

INDIANA BUILDERS ASSOCIATION
Legislative and Regulatory Report #9
March 9, 2007

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HIGHLIGHTS

State Senator Loses Battle to Cancer

State Senator Anita Bowser (D, Michigan City) lost her long battle to breast cancer on Sunday, March 4th. She was 86 years old. Senator Bowser was elected to the Indiana House of Representatives in 1982 and became a member of the Indiana State Senate in 1992. Senator Bowser will be remembered for her dedication to her constituents and her district. The funeral was held at the Notre Dame Church in Michigan City on Thursday. Leadership from both the House and Senate were present, as well as Lieutenant Governor Skillman.

Workshops Held Throughout State

Purdue University has announced two workshops for those interested in Septic Systems on April 3rd and 4th. These workshops are co-sponsored by the Indiana State Department of Health and the Indiana Onsite Wastewater Professionals Association. Topics such as, soil basics, soil's role in wastewater treatment, interpreting soil reports, and laboratory and field exercises will be covered. (Please be aware that you may get dirty, so dress appropriately). The guest speakers at the workshops are Purdue University Soil Scientists, Brad Lee and Phillip Owens. On April 3rd the workshop will be held at Southeastern Purdue Agriculture Center in Butlerville, IN from 9-12. On April 4th the workshop will be held at Pinney-Purdue Agricultural Center in Wanatah, IN from 9-12. Costs for the workshop are \$40 for onsite payments or \$20 for pre-registration. If you have any questions please call Sandy DeVault at 765-494-8073 or those interested can send checks to:

Soil & Septic Systems Workshop
Attn: Sandy DeVault
Agronomy Department, Purdue University
915 West State St.
Lafayette, IN 47907

Purdue University in cooperation with The Indiana State Department of Health and the Indiana Onsite Wastewater Professionals Association (IOWPA) also has scheduled 4 Indiana Installer IQ Workshops in March. This is a one day workshop that will include

an exam to demonstrate competency of the State Rule, dealing with residential septic systems. More than 40 Indiana counties have already participated in this workshop! The workshop will be held in 4 different counties in March with the following dates and locations:

- March 20th from 9-5 in Owen County at the Canyon Inn in Spencer.
- March 22nd from 9-5 in DeKalb County at the DeKalb County Office Building in Auburn.
- March 27th from 9-5 in Washington County at the Washington County Government Building in Salem.
- March 29th from 9-5 in LaPorte County at the Pinney Purdue Agricultural Center in Wanatah.

Speakers will consist of representatives from Purdue University Extension Specialists and Indiana State Department of Health. Prices range from the following and pre-registration begins on March 16th:

- \$125 IOWPA member
- \$200 non-IOWPA member
- \$25 additional fee for late registration.

If you have any questions, please contact Lisa Green at 765-494-4783. Checks made payable to IOWPA can be sent to:

Lisa Green
Agronomy Department, Purdue University
915 West State St.
Lafayette, IN 47907

Public Hearings Set For Indiana Commerce Connector

On March 15th, the Indiana House of Representatives Chairwoman of the Roads and Transportation Committee, Rep. Terri Austin will conduct the first of many public hearings on Governor Daniels' Commerce Connector proposal in Pendleton. The hearing is scheduled to begin at 6:00 p.m. at Pendleton High School. The other hearings are set at the following times and locations:

- March 20th, Morgan County (Martinsville), from 6-8
- March 22nd, Shelby County (Indiana Downs), from 6-8
- March 26th, Johnson County (Franklin), from 6-8
- March 28th, Hancock County (Greenfield), from 6-8

Officials from both Governor Daniels' administration and from the Indiana Department of Transportation are expected to attend the public hearings and speak as well.

Remodeling Market Remains Steady in Slower Housing Market

According to the National Association of Home Builders' (NAHB) Remodeling Market Index (RMI), remodeling activity remained constant in the fourth quarter of 2006. The current market conditions index increased slightly up to 48.2% on a seasonally adjusted

basis and future expectations have also increased. NAHB Chief Economist, Dave Seiders feels that remodeling of both owner-occupied and rental housing will remain strong compared to other areas of the business. In fact, the remodeling outlook appears quite positive for years to come.

LEGISLATIVE

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 has been referred to the House of Representatives, but has not yet been scheduled for a Committee hearing. IBA Staff will continue to monitor the legislation's progress.

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

<http://www.in.gov/apps/lsa/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 has been referred to the Senate Committee on Tax and Fiscal Policy. IBA staff has met with Senate Leadership regarding our concerns with the bill. IBA staff will continue to monitor the bill's process and keep you updated.

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 has been referred to the Senate Committee on Tax and Fiscal Policy. IBA staff has met with Senate Leadership to discuss our issues with the bill. Below is a link to an editorial in the Indianapolis Star concerning the legislation this week:

[HTTP://WWW.INDYSTAR.COM/APPS/PBCS.DLL/ARTICLE?AID=/20070305/OPINION/703050316](http://www.indystar.com/apps/pbcs.dll/article?aid=/20070305/OPINION/703050316)

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 continues to work on language suggestions for HB 1763. Our concerns with the bill have been discussed with Senate Leadership. The bill has been assigned to the Senate Committee on Corrections, Criminal, and Civil Matters.

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

<http://www.in.gov/apps/lsa/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 is scheduled to receive a hearing in the Senate Judiciary Committee on Wednesday, March 14th. IBA staff will keep you informed as it moves through the process.

SB 287 Various Property Tax Matters (Kenley, R- Noblesville)

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2007&request=getBill&docno=287> Adjusts the procedures for administrative and judicial appeal of a property tax assessment or exemption. **Provides that if a closing statement was prepared for a conveyance, the property sales disclosure form must include the closing statement or a statement from the mortgagor or closing agent that states the sale price. Specifies that before filing a sales disclosure form with the county auditor, a person must submit the form to the county assessor (or township assessor in the case of a county containing a consolidated city), who must review the form and, if the form is accurate and complete, stamp the form as eligible for filing with the county auditor.** Makes related changes. Permits the county legislative body to adopt an ordinance for the holding of a referendum to determine whether to transfer to the county assessor the property tax assessment duties of the elected township assessor or township trustee-assessor of a particular township. Permits the county legislative body to adopt an

ordinance for the holding of a referendum to determine whether to transfer the duties back to the township assessor or trustee- assessor. Provides that a referendum for the transfer of assessing duties must be on a township-by-township basis. Specifies that an ordinance for the holding of a referendum on the transfer of assessment duties to the county assessor may not be adopted in a year in which an election of township assessors will be held in the county. Requires a candidate for county assessor, elected township assessor, or township trustee-assessor to be a certified level two assessor-appraiser. Allows the assessment duties to be transferred from a particular township if for a general election after June 30, 2008, there is not a candidate in the township for the office of township assessor or the office of township trustee-assessor who has attained the certification of a level two assessor-appraiser. Provides that salary increases for assessors, deputies, and employees who obtain the certification apply if the certification was obtained before assuming office or becoming employed by the assessor. Provides that the additional amount a township assessor or employee receives on becoming a certified level two Indiana assessor-appraiser is in addition to and not part of the person's annual compensation. Repeals an obsolete provision in the commercial vehicle excise tax concerning the filing of information returns in May 2000. Provides that the county assessor shall review and may audit personal property tax returns that are currently reviewed by the department of local government finance (department). Provides that an appeal of an assessment of the real property of an industrial facility made by the department is subject to appeal to the Indiana board of tax review, and establishes requirements for the findings of the board. Creates a level three Indiana assessor-appraiser certification to be administered by the department. Provides that a person who attains a level three certification is eligible for positions and for pay increases for which a level two is eligible. Requires the department to conduct all ratio studies required for equalization and annual adjustments. Provides for annual adjustment of maximum property tax rates to account for the change in assessed value of real property that results from an annual adjustment of the assessed value of real property. Requires most political subdivisions to adopt a budget by September 30. Requires the county assessor instead of the department to order the reassessment of property destroyed in a disaster. Sets May 15 as the deadline to apply for a property tax exemption. Requires political subdivisions to submit financing data to the department by December 31. Makes related changes. Provides a procedure, for the various types of property tax abatement, to correct an erroneous understatement of an assessed value deduction by the application of a separate deduction after the regular abatement schedule expires. Provides that an appropriation from the property

reassessment fund must be approved by the fiscal body of the county after the review and recommendation of the county assessor. Provides that the 5% delinquency penalty applies to delinquent property taxes if the taxes are paid within 30 days after the due date and the taxpayer is not liable for delinquent property taxes due in a previous installment (rather than due in a previous year, under current law) for the same parcel. Provides that, in the case of a civil taxing unit that has a levy excess for a particular year, experienced a shortfall in property tax collections in the preceding year, and did not receive permission to increase its property tax levy to make up the shortfall, the amount the civil taxing unit

must transfer to its levy excess fund shall be reduced by the amount of the civil taxing unit's shortfall in the preceding calendar year.