

INDIANA BUILDERS ASSOCIATION
Legislative and Regulatory Report #24
October 5, 2007

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HIGHLIGHTS/NEWS

IBA ANNOUNCES NEW GOVERNMENTAL AFFAIRS DIRECTOR

The Indiana Builders Association is pleased to announce that Gretchen White will begin as IBA's Governmental Affairs Director on October 9, 2007. White most recently served as the policy analyst and legislative liaison for the Indiana Economic Development Corporation and is a graduate of Purdue University.

NAHB'S CEO TO KEYNOTE LAND USE CONFERENCE IN INDIANAPOLIS

NAHB's Executive Vice President and CEO, Jerry Howard, will visit Indianapolis on October 29, 2007 to keynote the Communities at the Crossroads Conference X: Improving Land Use in the Face of Change. The Conference is put on by the Indiana Land Use Consortium, of which the Indiana Builders Association is a member. The conference will cover topics such as green building; land use; and transportation planning. To register for the conference or more details, check out: www.indianalanduse.org or call 317-261-3046.

FIVE INDIANA COUNTIES SWITCH TIME ZONES

Five additional counties in southwestern Indiana will be in the Eastern Time Zone beginning in November, according to the final rule issued last month by the U.S. Department of Transportation. The time zone for Knox, Daviess, Martin, Pike and Dubois counties will be changed from Central to Eastern on November 4 when daylight saving time ends and standard time begins. The counties jointly petitioned for the change earlier this year. A sixth county, Perry, will remain in the Central Time Zone. With the change, 80 of Indiana's 92 counties and more than 5 million of the state's 6.2 million citizens will observe Eastern Time.

INDIANA CHAMBER RELEASES SURVEY RESULTS ON PROPERTY TAXES

The Indiana Chamber of Commerce released a statewide poll earlier this week that shows that 56 percent of respondents feel the state's property tax situation is a crisis and 34 percent say it is an important issue. The survey of 800 registered voters also shows that a significant number don't realize that property tax revenues fund local government

budgets, with only one percent designated for state government uses. Voters believe market value is the correct assessment standard, but the assessment system is broken. Nearly two-thirds of the respondents (65%) agreed that property assessment should remain based on the market value of their property, which Indiana switched to in 2002. Meanwhile, 20% reported unhappiness with the market-based appraisal and 15% felt uncertain. Additionally, a clear majority of voters – 58% to 29% – supported equity and fairness when it comes to who pays what, agreeing that a business and residence with the same market value in the same taxing district should pay the same amount of property tax. To view the poll questions as asked with the results, along with general information and analysis on Indiana's property tax system, visit: www.indianachamber.com/propertytax

STATE TO OFFER GEOTHERMAL HEAT PUMP REBATE PROGRAM

The Indiana Office of Energy & Defense Development has rolled out a Geothermal Heat Pump Residential Rebate Program to promote the use of this energy efficient heating and cooling system. The \$500,000 program will offer rebates to homeowners who replace a traditional heating and cooling system. The rebate program is being administered by the Indiana Office of Energy & Defense Development using U.S. Department of Energy funds as part of a program to increase the use of renewable energy in Indiana. Homeowners wishing to apply for the rebate must do so online at: www.energy.IN.gov A list of guidelines and an application are available. The amount of the rebate will be based on the size of the GHP system installed, with a maximum rebate of \$2,000 per installation. The program will be active until the \$500,000 fund is exhausted.

ECONOMIC DEVELOPMENT COALITION DISCUSSES PROPERTY TAXES

The Indiana Builders Association is a member of the Indiana Economic Development Coalition, which is made up of Legislators, business and industry trade groups, as well as Economic Development groups who meet regularly to discuss issues facing the Indiana General Assembly. The group met recently to hear presentations from the Association of Indiana Counties, the Indiana Association of Cities and Towns and the Indiana Association of School Business Officials on property taxes in Indiana.

IBA MEETS WITH SECRETARY OF STATE

Representatives of the Indiana Builders Association met with Indiana Secretary of State Todd Rokita recently to discuss housing issues and the current foreclosure problem in Indiana. Rokita's office is responsible for regulating mortgage brokers in Indiana.

LEGISLATIVE

NATURAL RESOURCES STUDY COMMITTEE DISCUSSES ARCHEOLOGY

The Natural Resources Study Committee met earlier this week and considerable discussion took place on legislation dealing with archeology and state law regarding

burial grounds and cemeteries. IBA lobbyists continue to work with State Legislators and representatives of the Department of Natural Resources to consider the impact any new law would have on the development community.

CONGRESSMAN HILL INTRODUCES BILL ON PROPERTY TAX RELIEF

Indiana Congressman Baron Hill (D-9) filed a federal bill to help Hoosiers hit by rising property taxes. Hill says the measure would allow everyone to deduct their property tax payments from their federal income taxes. He says Americans can currently deduct their property tax payments only if they itemize. Hill says he's not sure yet how much the change would cost the U.S. Treasury. However, he says it's not a credit, but a deduction, so he doesn't think the fiscal impact on the government will be that great. But, he says the provision will have financial benefits for those back home in Indiana.

REGULATORY

DEPARTMENT OF REVENUE ANNOUNCES NEW INTERNET SYSTEM FOR OVERWEIGHT/OVERSIDED VEHICLE PERMITTING

The Indiana Department of Revenue Motor Carrier Services Division has announced a new internet based system for overweight/oversized vehicle permitting which will replace the call-in system beginning on November 1, 2007. For additional information, please contact 317-615-7320 or check out: <http://www.in.gov/dor/mcs/permitting-faq.html>

BUILDING COMMISSIONER PUBLISHES CODE INTERPRETATIONS

The State Building Commissioner recently published code interpretations in the Indiana Register dealing with the air space behind stone and masonry veneer and the location of ventilation openings. To review the published interpretations, please click on the following link:

<http://www.in.gov/legislative/iac/20070919-IR-290070567NRA.xml.pdf>
<http://www.in.gov/legislative/iac/20071003-IR-290070642NRA.xml.pdf>

EPA LAUNCHES NEW WASTEWATER WEB SITE FOR SMALL COMMUNITIES:

On September 19, EPA launched a new Website to help small communities achieve and maintain sustainable wastewater services. This new site provides information about grants, funding resources, technical assistance and training. A variety of tools is also available on this website to help small communities plan, design, build, and maintain their wastewater infrastructure. Visit the Wastewater in Small Communities website: <http://www.epa.gov/owm/mab/smcomm/index.htm>.

NAHB NEWS

HOUSING STARTS FALL 2.6 PERCENT IN AUGUST

Housing starts fell 2.6 percent in August to a seasonally adjusted annual rate of 1.331 million units as the downswing in the housing market continued, according to [figures released by the Commerce Department](#) in late September. Starts were down 19.1 percent from a year earlier, falling to the lowest level in 12 years. Starts of new single-family homes were down 7.1 percent for the month to a seasonally adjusted annual rate of 988,000 units. The August pace for single-family construction was 27.1 percent below a year earlier. "Today's report is very much in line with what builders are reporting in our own surveys — that they are cutting back on new production and focusing on reducing their inventories by offering a variety of incentives to boost sales and limit cancellations," said Brian Catalde, president of the National Association of Home Builders (NAHB) and a home builder from El Segundo, Calif.

NEW-HOME SALES DECLINED 8.3% IN AUGUST

Figures released by the U.S. Commerce Department on Sept. 27 indicated that sales of new single-family homes fell to a seasonally adjusted annual rate of 795,000 units in August. According to NAHB Chief Economist Dave Seiders, the report "shows that the supply-demand imbalance in the single-family housing market still is quite serious, and the imbalance clearly is putting downward pressure on home prices." Going forward, NAHB's forecast projects that home sales will begin to stabilize in the early part of 2008, assuming that the Federal Reserve keeps overall employment and income growth going and that order is restored to key parts of the housing finance system. "We also expect builders to strengthen price and nonprice incentives to bolster sales and limit cancellations," Seiders noted. The report indicated that the median price of new homes sold in August was \$225,700, which is 7.5% below its year-earlier mark. Meanwhile, the inventory of new homes for sale edged down 1.5% to 529,000 in August, with completed homes for sale accounting for 34% of the total, units under construction representing nearly 50%, and units for sale that have been permitted but not yet started representing 16%.

GREEN BUILDING UPDATE

The first public comment period for NAHB's proposed residential green building standard has just closed as NAHB moves closer to creating a green certification protocol for single-family and multifamily homes, lot and site development and residential remodeling. A draft version of the proposed standard is currently posted on the NAHB Research Center's Web site in accordance with procedures established by the American National Standards Institute (ANSI). Based on the NAHB Model Green Home Building Guidelines, the new standard has been reshaped by committee members who have been working since last spring in task groups assigned to study specific components of the guidelines and make recommendations for change. For example, residential remodeling and multifamily construction issues, which were not previously addressed in the guidelines, will be part of the standard. The committee has also spent considerable time revamping the point system in the guidelines so that it assigns higher point values for practices that result in more significant "green" benefits. And, beyond the existing

bronze, silver and gold certification levels, the draft proposes an emerald level for homes with significant green features. The draft also specifies more mandatory practices, such as Energy Star-rated windows. The consensus committee will next meet Oct. 29-31 to review all the comments that have been submitted and make decisions on whether to accept, reject or modify the recommendations. The NAHB Research Center can then take the next step to incorporate the proposed changes prior to a second 45-day public review period. NAHB is working with the International Code Council to develop the new standard, which, depending on how long it takes ANSI to review it, is now planned for release in March 2008.

NAHB LOOKING FOR CONGRESSIONAL CONTACTS

The National Association of Home Builders is looking to update their Congressional Contact program and has asked the IBA for assistance. If you have a personal relationship with any member of the Indiana delegation, please let the IBA office know so we can forward that information to NAHB.