

INDIANA BUILDERS ASSOCIATION

Legislative and Regulatory Report #17

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HIGHLIGHTS/NEWS

IBA GOLF OUTING IS JUST AROUND THE CORNER

Plan to play in IBA's annual golf outing at Cherry Hill Golf Club in Fort Wayne on Tuesday, June 17th. The day will provide lots of fun and networking opportunities so sign-up today by calling Heather Sturgeon at (800) 377-6334 or Heather@BuildIndiana.org.

MAKE SURE YOU ARE COMPLYING WITH NEW LAWS AND REGULATIONS

The Housing Industry Laws, Rules, and Regulations Conference will be held in Fort Wayne at the Marriott Fort Wayne on Wednesday, June 18th from 9 a.m.-noon. Plan to attend for important information on how to comply with new and recently amended laws. Sponsored by Locke Reynolds and hosted by IBA, this three hour session will provide an opportunity for you to hear from attorneys on important issues and ask any questions you may have. Please contact Heather Sturgeon at (800) 877-6334 or Heather@BuildIndiana.org to register.

INDIANAPOLIS MAINTAINS TITLE OF MOST AFFORDABLE HOUSING MARKET

Indianapolis maintained its standing as the most affordable major U.S. housing market for the 11th consecutive time in the first quarter of 2008, according to the National Association of Home Builders/Wells Fargo Housing Opportunity Index (HOI), released this week. In the nation's most affordable housing market of Indianapolis, 90.1 percent of homes sold in the first quarter were affordable to families earning the area's median household income of \$65,100. One smaller metro market (fewer than 500,000 people) outranked all others in terms of housing affordability during the first quarter of 2008. This was Kokomo, Indiana, where 9.53 percent of all homes sold in the period were affordable to families earning that area's median household income of \$57,400.

BUILDER CONFIDENCE EDGED DOWNWARD IN MAY

The NAHB/Well Fargo Housing Market Index (HMI) released last week fell a single point to 19, bringing it within one point of the record low of 18, which was set in December 2007. The latest HMI also shows that even fewer builders now foresee market conditions improving over the next six months compared with the April survey.

THE DOWNSWING IN SINGLE-FAMILY MARKET DEEPENED

Single-family housing starts dropped 1.7 percent for the month of April to a seasonally adjusted annual rate of 692,000 units, the lowest monthly production rate since January

1991. NAHB Chief Economist Dave Seiders sees more grim times ahead, noting that “the fundamentals point to further deterioration of single-family housing production over the balance of this year, and the condo component of the multifamily sector also is destined to lose more ground.”

LEGISLATIVE

LONGTIME SENATOR AND BUDGET LEADER TO RETIRE

Senator Bob Meeks (R-LaGrange) announced he is removing his name from the November General Election ballot and will retire from the Indiana Senate after 20 years of service in the Senate. Meeks says the decision was prompted by his medical condition and specifically from complications that ensued after he suffered a stroke earlier this year. Meeks plans to officially submit his resignation on June 6th and precinct members will be charged with filling his vacancy as well as the spot on the ballot within 30 days thereafter.

LEGISLATIVE COUNCIL MAKES APPOINTMENTS

The Legislative Council committee met Thursday afternoon to appointment the Chairs of various interim study committees and assign topics to be studied. Immigration, lead, green building, and statewide mechanic’s lien registry were among the issues which will be studied and IBA expects additional topics to be announced by individual interim study committees with an impact on the building industry.

CAUCUS SET TO FILL HOUSE VACANCY

Precinct committeeman will vote to fill the vacancy created by the resignation of former Representative Jim Buck (who moved to the Senate) in House District 38 on Wednesday evening. The caucus will also elect a candidate to fill the vacancy created on the ballot for the November election. IBA member Heath VanNatter has filed to run for this seat.

NAHB

CONTACT LAWMAKERS AT HOME DURING MEMORIAL DAY RECESS

Congress will adjourn for the Memorial recess beginning today until Monday, June 2. This provides an opportunity for members to follow-up on the Legislative Conference meetings held in Washington D.C. Please contact your Member of Congress at their local district office and schedule a time to press for immediate action on housing legislation and to work quickly to pass legislation to prevent a deepening economic crisis. NAHB urges you to tell your lawmakers to support a tax credit for the purchase of a home, support Federal Housing Administration (FHA) reform, support a net operating loss carry back (NOL) provision, and support the expansion of the mortgage revenue bond program.

NAHB OPPOSES LUMBER TRADE POLICY PROVISION IN FARM BILL

The Senate joined the House this week in voting to overturn the President’s veto of the five-year farm bill. When the bill went to the White House, a section of the bill on trade policy was accidentally dropped from the legislation. NAHB opposes the trade language

as it relates to the importation of softwood framing lumber from Canada. This language would create an entirely new import declaration program for every shipment of softwood lumber coming to the U.S. and will likely create price spikes for framing lumber that will add to the cost of housing. The omission will require lawmakers to send another stand-alone trade section of the farm bill to Bush next month.

HOUSE PANEL HEARS ARGUMENTS FOR FEDERAL GREEN BUILDING MANDATES

Last week the House Select Committee on Energy Independence and Global Warming convened a hearing on green buildings to discuss the role of the federal government in pushing greater adoption of green building requirements nationwide. The witness list included Mayor Gavin Newsom of San Francisco; representatives from the U.S. Green Building Council and the American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE); and actor Ed Norton, representing Enterprise Community Partners. The witnesses nearly all agreed that the federal government needed to mandate green building practices as a matter of social and environmental justice. NAHB and certain other stakeholders were denied a request to submit comments or statements for the committee record and could not participate. This exclusion meant that the committee received a very biased view of green building towards only proprietary rating systems like LEED. NAHB is conducting targeted outreach and follow up on the strides that NAHB members are making at the state and local levels with green building in addition to highlighting the National Green Building Standard.