

# FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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

**BILL #:** [CS/HB 4077](#)

**TITLE:** City of Punta Gorda, Charlotte County

**SPONSOR(S):** Oliver

**COMPANION BILL:** None

**LINKED BILLS:** None

**RELATED BILLS:** None

## Committee References

[Intergovernmental Affairs](#)

13 Y, 3 N, As CS



[State Affairs](#)

## SUMMARY

### **Effect of the Bill:**

The bill transfers responsibility for water and wastewater utility services currently provided by the City of Punta Gorda to customers outside of its municipal boundaries to Charlotte County and requires the city and county to enter into interlocal agreements to effectuate the transfer.

### **Fiscal or Economic Impact:**

The Economic Impact Statement for the bill states the act does not have direct impact on revenues or expenditures, except for administrative costs of the City of Punta Gorda and Charlotte County to draft interlocal agreements, which should be absorbed by current staff.

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## ANALYSIS

### **EFFECT OF THE BILL:**

The bill provides that the act may be cited as the “Punta Gorda Utility District Boundary Codification and Utility Transfer Act.” (Section [1](#))

The bill establishes a Punta Gorda Utility District, consisting of lands within the municipal boundaries of the [City of Punta Gorda](#) (City) as of the effective date of the bill. The bill requires the City to provide the Department of State and the Department of Commerce with a certified map and metes-and-bounds legal description of the City as of the effective date of the bill. (Section [3](#))

The bill provides that, notwithstanding any [interlocal agreement](#) to the contrary, Charlotte County (County) will assume responsibility for potable [water and wastewater utility service](#), operations, billing, management, and associated assets and obligations for utility service being provided to customers of the City’s water and wastewater utility outside of the City’s boundaries. The bill provides that the City will continue to own and maintain current assets outside of its municipal boundaries necessary to provide service. (Section [4](#))

The bill requires the City and County to enter into interlocal agreements necessary to effectuate the transfer of operations from the City to the County. The bill requires the City and the County to enter into an initial agreement within 180 days of the effective date of the bill, which must contain steps needed to develop a fully executable transition plan. The transition plan must be submitted by the City and County, jointly or separately, in a written report to the County’s legislative delegation within 365 days after the effective date of the bill. (Section [4](#))

The bill provides that pending the transfer of operations, the City must continue to provide water and wastewater services to the new and existing customers and operate its infrastructure to maintain continuity of service. (Section [5](#))

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The bill provides that it should not be constructed to impair existing bonds, capital improvement commitments, franchise agreements, interlocal agreements, or financial obligations of the City or County. The bill provides that the City may continue to exercise their powers, duties, and obligations pending transfer. (Section [5](#))

The effective date of the bill is upon becoming a law. (Section [6](#))

## FISCAL OR ECONOMIC IMPACT:

### LOCAL GOVERNMENT:

The Economic Impact Statement for the bill states the act does not have direct impact on revenues or expenditures, except for administrative costs of the City and County to draft interlocal agreements, which should be absorbed by current staff.

## RELEVANT INFORMATION

### SUBJECT OVERVIEW:

#### [Municipal Water Utilities](#)

Municipalities are authorized by general law to provide water and sewer utility services.<sup>1</sup> With respect to public works projects, including water and sewer utility services,<sup>2</sup> municipalities may extend and execute their corporate powers outside of their corporate limits as “desirable or necessary for the promotion of the public health, safety and welfare.”<sup>3</sup> A municipality may not extend or apply these corporate powers within the corporate limits of another municipality.<sup>4</sup> In general, however, local governments may enter into mutually advantageous agreements to provide services or facilities to other localities.<sup>5</sup> Further, the law specifically authorizes a municipality to permit any other municipality and the owners of lands outside its corporate limits or within the limits of another municipality to connect with its water and sewer utility facilities and use its services upon agreed terms and conditions.<sup>6</sup> Municipal water and sewer utility systems are exempt from Public Service Commission jurisdiction.

A municipality that operates a water or sewer utility outside of its municipal boundaries may impose higher rates, fees, and charges on customers receiving service outside of its corporate boundaries as compared to the rates, fees, and charges imposed on customers within its boundaries. The municipality can accomplish this in two ways:

- First, for customers outside of its boundaries, it may add a surcharge of up to 25 percent of the rates, fees, and charges imposed on customers within its boundaries. This mechanism does not require a public hearing.<sup>7</sup>
- Second, it may set separate rates, fees, and charges for customers outside its boundaries based on the same factors used to set rates for customers within its boundaries. It may add a surcharge of up to 25 percent of these charges, provided that the total of all such rates, fees, and charges for service to customers outside its boundaries may not exceed the total charges to customers within its boundaries by more than 50 percent for corresponding service. Rates set in this manner require a public hearing at which all users served or to

<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> Other public works projects authorized under [s. 180.06, F.S.](#), include alternative water supplies, maintenance of water flow and bodies of water for sanitary purposes, garbage collection and disposal, airports, hospitals, jails, golf courses, gas plants and distribution systems, and related facilities.

<sup>3</sup> [S. 180.02\(2\), F.S.](#)

<sup>4</sup> *Id.*

<sup>5</sup> See [s. 163.01, F.S.](#)

<sup>6</sup> [S. 180.19, F.S.](#)

<sup>7</sup> [S. 180.191\(1\)\(a\), F.S.](#)

be served by the water or sewer utilities and all other interested persons will have an opportunity to be heard concerning the proposed rates.<sup>8</sup>

**Interlocal Agreements**

The Florida Interlocal Cooperation Act of 1969 (Act) allows local governments to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage to provide services and facilities that will best address the geographic, economic, population, and other factors that affect the needs and development of local communities.<sup>9</sup> The Act authorizes public agencies to exercise jointly, by contract in the form of an interlocal agreement, any power, privilege, or authority shared by those agencies in order to more efficiently provide services and facilities.<sup>10</sup> An interlocal agreement may provide for a separate legal or administrative entity to administer or execute the agreement, which may be a commission, board, or council constituted pursuant to the agreement.<sup>11</sup> A separate legal or administrative entity created by an interlocal agreement is authorized to: make and enter into contracts; employ agencies or employees; acquire, construct, manage, maintain, or operate buildings, works, or improvements; acquire, hold, or dispose of property; and incur debts, liabilities, or obligations which do not constitute the debts, liabilities, or obligations of any of the parties to the agreement.<sup>12</sup>

**City of Punta Gorda**

The City of Punta Gorda (City) was incorporated in 1887 in present day Charlotte County.<sup>13</sup> The City is located on the southern bank of the Peace River and every waterfront block in the City is designated as a public park.<sup>14</sup> The City provides water and sewer services to approximately 14,000 customers located both within its municipal boundaries and outside of the City in its utility service area, with one-third of the customers located outside of the municipal boundary.<sup>15</sup>

**BILL HISTORY**

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
<a href="#">Intergovernmental Affairs Subcommittee</a>	13 Y, 3 N, As CS	2/18/2026	Darden	Darden
THE CHANGES ADOPTED BY THE COMMITTEE:				
<a href="#">State Affairs Committee</a>	<ul style="list-style-type: none"> <li>Corrected a technical error.</li> </ul>			

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**THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.**  
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<sup>8</sup> [S. 180.191\(1\)\(b\), F.S.](#)

<sup>9</sup> [S. 163.01\(2\), F.S.](#)

<sup>10</sup> [S. 163.01\(4\)-\(5\), F.S.](#)

<sup>11</sup> [S. 163.01\(7\)\(a\), F.S.](#)

<sup>12</sup> [S. 163.01\(7\)\(b\), F.S.](#)

<sup>13</sup> City of Punta Gorda, [History of Punta Gorda](#) (last visited Feb. 16, 2026). At the time the City was incorporated, the area was part of DeSoto County. See ch. 3770, s. 3, Laws of Fla. (1887).

<sup>14</sup> City of Punta Gorda, [History of Punta Gorda](#) (last visited Feb. 16, 2026).

<sup>15</sup> City of Punta Gorda, [Utilities](#) (last visited Feb. 16, 2026). See also Sommer Senne, [Punta Gorda faces water supply decision](#), WINK News (last visited Feb. 16, 2026).

