

By the Committee on Comprehensive Planning, Local and Military Affairs; and Senator Latvala

316-1799-01

1 A bill to be entitled
2 An act relating to local government utilities
3 assistance; providing a short title; providing
4 legislative findings; providing definitions;
5 establishing a pilot Local Government Utilities
6 Assistance Program; providing for
7 administration by the Department of
8 Environmental Protection; providing for
9 criteria for acquiring certain private
10 water-wastewater utilities; providing for
11 transfer of certain moneys from the Solid Waste
12 Management Trust Fund to the program; providing
13 for distribution of such moneys for certain
14 purposes; providing for financial assistance
15 for certain purposes under certain
16 circumstances; requiring the Department of
17 Environmental Protection to submit a report on
18 the pilot program to the Governor and
19 Legislature; providing an effective date.

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

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23 Section 1. Short title.--This act may be cited as the
24 "Local Government Utilities Assistance Act."

25 Section 2. Legislative findings; intent.--The
26 Legislature finds that in many areas of the state the
27 condition or operation of privately owned water-wastewater
28 utility systems and facilities create a present or potential
29 threat to the environment or to the health of the utility
30 customers. It is therefore the intent of the Legislature to
31 establish a pilot program to assist local governments in

1 acquiring privately owned water-wastewater utilities. It is
2 the further intent of the Legislature that the Department of
3 Environmental Protection evaluate and report to the President
4 of the Senate and the Speaker of the House of Representatives
5 on this pilot program and on the need to expand the program to
6 address the acquisition or consolidation of publicly owned
7 water-wastewater utilities that threaten the environment or
8 public health.

9 Section 3. Definitions.--As used in this act:

10 (1) "Community standards" means, with respect to water
11 and sewer utility rates, rates that are on a par with other
12 rates in the county, or similar utility jurisdictions in
13 surrounding counties, after accounting for relative household
14 incomes or other measures of affordability and size of
15 customer base, all as may be further defined by department
16 rule.

17 (2) "Department" means the Department of Environmental
18 Protection.

19 (3) "Privately owned water-wastewater utility" means a
20 water or wastewater utility whose utility assets are privately
21 owned.

22 Section 4. Local Government Utilities Assistance
23 Program; state assistance.--The Local Government Utilities
24 Assistance Program is established in the department. The
25 department may award financial assistance to a local
26 government in the form of a grant for the purpose of acquiring
27 privately owned water-wastewater utilities. A local government
28 may qualify for financial assistance if the local government
29 documents to the department that the privately owned
30 water-wastewater utility the local government intends to
31 acquire meets the following criteria:

1 (1) The quality of water or wastewater service
2 provided by the privately owned water-wastewater utility is
3 consistently inadequate to meet public health or water quality
4 standards.

5 (2)(a) The privately owned water-wastewater utility
6 cannot make the improvements necessary to alleviate the public
7 health or water quality threats through its own resources
8 without increasing its rates for services to an amount beyond
9 that which is commensurate with community standards;

10 (b) Operation of the privately owned water-wastewater
11 utility represents a public health or water quality threat
12 that would be more effectively addressed through public
13 management or ownership, as demonstrated through a feasibility
14 determination provided by the applicant for financial
15 assistance to the department, that takes into account
16 economic, managerial, and administrative considerations; or

17 (c) The private utility desires to sell.

18 Section 5. Acquisition of privately owned
19 water-wastewater utility.--If the applicant for financial
20 assistance demonstrates, based on documentation acceptable to
21 the department, that acquisition of a privately owned
22 water-wastewater utility qualifies under section 4, the
23 department may authorize financial assistance for such
24 acquisition.

25 Section 6. Allocation of moneys to the program;
26 disposition.--Notwithstanding s. 212.20(6)(e)2., Florida
27 Statutes, for fiscal years 2001-2002 and 2002-2003, one-half
28 of the moneys that would otherwise be distributed to the Solid
29 Waste Management Trust Fund pursuant to s. 212.20, Florida
30 Statutes, not to exceed \$2.5 million, shall be distributed to
31 the program to be used as provided in this act to implement

1 the program as a pilot program in Pasco County. Upon approval
2 by the department, awarded funds may be used in accordance
3 with sections 4 and 5. The department may use up to 2 percent
4 of the funds appropriated for the program to pay the costs of
5 administering the pilot program.

6 Section 7. By January 1, 2004, the department shall
7 provide to the Governor, the President of the Senate, and the
8 Speaker of the House of Representatives a report on the Pasco
9 County pilot program. The report also shall evaluate the need
10 to expand the Local Government Utilities Assistance Program to
11 address the acquisition or consolidation of publicly owned
12 water-wastewater utilities that threaten water quality or
13 public health. The report shall recommend any statutory
14 changes necessary to implement the Local Government Utilities
15 Assistance Program and identify any rules that would be useful
16 in implementing the program.

17 Section 8. This act shall take effect July 1, 2001.

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19 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
20 COMMITTEE SUBSTITUTE FOR
21 SB 1614

22 Reduces the maximum amount of moneys diverted from the Solid
23 Waste Trust Fund to the Local Government Utilities Assistance
Act from \$5 million to \$2.5 million dollars.

24 Allows the money to be diverted in fiscal year 2002-2003, in
25 addition to 2001-2002.

26 Removes language authorizing the used of the financial
27 assistance to be be pledged for payment of debt service on
bonds.

28 Adds a definition of "community standards."
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