

INDIANA BUILDERS ASSOCIATION  
Legislative and Regulatory Report #12  
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## **NEWS/HIGHLIGHTS**

### **WEATHERIZATION RFP RELEASED**

The Indiana Housing and Community Development Authority released a weatherization assistance program service providers request for proposals (RFP) earlier this week seeking entities interested in administering the Low Income Weatherization Assistance Program. The Indiana Builders Association has been identified as one of the groups able to carry out this task and is planning to submit an RFP to administer the program. Any questions regarding the program can be directed via e-mail at [info@buildindiana.org](mailto:info@buildindiana.org).

### **HOUSE VOTES TO SPEED UP PROPERTY TAX CAPS**

Members of the Indiana House of Representatives attached an amendment on Senate Bill 388 to speed up the state's phase-in of property tax caps by limiting this year's property tax bills to 1 percent of a residential home's assessed value, 2 percent for rental properties and 3 percent for businesses. The caps were scheduled to take effect in 2010 and the bill passed 80-12. A prime example of how easy a Legislature can change the property tax caps and why the state of Indiana needs to pass legislation putting the caps into the constitution.

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2009&request=getBill&docno=388>

### **CONGRESSMAN BURTON ADVOCATES FOR HOUSING TAX CREDIT**

Congressman Dan Burton gave a speech on the House floor this week to advocate for H.R. 1245 which provides a 10% credit of the home price, up to \$15,000 for all home buyers for one year. The bill was introduced by Congressman Ken Calvert of California and Burton is a co-sponsor of the bill. To watch the entire speech, please visit

[http://clips.shadowtv.net/media/stv/3343/8/2009/082/19/3343\\_8\\_20090323\\_194650\\_209.wmv](http://clips.shadowtv.net/media/stv/3343/8/2009/082/19/3343_8_20090323_194650_209.wmv).

### **IBA MEMBERS TRAVEL TO D.C.**

Leaders of the Indiana Builders Association traveled to Washington, DC earlier this week to meet with Indiana's Congressional delegation on housing related issues, including the current acquisition, development and construction lending crisis. IBA members and staff met with 9 of the 11 offices from Indiana, including personal meetings with Senator Bayh; Congressman Burton; Congressman Souder; Congressman Visclosky; and Congressman Pence. Leaders also met with key staff from the offices of Senator Lugar; Congressman Donnelly; Congressman Carson; and Congressman Buyer.

### **HOUSING ACTIVITY INCREASES**

On a seasonally adjusted basis, the pace of mortgage loan activity increased 21.2 percent last week, according to the Mortgage Bankers Association. Overall, mortgage rates were down, with 30-year loans decreasing to 4.89 percent, from 4.96 percent, and 15-year mortgages averaging 4.52 percent, a decrease from 4.54 percent a week prior.

#### BOWERS BECOMES DEPUTY SECRETARY OF STATE AND CHIEF OF STAFF

Scott Bowers, former housing industry executive, has been appointed as Deputy Secretary of State and Chief of Staff to Secretary of State Todd Rokita.

#### LEGISLATIVE

##### UNEMPLOYMENT INSURANCE TRUST FUND PASSES

House Bill 1379 passed the Senate earlier this week by a margin of 30-20 and now heads to a conference committee for further discussion and action. The bill provides a surcharge in 2009 for 10% of the employer's applicable rate under 2009 schedule and taxable wages payable in two installments. The taxable wage base would increase in 2010 from \$7,000 to \$10,000. The maximum benefit of \$390 would be increased to \$424 for the first four weeks but eventually drop to \$310 in weeks 8-26. Another provision of the proposal would allow companies that lay off employees for several weeks at a time every year to opt out of the unemployment system or reimburse the state for nearly all the costs of benefits for their employees.

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2009&session=1&request=getBill&docno=1379>

##### WATER NUISANCE BILL RECEIVES HEARING IN SENATE

House Bill 1278 provides that a person who unreasonably improves the person's land by knowingly collecting, concentrating, and discharging the diffused surface water from the person's land as a body on a neighboring property so that the water stands on another person's land in an unusual quantity for a prolonged period or passes into or over another person's land in a large quantity is liable for the actual damage caused to the other person by the unreasonable altered flow of diffused surface water. Permits a person whose land is damaged by the neighboring landowner's actions to bring an action to abate or enjoin the unreasonable improvement that caused the altered flow of water. Specifies that this law: (1) does not limit the availability of other civil remedies for damages caused by water; and (2) does not apply to a person engaged in building Class 2 structures or developing land for residential purposes with appropriate local drainage approval.

<http://www.in.gov/apps/lsa/session/billwatch/billinfo?year=2009&request=getBill&docno=1278>

*The bill was heard in Senate Judiciary this week where an amendment was offered to restore language that was taken out in the House at the request of the IBA dealing with the abrogation of the common enemy doctrine. IBA will oppose the legislation if the language is inserted back into the bill. The Committee delayed action on the bill until a continued hearing next week.*

##### HOMEOWNERS ASSOCIATION GROUP CONTINUES TO MEET

A small workgroup of interested stakeholders continues to meet on House Bill 1071 which deals with homeowners associations. The group continues to voice concerns on the current language and its intent is to try and work out concerns before the bill is scheduled for a hearing. IBA is part of the workgroup and will continue to be involved on the issue.

## COMMITTEE AMENDS ENERGY CODE MANDATE

The Senate Energy and Environmental Affairs Committee passed the amended House Bill 1348 which requires the fire prevention and building safety commission to adopt the most recent edition of: 1) International Energy Conservation Code as published by the International Code Council; or 2) American Society of Heating, Refrigerating, or Air-Conditioning Engineers Standard 90.1; for Class 1 structures before July 1, 2010. <http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2009&request=getBill&docno=1348>

*The bill was approved and moves to the full Senate for further debate.*

## UNDERGROUND PLANT PROTECTION BILL ADVANCES

Senate Bill 487 requires the operator of an underground facility to join the Indiana Underground Plant Protection Service (IUPPS) or its successor organization. Imposes a civil penalty if an operator fails to maintain IUPPS membership. Requires an operator to provide information concerning the locations of its underground facilities to the IUPPS. Establishes the underground plant protection advisory committee (advisory committee). Authorizes the advisory committee to conduct hearings on certain violations of underground plant protection law and recommend penalties to the Indiana utility regulatory commission. Establishes the underground plant protection account to receive deposits of civil penalties. Deletes obsolete provisions requiring operators to record underground facility locations with county recorders. Makes conforming amendments. Repeals an obsolete provision concerning the responsibilities of IUPPS.

<http://www.in.gov/apps/lisa/session/billwatch/billinfo?year=2009&request=getBill&docno=487>

*The bill was approved 10-0 in the House Committee on Commerce, Energy, Technology and Utilities this week. The bill now moves to the full House for further debate.*

## REGULATORY

### PUBLIC HEARINGS SET FOR INDIANA ELECTRICAL CODE AND AMENDMENTS TO THE INDIANA RESIDENTIAL CODE

The public hearings on the 2009 Indiana Electrical Code (LSA Document 09-140) and the amendments to the current Indiana Residential Code (IRC) (LSA Document 09-139) are scheduled for Thursday, May 7 in Conference Center Room 22 at 402 West Washington Street, Indianapolis. The hearing on the Residential Code will begin at 9:00 a.m. and the hearing on the Electrical Code will begin at 11:00 a.m. A few of the proposed changes to the IRC include bubble covers in wet locations; weather-resistant receptacles in both damp and wet locations; a GFCI receptacle required within any deck, balcony, or porch accessible from the inside of the house that has a usable area of 20 square feet or more; HVAC convenience receptacle required within 25 feet of the outside condenser unit, and all garage receptacles are to be GFCI protected. Most notably the provisions for arc-fault circuit interrupters and tamper-resistant receptacles have been removed thanks to the efforts of IBA members on the Electrical Code Review Committee. To comment on these proposed changes or for copies of the proposed rules contact Carlie at 800-377-6334 or [Carlie@BuildIndiana.org](mailto:Carlie@BuildIndiana.org).

## NAHB NEWS

### ECONOMIC MOMENTUM IS DOWNWARD IN THE U.S.

Real gross domestic product (GDP) contracted at a 6.2% annual rate in the final quarter of last year, the sharpest contraction since the depths of the 1982 recession. Available evidence on

economic activity for the early part of 2009 shows that another major decline in GDP is in the cards for the first quarter of the year. NAHB is currently estimating -5.5%.

**EVERYTHING CONSIDERED, THE RECOVERY TUNNEL IS COMING INTO VIEW**

There have been some glimmers of light in the darkening economic picture, including retail sales for January and February and sales of both new and existing homes in February. It's clear that ongoing market adjustments in key sectors are essential to eventual economic recovery and expansion.