

INDIANA BUILDERS ASSOCIATION
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HIGHLIGHTS/NEWS

MODEL HOME DEDUCTION APPLIES RETROACTIVELY

In response to IBA's successful lobbying efforts in the Indiana General Assembly this year, the Indiana Department of Local Government Finance has released a memorandum and form for builders to fill out to claim a property tax deduction for the 2008 payable 2009 tax year for a model/spec. home. For the memo, visit http://www.in.gov/dlgf/files/090528-Rushenberg_Memo_-_Model_Residence_Deduction_for_the_2008_Assessment_Date.pdf. For the form, visit http://www.in.gov/dlgf/files/State_Form_53947.pdf.

STATE'S RESIDENTIAL CODE REVIEW COMMITTEE DELETES FIRE SPRINKLERS

At its recent meeting the state's Residential Code Review Committee deleted Section R313 Automatic Fire Sprinkler Systems from the 2009 IRC by a vote of 18-6. Once the Committee completes its work on the code, the proposed rule begins the promulgation process. The Committee's next meeting will be on July 9 from 10:00 a.m. to 4:00 p.m. at the Sterrett Center located at 8950 Otis Ave, Lawrence, IN 46216. The meeting notice, minutes, and agenda are posted at <http://www.in.gov/dhs/2494.htm>. Proposed code changes are posted at <http://www.in.gov/dhs/2495.htm>. To propose a code change, complete and return the Proposed Code Change Form 41186R to the state of Indiana. The form can be downloaded from the code services section of the state's website at <http://www.in.gov/dhs/2375.htm> or contact Carlie@BuildIndiana.org for a Word template.

COMMISSION ADOPTS NEW ELECTRICAL CODE WITHOUT ARC-FAULT CIRCUIT INTERRUPTERS & TAMPER-RESISTANT RECEPTACLES

The Fire Prevention and Building Safety Commission recently adopted the 2008 National Electrical Code (NEC) as the Indiana Electrical Code, 2009 Edition as published and re-inserted the following requirements:

210.8(B)(5) All 125-volt single phase, 15-and 20-ampere receptacles within 6 feet of a sink require ground fault circuit interrupter (GFCI) protection;

406.8(B) All 15-and 20-ampere, 125-and 250-volt nonlocking receptacles installed in wet locations shall be listed weather-resistant type;

422.52 Electric drinking fountains shall be protected with GFCI protection.

The rule moves to the Attorney General's office, then to the Governor's office and the Indiana Electrical Code, 2009 Edition is expected to be in effect in October 2009. Since the state removed the requirement for arc-fault circuit interrupters (AFCIs) and tamper-resistant (TR) receptacles due to their fiscal implications, IBA supported the proposed rules.

CHANGES COMING TO ENERGYSTAR PROGRAM IN 2011

The U.S Environmental Protection Agency is currently accepting public comments on new guidelines for the Energy Star program to take effect in 2011. Changes to the program include additional mandatory measures needed for building science requirements on thermal flow, air flow and moisture flow; inclusion of high-efficiency equipment and products for performance path methods to ensure consistent bundle of technologies, new requirements for energy efficient lighting and appliances, as well as requirements for efficient water distribution systems and low-flow shower heads. The new program also requires verifiers to complete additional new checklists dealing with framing, HVAC quality installation, indoor air quality, and water-managed construction. EPA will accept comments on the new program until July 10th and should be directed to energystarhomes@energystar.gov. For more information on the changes, please visit http://www.energystar.gov/index.cfm?c=bldrs_lenders_raters.nh_2011_comments#additional.

EPA FILES COMPLAINT FOR NOT DISTRIBUTING LEAD PAMPHLETS

The U.S. Environmental Protection Agency recently filed a complaint against property manager National Enterprises, Inc. and owner MA No. 2, LLC in Springfield, Massachusetts which alleges they violated the federal Lead Disclosure Rule when they failed to disclose information about lead paint to tenants who rented between June 2004 and January 2005. EPA is seeking a penalty of up to \$11,000 per violation for the 30 violations of the Disclosure Rule. IBA staff reminds members to provide the EPA Renovate Right pamphlet during renovation projects in pre-1978 homes which can be downloaded at www.buildindiana.org, choose codes and laws, and select EPA lead rule info option. Contact Gretchen White at IBA with questions at Gretchen@BuildIndiana.org or (800) 377-6334.

ARCHAEOLOGY FUND TO HELP HOMEOWNERS

The Indiana Department of Natural Resources' Division of Historic Preservation and Archaeology (DHPA) launched a new trust fund to aid homeowners who discover artifacts, burial objects or human remains. The fund is designed to help homeowners meet state regulations to remove or secure archaeological items found on their properties. To learn more about Indiana's archaeological resources, go to dnr.IN.gov/historic.

STATE JOBLESS RATE HITS 10.6 PERCENT IN MAY

The state Department of Workforce Development reports the seasonally-adjusted rate for May is 10.6 percent, up from 9.9 percent in April. Howard County has the highest jobless rate in the state at 19.3 percent. The area has been hit by the furlough of thousands of workers at Chrysler operations in Kokomo. Those workers will start returning to their jobs the week of June 29.

MORTGAGE LOAN ACTIVITY DECREASES

On a seasonally adjusted basis, the pace of mortgage loan activity decreased 7.2 percent last week, according to the Mortgage Bankers Association. Rates for 30-year loans increased from 5.25 percent to 5.57 percent. Fifteen-year mortgages increased from 4.8 percent to 5.1 percent.

LEGISLATIVE

SPECIAL SESSION UNDERWAY

The Special Session of the Indiana General Assembly is underway after Governor Mitch Daniels called lawmakers back to work after failing to pass a budget before the regular session adjourned on April 29th. The current budget sunsets at the end of the month and lawmakers must pass a budget before then to ensure state functions continue uninterrupted. The budget is only piece of legislation moving at this point, although other bills have been filed, and work in the Senate begins today.

BUDGET BILL PASSES HOUSE, MOVES TO THE SENATE

Thursday the Indiana House of Representatives moved forward a Democrat budget plan which is one year (as opposed to the traditional two year) and includes increases for education funding without heavy alliance on stimulus funding. Governor Daniels previously set forth a two-year budget which utilizes stimulus money to provide additional education funding and left roughly \$1 billion in the state's rainy day fund. House Republicans cautioned the Democrat budget spent too much money and argued against a one-year budget which ultimately led to caucus members opposing the bill. The bill passed 52-48 and the Senate began further deliberations on the budget bill today. The Senate will need to pass their version of the budget; wrestle through differences in conference committee and both chambers approve a compromise agreeable to the Governor by June 30th.

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=1092&session=1&request=getBill&docno=1001>

SOLAR TAX CREDIT MOVING

An individual income tax credit for installing solar-powered roof vents or fans is included in the current version of the budget. The credit is equal to the lesser of one-half of the amount paid for labor and materials or \$1,000 beginning in fiscal year 2009. This language was previously included in legislation during the regular session although the bill was not called down for a vote before the legislature adjourned at the end of April.

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=1092&session=1&request=getBill&docno=1001>

DELAY IN PROPERTY TAX REASSESSMENT LANGUAGE ALIVE

As part of the property tax reform package, reassessments on property are scheduled to begin July 1 although many have advocated for a delay considering only roughly a quarter of the state's 92 counties have mailed property tax bills this year, and some have not reconciled 2007 bills. Language in the budget would delay reassessment until next year to provide additional time locals have requested.

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=1092&session=1&request=getBill&docno=1001>

ECONOMIC IMPROVEMENT DISTRICTS STATUTE AMENDED

The Economic Improvement Districts statute currently is used to form such districts by a county or municipality upon approval of owners in the district. These districts require all real property owners, except those entities exempt from property taxation, to pay a special assessment used to fund improvements in the district although businesses may be exempted for one year. The district projects may include constructing, rehabilitating, or repairing residential property. Language in the budget would amend this statute to include development of residential property,

and other economic development redevelopment projects. The language also stipulates for purposes of projects involving residential property, residential property would be redefined as public and private residential property. The language would also subject otherwise tax-exempt property in the district to the special assessments.

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=1092&session=1&request=getBill&docno=1001>

REGULATORY

JUNE 22 PUBLIC HEARINGS FOR AMENDMENTS TO BUILDING AND FIRE CODES

Public hearings for chase amendments to the 2008 Indiana Building Code and the 2008 Indiana Fire Code are scheduled for Monday, June 22 at 9:00 a.m. and 10:00 a.m. respectively at 302 W. Washington St., Conference Center Room 14, Indianapolis, IN 46204. To view the amendments go to <http://www.in.gov/dhs/2375.htm>.

2ND OPEN MEETING ON JULY 15TH TO OFFER AMENDEMENTS FOR ASHRAE 90.1

The state is moving forward with the adoption of ASHRAE 90.1 for Class 1 structures and will hold the 2nd open meeting to offer amendments on July 15 from 9:00 a.m. to 5:00 p.m. at 302 W. Washington St., Conference Center Room D, Indianapolis, IN 46204. Following the hearings, the comments will be summarized by staff and presented at either the August 4 or Sept. 1 Commission meeting. Staff will request permission to publish a proposed rule, with any additional amendments that the Commission requests from those proposed at the open meetings. After the proposed rule is published, there a public hearing will likely be scheduled in October. The final proposed rule will likely be presented to the Commission at its November 3 meeting. If approved, it will be effective in early 2010. The state currently uses the Indiana Energy Conservation Code, 1992 Edition. To view a preliminary draft of the amendments, go to <http://www.in.gov/dhs/2375.htm>.

IBA MEETS WITH IOSHA COMMISSIONER

IBA staff met with the Deputy Commissioner of IOSHA earlier this week to discuss residential OSHA inspections and common issues that occur on residential jobsites. IBA is exploring educational opportunities with IOSHA and the association for its members to understand the common problem areas on residential jobsites. Please be aware of your jobsite requirements and visit the following NAHB website for additional OSHA Construction Safety information or visit the state's website for INSAFE below.

http://store.builderbooks.com/cgi-bin/builderbooks/149?id=qgC9pKcS&mv_pc=44

<http://www.in.gov/dol/insafe.htm>

COMMISSION FORWARDS RESIDENTIAL CODE AMENDMENTS TO COMMITTEE

Fire Prevention and Building Safety Commissioners discussed the state's Electrical Code Review Committee's proposed rule amending the current Indiana Residential Code (IRC) (LSA Document 09-139) and chose not to move it forward. Instead, the text and public hearing comments will be forwarded to the recently established Residential Code Review Committee for its consideration.

NAHB NEWS

JUNE 25 AUDIO SEMINAR EXAMINES AD&C LENDING CHALLENGES

Experts from the policy and lending arenas will discuss the challenges of and possible solutions to the acquisition, development and construction (AD&C) lending crisis during an upcoming NAHB audio seminar beginning at 2:00 p.m. on June 25. Karl Eckhart, NAHB political director, will moderate the seminar and provide strategies and messaging for builders to effectively relate their experiences to local government officials so they can, in turn, apply pressure to local banks. To register, visit www.nahb.org/ADCLoanAudio.

NAHB SUBMITS ALTERNATIVE PROPOSAL ON ELGs

NAHB's proposal on Effluent Limitation Guidelines (ELGs) submitted to the Environmental Protection Agency a little more than a week ago, recognizes that there are wide variations in climate, topography and soil conditions around the country that must be taken into consideration in establishing such rules. The EPA is operating under a court-ordered deadline to finalize ELGs for the construction and development industry by year's end. NAHB's proposal recommends that the EPA look at five different categories in its regulation of storm water. For example, small, single lots within a larger development should not require individual ELGs. Instead, EPA should continue to require builders to choose from accepted Best Management Practices to prevent storm water runoff. Similarly, ELGs are redundant in those states or jurisdictions where Low Impact Development ([LID](#)) techniques are already mandated. Sites that are already meeting LID requirements should be exempt from ELGs, NAHB said. Read more about NAHB's suggestions in [NBN Online](#), or contact [Calli Schmidt](#), x8132.

MOVIES EDUCATE BUILDERS AND CONSUMERS ON GREEN BUILDING

NAHB, in conjunction with a grant from Wells Fargo, recently unveiled two movies to help home builders and their consumers learn more about green building. Both videos are informative and can be ordered through NAHB for \$25. To view the consumer video, visit www.nahb.org/greenhomeguide and the builder/remodeler video can be viewed at www.nahb.org/greenreport.