



February 11, 2026

Via Email Delivery

The Honorable Demi Busatta
Florida House of Representatives
222 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300

Re: CS/HB 1451 Utility Services
02.12.26 Agenda, Intergovernmental Affairs Subcommittee

Dear Representative Busatta:

On behalf of the Florida League of Cities, I respectfully request that you extend the effective date of section 2 of CS/HB 1451. Section 2 eliminates current law authority for a municipal utility to impose a surcharge for servicing extraterritorial customers. The current effective date is July 1, 2027. We request an extension of this date to 2029 for the following reasons:

- It will allow time for utilities to procure a firm to conduct a rate study to develop new rates for extraterritorial customers to ensure municipal customers do not subsidize extraterritorial service. Rate studies typically take 6-9 months to complete.
- It will provide time for the utility's governing body to adopt the new rate at a public hearing and to hold the additional public meeting within the extraterritorial area, as required by the bill.
- Extension of the effective date will give time for the utility to modify existing interlocal agreements that were predicated on existing surcharges, as well as hold the additional public meetings to ratify the agreements, as required by the bill.
- Extension of the effective date may give the utility additional time to refinance any debt service that was based on existing surcharges.
- Extension of the effective date will give the utility time to revise or cancel planned projects that may have been funded by surcharge revenue.

Thank you very much for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Rebecca O'Hara", written over a light blue horizontal line.

Rebecca O'Hara
Deputy General Counsel
Florida League of Cities, Inc.

cc: Chair Jacques and members of the Intergovernmental Affairs Subcommittee

