



Adopted	Rejected
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## COMMITTEE REPORT

YES:	12
NO:	0

### MR. SPEAKER:

*Your Committee on Utilities, Energy and Telecommunications, to which was referred Senate Bill 241, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1       Page 3, between lines 4 and 5, begin a new paragraph and insert:
- 2       "SECTION 2. IC 8-1-2-101.7 IS ADDED TO THE INDIANA
- 3       CODE AS A NEW SECTION TO READ AS FOLLOWS
- 4       [EFFECTIVE UPON PASSAGE]: **Sec. 101.7. (a) As used in this**
- 5       **section, "authority" refers to the Indiana housing and community**
- 6       **development authority created by IC 5-20-1-3.**
- 7       **(b) As used in this section, "capacity related fee" has the**
- 8       **meaning set forth in section 101.6 of this chapter.**
- 9       **(c) As used in this section, "eligible customer" means a**
- 10       **not-for-profit organization that is subject to IC 23-17 and is**
- 11       **recognized as tax exempt under Section 501(c) of the Internal**
- 12       **Revenue Code of 1986 and that:**
- 13       **(1) has entered into an agreement:**

- 1 (A) with the authority; and  
2 (B) under which the person will construct workforce  
3 housing in Indiana; and  
4 (2) seeks to connect the workforce housing described in  
5 subdivision (1) to the water or wastewater system of a utility  
6 under the terms of a special contract with the utility under  
7 subsection (g) or (h).  
8 (d) As used in this section, "tap fee" has the meaning set forth  
9 in section 101.6 of this chapter.  
10 (e) As used in this section, "utility" means a:  
11 (1) public utility (as defined in section 1(a) of this chapter);  
12 (2) municipally owned utility (as defined in section 1(h) of this  
13 chapter), including a sewer utility operated under IC 36-9-23  
14 or IC 36-9-25;  
15 (3) not-for-profit utility (as defined in section 125(a) of this  
16 chapter), including a utility company owned, operated, or  
17 held in trust by a consolidated city;  
18 (4) cooperatively owned corporation;  
19 (5) conservancy district established under IC 14-33; or  
20 (6) regional district established under IC 13-26;  
21 that provides water service or wastewater service, or both, to the  
22 public, regardless of whether the entity described in subdivisions  
23 (1) through (6) is under the jurisdiction of the commission for the  
24 approval of rates and charges with respect to the water service or  
25 wastewater service that is provided.  
26 (f) As used in this section, "workforce housing" means a single  
27 family dwelling or duplex that is:  
28 (1) constructed for a household with an income, adjusted by  
29 family size, that is less than the area median income, as  
30 published by the United States Department of Housing and  
31 Urban Development;  
32 (2) offered for sale or lease to a household described in  
33 subdivision (1) for a monthly amount that represents not  
34 more than thirty percent (30%) of the household's monthly  
35 income; and  
36 (3) located in reasonable proximity to employment.  
37 The term does not include an apartment building, a multi-family  
38 development other than a duplex, or any other building that is not

described in subdivision (1) or (2).

(g) Subject to subsection (i) and notwithstanding any law or rule governing the extension of service or the imposition of capacity related fees or tap fees, a utility may not charge or collect a capacity related fee or a tap fee to an eligible customer for connecting workforce housing to the utility's water or wastewater system:

(1) to the extent that the extension of service to the workforce housing to be connected will result in a positive contribution to the utility's overall cost of service over a twenty (20) year period; and

(2) if the terms and conditions of the connection are set forth in a special contract executed by the eligible customer and the utility.

(h) Subject to subsection (i) and notwithstanding any law or rule governing the extension of service or the imposition of capacity related fees or tap fees, if a utility determines that the extension of service to workforce housing at the request of an eligible entity will not result in a positive contribution to the utility's overall cost of service over a twenty (20) year period, the utility may charge and collect from the eligible customer, under terms and conditions agreed to under a special contract between the utility and the eligible customer, a capacity related fee or a tap fee that does not exceed the difference between:

(1) the capacity related fee or tap fee that would otherwise apply in connecting the workforce housing to the utility's water or wastewater system; minus

(2) the contribution to the utility's overall cost of service over a twenty (20) year period that will result from the extension of service to the workforce housing.

(i) A utility may apply discretion with respect to the number of special contracts that it enters into with eligible customers under subsection (g) or (h) at any given time, so as to ensure that any costs associated with such special contracts are not unreasonably subsidized by other customers of the utility.

(j) The:

(1) exemption from a capacity related fee or a tap fee under subsection (g); or

- 1           **(2) reduction in a capacity related fee or a tap fee under**
- 2           **subsection (h);**
- 3           **is not discriminatory for purposes of this chapter or any other law**
- 4           **regulating rates and charges for service."**
- 5           Page 11, after line 25, begin a new paragraph and insert:
- 6           **"SECTION 10. An emergency is declared for this act."**
- 7           Renumber all SECTIONS consecutively.  
            (Reference is to SB 241 as printed January 16, 2026.)

**and when so amended that said bill do pass.**

Representative Soliday