State of Tennessee

PUBLIC CHAPTER NO. 1122

SENATE BILL NO. 2213

By Taylor

Substituted for: House Bill No. 2381

By Vaughan

AN ACT to amend Tennessee Code Annotated, Title 7; Title 13, Chapter 7; Title 65 and Title 68, relative to utilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-51-2703, is amended by adding the following as a new subsection:

(c) If a material that is required for the construction of the utility infrastructure is available only from the utility, then the utility must provide that material for the customer's or approved contractor's use at the same price as the utility paid for the material. The utility shall not require the customer or approved contractor to pay taxes on the materials above the amount of taxes that the utility paid when acquiring the materials. The utility shall provide an itemized statement of the cost of materials sold to a customer or approved contractor pursuant to this subsection (c).

SECTION 2. Tennessee Code Annotated, Section 7-51-2702, is amended by adding the following as a new subsection:

(g) A customer or approved contractor installing utility infrastructure pursuant to this section may, but is not required to, install street lights. A utility shall not require a customer or approved contractor to install street lights when installing utility infrastructure in accordance with this section.

SECTION 3. Tennessee Code Annotated, Section 7-51-2704(a)(1), is amended by deleting "and" and substituting "provided, that the utility shall not charge more than the amount described in subsection (h); and".

SECTION 4. Tennessee Code Annotated, Section 7-51-2704(f), is amended by deleting the last sentence in the subsection and substituting the following:

The utility may charge a reasonable fee for such inspections and testing in accordance with a schedule of fees or charges adopted by the utility and made publicly available; provided, that the utility shall not charge more than the amount described in subsection (h).

SECTION 5. Tennessee Code Annotated, Section 7-51-2704, is amended by adding the following as a new subsection:

(h) The fees charged pursuant to subdivision (a)(1) and subsection (f) must not exceed a combined total of ten percent (10%) of the proposed cost of the project for which the plans and designs were submitted or for which the inspection and testing were conducted.

SECTION 6. This act takes effect July 1, 2026, the public welfare requiring it, and applies to conduct occurring on or after that date.

SENATE BILL NO. 2213

PASSED: April 21, 2026

RANDY McNALLY
SPEAKER OF THE SENATE

CAMERON SEXTON, *SPEAKER*
HOUSE OF REPRESENTATIVES

APPROVED this 22nd **day of** May **2026**

BILL LEE, *GOVERNOR*