

By Senator Calatayud

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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 certain customers; requiring municipalities that
17 provide 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 on an annual
23 basis; providing construction; amending s. 180.191,
24 F.S.; revising provisions relating to permissible
25 rates, fees, and charges imposed by municipal water
26 and sewer utilities on customers located outside the
27 municipal boundaries; amending s. 366.032, F.S.;
28 prohibiting boards, agencies, commissions, and
29 authorities of any county, municipal corporation, or

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30 political subdivision from restricting or prohibiting
31 certain appliances and fuel sources used to provide
32 energy to consumers; voiding certain charters,
33 resolutions, ordinances, rules, codes, policies, or
34 actions of such boards, agencies, commissions, and
35 authorities; providing an effective date.

36
37 Be It Enacted by the Legislature of the State of Florida:

38
39 Section 1. Section 180.19, Florida Statutes, is amended to
40 read:

41 180.19 Use by other municipalities and by individuals
42 outside corporate limits.—

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

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

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59 private company or corporation and the owners or association of
60 owners of said lots or lands or the said municipality.

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

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

75 2. The rates, fees, and charges to be imposed for the
76 services provided or intended to be provided, including any
77 differential with the rates, fees, and charges imposed for the
78 same services on customers located within the boundaries of the
79 serving municipality, the basis for the differential, and the
80 length of time that the differential is expected to exist;

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

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

86 (b) Rates, fees, and charges imposed for water or sewer
87 utility services provided pursuant to subsection (1) shall

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88 comply with s. 180.191.

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

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

99 1. "Appointed representative" means an executive-level
100 leadership employee of a municipality, or such municipality's
101 related and separate utility authority, board, or commission,
102 specifically appointed by the governing body to serve as its
103 representative for purposes of this subsection.

104 2. "Governing body" means a:

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

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

111 (4) A municipality that generates revenue from the
112 provision of electric, natural gas, water, or sewer utility
113 services to locations beyond its corporate limits may not use
114 more than 10 percent of the gross revenues generated from such
115 services to fund or finance general government functions. After
116 the transfer of such revenues to fund or finance general

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117 government functions, if any revenues generated from such
118 services remain after payment of the municipal utility's costs
119 to provide services, these excess revenues must be reinvested
120 into the municipal utility or returned to customers who received
121 service at locations beyond the municipality's corporate limits.

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

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

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

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

138 (b) The commission shall compile the information provided
139 pursuant to paragraph (a) and submit a report containing this
140 information to the Governor, the President of the Senate, and
141 the Speaker of the House of Representatives by January 31, 2025,
142 and annually thereafter.

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

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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

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175 others interested shall have an opportunity to be heard
176 concerning the proposed rates, fees, and charges. Any change or
177 revision of such rates, fees, or charges may be made in the same
178 manner as such rates, fees, or charges were originally
179 established, but if such change or revision is to be made
180 substantially pro rata as to all classes of service, both inside
181 and outside the municipality, no hearing or notice shall be
182 required.

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

191 Section 3. Subsections (1), (2), and (5) of section
192 366.032, Florida Statutes, are amended to read:

193 366.032 Preemption over utility service restrictions.—

194 (1) A municipality, county, board, agency, commission, or
195 authority of any county, municipal corporation, or political
196 subdivision, special district, community development district
197 created pursuant to chapter 190, or other political subdivision
198 of the state may not enact or enforce a resolution, ordinance,
199 rule, code, or policy or take any action that restricts or
200 prohibits or has the effect of restricting or prohibiting the
201 types or fuel sources of energy production which may be used,
202 delivered, converted, or supplied by the following entities to
203 serve customers that such entities are authorized to serve:

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- 204 (a) A public utility or an electric utility as defined in
205 this chapter;
- 206 (b) An entity formed under s. 163.01 that generates, sells,
207 or transmits electrical energy;
- 208 (c) A natural gas utility as defined in s. 366.04(3)(c);
- 209 (d) A natural gas transmission company as defined in s.
210 368.103; or
- 211 (e) A Category I liquefied petroleum gas dealer or Category
212 II liquefied petroleum gas dispenser or Category III liquefied
213 petroleum gas cylinder exchange operator as defined in s.
214 527.01.
- 215 (2) Except to the extent necessary to enforce the Florida
216 Building Code adopted pursuant to s. 553.73 or the Florida Fire
217 Prevention Code adopted pursuant to s. 633.202, a municipality,
218 county, board, agency, commission, or authority of any county,
219 municipal corporation, or political subdivision, special
220 district, community development district created pursuant to
221 chapter 190, or other political subdivision of the state may not
222 enact or enforce a resolution, an ordinance, a rule, a code, or
223 a policy or take any action that restricts or prohibits or has
224 the effect of restricting or prohibiting the use of an
225 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, or

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233 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.