

CS/HB 1451

2026

A bill to be entitled
An act relating to utility services; amending s. 180.19, F.S.; requiring certain public meetings as a condition precedent to the effectiveness of a new or an extended agreement under which a municipality will provide specified utility services in other municipalities or unincorporated areas; specifying the matters to be addressed at such public meetings; requiring such agreements to be written; requiring annual public customer meetings; defining the terms "appointed representative" and "governing body"; amending s. 180.191, F.S.; revising provisions relating to permissible rates, fees, and charges imposed by municipal water and sewer utilities on customers located outside the municipal boundaries; creating s. 180.192, F.S.; requiring municipalities that provide specified utility services to report certain information by a specified date, and annually thereafter, to the Florida Public Service Commission; providing penalties; requiring the commission to compile such information and submit a report by a specified date, and annually thereafter, to the Governor and the Legislature; providing construction; providing effective dates.

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

27

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

30 180.19 Use by other municipalities and by individuals
31 outside corporate limits.—

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

40 (2) Any private company or corporation organized to
41 accomplish the purposes set forth in this chapter, which has
42 been granted a privilege or franchise by a municipality, may
43 permit the owners or association of owners of lots or lands
44 outside of the boundaries of said municipality granting said
45 privilege or franchise, or other municipality, to connect with
46 and use the utility operated by the said private company or
47 corporation upon such terms as may be agreed between the said
48 private company or corporation and the owners or association of
49 owners of said lots or lands or the said municipality.

50 (3) (a) A new agreement, or an extension, renewal, or

51 material amendment of an existing agreement, to provide
52 electric, natural gas, water, or sewer utility service at retail
53 pursuant to subsection (1) must be written and may not become
54 effective before an appointed representative of the municipality
55 that provides service or intends to provide the service, in
56 conjunction with the governing body of each municipality and
57 unincorporated area served or to be served, has participated in
58 a public meeting, which is not required to be a separate public
59 meeting, within each municipality and unincorporated area served
60 or to be served for purposes of providing information and
61 soliciting public input on:

62 1. The nature of the services to be provided or changes to
63 the services being provided.

64 2. The rates, fees, and charges to be imposed for the
65 services provided or intended to be provided, including any
66 differential with the rates, fees, and charges imposed for the
67 same services on customers located within the boundaries of the
68 serving municipality, the basis for the differential, and the
69 length of time that the differential is expected to exist.

70 3. The extent to which revenues generated from the
71 provision of the services will be used to fund or finance
72 nonutility government functions or services.

73 4. Any other matters deemed relevant by the parties to the
74 agreement.

75 (b) Rates, fees, and charges imposed for water or sewer

76 utility services provided pursuant to subsection (1) shall
77 comply with s. 180.191.

78 (c) A representative of each municipality that provides
79 electric, natural gas, water, or sewer utility services pursuant
80 to subsection (1), in conjunction with the governing body of
81 each municipality and unincorporated area in which it provides
82 services, must annually conduct a public customer meeting, which
83 is not required to be a separate public meeting, within each
84 municipality and unincorporated area for purposes of soliciting
85 public input on utility-related matters, including fees, rates,
86 charges, and services.

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

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

93 2. "Governing body" means a:

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

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

100 **Section 2. Subsection (1) of section 180.191, Florida**

101 **Statutes, is amended to read:**

102 180.191 Limitation on rates charged consumer outside city
103 limits.—

104 (1) Any municipality within the state operating a water or
105 sewer utility outside of the boundaries of such municipality
106 shall charge consumers outside the boundaries rates, fees, and
107 charges determined in one of the following manners:

108 (a) It may charge the same rates, fees, and charges as
109 consumers inside the municipal boundaries. ~~However, in addition~~
110 ~~thereto, the municipality may add a surcharge of not more than~~
111 ~~25 percent of such rates, fees, and charges to consumers outside~~
112 ~~the boundaries.~~ Fixing of such rates, fees, and charges in this
113 manner shall not require a public hearing except as may be
114 provided for service to consumers inside the municipality.

115 (b) It may charge rates, fees, and charges that are just
116 and equitable and which are based on the same factors used in
117 fixing the rates, fees, and charges for consumers inside the
118 municipal boundaries. ~~In addition thereto, the municipality may~~
119 ~~add a surcharge not to exceed 25 percent of such rates, fees,~~
120 ~~and charges for said services to consumers outside the~~
121 ~~boundaries. However, the total of all such rates, fees, and~~
122 ~~charges for the services to consumers outside the boundaries may~~
123 ~~shall not be more than 25 50 percent in excess of the rates,~~
124 ~~fees, and charges total amount the municipality charges~~
125 consumers served within the municipality for corresponding

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126 service. No such rates, fees, and charges shall be fixed until
127 after a public hearing at which all of the users of the water or
128 sewer systems; owners, tenants, or occupants of property served
129 or to be served thereby; and all others interested shall have an
130 opportunity to be heard concerning the proposed rates, fees, and
131 charges. Any change or revision of such rates, fees, or charges
132 may be made in the same manner as such rates, fees, or charges
133 were originally established, but if such change or revision is
134 to be made substantially pro rata as to all classes of service,
135 both inside and outside the municipality, no hearing or notice
136 shall be required.

137 **Section 3. Effective July 1, 2026, section 180.192,
138 Florida Statutes, is created to read:**

139 180.192 Reporting requirements related to municipal
140 utility service.—

141 (1) By January 1, 2027, and annually thereafter, each
142 municipality that provides electric, natural gas, water, or
143 sewer utility services pursuant to s. 180.191(1) must provide a
144 report to the Florida Public Service Commission. A municipality
145 that fails to file the report required by this subsection is
146 subject to the penalties provided in s. 366.095. The report must
147 identify, for each type of utility service provided by the
148 municipality:

149 (a) The number and percentage of customers that receive
150 utility services provided by the municipality at a location

151 outside the boundaries of the municipality.

152 (b) The volume and percentage of sales made to such
153 customers, and the gross revenues generated from such sales.

154 (c) Whether the rates, fees, and charges imposed on
155 customers that receive services at a location outside the
156 municipality's boundaries are different than the rates, fees,
157 and charges imposed on customers within the boundaries of the
158 municipality, and, if so, the amount and percentage of the
159 differential.

160 (2) By March 31, 2027, and annually thereafter, the
161 commission shall compile the information provided pursuant to
162 subsection (1) and submit a report containing this information
163 to the Governor, the President of the Senate, and the Speaker of
164 the House of Representatives.

165 (3) This section does not modify or extend the authority
166 of the commission otherwise provided by law with respect to any
167 municipal utility that is required to comply with subsection
168 (1).

169 **Section 4.** Except as otherwise expressly provided in this
170 act, this act shall take effect July 1, 2027.