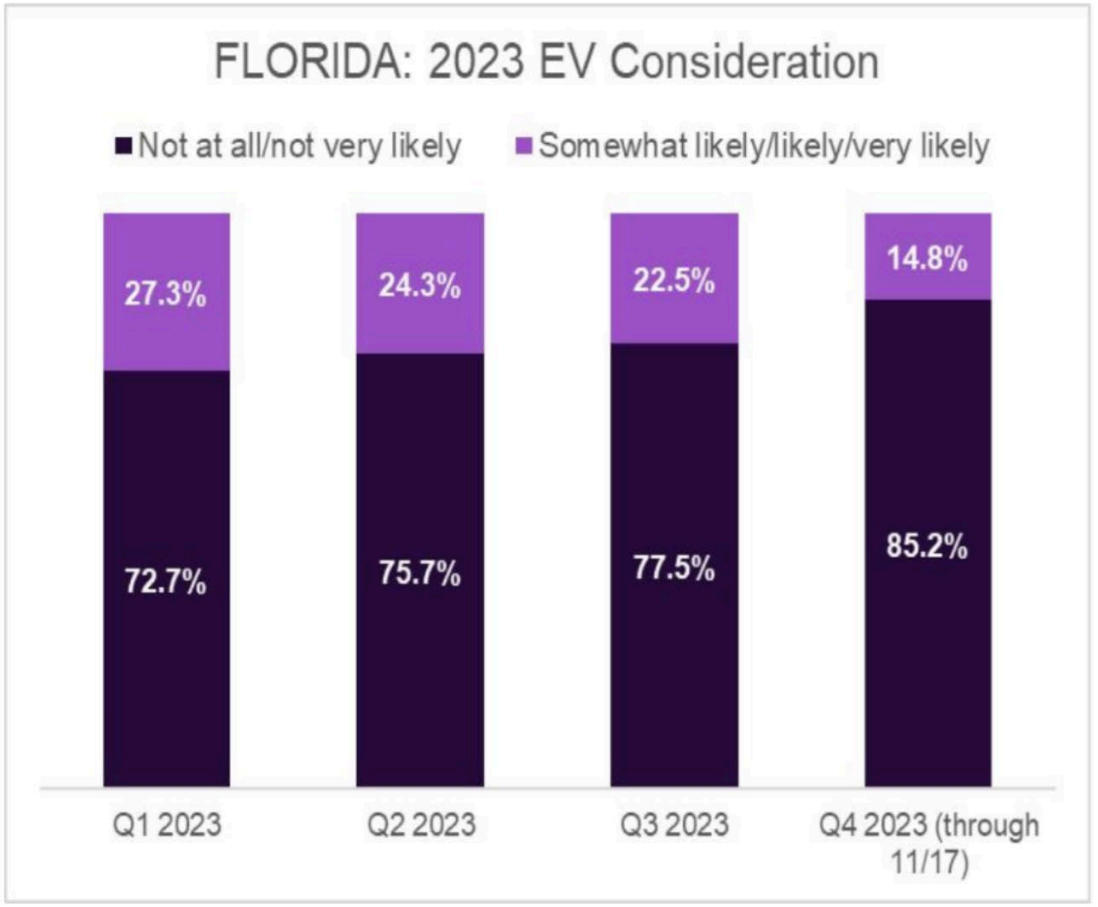


Florida's EV Consideration vs the Nation

Nationally, EV consideration is trending down at around 25% for Q4. EV consideration in Florida is lower than national average, currently trending at 15%, down significantly from 23% in Q3.

Source: Cars Commerce November 2023





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Why we need to slow our roll to EVs

- US Policy (now) is forcing the hand of Car Manufacturers to produce more EVs than US consumers want
- Consumer adoption of EVs will take education and organic adoption will take time
- Federal tax incentives (at a large cost) have been largely enjoyed by early EV adopters, but these incentives have not influenced those slow to adopt
- EVs are not profitable for the legacy manufacturers to make at this time and when they take time to sell, they aren't profitable for retail dealers to sell
- We need time to develop charging infrastructure
- We need time for battery technology to grow in efficiency and for EV ranges to improve
- We are selling a false narrative that in many ways is unproven (such as EVs are much cheaper to maintain)