

By the Council for Ready Infrastructure and  
Representatives Fasano and Fiorentino

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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