

# FLORIDA HOUSE OF REPRESENTATIVES

## FINAL BILL ANALYSIS

*This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.*

<b>BILL #:</b> <a href="#">HB 1123</a>	<b>COMPANION BILL:</b> <a href="#">SB 1784</a> (Pizzo)
<b>TITLE:</b> Sewer Collection Systems	<b>LINKED BILLS:</b> None
<b>SPONSOR(S):</b> Cassel, Woodson	<b>RELATED BILLS:</b> None
<b>FINAL HOUSE FLOOR ACTION:</b> 111 Y's 0 N's	<b>GOVERNOR'S ACTION:</b> Pending

### SUMMARY

#### Effect of the Bill:

The bill authorizes a municipality that operates a sewer utility to use revenue generated by the municipality's operation of a central sewage system to expand the central sewage system.

#### Fiscal or Economic Impact:

None.

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### ANALYSIS

#### EFFECT OF THE BILL:

The bill authorizes a municipality that operates a [sewer utility](#) to use [revenue](#) generated by the municipality's operation of a central sewage system to expand the central sewage system. (Section [1](#))

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2025. (Section [2](#))

### RELEVANT INFORMATION

#### SUBJECT OVERVIEW:

#### Municipal Water and Sewer Utilities

General law authorizes municipalities to provide water and sewer utility services.<sup>1</sup> A municipality may use all of its corporate powers to provide water and sewer utility services, including to unincorporated areas outside of its municipal boundaries.<sup>2</sup> To begin initial construction or expansion of a water or sewer utility, the municipality must adopt an ordinance or resolution stating its purpose, the proposed area to be included, whether mortgage revenue certificates or debentures will be necessary to finance the project and the cost of those debt instruments, and any other provisions the city council deems necessary.<sup>3</sup> The municipality must pass a second ordinance or resolution at least 40 days after the first to authorize construction to begin.<sup>4</sup>

If the municipality is proposing the construction or extension of a central sewage system, the ordinance or resolution must contain a report that includes a study of available information from the Department of Environmental Protection (DEP) including:

- The history of onsite sewage treatment and disposal systems currently in use in the area;
- A comparison of the projected costs to the typical lot or parcel owner of connecting to and using the proposed central sewage system versus installing, operating, and properly maintaining an onsite sewage

<sup>1</sup> Pursuant to [s. 180.06, F.S.](#), a municipality may provide water and alternative water supplies; provide for the collection and disposal of sewage, including wastewater reuse, and other liquid wastes; and construct reservoirs, sewerage systems, trunk sewers, intercepting sewers, pumping stations, wells, siphons, intakes, pipelines, distribution systems, purification works, collection systems, treatment and disposal works to accomplish these purposes.

<sup>2</sup> S. [180.02\(2\), F.S.](#)

<sup>3</sup> S. [180.03\(1\), F.S.](#)

<sup>4</sup> S. [180.04, F.S.](#)

treatment and disposal system that is approved by the DEP and that provides for the comparable level of environmental and health protection as the proposed central sewerage system;

- Consideration of the municipality's obligations for water body cleanup and protection under state or federal programs, including requirements for water bodies listed in the Clean Water Act; and
- Any other factors the municipality deems relevant.<sup>5</sup>

### **Municipal Funding**

Current law authorizes municipalities to raise the amounts of money necessary for the conduct of the municipal government.<sup>6</sup> A municipality may do so by taxation and licenses authorized by Florida's constitution or general law, or by user charges or fees authorized by ordinance. Municipalities routinely transfer a portion of their utility earnings to their general funds for non-utility purposes, though the amounts and percentages may vary widely among municipalities.<sup>7</sup> These transfers may be limited in some circumstances by ordinance, but they are not governed by state law.

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<sup>5</sup> S. [180.03\(3\), F.S.](#)

<sup>6</sup> S. [166.201, F.S.](#)

<sup>7</sup> [Presentation on Florida Public Power by Florida Municipal Electric Association to House Energy, Communications & Cybersecurity Subcommittee on Feb. 9, 2023](#), slide 6, (last visited Mar. 15, 2025).