



Oppose HB 1277: A Threat to Municipal Utilities

More than 1.5 million Floridians are customer-owners of 33 municipal electric utilities, and this bill is NOT in their best interest. Municipal electric utilities in Florida have a history of delivering lower utility bills and better service than investor-owned, private electric utilities, and we should keep it that way.¹

This bill threatens local municipal utilities – it:

- Limits local control
- Creates an arbitrary 10% cap on utility revenue transfer
 - Investor-owned utilities (IOUs) receive around 20% of revenue as profit. Residential municipal electric bills are already, on average, significantly lower than IOUs.
 - While much of IOU profits leave the state to pay investors and fund company headquarters (TECO's parent is headquartered in Nova Scotia, Duke Energy is in North Carolina), municipal revenues are reinvested into the community and keep taxes lower.
- Strains locally-controlled utilities, potentially setting them up for takeovers by investor-owned utilities. This would eliminate all local control and generate profits for shareholders instead of funds to support local services.
- Disrupts municipal budgets and poses a threat to funds used to support police and fire departments.
- Adds unnecessary regulations and red tape for locally-owned and controlled utilities.

Note: While the focus of this fact sheet is on municipal electric utilities, HB 1277 also applies to municipal natural gas, water, and sewer utilities.

¹American Public Power Association: Stats and Facts. <https://www.publicpower.org/public-power/stats-and-facts>