

1 A bill to be entitled
2 An act relating to utility services; amending s.
3 180.19, F.S.; requiring certain public meetings as a
4 condition precedent to the effectiveness of a new or
5 an extended agreement under which a municipality will
6 provide specified utility services in other
7 municipalities or unincorporated areas; specifying the
8 matters to be addressed at such public meetings;
9 requiring such agreements to be written; requiring
10 annual public customer meetings; defining the terms
11 "appointed representative" and "governing body";
12 amending s. 180.191, F.S.; revising provisions
13 relating to permissible rates, fees, and charges
14 imposed by municipal water and sewer utilities on
15 customers located outside the municipal boundaries;
16 creating s. 180.192, F.S.; requiring municipalities
17 that provide specified utility services to report
18 certain information by a specified date, and annually
19 thereafter, to the Florida Public Service Commission;
20 providing penalties; requiring the commission to
21 compile such information and submit a report by a
22 specified date, and annually thereafter, to the
23 Governor and the Legislature; providing construction;
24 providing for state preemption over the subject of
25 certain regional utilities authorities; providing

26 effective dates.

27

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

29

30 **Section 1. Section 180.19, Florida Statutes, is amended to**
 31 **read:**

32 180.19 Use by other municipalities and by individuals
 33 outside corporate limits.—

34 (1) A municipality which constructs any works as are
 35 authorized by this chapter, may permit any other municipality
 36 and the owners or association of owners of lots or lands outside
 37 of its corporate limits or within the limits of any other
 38 municipality, to connect with or use the utilities mentioned in
 39 this chapter upon such terms and conditions as may be agreed
 40 between such municipalities, and the owners or association of
 41 owners of such outside lots or lands.

42 (2) Any private company or corporation organized to
 43 accomplish the purposes set forth in this chapter, which has
 44 been granted a privilege or franchise by a municipality, may
 45 permit the owners or association of owners of lots or lands
 46 outside of the boundaries of said municipality granting said
 47 privilege or franchise, or other municipality, to connect with
 48 and use the utility operated by the said private company or
 49 corporation upon such terms as may be agreed between the said
 50 private company or corporation and the owners or association of

51 owners of said lots or lands or the said municipality.

52 (3) (a) A new agreement, or an extension, renewal, or
53 material amendment of an existing agreement, to provide
54 electric, natural gas, water, or sewer utility service at retail
55 pursuant to subsection (1) must be written and may not become
56 effective before an appointed representative of the municipality
57 that provides service or intends to provide the service, in
58 conjunction with the governing body of each municipality and
59 unincorporated area served or to be served, has participated in
60 a public meeting, which is not required to be a separate public
61 meeting, within each municipality and unincorporated area served
62 or to be served for purposes of providing information and
63 soliciting public input on:

64 1. The nature of the services to be provided or changes to
65 the services being provided.

66 2. The rates, fees, and charges to be imposed for the
67 services provided or intended to be provided, including any
68 differential with the rates, fees, and charges imposed for the
69 same services on customers located within the boundaries of the
70 serving municipality, the basis for the differential, and the
71 length of time that the differential is expected to exist.

72 3. The extent to which revenues generated from the
73 provision of the services will be used to fund or finance
74 nonutility government functions or services.

75 4. Any other matters deemed relevant by the parties to the

76 agreement.

77 (b) Rates, fees, and charges imposed for water or sewer
78 utility services provided pursuant to subsection (1) shall
79 comply with s. 180.191.

80 (c) A representative of each municipality that provides
81 electric, natural gas, water, or sewer utility services pursuant
82 to subsection (1), in conjunction with the governing body of
83 each municipality and unincorporated area in which it provides
84 services, must annually conduct a public customer meeting, which
85 is not required to be a separate public meeting, within each
86 municipality and unincorporated area for purposes of soliciting
87 public input on utility-related matters, including fees, rates,
88 charges, and services.

89 (d) For purposes of this subsection, the term:

90 1. "Appointed representative" means an executive-level
91 leadership employee of a municipality, or such municipality's
92 related and separate utility authority, board, or commission,
93 specifically appointed by the governing body to serve as its
94 representative for purposes of this subsection.

95 2. "Governing body" means a:

96 a. Governing body of a municipality in which services are
97 provided or proposed to be extended.

98 b. Board of county commissioners of a county in which
99 services are provided or proposed to be extended, if services
100 are provided or proposed to be extended in an unincorporated

101 area within the county.

102 **Section 2. Subsections (2) through (4) of section 180.191,**
103 **Florida Statutes, are renumbered as subsection (3) through (5),**
104 **respectively, subsection (1) is amended, and a new subsection**
105 **(2) is added to that section, to read:**

106 180.191 Limitation on rates charged consumer outside city
107 limits.—

108 (1) Any municipality within the state operating a water or
109 sewer utility outside of the boundaries of such municipality
110 shall charge consumers outside the boundaries rates, fees, and
111 charges determined in one of the following manners:

112 (a) It may charge the same rates, fees, and charges as
113 consumers inside the municipal boundaries. ~~However, in addition~~
114 ~~thereto, the municipality may add a surcharge of not more than~~
115 ~~25 percent of such rates, fees, and charges to consumers outside~~
116 ~~the boundaries.~~ Fixing of such rates, fees, and charges in this
117 manner shall not require a public hearing except as may be
118 provided for service to consumers inside the municipality.

119 (b) It may charge rates, fees, and charges that are just
120 and equitable and which are based on the same factors used in
121 fixing the rates, fees, and charges for consumers inside the
122 municipal boundaries. ~~In addition thereto, the municipality may~~
123 ~~add a surcharge not to exceed 25 percent of such rates, fees,~~
124 ~~and charges for said services to consumers outside the~~
125 ~~boundaries. However, the total of all Such rates, fees, and~~

126 | charges for the services to consumers outside the boundaries may
 127 | ~~shall~~ not be more than 25 ~~50~~ percent in excess of the rates,
 128 | fees, and charges ~~total amount~~ the municipality charges
 129 | consumers served within the municipality for corresponding
 130 | service. No such rates, fees, and charges shall be fixed until
 131 | after a public hearing at which all of the users of the water or
 132 | sewer systems; owners, tenants, or occupants of property served
 133 | or to be served thereby; and all others interested shall have an
 134 | opportunity to be heard concerning the proposed rates, fees, and
 135 | charges. Any change or revision of such rates, fees, or charges
 136 | may be made in the same manner as such rates, fees, or charges
 137 | were originally established, but if such change or revision is
 138 | to be made substantially pro rata as to all classes of service,
 139 | both inside and outside the municipality, no hearing or notice
 140 | shall be required.

141 | (2) Notwithstanding subsection (1), any municipality
 142 | within this state operating a water or sewer utility that
 143 | provides services to consumers within the boundaries of a
 144 | separate municipality through the use of a water treatment plant
 145 | or sewer treatment plant located within the boundaries of that
 146 | separate municipality may charge consumers in the separate
 147 | municipality no more than the rates, fees, and charges imposed
 148 | on consumers inside its own municipal boundaries.

149 | **Section 3. Effective July 1, 2026, section 180.192,**
 150 | **Florida Statutes, is created to read:**

151 180.192 Reporting requirements related to municipal
152 utility service.—

153 (1) By January 1, 2027, and annually thereafter, each
154 municipality that provided electric, natural gas, water, or
155 sewer utility service during its most recently completed fiscal
156 year to customers who received such service at a location
157 outside the municipality's boundaries must provide a report to
158 the Florida Public Service Commission that identifies, for the
159 municipality's most recently completed fiscal year:

160 (a) For each type of utility service, the total number of
161 customers that received utility service from the municipality,
162 and the number and percentage of customers that received utility
163 service from the municipality at a location outside the
164 boundaries of the municipality.

165 (b) For each type of utility service, the gross revenues
166 generated from the sale of utility service by the municipality,
167 the volume and percentage of sales made to customers that
168 received utility service from the municipality at a location
169 outside the boundaries of the municipality, and the gross
170 revenues generated from such sales.

171 (c) For each type of utility service, whether the rates,
172 fees, and charges imposed on customers that received utility
173 service from the municipality at a location outside the
174 boundaries of the municipality were different than the rates,
175 fees, and charges imposed on customers that received utility

176 service from the municipality within the boundaries of the
177 municipality, and, if so, the amount and percentage of the
178 differential for each customer class for which a differential
179 exists.

180 (d) The percentage of revenues generated from the
181 provision of utility services that were used to fund or finance
182 nonutility government functions or services of the municipality,
183 and the percentage of the municipality's nonutility budget that
184 was funded by such revenues.

185
186 A municipality that fails to file the report required by this
187 subsection is subject to the penalties provided in s. 366.095.

188 (2) By March 31, 2027, and annually thereafter, the
189 commission shall compile the information provided pursuant to
190 subsection (1) and submit a report containing this information
191 to the Governor, the President of the Senate, and the Speaker of
192 the House of Representatives. In its report, the commission
193 shall identify any issues related to the reporting and
194 collection of information required by this section, identify
195 municipalities that fail to report the required information in
196 whole or in part, and make recommendations as necessary to
197 improve the reporting process and the consistency of information
198 provided by reporting municipalities.

199 (3) This section does not modify or extend the authority

200 of the commission otherwise provided by law with respect to any
201 municipal utility that is required to comply with subsection
202 (1).

203 **Section 4.** (1) The subject of a regional utilities
204 authority created by the legislature through charter amendment
205 after January 1, 2023, is expressly preempted to the state.

206 (2) This section shall take effect upon becoming a law.

207 **Section 5.** Except as otherwise expressly provided in this
208 act and except for this section, which shall take effect upon
209 becoming a law, this act shall take effect July 1, 2027.