

By the Committee on Regulated Industries; and Senator Martin

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580-02457-26

20261724c1

30 annually thereafter, to the Florida Public Service
31 Commission; requiring the commission to compile such
32 information and submit a report by a specified date,
33 and annually thereafter, to the Governor and the
34 Legislature; authorizing commission jurisdiction over
35 specified utilities; providing construction; providing
36 effective dates.

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

39
40 Section 1. Subsection (3) is added to section 180.19,
41 Florida Statutes, to read:

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

44 (3) (a) A new agreement, or an extension, renewal, or
45 material amendment of an existing agreement, to provide
46 electric, water, or sewer utility service at retail pursuant to
47 subsection (1) must be in writing. Such agreement may not become
48 effective before an appointed representative of the municipality
49 that provides the service or intends to provide service, in
50 conjunction with the governing body of each municipality and
51 unincorporated area served or to be served, has participated in
52 a public meeting. Such meeting is not required to be a separate
53 public meeting, but it must be held within each municipality and
54 unincorporated area served or to be served for purposes of
55 providing information and soliciting public input on:

56 1. The nature of the services to be provided or changes to
57 the services being provided;

58 2. The rates, fees, and charges to be imposed for the

580-02457-26

20261724c1

59 services provided or intended to be provided, including any
60 differential with the rates, fees, and charges imposed for the
61 same services on customers located within the boundaries of the
62 serving municipality, the basis for the differential, and the
63 length of time that the differential is expected to exist;

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

67 4. Any other matter deemed relevant by the parties to the
68 agreement.

69 (b) Rates, fees, and charges imposed for water or sewer
70 utility services provided pursuant to subsection (1) must comply
71 with s. 180.191.

72 (c) A representative of each municipality that provides
73 electric, water, or sewer utility services pursuant to
74 subsection (1), in conjunction with the governing body of each
75 municipality and unincorporated area in which it provides
76 services, shall annually conduct a public customer meeting. Such
77 meeting is not required to be a separate public meeting, but
78 must be held within each municipality and unincorporated area
79 for purposes of soliciting public input on utility-related
80 matters, including fees, rates, charges, and services.

81 (d) As used in this subsection, the term:

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

87 2. "Governing body" means a:

580-02457-26

20261724c1

88 a. Governing body of a municipality in which services are
89 provided or proposed to be extended; or
90 b. Board of county commissioners of a county in which
91 services are provided or proposed to be extended, if services
92 are provided or proposed to be extended in an unincorporated
93 area within the county.

94 Section 2. Subsection (1) of section 180.191, Florida
95 Statutes, is amended to read:

96 180.191 Limitation on rates charged consumer outside city
97 limits.—

98 (1) Any municipality within this ~~the~~ state operating a
99 water or sewer utility outside of the boundaries of such
100 municipality shall charge consumers outside the boundaries
101 rates, fees, and charges determined in one of the following
102 manners:

103 (a) It may charge the same rates, fees, and charges as
104 consumers inside the municipal boundaries. ~~However, in addition~~
105 ~~thereto, the municipality may add a surcharge of not more than~~
106 ~~25 percent of such rates, fees, and charges to consumers outside~~
107 ~~the boundaries.~~ Fixing of such rates, fees, and charges in this
108 manner may ~~shall~~ not require a public hearing except as may be
109 provided for service to consumers inside the municipality.

110 (b) It may charge rates, fees, and charges that are just
111 and equitable and which are based on the same factors used in
112 fixing the rates, fees, and charges for consumers inside the
113 municipal boundaries. ~~In addition thereto, the municipality may~~
114 ~~add a surcharge not to exceed 25 percent of such rates, fees,~~
115 ~~and charges for said services to consumers outside the~~
116 ~~boundaries.~~ ~~However, the total of all such rates, fees, and~~

580-02457-26

20261724c1

117 charges for the services to consumers outside the boundaries may
118 ~~shall~~ not be more than 25 ~~50~~ percent in excess of the rates,
119 fees, and charges ~~total amount~~ the municipality charges
120 consumers served within the municipality for corresponding
121 service. ~~No~~ Such rates, fees, and charges may not ~~shall~~ be fixed
122 until after a public hearing at which all of the users of the
123 water or sewer systems; owners, tenants, or occupants of
124 property served or to be served thereby; and all others
125 interested shall have an opportunity to be heard concerning the
126 proposed rates, fees, and charges. Any change or revision of
127 such rates, fees, or charges may be made in the same manner as
128 such rates, fees, or charges were originally established, but if
129 such change or revision is to be made substantially pro rata as
130 to all classes of service, both inside and outside the
131 municipality, no hearing or notice shall be required.

132 (c) Notwithstanding paragraphs (a) and (b), a municipality
133 may continue to impose a surcharge on consumers outside the
134 municipal boundaries only to the extent necessary to comply with
135 the terms of bond covenants in effect as of July 1, 2024. Such
136 surcharges must be phased out upon retirement, expiration, or
137 refinancing of the applicable debt obligation.

138 Section 3. Effective July 1, 2027, section 180.192, Florida
139 Statutes, is created to read:

140 180.192 Reporting requirements related to municipal utility
141 service.-

142 (1) By January 1, 2028, and annually thereafter, each
143 municipality that provides electric, water, or sewer utility
144 services outside of its municipal boundaries shall provide a
145 report to the Florida Public Service Commission which

580-02457-26

20261724c1

146 identifies, for each type of utility service provided by the
147 municipality:
148 (a) The number and percentage of customers that receive
149 utility services provided by the municipality at a location
150 outside the boundaries of the municipality;
151 (b) The volume and percentage of sales made to such
152 customers, and the gross revenues generated from such sales; and
153 (c) Whether the rates, fees, and charges imposed on
154 customers that receive services at a location outside the
155 municipality's boundaries are different than the rates, fees,
156 and charges imposed on customers within the boundaries of the
157 municipality, and, if so, the amount and percentage of the
158 differential.

159 (2) By March 31, 2028, and annually thereafter, the
160 commission shall compile the information provided pursuant to
161 subsection (1) and submit a report containing that information
162 to the Governor, the President of the Senate, and the Speaker of
163 the House of Representatives.

164 (3) Notwithstanding s. 367.171, the commission shall have
165 jurisdiction over all utilities identified in subsection (1) for
166 the limited purpose of enforcing the requirements of this
167 section. This section does not otherwise modify or extend the
168 authority of the commission provided by law with respect to any
169 municipal utility that is required to comply with subsection
170 (1).

171 Section 4. Except as otherwise expressly provided in this
172 act, this act shall take effect July 1, 2026.