

1                   A bill to be entitled  
2           An act relating to utilities; amending s. 180.19,  
3           F.S.; requiring municipalities that operate utility  
4           services to allow other municipalities and property  
5           owners outside its municipal boundaries to connect  
6           with and use the utility services under specified  
7           conditions; prohibiting municipalities that operate  
8           utility services from denying requests by property  
9           owners outside its municipal boundaries to connect  
10          with or use the utility services based on specified  
11          criteria; providing an exception; requiring  
12          municipalities to make certain determinations within a  
13          specified timeframe; providing for appeal of such  
14          determinations; providing for the award of attorney  
15          fees and court costs; providing that municipalities  
16          are not liable for such fees and costs under certain  
17          conditions; providing construction; amending s.  
18          425.09, F.S.; authorizing notices for rural electrical  
19          cooperative board of trustees meetings to be delivered  
20          by e-mail; revising notice requirements for meetings  
21          during which elections will occur; requiring the board  
22          of trustees, beginning on a specified date, to  
23          annually prepare a list of cooperative members and to  
24          make the list available for certain inspection;  
25          revising quorum requirements; authorizing electronic

26 | voting; amending s. 425.10, F.S.; requiring the bylaws  
 27 | of rural electrical cooperatives to include specified  
 28 | provisions relating to the nomination of members for  
 29 | election to the board of trustees; requiring the  
 30 | appointment of election inspectors; providing duties  
 31 | of election inspectors; creating s. 425.30, F.S.;  
 32 | authorizing rural electric cooperatives to conduct  
 33 | elections and membership votes through electronic  
 34 | voting under certain conditions; requiring members  
 35 | voting electronically to be counted for quorum  
 36 | purposes; prohibiting substantive votes when a quorum  
 37 | is based on the number of members voting  
 38 | electronically; requiring electronic voting to be  
 39 | authorized by a resolution of the board of trustees;  
 40 | providing requirements for such resolutions; providing  
 41 | for members to consent to and opt out of electronic  
 42 | voting; providing applicability; providing for  
 43 | cooperative members to petition the board of trustees  
 44 | to adopt electronic voting; providing an effective  
 45 | date.

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

48 |  
 49 | **Section 1. Section 180.19, Florida Statutes, is amended to**  
 50 | **read:**

51           180.19 Use by other municipalities and by individuals  
52 outside corporate limits.—

53           (1) (a) A municipality that operates utility services ~~which~~  
54 ~~constructs any works as are~~ authorized under ~~by~~ this chapter  
55 shall allow a, ~~may permit any other~~ municipality or property  
56 owner ~~and the owners or association of owners of lots or lands~~  
57 outside of its municipal boundaries ~~corporate limits or within~~  
58 ~~the limits of any other municipality,~~ to connect with or use the  
59 utility services if:

60           1. The utility system has sufficient treatment,  
61 transmission, and distribution capacity to serve the requested  
62 connection without materially impairing service to existing  
63 utility customers;

64           2. The property is not within the service area of another  
65 water or wastewater utility, as applicable;

66           3. The property is within 1 mile of a main line of the  
67 utility system, measured by the closest property boundary line  
68 from the main line; and

69           4. The requesting municipality or property owner agrees to  
70 pay all applicable rates, fees, and charges authorized under s.  
71 180.191.

72           (b) If the conditions in paragraph (a) are not met,  
73 connection with or use of the utility services ~~utilities~~  
74 ~~mentioned in this chapter~~ upon such terms and conditions as may  
75 be agreed between the ~~such~~ municipalities or the municipality

76 and the property owner, ~~and the owners or association of owners~~  
77 ~~of such outside lots or lands.~~

78 (c) A municipality that operates utility services may not  
79 deny a request for connection with or use of utility services by  
80 a property owner outside of its municipal boundaries on the sole  
81 basis that the property owner refuses to assent or otherwise  
82 consent to the property being annexed by the municipality,  
83 unless the property is subject to an annexation agreement or  
84 developer agreement on or before July 1, 2026.

85 (2)(a) A municipality that operates utility services must  
86 make a written capacity determination within 30 days after  
87 receipt of a completed application for connection from a  
88 municipality or property owner under subsection (1). The  
89 determination must be based on generally accepted engineering  
90 standards and current system data. A denial of connection with  
91 or use of utility services due to a lack of capacity must  
92 include specific engineering findings identifying the deficient  
93 components of the system.

94 (b) A requesting municipality or property owner denied  
95 connection with or use of utility services may appeal the  
96 capacity determination to the circuit court in the county in  
97 which the municipality or property is located. The court must  
98 review the determination de novo.

99 (c) If the court finds that the municipality refused to  
100 allow the connection in violation of this subsection, the court

101 must order the connection and award the prevailing party  
 102 reasonable attorney fees and court costs to be paid by the  
 103 municipality operating the utility services.

104 (d) The municipality operating the utility services is not  
 105 liable for attorney fees or court costs under paragraph (c) if  
 106 the municipality demonstrates by clear and convincing evidence  
 107 that the denial was based on a good faith, reasonable  
 108 engineering determination of insufficient capacity.

109 (3)-(2) Any private company or corporation organized to  
 110 accomplish the purposes of ~~set forth in~~ this chapter ~~that,~~ which  
 111 has been granted a privilege or franchise by a municipality to  
 112 operate utility services, may allow a municipality or property  
 113 owner ~~permit the owners or association of owners of lots or~~  
 114 lands outside of the boundaries of the granting said  
 115 municipality ~~granting said privilege or franchise, or other~~  
 116 municipality, to connect with and use the utility services  
 117 operated by the ~~said private company or corporation~~ upon such  
 118 terms as may be agreed between the ~~said private company or~~  
 119 corporation and the ~~owners or association of owners of said lots~~  
 120 or ~~lands or the said municipality~~ or property owner.

121 (4) This section does not prohibit a municipality from  
 122 imposing reasonable impact fees, connection fees, or  
 123 infrastructure contributions necessary to fund system expansion  
 124 required for a new connection.

125 **Section 2. Subsections (6), (7), and (8) of section**

126 **425.09, Florida Statutes, are renumbered as subsections (7),**  
127 **(8), and (9), respectively, subsection (5) and present**  
128 **subsection (6) are amended, and a new subsection (6) is added to**  
129 **that section, to read:**

130 425.09 Members.—

131 (5) Except as hereinafter otherwise provided, written or  
132 printed notice stating the time and place of each meeting of  
133 members, and in the case of a special meeting the purpose or  
134 purposes for which the meeting is called, must ~~shall~~ be given to  
135 each member, ~~either~~ personally, ~~or~~ by mail, or by e-mail, not  
136 less than 10 days or ~~not~~ more than 45 days before the date of  
137 the meeting. For any meeting at which an election of trustees or  
138 successors to trustees will be held, the notice must be provided  
139 not less than 30 days or more than 45 days before the date of  
140 the meeting and must state the name or names of those nominated  
141 and certified for the election as provided in this chapter.

142 (6) By January 1, 2027, and annually thereafter, the board  
143 of trustees shall prepare an updated, alphabetical list of the  
144 names of all members and, if applicable, the voting district  
145 established under s. 425.11 in which each member receives  
146 service. The board of trustees shall make the list available  
147 upon request of any member of the cooperative. At each meeting  
148 of members, any member or the member's proxy is entitled to  
149 inspect the list at any time during the meeting or any  
150 adjournment.

151        ~~(7)-(6)~~ Effective January 1, 2027, 5 ~~One~~ percent of all  
152 members, present in person, constitutes ~~shall constitute~~ a  
153 quorum for the transaction of business at all meetings of the  
154 members, except that a quorum shall be 25 percent of all members  
155 present in person at any meeting at which an election of  
156 trustees or successors to trustees will be held. ~~unless~~ The  
157 bylaws may prescribe the presence of a greater percentage of the  
158 members for a quorum. Notwithstanding the requirement that  
159 members be present in person in order to be counted in  
160 determining a quorum, the bylaws may permit voting by limited  
161 proxy, ~~or~~ by mail, or electronically through an Internet-based  
162 online voting system and members so voting shall be counted as  
163 present in person for determination of a quorum. A majority of a  
164 quorum is required to approve any motion or matter before a  
165 meeting of the members. Members voting by mail, ~~or~~ limited  
166 proxy, or electronically through an Internet-based online voting  
167 system may ~~shall~~ not be counted on any matter raised at a  
168 meeting that ~~which~~ was not specifically listed and identified on  
169 the mail ballot, ~~or~~ proxy, or Internet-based online voting  
170 system. If less than a quorum is present at any meeting, a  
171 majority of those present in person may adjourn the meeting from  
172 time to time without further notice.

173        **Section 3. Subsections (4), (5), and (6) of subsection (1)**  
174 **of section 425.10, Florida Statutes, are renumbered as**  
175 **subsections (5), (6), and (7), respectively, subsection (1) is**

176 **amended, and a new subsection (4) is added to that section, to**  
 177 **read:**

178 425.10 Board of trustees.—

179 (1) The business and affairs of a cooperative shall be  
 180 managed by a board of not less than five trustees, each of whom  
 181 shall be a member of the cooperative or of another cooperative  
 182 which shall be a member thereof. The bylaws shall prescribe the  
 183 number of trustees, their qualifications, other than those  
 184 provided for in this chapter, the manner of holding meetings of  
 185 the board of trustees and of the election of successors to  
 186 trustees who shall resign, die, or otherwise be incapable of  
 187 acting. The bylaws must prescribe a process by which members may  
 188 nominate one or more individuals for election as a trustee or a  
 189 successor to a trustee, a process by which the board of trustees  
 190 may certify that a nominee meets the qualifications for a  
 191 trustee or a successor to a trustee as set forth in the bylaws  
 192 and this chapter, and a process by which a nominee who is not  
 193 certified by the board of trustees may challenge the  
 194 noncertification decision. The bylaws may also provide for the  
 195 removal of trustees from office and for the election of their  
 196 successors. Without approval of the members, trustees shall not  
 197 receive any salaries for their services as trustees and, except  
 198 in emergencies, shall not be employed by the cooperative in any  
 199 capacity involving compensation. The bylaws may, however,  
 200 provide that a fixed fee and expenses of attendance, if any, may

201 | be allowed to each trustee for attendance at each meeting of the  
 202 | board of trustees and that such may be allowed for the  
 203 | performance of other cooperative business, provided it has prior  
 204 | approval of the board of trustees.

205 |       (4) (a) For each meeting of members at which an  
 206 | election for trustees or successors to trustees is to be  
 207 | conducted, a cooperative must appoint one or more  
 208 | inspectors to carry out the duties under paragraph (b).  
 209 | Each inspector must faithfully execute the duties under  
 210 | paragraph (b) with strict impartiality and according to the  
 211 | best of his or her ability. An inspector may be an officer  
 212 | or employee of the cooperative.

213 |       (b) An inspector must:

214 |           1. Determine the number of votes represented at the  
 215 | meeting, whether in person, electronically, or by proxy.

216 |           2. Determine the validity of mail-in ballots and  
 217 | proxy appointments and ballots.

218 |           3. Count the votes.

219 |           4. Make a written report of the results.

220 |       **Section 4. Section 425.31, Florida Statutes, is created to**  
 221 | **read:**

222 |       425.31 Electronic voting.—

223 |           (1) A cooperative may conduct elections and other  
 224 | membership votes through an Internet-based online voting system

225 if a member consents, electronically or in writing, to online  
226 voting and if all of the following requirements are met:

227 (a) The cooperative provides each member with:

228 1. A method to authenticate the member's identity to the  
229 online voting system.

230 2. A method to confirm, at least 14 days before the voting  
231 deadline, that the member's electronic device can successfully  
232 communicate with the online voting system.

233 3. A method that is consistent with the election and  
234 voting procedures provided in the cooperative's bylaws.

235 (b) The cooperative uses an online voting system that is:

236 1. Able to authenticate the member's identity.

237 2. Able to authenticate the validity of each electronic  
238 vote to ensure that the vote is not altered in transit.

239 3. Able to transmit a receipt from the online voting  
240 system to each member who casts an electronic vote.

241 4. Able to permanently separate any authentication or  
242 identifying information from the electronic election ballot,  
243 rendering it impossible to tie an election ballot to a specific  
244 member. This subparagraph only applies if the cooperative's  
245 bylaws provide for secret ballots for the election of trustees.

246 5. Able to store and keep electronic ballots accessible  
247 for recount, inspection, and review purposes.

248 (2) A member voting electronically pursuant to this  
249 section must be counted as being in attendance at the meeting

250 for purposes of determining a quorum. A substantive vote of the  
251 members may not be taken on any issue other than the issues  
252 specifically identified in the electronic vote when a quorum is  
253 established based on members voting electronically pursuant to  
254 this section.

255 (3) This section applies to a cooperative that provides  
256 for and authorizes an online voting system pursuant to this  
257 section by a resolution of the board of trustees. The resolution  
258 must provide that members receive notice of the opportunity to  
259 vote through an online voting system; establish reasonable  
260 procedures and deadlines for members to consent, electronically  
261 or in writing to online voting; and establish reasonable  
262 procedures and deadlines for members to opt out of online voting  
263 after giving consent. Written notice of a meeting at which the  
264 resolution regarding online voting will be considered must be  
265 given to each member in accordance with the notice requirements  
266 for member meetings under s. 425.09.

267 (4) A member's consent to online voting is valid until the  
268 member opts out of online voting pursuant to the procedures  
269 established by the board of trustees under subsection (3).

270 (5) This section may apply to any matter that requires a  
271 vote of the members.

272 (6) If at least 25 percent of the members of a cooperative  
273 petition the board of trustees to adopt a resolution for  
274 electronic voting for the next scheduled election, the board of

275 | trustees must hold a meeting within 21 days after receipt of the  
276 | petition to adopt such resolution. The board of trustees must  
277 | receive the petition within 180 days after the date of the last  
278 | scheduled annual meeting.

279 |       **Section 4.** This act shall take effect July 1, 2026.