



PRESS RELEASE

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STATEMENT BY:

Amy Zubaly, Executive Director, Florida Municipal Electric Association
Regarding Proposed Committee Substitute for HB 1331, Amendment to SB 1380

"The proposed substitute language for House Bill 1331 and an amendment to Senate Bill 1380 will hurt municipal utility communities and their residents.

Municipal utilities have constitutional authority to transfer revenue generated from assets owned and operated by the local government to the general government budget. These dollars are often used to provide residents with critical life and safety services, including police and fire departments.

House Bill 1331 and Senate Bill 1380 substantially limit municipal electric utilities' ability to transfer revenues to cities' general funds, which is used to reinvest in the health, safety and welfare of their communities. This will inordinately affect rural, often economically distressed, communities that have a weaker tax base because of the volume of tax-exempt properties that are located there, such as houses of worship, schools and government buildings.

Prohibiting or limiting general fund transfers would eliminate a city's right as the utility owner to earn a reasonable return on the investment in its utility systems, a recognized right of every utility owner and operator, to provide an essential service and promote a higher quality of life in their communities.

PCS House Bill 1331 and Senate Bill 1380 will have innumerable unintended consequences for millions of Florida residents and businesses receiving utility services from a municipality. The legislation will undoubtedly raise costs and diminish the quality of life, through reduced services provided or higher taxes, for millions of Floridians already struggling with the burdens of inflation."

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The Florida Municipal Electric Association (FMEA) represents the unified interests of 33 public power communities across the state, which provide electricity to more than 4 million of Florida's residential and business consumers.