

## INDIANA BUILDERS ASSOCIATION

Legislative and Regulatory Report #13

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Rick Wajda- (800) 377-6334- [rick@buildindiana.org](mailto:rick@buildindiana.org)

Gretchen White (800) 377-6334 – [gretchen@buildindiana.org](mailto:gretchen@buildindiana.org)

Roger Stephens- (800) 377-6334- [rogers@bagi.com](mailto:rogers@bagi.com)

House of Representatives- (800) 382-9842

Indiana Senate- (800) 382-9467

### **NEWS**

#### **NEW SALES-TAX RATE GOES INTO EFFECT APRIL 1**

The state sales-tax rate will go from 6% to 7% next week for all transactions occurring on or after April 1. The change was included in the property tax reform legislation that was signed into law last week.

#### **ATTORNEY GENERAL NOT TO RUN FOR A THIRD TERM**

Attorney General Steve Carter (R-) recently announced that he will not seek a third term in office and will look elsewhere for future employment. Carter is widely known for championing Indiana's Do-Not-Call list and was re-elected in 2004 with 1.4 million votes –the most ever for a candidate in state government. Carter will serve out the rest of his term and expect other Republicans to announce interest for the post in the coming weeks.

#### **BUILDER CONFIDENCE REMAINS UNCHANGED IN MARCH**

Builder confidence in the market for new single-family homes remained unchanged in March, according to the latest NAHB/Wells Fargo Housing Market Index (HMI).

#### **SINGLE-FAMILY HOUSING STARTS DECLINE 6.7 PERCENT IN FEBRUARY**

Single-family housing starts continued on a downward trajectory in February, posting a 6.7 percent decline to a seasonally adjusted annual rate of 707,000 units, according to the U.S. Commerce Department. Meanwhile, production in the more volatile multifamily sector registered a 14.4 percent gain to 358,000 units, limiting the decline of total housing starts to a rate of 1.065 million units -0.6 percent below the revised January pace.

#### **CENSUS BUREAU STOPS COLLECTING REMODELING DATA**

The U.S. Census Bureau recently announced that it will stop collecting data for its quarterly reports on the amount spent on improving and maintaining residential structures in the U.S. The Census Bureau has indicated it could possibly begin issuing remodeling data based on a new remodeling survey that is being proposed by the bureau's Manufacturing and Construction Division as early as 2011.

### **LEGISLATIVE & REGULATORY**

#### **GOVERNOR SIGNS BILLS INTO LAW**

Governor Mitch Daniels signed the final bills into law, exercising his veto power on just one bill dealing with teacher certification. Overall, 81 House Bills, 66 Senate Bills, and 1 Senate Joint Resolution were signed into law.

## **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. So far IBA has scheduled time to meet with Senators Dick Lugar and Evan Bayh.

### **BUILDERS SUPPORT FEDERAL HOUSING BOARD MORTGAGE RELIEF PROPOSAL**

NAHB applauded a decision by the Federal Housing Finance Board to allow the Federal Home Loan Banks to temporarily increase their holdings of Fannie Mae and Freddie Mac securities to help stabilize the mortgage finance market. "This prudent action to allow the Federal Home Loan Banks to double their holdings of agency mortgage-backed securities (MBS) for a two-year period will help to alleviate the mortgage crunch by potentially injecting more than \$100 billion into the MBS market," said Jerry Howard, executive vice president and CEO of NAHB.