

PROPOSED AMENDMENT

HB 1001 # 5

DIGEST

Housing authorities. Increases the average construction cost allowable for certain housing projects to be completed by a housing authority. Provides that bonds, notes, or warrants of a housing authority may be sold at less than par value at a negotiated sale.

- 1 Page 29, between lines 39 and 40, begin a new paragraph and insert:
2 "SECTION 1. IC 36-7-18-16 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. (a) A housing
4 authority may:
5 (1) prepare, carry out, acquire, lease, and operate housing
6 projects; and
7 (2) provide for the construction, reconstruction, improvement,
8 alteration, or repair of all or part of a housing project.
9 (b) Notwithstanding subsection (a), a housing project may not be
10 built if the average construction cost, exclusive of the cost of land,
11 demolition, and nondwelling facilities, is more than:
12 (1) ~~two~~ **four** thousand dollars (~~\$2,000~~) (**\$4,000**) per room;
13 (2) ~~ten~~ **fifteen** thousand dollars (~~\$10,000~~) (**\$15,000**) per room, if
14 the accommodations are designed specifically for persons of low
15 income who:
16 (A) have attained the age at which they may elect to receive
17 old age benefits under Title 2 of the Social Security Act (42
18 U.S.C. 401-433); or
19 (B) are under disability (as defined in Section 223 of that Act
20 (42 U.S.C. 423)); or
21 (3) any greater amount established by the federal government as
22 the basis for computing any of its annual contributions.
23 (c) Notwithstanding subsection (b), if the housing authority finds
24 that:
25 (1) compliance with the cost limitations in subsection (b) would
26 require the sacrifice of sound standards of construction, design,

1 and livability in a project; and
 2 (2) there is an acute need for the proposed housing;
 3 it may exceed the cost limitation that would otherwise be applicable
 4 under subsection (b) by not more than ~~seven hundred fifty dollars~~
 5 ~~(\$750) per room. **an amount necessary to make the project**~~
 6 **financially feasible.**

7 SECTION 2. IC 36-7-18-31, AS AMENDED BY P.L.230-2025,
 8 SECTION 144, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2026]: Sec. 31. (a) Issues of bonds, notes, or
 10 warrants of a housing authority must be approved by the fiscal body of
 11 the unit after a public hearing, with notice of the time, place, and
 12 purpose of the hearing given by publication in accordance with
 13 IC 5-3-1. The bonds, notes, or warrants must then be authorized by
 14 resolution of the authority.

15 (b) After the bonds, notes, or warrants have been approved under
 16 subsection (a), they may be issued in one (1) or more series, with the:

- 17 (1) dates;
- 18 (2) maturities;
- 19 (3) denominations;
- 20 (4) form, either coupon or registered;
- 21 (5) conversion or registration privileges;
- 22 (6) rank or priority;
- 23 (7) manner of execution;
- 24 (8) medium of payment;
- 25 (9) places of payment; and
- 26 (10) terms of redemption, with or without premium;

27 provided by the resolution or its trust indenture or mortgage.

28 (c) **Except as provided in subsection (g)**, the bonds, notes, or
 29 warrants shall be sold at a public sale under IC 5-1-11, for not less than
 30 par value, after notice published in accordance with IC 5-3-1. However,
 31 they may be sold at not less than par value to the federal government:

- 32 (1) at private sale without any public advertisement; or
- 33 (2) alternatively, at a negotiated sale.

34 (d) If any of the commissioners or officers of the housing authority
 35 whose signatures appear on any bonds, notes, or warrants or coupons
 36 cease to be commissioners or officers before the delivery, exchange, or
 37 substitution of the bonds, notes, or warrants, their signatures remain
 38 valid and sufficient for all purposes, as if they had remained in office
 39 until the delivery, exchange, or substitution.

40 (e) Subject to provision for registration and notwithstanding any

1 other law, any bonds, notes, or warrants issued under this chapter are
2 fully negotiable.

3 (f) In any proceedings involving the validity or enforceability of any
4 bond, note, or warrant of a housing authority or of its security, if the
5 instrument states that it has been issued by the authority to aid in
6 financing a housing project to provide dwelling accommodations for
7 persons of low income, it shall be conclusively presumed to have been
8 issued for that purpose and the project shall be conclusively presumed
9 to have been planned, located, and constructed in accordance with this
10 chapter.

11 **(g) Notwithstanding subsection (c), the bonds, notes, or**
12 **warrants of a housing authority may be sold at a negotiated sale**
13 **and may be sold at less than par value at a negotiated sale."**

14 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as reprinted January 23, 2026.)