

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/CS/HB 971 Interruption of Services

SPONSOR(S): Commerce Committee; Energy & Utilities Subcommittee; and Fine

TIED BILLS: **IDEN./SIM. BILLS:** SB 1368

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Energy & Utilities Subcommittee	9 Y, 3 N, As CS	Keating	Keating
2) Commerce Committee	15 Y, 11 N, As CS	Keating	Hamon

SUMMARY ANALYSIS

Florida law authorizes municipalities and private companies to provide for the collection and disposal of garbage. Counties also are authorized to provide solid waste collection service.

The bill prohibits a municipality or private company, as applicable, from charging a customer for garbage pick-up service that is not provided on the normally scheduled pick-up date, unless the missed service is provided within 4 calendar days after the originally scheduled pick-up date. If service is not provided within this time frame, the bill requires the municipality or private company, without exception, to make a pro-rata adjustment to the customer's next regular bill to reflect the missed service date. A municipality or private company that fails to provide a credit or refund within 60 days from the next bill must pay the customer a fine equal to 10 times the charge billed for service that was not timely provided.

The bill does not impact state government revenues or expenditures. The bill may have an indeterminate negative impact on local government revenues and does not appear to impact local government expenditures. See Fiscal Analysis, below.

The bill provides an effective date of July 1, 2018.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Florida law authorizes municipalities and private companies to provide for the collection and disposal of garbage.^{1,2} A local government may provide solid waste collection service in direct competition with a private company under certain conditions.³ Further, under certain conditions, a local government may choose to provide such service and effectively prohibit a private company from continuing to provide the same service.⁴ In any event, Florida law requires local governments to use the most cost-effective means to provide solid waste management services and encourages contracts with private persons to provide such services.⁵ Rates and terms of service for garbage collection vary by city and county.

Effect of Proposed Changes

The bill provides that a municipality or private company, as applicable, that provides garbage pick-up service may not charge a customer for pick-up service that is not provided on the normally scheduled pick-up date unless the missed service is provided within 4 calendar days after the originally scheduled pick-up date. If service is not provided within this time frame, the bill requires the municipality or private company, without exception, to make a pro-rata adjustment to the customer's next regular bill to reflect the missed service date. A municipality or private company that fails to provide a credit or refund within 60 days from the next bill must pay the customer a fine equal to 10 times the charge billed for service that was not timely provided.

Municipalities and private companies that provide service by contract with those municipalities may choose to renegotiate the terms of their contracts to account for the requirements and potential fines imposed by the bill.

B. SECTION DIRECTORY:

Section 1. Amending s. 180.06, F.S., relating to garbage pick-up services provided by municipalities and private companies.

Section 2. Providing an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

¹ s. 180.06, F.S. For purposes of ch. 180, F.S., a "private company" is defined as "any company or corporation duly authorized under the laws of the state to construct or operate water works systems, sewerage systems, sewage treatment works, garbage collection and garbage disposal plants." s. 180.05, F.S.

² Counties also are authorized to provide solid waste collection service and have the option to contract with municipalities and special districts to provide such service. s. 125.0101, F.S.

³ s. 403.70605(1), F.S.

⁴ s. 403.70605(3), F.S.

⁵ s. 403.7063, F.S.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill requires a refund or credit for municipal garbage pick-up service that is not timely provided to a customer (i.e., within 4 calendar days of the originally scheduled pick-up date). Thus, the bill may have an indeterminate negative impact on the revenues of municipalities that provide garbage pick-up service but miss scheduled pick-up dates.

2. Expenditures:

The bill does not appear to have an impact on local government expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may encourage municipalities and private companies who provide garbage collection services to undertake measures to identify and minimize missed pick-up services. This may reduce missed garbage collections for customers but may result in additional costs to provide service.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to: require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 29, 2018, the Energy & Utilities Subcommittee adopted amendments to the bill and reported the bill favorably as a committee substitute. The committee substitute:

- Required garbage pick-up within 4 calendar days of the originally scheduled pick-up date to avoid the requirement to provide a credit or refund.

- Clarified that any applicable credit or refund for missed garbage collection service must be applied to the customer's next regular bill and specifies that a fine must be paid if the applicable credit or refund is not provided within 60 days of the next bill.
- Provided that a credit or refund for an interruption of telecommunications service or cable or video service is not required if the service interruption is caused by a loss of electrical power to the customer or if the service provider makes substantially similar services available to the customer via another platform during the period of the interruption at no additional cost.
- Provided that if telecommunications service or cable or video service is interrupted but is provided as part of a bundled package that includes services not covered by the bill, the appropriate credit or refund will be calculated based only on the portion of the normal billing amount attributable to the interrupted services covered by the bill.
- Replaced the Public Service Commission with the Department of Agriculture and Consumer Services (DACS) as the agency responsible for imposing fines for a telecommunications company's failure to properly issue credit or refunds.
- Provided that a customer who receives month-to-month service from a telecommunications company or cable or video service provider and who requests that service be discontinued before the end of the normal billing period may be charged only for that portion of the billing period in which service was provided and must be credited for any overpayment, and required DACS to impose a fine equal to 10 times any credit or refund due to the customer but not timely provided.
- Authorized DACS to adopt implementing rules for the provisions related to interruption of telecommunications service or cable or video service, and provide that fines collected by DACS must be remitted to its General Inspection Trust Fund.

On February 26, 2018, the Commerce Committee adopted one amendment to the bill and reported the bill favorably as a committee substitute. The committee substitute removed all provisions of the bill that related to interruption of services provided by telecommunications companies and cable and video service providers.

The staff analysis has been updated to reflect the committee substitute adopted by the Commerce Committee.