

By Representative Fasano

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 the
 9 uses of certain moneys for certain purposes;
 10 providing for criteria for grants and
 11 allocation of revenues for acquiring certain
 12 private water-wastewater utilities; providing
 13 for transfer of certain moneys from the Solid
 14 Waste Management Trust Fund to the program;
 15 providing for distribution of such moneys for
 16 certain purposes; providing for issuing revenue
 17 bonds for certain purposes under certain
 18 circumstances; authorizing the Department of
 19 Environmental Protection to adopt rules;
 20 providing an effective date.

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

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

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

1 establish a pilot program to assist local governments in
2 acquiring privately owned water-wastewater utilities, and to
3 finance the cost of such acquisition of privately owned
4 water-wastewater utilities through the issuance of revenue
5 bonds by sponsoring local governments.

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

7 (1) "Department" means the Department of Environmental
8 Protection.

9 (2) "Privately owned water-wastewater utility" means a
10 water or wastewater utility whose utility assets are privately
11 owned.

12 Section 4. Local government utilities assistance
13 program; state assistance.--The Local Government Utilities
14 Assistance Program is established in the department. A local
15 government may receive a grant or state assistance in the form
16 of a share or a nonlapsing share of the moneys allocated to
17 the program to be pledged for payment of debt service on
18 bonds, as provided in section 5, issued to finance the
19 acquisition of privately owned water-wastewater utilities.

20 (1) A private water-wastewater utility is deemed to be
21 eligible for assistance under the program if it meets one or
22 more of the following criteria:

23 (a) The water-wastewater utility is not capable of
24 making the improvements necessary to alleviate the public
25 health or environmental threats through its own resources
26 without increasing its rate for services to an amount beyond
27 that which is commensurate with community standards.

28 (b) The water-wastewater utility is confronted with a
29 public health or environmental threat or both, including
30 secondary state water quality standards, that may be better
31 addressed through public management or ownership, or both.

1 (c) The private utility desires to sell or
2 consolidate.

3 (2) The department may allocate proceeds from the
4 program in the form of a grant or a share of such proceeds to
5 be pledged to the payment of debt service on bonds, as
6 provided in section 5 to assist a local government in
7 financing the cost of acquiring a privately owned
8 water-wastewater utility if the acquisition by the local
9 government presents a preferable and cost-effective solution.

10 Section 5. Department determination to acquire;
11 bonds.--If the department determines that acquisition of a
12 privately owned water-wastewater utility is necessary, the
13 department may authorize the expenditure of proceeds from the
14 program for such purposes. The local government may pledge the
15 proceeds for the issuance of revenue bonds necessary to
16 acquire the private water-wastewater utility as otherwise
17 authorized by law.

18 Section 6. Rules.--The department may adopt rules to
19 implement the program, including, but not limited to,
20 administering the program, determining project eligibility and
21 priority, establishing application requirements, providing for
22 disbursement from the trust fund, and auditing the program.

23 Section 7. Allocation of moneys to the program;
24 disposition.--Notwithstanding s. 212.20(6)(e)2., Florida
25 Statutes, for fiscal year 2001-2002, one-half of the moneys
26 that would otherwise be distributed to the Solid Waste
27 Management Trust Fund pursuant to s. 212.20, Florida Statutes,
28 not to exceed \$5 million, shall be distributed to the program
29 to be used as provided in this act to implement the program as
30 a pilot program in Pasco County. Such moneys may be assigned,
31 pledged, or set aside as a trust for the payment of principal

1 or interest on bonds or any other form of indebtedness issued
2 by an appropriate local government or used to purchase credit
3 support to permit such borrowings. Such debt shall be
4 indebtedness of the local government and shall not constitute
5 a general obligation of the state. The state covenants with
6 holders of such revenue bonds or other instruments of
7 indebtedness issued under the program that it will not repeal
8 or impair or amend this act in any manner which will
9 materially affect the rights of bondholders so long as bonds
10 supported by revenues from the program are outstanding. Any
11 revenues that are not pledged to the repayment of bonds may be
12 used for purposes authorized under section 4.

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

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15 HOUSE SUMMARY

16 Establishes the Local Government Utilities Assistance
17 Program in the Department of Environmental Protection for
18 purposes of assisting local governments to acquire
19 privately owned water-wastewater utilities to cure or
20 mitigate environmental or health hazards created by such
21 utilities. Provides for implementing the program for
22 fiscal year 2001-2002 in Pasco County. Provides for
23 reallocating moneys from the Solid Waste Management Trust
24 Fund to fund the pilot program. Provides for issuance of
25 revenue bonds. See bill for details.
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