

INDIANA BUILDERS ASSOCIATION  
Legislative and Regulatory Report #8  
March 2, 2007

Rick Wajda- (800) 377-6334- [rick@buildindiana.org](mailto:rick@buildindiana.org)  
Roger Stephens- (800) 377-6334- [rogers@bagi.com](mailto:rogers@bagi.com)  
Brooke Burtnett- (800) 377-6334- [brooke@buildindiana.org](mailto:brooke@buildindiana.org)

House of Representatives- (800) 382-9842  
Indiana Senate- (800) 382-9467

## **HIGHLIGHTS**

### **Indiana General Assembly Reaches Mid-Point**

The Indiana General Assembly reached the half-way point earlier this week and all bills still alive now switch over to the other house (i.e. if a bill originated in the House it goes to the Senate for consideration and vice-versa). Listed in the report below are several of the bills IBA is tracking as well as numerous bills that died in the first-half of the Indiana General Assembly.

### **Subprime Mortgage Troubles and Mortgage Lending Standards are Firming Up**

Since the beginning of the year, bad news has been coming out of the subprime mortgage market and it was confirmed on February 27<sup>th</sup>, when Freddie Mac announced it would no longer buy mortgage securities backed by subprime mortgages with features that could initiate serious “payment shock”. After the announcement, turmoil ensued in financial markets later that day. The biggest issue for the housing outlook relates to lending standards in the “Alt-A” and the quantitatively dominant “prime” components of the home mortgage market. According to the Federal Reserve’s most recent survey, about 15% of domestic commercial banks have tightened credit standards on residential mortgage loans over the last three months. This is the highest fraction since the early 1990’s. However, with that said; this tightening follows three years of cumulative net easing; therefore mortgage lending standards at banks should not be considered overly tight by any means. Congress has been recently told by Fed Chairman Ben Bernanke that current problems in the subprime mortgage market probably will not spill over into the prime market to a serious degree, implying that the projected stabilization of the housing market is not likely to be disrupted by an abrupt firming of mortgage lending standards.

### **New-Home Sales Drop in January**

According to the US Commerce Department, sales of new single-family homes fell in January despite sales gains in November and December. The preliminary sales pace declined 16.6% in January and was down 20.1% from January of '06. Some blame the decline in January sales due to weather. The weather was unseasonably warm in November and December while January returned to its average temperatures.

NAHB Chief Economist, David Seiders notes that new-home statistics continue to show monthly volatility, but the pattern has also proved to be fundamentally flat since the middle of 2006. This can be contributed to employment gains, increase in personal income, historically low interest rates, and builders using incentives to increase sales and reduce inventory.

### **Daylight Saving Time**

While Indiana begins its second year of observing Daylight Saving Time (DST), it is important to realize that DST is now a full month longer. This is because of the enactment of the Energy Policy Act of 2005. With this change, we will “spring forward” three weeks earlier than last year and “fall back” one week later than normal. DST will officially start Sunday, March 11<sup>th</sup>.

## **LEGISLATIVE**

### **Bills Still Alive in the General Assembly**

The following (albeit not inclusive), is a list of bills that are still alive in the Indiana General Assembly that IBA Staff will be targeting during the second half of Session.

### **HB 1001 State Budget**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1001>

The Indiana Budget Bill passed the House with a 51-49, party line vote. As it is currently structured, HB 1001 is not a budget that either the House and Senate Republicans or the Governor will accept.

House Democrats praise their budget for the following reasons:

- It contains no general state tax increase;
- It provides a \$650 million dollar surplus at the end of the biennium;
- It increases state support for K-12 education by 4% in each of the next two years;
- It increases support for Higher Ed by 7.5% in the 1<sup>st</sup> year and 9.7% in the second, while capping college tuition increases;
- It funds a phased-in a full-day kindergarten plan;
- It provides “oversight” of efforts to privatize state operations, and;
- It provides funds for property tax relief in 2008 and 2009.

Republicans criticize the budget because of the following reasons:

- It artificially understates spending by \$224 million by not recognizing cost increases in Medicaid;
- Full-day kindergarten does not match the proposal passed by the House and would be \$200 million short;
- It provides no recognition of pending legislation, in fact bills spending over \$56 million have already passed out of the House this session;

- It provides no property tax relief for 2007;
- Because it does not include growth in the Property Tax Relief Credit, other property tax relief measures will be largely negated;
- It does not provide funding for the 21<sup>st</sup> Century R&D Fund; and
- It does not provide any appropriation of Major Moves' monies, thereby halting many highway construction projects.

### **HB 1214 Landlord Tenant Law (Pierce, D- Bloomington)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&session=1&request=getBill&docno=1214> Specifies circumstances in which a landlord may enter a tenant's dwelling unit. Provides that a landlord has no liability for the loss or damage to a tenant's personal property if the property has been abandoned. Provides that under certain circumstances, a landlord may remove a tenant's personal property and deliver it to a storage facility approved by the court.

HB 1214 passed out of the House with a 93-1 vote. It now moves to the Senate Judiciary Committee with Senator Richard Bray (R-Martinsville) as the Sponsor.

### **HB 1324 Valuable Metal Dealers (Crooks, D-Washington)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1324> Requires valuable metal dealers to make and retain copies of government issued photographic identification used to verify the identity of persons from whom the dealers purchase valuable metal. Provides that a valuable metal dealer may not accept a damaged or an undamaged metal beer keg if: (1) the keg is clearly marked as the property of a brewery manufacturer; or (2) The keg's identification markings have been made illegible."

HB 1324 passed out of the Indiana House unanimously with a 96-0 vote. The legislation has been assigned to the Senate Committee of Commerce, Public Policy, and Interstate Cooperation with Senator Brandt Hershman (R-Wheatfield) as the Sponsor.

### **HB 1351 Affordable Housing and Community Development Fund (Bardon, D-Indianapolis)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1351> Allows a county in which at least one unit in the county has established an affordable housing fund to adopt an ordinance authorizing the county recorder to charge a fee of: (1) \$5 for the first page; and (2) \$1 for each additional page; of each document recorded by the county recorder. Provides that: (1) 60% of the fees collected shall be distributed to those units with an affordable housing fund for deposit in those funds; and (2) 40% of the fees shall be deposited in the affordable housing and community development fund. Prescribes a formula for apportioning the fees collected among the units with affordable housing funds. Allows a county containing a consolidated city to adopt an ordinance authorizing the county recorder to charge a fee of: (1) \$5 for the first

page; and (2) \$1 for each additional page; of each document recorded by the county recorder. Provides that: (1) 60% of the fees collected shall be deposited in the county's housing trust fund; and (2) 40% of the fees shall be deposited in the affordable housing and community development fund. Provides that, beginning July 1, 2007, on July 1 of each year, the interest balance in the property custody fund and the interest balance in the abandoned property fund shall be transferred to the affordable housing and community development fund. (Current law provides that on July 1 of each year, the interest balance in the property custody fund and the interest balance in the abandoned property fund shall be transferred to the state general fund.)

HB 1351 passed the House of Representatives with a vote of 62-36. The bill now moves to the Senate where Senator John Broden (D- South Bend) has been assigned as the Sponsor. IBA Staff is working with Senate Leadership to address our concerns with the bill.

### **HB 1483 Common Construction Wages (Niezgodski, D- South Bend)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1483> Empowers the department of labor (department) to enforce the common construction wage law through investigation of alleged violations, imposition of certain remedies, and application for judicial remedies. Forbids retaliation against an individual who acts to assist the enforcement of the common construction wage law. Authorizes the department to adopt administrative rules to implement certain enforcement powers. Reduces from three classes to two skill levels the classification of labor to be employed in the performance of a contract for a public work project. Includes journeymen in the skilled labor level. Replaces the classes of semiskilled labor and unskilled labor with the apprentice labor level and defines apprentice. Provides that persons who have certain relationships with a contractor or subcontractor that violates the law may not be awarded public work contracts for certain periods of time. Provides that an agreement in which a worker agrees to work for less than the common construction wage is void. Authorizes certain persons to maintain a private action on behalf of a worker to recover damages for the contractor's or subcontractor's failure to pay the worker the common construction wage. Provides that violations of the common construction wage law are misdemeanors. Removes from the common construction wage law exceptions under which the law does not apply to: (1) contracts let by the Indiana department of transportation for the construction of highways, streets, and bridges; and (2) certain public work done for Purdue University on agricultural or forestry land owned or occupied by Purdue. Repeals a superseded criminal statute.

HB 1483 passed out of the House with a vote of 53-43. It now moves to the Indiana Senate where it has been assigned to the Committee on Pensions and Labor with Senator Sponsor, Senator John Broden (D-South Bend).

### **HB 1525 New Home Construction and Homeowner Construction (Murphy, R-Indianapolis)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1525> Provides that after June 30, 2007, a builder may not enter into a home construction contract with a prospective home buyer unless the builder first gives the prospective home buyer a written estimate of the property taxes that: (1) will be owed by the prospective home buyer on the new home; and (2) are based on an assessment made on the first assessment date after the construction of the new home is complete. Specifies that the required estimate may not be based on an assessment of unimproved real estate. Requires the Indiana housing and community development authority (authority) to prescribe a form to be used by builders in making the required disclosure. Defines an "at risk home buyer" as a person who: (1) has a credit score that is less than 620; and (2) seeks to obtain a home loan from a creditor. Requires the authority prepare and make available to creditors home ownership educational materials for use by at risk home buyers. Provides that after June 30, 2007, a creditor may not enter into a home loan with an at risk home buyer unless the creditor first gives the at risk home buyer the educational materials prepared by the authority.

HB 1525 passed the House of Representatives with a 96-2 vote. The bill will now move to the Senate where Senator Patricia Miller (R-Indianapolis), Senator Allen Paul (R-Richmond), and Senator John Broden (D-South Bend) are the Sponsors. IBA Staff is working with Senate Leadership to express our concerns with the legislation.

#### **HB 1753 Mortgage Foreclosure Counseling (Summers, D-Indianapolis)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1753> Requires the Indiana housing and community development authority (authority) to establish a program to provide free mortgage foreclosure counseling and education to homeowners who have defaulted on or are in danger of defaulting on the mortgages on their homes. Provides that the program must include a central toll free telephone number that homeowners may call to receive mortgage foreclosure counseling and education. Authorizes the authority to award grants for the training of counselors who will provide mortgage foreclosure counseling and education. Provides that the authority may establish standards for the certification of counselors. Establishes the foreclosure prevention counseling and assistance fund for purposes of carrying out the authority's powers and duties under the program. Provides that \$1.25 of the mortgage recording fee shall be distributed to the fund (rather than to the state general fund). Specifies that money in the fund is appropriated continuously to the authority for the authority's use in carrying out the program. Provides that the authority may solicit contributions and grants from the private sector, nonprofit entities, and the federal government to assist in carrying out the program. Requires the authority to submit a report to the legislative council annually.

HB 1753 received a vote of 97-0 this week to pass out of the Indiana House of Representatives. The bill will now move to the Senate with Senator Teresa Lubbers (R-Indianapolis) and Senator John Broden (D-South Bend) as sponsors.

#### **HB 1763 Archeology (Pierce, D- Bloomington)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&session=1&request=getBill&docno=1763> Defines "artifact" as an object made by a human before December 31, 1870. Requires a person disturbing ground to use reasonable care and diligence to determine if the ground that may be disturbed is within 100 feet of a cemetery or burial ground. Requires a person who disturbs buried human remains or artifacts to cease disturbing the remains or artifacts and the surrounding area within 100 feet; makes it a Class A infraction to fail to do so. Makes reports concerning the location of historical or archeological sites confidential under some circumstances. Allows certain persons to accompany a conservation officer to investigate a violation of historic preservation and archeology law. Establishes a fund to assist private homeowners who accidentally discover an artifact, a burial object, or human remains and need assistance to comply with an approved archeological or development plan. Allows a court to order restitution for certain costs related to the violation of historic preservation and archeology law. Makes it a Class D felony to possess looted property and a Class C felony if the cost of carrying out an archeological investigation on the site that was damaged to obtain the looted property is more than \$100,000. Provides that a disinterment under a plan approved by the department of natural resources is exempt from other disinterment procedures. Makes conforming changes. Makes an appropriation.

IBA Staff is currently working with Senate Sponsor, Senator Jim Merritt (R-Indianapolis) and DNR to make changes with the bill's language to address our concerns with the bill. If you have reviewed the bill and have suggestions, please feel free to contact IBA Staff to express your ideas.

### **SB 1 Indiana Commerce Connector and Illiana Expressway (Wyss, R- Fort Wayne)**

<http://www.in.gov/legislative/bills/2007/SB/SB0001.2.html> For purposes of the statute concerning tollways, permits the designation of the Indiana Commerce Connector, the Illiana Expressway, or both (instead of a part of Interstate Highway 69) as a tollway. For purposes of the statute governing public-private agreements concerning toll roads, deletes the prohibition against a public-private agreement (without legislative authorization) that would permit an operator to impose tolls for the operation of motor vehicles. Provides that, for purposes of statutes governing public-private agreements concerning toll road projects, neither the Indiana finance authority nor an operator may issue a request for proposals for or enter into a public-private agreement (other than for the Indiana Commerce Connector or the Illiana Expressway) unless the general assembly enacts a statute authorizing that activity. For purposes of the statute governing public-private agreements by the department of transportation: (1) authorizes public-private agreements for the Indiana Commerce Connector, the Illiana Expressway, or both (instead of a part of Interstate Highway 69); and (2) deletes the current authority for offerors that submit a proposal on a project that consists in whole or in part of a tollway to submit alternative proposals based upon the assumption that a different part or none of the project will consist of a tollway. For purposes of the statute governing the designation of state highways as tollways, permits the designation of the Indiana Commerce Connector, the Illiana Expressway, or both (instead of a part of Interstate Highway 69) as a tollway

without legislative authorization. Creates legislative review committees for proposals concerning the Indiana Commerce Connector and the Illiana Expressway.

SB 1 passed the Senate with a vote of 36-13. The legislation now moves to the House where Representative Matt Whetstone (R-Brownsburg) has been assigned as the House Sponsor.

### **SB 233 Homeowner Association Liens (Zakas, R-Granger)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=233> Establishes procedures for creating, recording, foreclosing, and releasing a lien on real estate filed by a homeowners association for nonpayment of common expenses assessed against the real estate.

SB 233 passed out of the Indiana Senate with a vote of 46-1. It now moves to the House of Representatives where Representative Dale Grubb (D- Covington) has been assigned as the Sponsor.

### **SB 334 Restrictive Covenants Regarding Modular Homes (Riegsecker, R- Goshen)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=334> Provides that a deed restriction, restrictive covenant, or agreement recorded after June 30, 2007, may not prohibit or restrict the erection of an industrialized residential structure on real property. Provides that a deed restriction, restrictive covenant, or agreement that applies uniformly to all homes and industrialized residential structures in a subdivision may impose aesthetic compatibility requirements on an industrialized residential structure in the subdivision.

SB 334 voted out of the Senate with a vote of 27-20. It has been referred to the Indiana House where Representative Craig Fry (D- Mishawaka) has been assigned as House Sponsor.

### **SB 390 Mortgage Rescue Protection Fraud (Brodén, D- South Bend)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=390> Establishes notice requirements regarding foreclosures on real property. Provides that a homeowner may rescind: (1) contracts with foreclosure consultants; and (2) foreclosure reconveyance agreements. Requires a homeowner who rescinds a contract with a foreclosure consultant or a foreclosure reconveyance agreement to repay amounts paid to the homeowner. Prohibits foreclosure consultants and foreclosure purchasers from certain actions. Requires foreclosure purchasers to: (1) ensure that title to real property has been reconveyed to the homeowner in a timely manner if reconveyance is required; (2) make certain payments to the homeowner; and (3) make a detailed accounting of the basis for the amount of payment made to the homeowner if the real property is resold within a certain time. Allows: (1) the attorney general to seek an injunction; (2) a court to enter certain orders or judgments; and (3) a homeowner to bring an action for damages;

for a violation of the mortgage rescue protection fraud laws. Allows a court to award treble damages for a willful or knowing violation of the mortgage rescue protection fraud laws. Requires the attorney general to maintain a list of nonprofit organizations that offer counseling or advice to homeowners on foreclosure or loan defaults. Excludes certain banks, trust companies, governmental entities, attorneys, and other persons from the law. Makes a violation of the mortgage rescue protection fraud laws a Class A misdemeanor.

SB 390 passed out of the Indiana Senate unanimously with a vote of 49-0. The legislation has been referred to the Indiana House of Representatives with Rep. Jeb Bardon (D-Indianapolis) has been assigned House Sponsor.

### **SB 432 Environmental Fees (Gard, R- Greenfield)**

<http://www.in.gov/legislative/bills/2007/SB/SB0432.1.html> Modifies various environmental fees.

SB 432 was voted on and passed out of the Senate with a 26-23 vote. It will now move to the House of Representatives, with House Sponsors Representative Ryan Dvorak (D-South Bend) and Representative Dave Wolkins (R- Winona Lake). IBA staff met with the Commissioner of IDEM and the Governor's Office in February to discuss the housing industry's concerns with the fee increase language. Rule 5 NOI fees would go from \$100 to \$400 under the proposed legislation and certain wetland permit fees would be instituted as well. IBA is working with IDEM on their justification for the fee increase and will act accordingly as the bill moves through the process.

### **SB 490 Registering Interior Designers (Kruse, R-Auburn)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=490> Changes the board of registration for architects and landscape architects to the board of registration for architects, landscape architects, and interior designers (board). Adds an interior designer to the board. Updates language concerning the board's operation. Specifies the board's powers. Requires the board to register interior designers. Establishes the requirements for registration and fees. Requires the board to deposit the fees into the state general fund. Provides that a person: (1) may not use the title "registered interior designer" or any title designation sign, card, or device indicating the person is a registered interior designer unless the person has a certificate of registration; and (2) is ineligible for registration if the person has a civil judgment for negligence, recklessness, willful misconduct, or another breach of a standard of care in the practice of interior design entered against the person.

SB 490 passed out of the Indiana Senate with a vote of 44-5. The bill has been referred to the Indiana House where Representative Joe Micon (D- West Lafayette) has been referred as House Sponsor.

## **BILLS THAT DIED DURING THE FIRST HALF OF THE GENERAL ASSEMBLY**

### **HB 1024 Employee's Right to Work (Torr, R- Carmel)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&session=1&request=getBill&docno=1024> Makes it a Class A misdemeanor for an employer to require an individual to: (1) become or remain a member of a labor organization; (2) pay dues, fees, or other charges to a labor organization; or (3) pay to a charity or another third party an amount that represents dues, fees, or other charges required of members of a labor organization; as a condition of employment or continuation of employment. Establishes a private right of action for violations or threatened violations.

HB 1024 did not receive a vote in the House Committee on Labor and Employment,

### **HB 1050 Time Zone Public Question (Crooks, D- Washington)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1050> Requires a public question to be placed on the 2008 general election ballot asking voters whether, if the entire state could be placed in the same time zone, the entire state should be located in the Central Time Zone or the Eastern Time Zone.

HB 1050 did not receive a vote in the House Committee on Commerce, Energy, and Utilities.

### **HB 1091 Group Health Insurance (Battle, D-Vincennes)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1091> Allows certain groups of individuals or small employers to unite to purchase a policy of accident and sickness insurance.

HB 1091 failed to receive a vote in the House Insurance Committee

### **HB 1101 Flood Control (Micon, D-West Lafayette)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1101> Requires the natural resources commission to direct the department of natural resources to prepare a statewide flood risk and flood damage assessment. Places a limit on the maximum amount of fill material that may be placed in a floodway, subject to certain exceptions. Makes violation of the limit a Class B infraction. Specifies the standards of review for an application for a permit for certain obstructing activities in a floodway. Allows summary denial of a permit application in certain circumstances. Prohibits a person from placing certain materials in a floodway as fill or for bank stabilization. Places restrictions on the use of flood conveyance channels.

HB 1101 failed to receive a vote in the House Committee on Natural Resources.

### **HB 1163 Subcontractors Liens (Orentlicher, D-Indianapolis)**

<http://www.in.gov/legislative/bills/2007/IN/IN1163.1.html> Provides that a contractor must pay all subcontractors within five business days after receiving payment from a homeowner or builder. Provides that a builder must disclose to a purchaser all subcontractors used in new home construction. Requires a contractor to provide notice to all subcontractors when the contractor has been paid by a homeowner or builder. Prohibits a subcontractor from filing a lien against a property if the primary contractor has received full payment for the contract. Allows a subcontractor to file an action against a prime contractor to recover any unpaid claims due under a contract between the prime contractor and the subcontractor.

HB 1163 died in committee due to a lack of quorum.

### **HB 1178 Growth and Development Study Committee (Dvorak, D-South Bend)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1178> Establishes a two year growth and development interim study committee made up of members of the general assembly. Directs the committee to examine incentives for growth and development and to study the impact of growth and development on taxes, transportation funding, energy policy, and the environment.

HB 1178 did not receive a hearing in the House Committee of Rules and Legislative Procedures.

### **HB 1253 Employment of Illegal Aliens (Tincher, D-Riley)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=1253> Provides that: (1) a person who hires or employs an individual shall verify the individual's Social Security number using the Social Security Number Verification System; and (2) a person who hires an individual shall not continue to employ the individual after learning that the individual is an illegal alien. Allows certain persons to bring civil actions against a person who hires illegal aliens. Provides that a public services contract is void if the contractor providing the services hires or employs illegal aliens unless the state or political subdivision determines that voiding the contract would be detrimental to the public interest or public property. Provides that a person who has hired an illegal alien in the previous five years is not eligible for any state or local economic development incentives.

HB 1253 was first heard in the House Committee of Veterans Affairs. It passed out of the Committee with an 8-3 vote, but was reassigned to the House Committee of Rules and Legislative Procedures, where the legislation failed to receive a hearing.

### **HB 1325 Homeowners Associations (Grubb, D- Covington)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=1325> Applies the following to a homeowners association (association) established after June 30, 2007: (1) Requires an association to maintain a current roster of all members of the association (members). (2) Requires an association to prepare an annual budget. (3) Requires the board of directors of an association (board) to address an item of business if more than 50% of the members petition the board to address the item. (4) Prohibits a board from entering into certain contracts. (5) Provides that the governing documents of an association must include grievance resolution procedures that provide for the final and binding arbitration of disputes. (6) Provides that the governing documents of an association must allow the termination of the association if at least 70% of the members agree to the termination. (7) Specifies that a penalty imposed by an association against a member is not enforceable as a lien against any real property owned by the member. (8) Prohibits an association from suspending the voting rights of a member for nonpayment of annual assessments unless the assessments are delinquent for more than two years. (9) Provides certain defenses to a member if the association brings a civil action against the member involving an act in furtherance of the member's right of petition or free speech. Allows an association established before July 1, 2007, to elect to be governed by this statute.

HB 1325 was assigned to the House Committee on Judiciary, but failed to receive a vote in Committee.

#### **HB 1603 Fees for New Construction (Cherry, R-Greenfield)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=1603> Imposes an interim property fee on a newly constructed homestead as of the time the homestead is complete and before it is subject to property tax. Distributes revenue from the interim property fee in the manner that property taxes are distributed, but reduces property tax levies by the amount of the fees. Imposes an education impact fee on newly constructed homesteads and newly constructed multifamily residential buildings to be paid by the purchaser at the time of transfer of title. Requires deposit of impact fee revenue in the school capital projects fund.

HB 1603 was referred to the House Committee on Ways and Means. It did not receive a vote.

#### **HB 1612 Mechanic's Liens (Elrod, R-Indianapolis)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=1612> Provides that a mechanic's lien has priority over a mortgage or a lien for the development, construction, alteration, or repair of certain property.

HB 1612 was assigned to the House Committee on Judiciary, but failed to receive a vote in Committee.

#### **HB 1671 Regional Water, Sewage, and Solid Waste Districts (Lehe, R- Brookston)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=1671> Prohibits a regional sewage district from requiring the owner of a property to connect to the district's sewer system if the property is already connected to a sewer system that was approved by a state governmental entity. Provides that if the board of trustees of a regional water, sewage, or solid waste district consists of one or more appointed members, the board must obtain the written approval of the appointing authority before adopting an ordinance to establish rates or charges for use of the district's works.

HB 1671 failed to receive a vote in the House Committee on Environmental Affairs.

### **HB 1702 Reassessment of Land (M. Smith, R-Columbus)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=1702> Eliminates the requirement that land be reassessed when it is rezoned from one classification to another or put to a different use.

HB 1702 was assigned to the House Committee of Ways and Means and did not receive a vote.

### **HB 1785 Homeowners Associations Liens (Grubb, D-Covington)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=1785> Establishes procedures for creating, recording, foreclosing, and releasing a lien on real estate filed by a homeowners association for nonpayment of common expenses assessed against the real estate.

HB 1785 was assigned to the House Committee on Judiciary, but failed to receive a vote in Committee.

### **HB 1812 Energy Efficient Buildings (Pierce, D-Bloomington)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&session=1&request=getBill&docno=1812> Requires a public works contract that is for the construction of a public building or structure and is entered into after December 31, 2007, to require that the building or structure must meet at least the silver rating under the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system or an equivalent rating system, such as a Two Globes rating system under the Green Building Initiative's Green Globes rating system. Requires a public works contract that is for the reconstruction, repair, alteration, or retrofitting of a public building or structure and is entered into after December 31, 2007, to require that the building or structure must meet at least the standards for existing buildings under the LEED rating system or an equivalent rating system. Provides that for state agency purchases, there is a 5% price preference for any electronic office equipment, including computers, monitors, printers, scanners, fax machines, and copiers, that are compliant with the United States Environmental Protection Agency Energy Star ratings. Allows a county fiscal body to

adopt an ordinance providing a deduction from the assessed value of a newly constructed building or a rehabilitated building that is certified to meet the LEED rating system or an equivalent rating system. Requires the ordinance to specify the amount of the deduction. Allows the Indiana economic development corporation to adopt rules allowing the corporation to give priority to economic development projects that meet or surpass the standards of the leadership in energy and environmental design ratings systems developed by the U.S. Green Building Council or the Green Building Initiative.

HB 1812 was not brought back before the House of Representatives prior to the deadline; therefore died due to a lack of constitutional majority after an initial vote of 49-48.

### **SB 115 Zoning for Land Uses Adjacent to Airports (Drozda, R-Westfield)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=115> Allows an airport authority board, after consulting with the local zoning authority, to adopt an ordinance establishing an overlay zoning district for a noise sensitive area: (1) to promote aviation safety; or (2) to provide for land uses within the noise sensitive area that are compatible with and support airport operations. Makes a technical correction.

SB 115 was referred to the Senate Committee on Commerce, Public Policy, and Cooperation but did not receive a vote.

### **SB 112 and SB 161 Annexation (Gard, R- Greenfield)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=112> Requires a municipality that initiates an annexation to pay all court costs and reasonable attorney's fees if the annexation is remonstrated against and the court enters judgment against annexation.

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=161> Reduces the number of landowner signatures required for a remonstrance against an annexation: (1) from at least 65% to at least 51% of the owners of land in the annexed territory; or (2) from the owners of more than 75% to the owners of at least 51% of assessed valuation of the land in the annexed territory. Removes a provision that requires 75% of the owners of land in annexed territory to sign a remonstrance if the territory consists of not more than 100 parcels and 80% of the boundary of the territory proposed to be annexed is contiguous to the municipality.

SB 112 and 161 were voted on in the Local Government and Elections Committee; they both failed with a vote of 5-4.

### **SB 174 Smoke Detectors (Jackman, R-Milroy)**

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=174> Makes it a Class B infraction if a landlord fails to properly install a smoke detector at the time a tenant moves in, or fails to repair an inoperative smoke detector within seven days of receiving notice by certified mail that the smoke detector requires

repair. Increases the penalty to a Class A infraction for a repeat violator, and makes the offense a Class D felony if a fire occurs on the rental premises causing bodily injury or loss of life and the fire, injury, or loss of life could have been avoided by an operable smoke detector. Makes it a Class D felony for a tenant to knowingly or intentionally fail to replace smoke detector batteries or report a defective or inoperable smoke detector to the landlord if a fire occurs on the rental premises causing bodily injury or loss of life and the fire, injury, or loss of life could have been avoided by an operable smoke detector. Permits a fire department to inspect a private dwelling upon the request of the owner or primary lessee who resides in the dwelling. Makes other changes.

SB 174 failed on 3<sup>rd</sup> reading in the Indiana Senate due to a lack of Constitutional Majority.

### **SB 176 Growth Related Projects and Land Conservation (Mrvan, D-Hammond)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=176> Prohibits various state agencies from funding growth related projects in certain areas. Provides a tax credit for job creation in certain municipal areas. Establishes the Hoosier legacy fund to fund eligible projects under the United States Department of Agriculture's farmland preservation and forest legacy programs. Authorizes the land resources council to identify priority funding areas and perform certain other tasks. Requires the department of local government finance to give priority to school construction projects that: (1) renovate or expand existing school buildings; (2) are located in existing neighborhoods; (3) do not contribute to the conversion of farm lands; and (4) do not require new water or sewer infrastructure.

SB 176 was referred to the Indiana Senate's Committee on Tax and Fiscal Policy; where it failed to receive a vote.

### **SB 274 Sewage Disposal Service in Rural Areas (Sipes, D- New Albany)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=274> Provides that before the utility regulatory commission may issue a certificate of territorial authority to a sewage disposal company (company) that provides or will provide sewage disposal service to less than 500 customers, the commission must determine that the company is the most appropriate provider of sewage disposal services for the rural area covered by the certificate of territorial authority. Provides that the issuance of a certificate of territorial authority to a company is subject to review and approval by the department of environmental management.

SB 274 was referred to Senate Committee on Utilities and Regulatory Affairs; where it failed to receive a vote.

### **SB 352 Real Estate Disclosure Forms (Steele, R-Bedford)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=352> Repeals the law that requires an owner of residential real estate to: (1) complete and sign a real estate disclosure form; and (2) submit the form to a prospective buyer; before an offer for the sale of the residential real estate is accepted.

SB 352 was referred to the Indiana Senate Committee on Judiciary; where it failed to receive a vote.

#### **SB 388 Land Use Issues (Broden, D-South Bend)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=388> Allows a public agency engaged in economic development or redevelopment activities to conduct interviews with commercial and industrial prospects in an executive session. Allows a public agency to withhold records relating to the discussions and negotiations with industrial, commercial, or research prospects from public inspection and copying. Requires the public agency to disclose the terms of the final offer of public financial resources communicated to a prospect after discussions and negotiations have ended. Requires a city legislative body and works board to jointly conduct disannexation proceedings. Provides that a special exception approved after June 30, 2007, takes effect when a certificate showing approval of the special exception and acknowledged by the zoning authority is recorded with the county recorder.

SB 388 was assigned to Senate Committee on Local Government and Elections; where it failed to receive a vote.

#### **SB 407 Licensure of Painters (Broden, D-South Bend)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=407> Requires professional painters to be licensed. Requires the occupational safety standards commission to adopt rules for licensing requirements for professional painters. Requires the department of labor to implement the licensing requirements for professional painters.

SB 407 was referred to the Senate Committee on Commerce, Public Policy, and Cooperation but did not receive a vote.

#### **SB 515 Great Lakes Compact (Bowser, D-Michigan City)**

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2007&request=getBill&docno=515> Implements the Great Lakes - St. Lawrence River Basin Water Resources Compact.

SB 515 was assigned to Indiana Senate Committee on Energy and Environmental Affairs; where it did not receive a vote.