



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:**

(A) with the authority; and

(B) under which the person will construct workforce housing in Indiana; and

(2) seeks to connect the workforce housing described in subdivision (1) to the water or wastewater system of a utility under the terms of a special contract with the utility under subsection (g) or (h).

(d) As used in this section, "tap fee" has the meaning set forth in section 101.6 of this chapter.

(e) As used in this section, "utility" means a:

(1) public utility (as defined in section 1(a) of this chapter);
(2) municipally owned utility (as defined in section 1(h) of this chapter), including a sewer utility operated under IC 36-9-23 or IC 36-9-25;

(3) not-for-profit utility (as defined in section 125(a) of this chapter), including a utility company owned, operated, or held in trust by a consolidated city;

(4) cooperatively owned corporation;

(5) conservancy district established under IC 14-33; or

(6) regional district established under IC 13-26;

that provides water service or wastewater service, or both, to the public, regardless of whether the entity described in subdivisions (1) through (6) is under the jurisdiction of the commission for the approval of rates and charges with respect to the water service or wastewater service that is provided.

(f) As used in this section, "workforce housing" means a single family dwelling or duplex that is:

(1) constructed for a household with an income, adjusted by family size, that is less than the area median income, as published by the United States Department of Housing and Urban Development;

(2) offered for sale or lease to a household described in subdivision (1) for a monthly amount that represents not more than thirty percent (30%) of the household's monthly income; and

(3) located in reasonable proximity to employment.

The term does not include an apartment building, a multi-family development other than a duplex, or any other building that is not

1 described in subdivision (1) or (2).

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

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

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

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

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

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

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

36 (j) The:

37 (1) exemption from a capacity related fee or a tap fee under
38 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