

1                                   A bill to be entitled  
2            An act relating to municipal water or sewer utility  
3            rates, fees, and charges; amending s. 180.191, F.S.;  
4            removing a provision authorizing certain  
5            municipalities serving consumers outside their  
6            boundaries to add specific surcharges to the rates,  
7            fees, and charges; removing a provision which does not  
8            require a public hearing for adding specific  
9            surcharges; requiring certain municipalities to  
10           conduct rate studies by specified dates which evaluate  
11           future capital needs, whether rates are expected to  
12           generate sufficient revenues to cover certain costs  
13           and support certain investments, and whether costs are  
14           equitably distributed; providing an effective date.

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

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18           Section 1. Subsection (1) of section 180.191, Florida  
19           Statutes, is amended, and a new subsection (5) is added to that  
20           section, to read:

21           180.191   Limitation on rates charged consumer outside city  
22           limits.—

23           (1)   Any municipality within the state operating a water or  
24           sewer utility outside of the boundaries of such municipality  
25           shall charge consumers outside the boundaries rates, fees, and

26 | ~~charges determined in one of the following manners:~~

27 |       ~~(a) It may charge the same rates, fees, and charges as~~  
28 | ~~consumers inside the municipal boundaries. However, in addition~~  
29 | ~~thereto, the municipality may add a surcharge of not more than~~  
30 | ~~25 percent of such rates, fees, and charges to consumers outside~~  
31 | ~~the boundaries. Fixing of such rates, fees, and charges in this~~  
32 | ~~manner shall not require a public hearing except as may be~~  
33 | ~~provided for service to consumers inside the municipality.~~

34 |       ~~(b) It may charge rates, fees, and charges that are just~~  
35 | ~~and equitable and which are based on the same factors used in~~  
36 | ~~fixing the rates, fees, and charges for consumers inside the~~  
37 | ~~municipal boundaries. In addition thereto, the municipality may~~  
38 | ~~add a surcharge not to exceed 25 percent of such rates, fees,~~  
39 | ~~and charges for said services to consumers outside the~~  
40 | ~~boundaries. However, the total of all such rates, fees, and~~  
41 | ~~charges for the services to consumers outside the boundaries~~  
42 | ~~shall not be more than 50 percent in excess of the total amount~~  
43 | ~~the municipality charges consumers served within the~~  
44 | ~~municipality for corresponding service. No such rates, fees, and~~  
45 | ~~charges shall be fixed until after a public hearing at which all~~  
46 | ~~of the users of the water or sewer systems; owners, tenants, or~~  
47 | ~~occupants of property served or to be served thereby; and all~~  
48 | ~~others interested shall have an opportunity to be heard~~  
49 | ~~concerning the proposed rates, fees, and charges. Any change or~~  
50 | ~~revision of such rates, fees, or charges may be made in the same~~

51 manner as such rates, fees, or charges were originally  
52 established, but if such change or revision is to be made  
53 substantially pro rata as to all classes of service, both inside  
54 and outside the municipality, no hearing or notice shall be  
55 required.

56 (5) By January 1, 2027, and every 7 years thereafter, each  
57 municipality subject to subsection (1) must conduct a rate study  
58 which evaluates, at a minimum, the utility's future capital  
59 investment needs, whether the utility's rates are expected to  
60 generate sufficient revenues to cover its operating and  
61 maintenance costs and support current and planned capital  
62 investment, and whether costs are equitably distributed among  
63 all customer classes.

64 Section 2. This act shall take effect July 1, 2024.