

April 27, 2023

FL Legislators: Reject Predatory Water System Pricing

Dear Honorable Members of the Florida Legislature,

We, the undersigned organizations, urge you to vote against CS/SB 194/HB 125, which would facilitate the corporate takeover of Florida's local water and sewer systems and could lead to sizable rate hikes on customers. ***It is alarming that this bill has been added to the special order calendar to be rushed through the state legislature.***

This legislation will allow water corporations to use outside consultants to inflate the value of a water system they are acquiring and then allow the companies to recover that amount along with investor returns by raising customer water rates. This upends the traditional way of valuing a system that allows the corporation to recover only the system's book value - the actual value of the assets on its balance sheets.

CS/SB 194/HB 125 would have a dual effect of making it more profitable for companies to buy local systems and making it easier to entice local governments to sell their water and sewer systems for more cash. Both the seller and buyer will push for higher and higher purchase prices.

Florida residents and businesses will pick up the check in the form of higher water bills. By their own analysis, Florida House staff admitted that CS/SB 194/HB 125 could mean higher rates for customers. At a time of rising prices for everything from medical care and energy to housing, the last thing Floridians need is to be priced out of essential water service.

Protect Florida's water and sewer system customers from predatory water system pricing and excessive water rate hikes by voting against CS/SB 194/HB 125.

Sincerely,

Food & Water Watch
Catalyst Miami
Central Florida Jobs with Justice
Earthjustice
Florida Conservation Voters
Florida Rising
League of United Latin American Citizens
People's Economic & Environmental Resiliency Group
Physicians for Social Responsibility
ReThink Energy Florida