

INDIANA BUILDERS ASSOCIATION

Legislative and Regulatory Report #15

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HIGHLIGHTS

GREEN BUILDING CONFERENCE SCHEDULED

The Get Excited About Going Green Conference will be held on Monday, May 12th from 1-5 p.m. in Indianapolis. Hosted by IBA, this conference will provide education sessions and will allow networking with suppliers who sell green products.

MARK YOUR CALENDARS FOR THE INDIANS BASEBALL GAME

IBA has planned an evening of fun on Monday, May 12th beginning at 7 p.m. Join us for the Indianapolis Indians vs. SWB Yankees baseball game benefitting NAHB Build-PAC. The event includes a ticket to the game, food and drink but space is limited so reserve your spot by calling IBA today!

STUDY OUTLINES FORT WAYNE HOME BUILDING IMPACT

A National Association of Homebuilders (NAHB) impact study shows Fort Wayne's home building industry creates income and jobs for the state and additional revenue for local governments. The research indicates every 100 single-family and eight multi-family homes built in Allen County last year will generate \$10.3 million in revenue, compared to \$8.9 million in costs over the next 15 years. The study was conducted by the NAHB's Housing Policy Department.

NEWS

HOUSING STARTS FALL FURTHER IN MARCH

Builders continued to reduce the pace of new-home construction in March amidst ongoing erosion in the overall economy and credit markets, according to the latest figures released by the U.S. Commerce Department. Total housing starts fell nearly 12 percent to a seasonally adjusted annual rate of 947,000 units for the month, while single-family starts fell 5.7 percent to a rate of 680,000 units.

BUILDER CONFIDENCE STILL DOWN

For a third consecutive month, the NAHB/Wells Fargo Housing Market Index (HMI) remained at 20, just two points above the record low of 18 set in December of 2007. While builders continue to report improvements in traffic through their model homes compared with late last year, this activity has not translated to actual sales.

MARYLAND COUNTY MANDATES ENERGY STAR STANDARDS FOR NEW HOMES

The Montgomery County Council in Maryland recently approved legislation aimed at energy efficiency by requiring new single-family homes and townhouses meet Energy Star standards created by the Environmental Protection Agency and requiring that residents disclose utility costs when they sell a home. The legislation will go into effect January 2009.

<http://www.washingtonpost.com/wp-dyn/content/article/2008/04/22/AR2008042202839.html>

LEGISLATIVE

IBA DISCUSSES PROPERTY TAX IMPACT

IBA lobbyist recently met with Cheryl Musgrave, Commissioner of the Indiana Department of Local Government Finance to discuss property taxes and the impact House Enrolled Act 1001 will have on property taxes in Indiana.

SECRETARY OF STATE MEETS TO DISCUSS HOUSING INDUSTRY

Secretary of State Todd Rokita recently met with IBA President Dave Compton, IBA CEO Rick Wajda and the Builders Association of Greater Indianapolis CEO Steve Lains to discuss the housing industry.

SENATOR OFFICIALLY RESIGNS, CAUCUS SET TO CHOOSE REPLACEMENT

State Senator Jeff Drozda (R-Westfield) formally resigned last week after previously announcing plans to relocate to South Carolina with his employer United Healthcare. Precinct Committeemen in Senate District 21 will meet tomorrow and select a replacement to complete Drozda's term. Senate District 21 includes all or parts of Boone, Hamilton, Howard, and Tipton Counties.

REGULATORY

NEW STATE FIRE MARSHAL APPOINTED

Governor Mitch Daniels appointed James L. Greeson as the Indiana State Fire Marshal. Greeson, of Indianapolis, will lead the Indiana Department of Homeland Security (IDHS) Division of Fire and Building Safety.

The IDHS Division of Fire and Building Safety investigates suspicious fires, promotes prevention, administers building plan review, enforces fire and building safety codes in all public buildings, regulates and coordinates emergency services, emergency medical services and hazardous material response and oversees and conducts inspections of child care facilities, boilers and pressure vessels, elevators and amusements.

NAHB

LEGISLATIVE CONFERENCE COMING AT A PIVOTAL TIME FOR HOUSING

Builders looking to send a message to Congress that it needs to take action to jump-start housing and the economy should mark their calendar now for the 2008 NAHB Legislative Conference -which will take place on Wednesday, April 30 in Washington

D.C. leading into the association's spring board meeting. Builders are encouraged to travel to the nation's capital and urge their representatives and senators to support policies that will stabilize the housing market, help reduce foreclosures, restore confidence in the credit markets and keep the economy moving forward. Meetings are scheduled with Senators Dick Lugar and Evan Bayh as well as Congressmen Dan Burton, Steve Buyer, Joe Donnelly, Brad Ellsworth, Mike Pence, and Pete Visclosky.

ECONOMY HAS ENTERED A MILD RECESSION

According to NAHB's Chief Economist and Senior Staff Vice President David Seiders, "the worse-than-anticipated housing downturn, combined with systematic weakening in the labor market and rapidly rising energy and food prices, has taken a heavy toll on American consumers. It's now clear that we have entered what we anticipate will be a mild recession." Seiders is adjusting his official housing forecast to indicate continuing downward movement in housing starts through the end of this year. Previously, he expected housing starts to bottom out in the third quarter, with a 27% decline registered for all of 2008. The total expected decline is now pegged at 30%.

CREDIT SQUEEZE ON LOANS TO BUILD HOMES

Maryland builder and 2000 NAHB President Bob Mitchell testified on April 16 before the Senate Small Business Committee during a hearing on "Impacts of the Credit Crunch on Small Firms." Mitchell said that the mortgage credit crunch has spilled over into land acquisition, land development and home construction (AD&C) lending, and urged lawmakers to broaden sources of AD&C credit.