

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 limiting the portion of certain utility revenues that
13 a municipality may use to fund or finance general
14 government functions; requiring excess revenues to be
15 reinvested into the municipal utility or returned to
16 customers; requiring municipalities that provide
17 specified utility services to report certain
18 information by a specified date to the Florida Public
19 Service Commission on an annual basis; requiring the
20 commission to compile certain information and submit a
21 report containing such information to the Governor and
22 the Legislature by a specified date; providing
23 construction; amending s. 180.191, F.S.; revising
24 provisions relating to permissible rates, fees, and
25 charges imposed by municipal water and sewer utilities

on customers located outside the municipal boundaries;
amending s. 366.032, F.S.; prohibiting boards,
agencies, commissions, and authorities of any county,
municipal corporation, or political subdivision from
restricting or prohibiting fuel sources and appliances
used to provide energy to consumers; revising
retroactive applicability to include such boards,
agencies, commissions, and authorities; providing an
effective date.

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

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

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

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

(2) Any private company or corporation organized to

51 accomplish the purposes set forth in this chapter, which has
52 been granted a privilege or franchise by a municipality, may
53 permit the owners or association of owners of lots or lands
54 outside of the boundaries of said municipality granting said
55 privilege or franchise, or other municipality, to connect with
56 and use the utility operated by the said private company or
57 corporation upon such terms as may be agreed between the said
58 private company or corporation and the owners or association of
59 owners of said lots or lands or the said municipality.

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

72 1. The nature of the services to be provided or changes to
73 the services being provided;

74 2. The rates, fees, and charges to be imposed for the
75 services provided or intended to be provided, including any

76 differential with the rates, fees, and charges imposed for the
77 same services on customers located within the boundaries of the
78 serving municipality, the basis for the differential, and the
79 length of time that the differential is expected to exist;

80 3. The extent to which revenues generated from the
81 provision of the services will be used to fund or finance
82 nonutility government functions or services; and

83 4. Any other matters deemed relevant by the parties to the
84 agreement.

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

88 (c) A representative of each municipality that provides
89 electric, natural gas, water, or sewer utility services pursuant
90 to subsection (1), in conjunction with the governing body of
91 each municipality and unincorporated area in which it provides
92 services, must annually conduct a public customer meeting, which
93 is not required to be a separate public meeting, within each
94 municipality and unincorporated area for purposes of soliciting
95 public input on utility-related matters, including fees, rates,
96 charges, and services.

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

98 1. "Appointed representative" means an executive-level
99 leadership employee of a municipality, or such municipality's
100 related and separate utility authority, board, or commission,

specifically appointed by the governing body to serve as its representative for purposes of this subsection.

2. "Governing body" means a:

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

b. Board of county commissioners of a county in which services are provided or proposed to be extended, if services are provided or proposed to be extended in an unincorporated area within the county.

(4) A municipality that generates revenue from the provision of electric, natural gas, water, or sewer utility services to locations beyond its corporate limits may not use more than 10 percent of the gross revenues generated from such services to fund or finance general government functions. After the transfer of such revenues to fund or finance general government functions, if any revenues generated from such services remain after payment of the municipal utility's costs to provide services, these excess revenues must be reinvested into the municipal utility or returned to customers who received service at locations beyond the municipality's corporate limits.

(5)(a) By November 1, 2025, and annually thereafter, each municipality that provides electric, natural gas, water, or sewer utility services pursuant to subsection (1) must provide a report to the Florida Public Service Commission that identifies, for each type of utility service provided by the municipality:

126 1. The number and percentage of customers that receive
127 utility services provided by the municipality at a location
128 outside the boundaries of the municipality;

129 2. The volume and percentage of sales made to such
130 customers, and the gross revenues generated from such sales; and

131 3. Whether the rates, fees, and charges imposed on
132 customers that receive services at a location outside the
133 municipality's boundaries are different than the rates, fees,
134 and charges imposed on customers within the boundaries of the
135 municipality, and, if so, the amount and percentage of the
136 differential.

137 (b) The commission shall compile the information provided
138 pursuant to paragraph (a) and submit a report containing this
139 information to the Governor, the President of the Senate, and
140 the Speaker of the House of Representatives by January 31, 2026,
141 and annually thereafter.

142 (c) This subsection does not modify or extend the
143 authority of the commission otherwise provided by law with
144 respect to any municipal utility that is required to comply with
145 paragraph (a).

146 **Section 2. Subsection (1) of section 180.191, Florida**
147 **Statutes, is amended to read:**

148 180.191 Limitation on rates charged consumer outside city
149 limits.—

150 (1) Any municipality within the state operating a water or

151 sewer utility outside of the boundaries of such municipality
152 shall charge consumers outside the boundaries rates, fees, and
153 charges determined in one of the following manners:

154 (a) It may charge the same rates, fees, and charges as
155 consumers inside the municipal boundaries. ~~However, in addition~~
156 ~~thereto, the municipality may add a surcharge of not more than~~
157 ~~25 percent of such rates, fees, and charges to consumers outside~~
158 ~~the boundaries.~~ Fixing of such rates, fees, and charges in this
159 manner shall not require a public hearing except as may be
160 provided for service to consumers inside the municipality.

161 (b)1. It may charge rates, fees, and charges that are just
162 and equitable and which are based on the same factors used in
163 fixing the rates, fees, and charges for consumers inside the
164 municipal boundaries. ~~In addition thereto, the municipality may~~
165 ~~add a surcharge not to exceed 25 percent of such rates, fees,~~
166 ~~and charges for said services to consumers outside the~~
167 ~~boundaries. However, the total of all Such rates, fees, and~~
168 ~~charges for the services to consumers outside the boundaries~~ may
169 ~~shall not exceed 25 be more than 50 percent in excess of the~~
170 total amount the municipality charges consumers served within
171 the municipality for corresponding service. No such rates, fees,
172 and charges shall be fixed until after a public hearing at which
173 all of the users of the water or sewer systems; owners, tenants,
174 or occupants of property served or to be served thereby; and all
175 others interested shall have an opportunity to be heard

concerning the proposed rates, fees, and charges. Any change or revision of such rates, fees, or charges may be made in the same manner as such rates, fees, or charges were originally established, but if such change or revision is to be made substantially pro rata as to all classes of service, both inside and outside the municipality, no hearing or notice shall be required.

2. Any municipality within this state operating a water or sewer utility that provides services to consumers within the boundaries of a separate municipality through the use of a water treatment plant or sewer treatment plant located within the boundaries of that separate municipality may charge consumers in the separate municipality no more than the rates, fees, and charges imposed on consumers inside its own municipal boundaries.

Section 3. Subsections (1), (2), and (5) of section 366.032, Florida Statutes, are amended to read:

366.032 Preemption over utility service restrictions.—

(1) A municipality, county, board, agency, commission, or authority of any county, municipal corporation, or political subdivision, special district, community development district created pursuant to chapter 190, or other political subdivision of the state may not enact or enforce a resolution, ordinance, rule, code, or policy or take any action that restricts or prohibits or has the effect of restricting or prohibiting the

types or fuel sources of energy production which may be used, delivered, converted, or supplied by the following entities to serve customers that such entities are authorized to serve:

(a) A public utility or an electric utility as defined in this chapter;

(b) An entity formed under s. 163.01 that generates, sells, or transmits electrical energy;

(c) A natural gas utility as defined in s. 366.04(3)(c);

(d) A natural gas transmission company as defined in s. 368.103; or

(e) A Category I liquefied petroleum gas dealer or Category II liquefied petroleum gas dispenser or Category III liquefied petroleum gas cylinder exchange operator as defined in s. 527.01.

(2) Except to the extent necessary to enforce the Florida Building Code adopted pursuant to s. 553.73 or the Florida Fire Prevention Code adopted pursuant to s. 633.202, a municipality, county, board, agency, commission, or authority of any county, municipal corporation, or political subdivision, special district, community development district created pursuant to chapter 190, or other political subdivision of the state may not enact or enforce a resolution, an ordinance, a rule, a code, or a policy or take any action that restricts or prohibits or has the effect of restricting or prohibiting the use of an appliance, including a stove or grill, which uses the types or

226 fuel sources of energy production which may be used, delivered,
227 converted, or supplied by the entities listed in subsection (1).
228 As used in this subsection, the term "appliance" means a device
229 or apparatus manufactured and designed to use energy and for
230 which the Florida Building Code or the Florida Fire Prevention
231 Code provides specific requirements.

232 (5) Any municipality, county, board, agency, commission,
233 or authority of any county, municipal corporation, or political
234 subdivision, special district, community development district
235 created pursuant to chapter 190, or political subdivision
236 charter, resolution, ordinance, rule, code, policy, or action
237 that is preempted by this act that existed before or on July 1,
238 2021, is void.

239 **Section 4.** This act shall take effect July 1, 2026.