



INDIANA BUILDERS ASSOCIATION  
Legislative and Regulatory Report #21  
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## **NEWS/HIGHLIGHTS**

### **123 FATAL OCCUPATIONAL INJURIES, LOWEST SINCE 1991**

The Indiana Department of Labor recently released Indiana's 2009 Census of Fatal Occupational Injuries (CFOI). The state reported 123 fatal occupational injuries, the lowest experienced since the report was introduced in 1991 and 20 fewer deaths than in 2008. No major Indiana industry saw an increase in fatalities from 2008 to 2009. Agriculture reported the highest number of work-related fatalities (23). For the fourth year in a row Construction fatalities declined, but it remains the second deadliest industry along with Transportation and Warehousing with 17 fatalities each.

### **STATE'S UNEMPLOYMENT RATE INCREASES SLIGHTLY**

The state's unemployment rate for July increased to 10.2 percent, despite an increase of 13,000 in total private sector employment. The Indiana Department of Workforce Development says the state is tied with Utah for top spot in the nation for private sector job growth this year.

### **POLICIES ISSUED BY FANNIE AND FREDDIE TO HELP COMMUNICATION WITH APPRAISERS**

While communication channels between builders and appraisers have been impaired for some time due to difficulties in interpreting the Home Valuation Code of Conduct that was put in place by Fannie Mae and Freddie Mac, newly issued policies from both of these agencies attempt to correct the problem. In addition to making it clear that builders may and should provide information to appraisers, the guidance also clarified the appropriate use of distressed home sales as comparables, stated that lenders may not unilaterally change appraisal reports, and reiterated that appraisers must have appropriate knowledge and experience to undertake specific assignments.

### **MORTGAGE LOAN ACTIVITY INCREASED**

On a seasonally adjusted basis, the pace of mortgage loan activity increased six-tenths of a percent for the week ended Aug. 6. The rate for 30-year mortgages decreased to 4.57 percent from 4.6 percent the previous week. The rate for 15-year mortgages fell to 3.95 percent from 4.03 percent.

## **LEGISLATIVE**

### **GOVERNOR ANNOUNCES CHANGES AT THE OFFICE OF MANAGEMENT AND BUDGET**

Governor Mitch Daniels recently announced leadership changes at Indiana's Office of Management and Budget (OMB). Chris Ruhl, Director of the State Budget Agency, will become the new Director of the Office of Management and Budget. Ruhl succeeds Ryan Kitchell who is returning to the private sector. Adam Horst, Deputy Director of the State Budget Agency, will become the new Director of the State Budget Agency. The Office of Management and Budget plays a key role in the next biannual budget which will be discussed in the upcoming legislative session.

### **SENATE DEMOCRATS CALL FOR INDIANA OPEN GOVERNMENT INITIATIVE**

The Indiana Senate Democrats recently unveiled Indiana Government Initiative, a plan to increase transparency and accountability in state government. The plan calls for a public website access to state budgets, spending and contracts; corporate accountability laws for economic incentives; and changes to the way state contracts are made. Senate Democrats plan to introduce several proposals detailing their ideas during the 2011 General Assembly.

## **REGULATORY**

### **NO ANTIFREEZE IN NEW SPRINKLER SYSTEMS AS OF AUGUST 25**

The National Fire Protection Association (NFPA) Standards Council announced Tentative Interim Amendments (TIAs) to NFPA standards 13, 13D and 13R to totally ban the use of antifreeze in new sprinkler systems protecting dwelling units. The effective date for the TIAs is August 25. The full text of the Council decision can be viewed at:

<http://www.nfsa.org/news/StandardsCouncilAntifreezeTIADecisionAug10.pdf>

### **FINAL NSAFE SEMINAR SCHEDULED FOR SEPTEMBER 28**

The last of three FREE INSafe seminars, offered by IBA in conjunction with the Indiana Department of Labor, is scheduled for September 28 in Seymour. To register for "Build Safe with INSafe" contact Carlie Hopper at 800-377-6334 x206 or [Carlie@BuildIndiana.org](mailto:Carlie@BuildIndiana.org).

INSafe also offers a free consultation program that gives businesses a voluntary approach to designing safety and health in the workplace. By building upon employee-management participation in an on-site survey, consultation can bring workers and employers together to develop and implement programs to control hazards and prevent worker injuries and illnesses. For more information on consultation services, please access the following link

<http://www.in.gov/dol/2386.htm>.

### **COMMISSION CODE REVIEW COMMITTEE UPDATE**

The Plumbing Code Review Committee will meet on September 21 at 9 AM at the Sterrett Center in Lawrence. The NFPA 13 Standard Review Committee will meet on August 25 at 9 AM at Indiana Government Center South, Conference Center Room 20, in Indianapolis. View the meeting notice, agenda, minutes and proposed code changes for all state code review committee's at <http://www.in.gov/dhs/2494.htm>.

### **ICC GROUP B FINAL ACTION HEARINGS SCHEDULED FOR OCTOBER 24-31**

The International Code Council (ICC) 2010 Annual Conference and Group B Final Action Hearings will be held October 24 through October 31 at the Charlotte Convention Center in Charlotte, North Carolina. The Group B code hearings, which will result in the 2012 International Codes, consist of Administrative, IECC, IPCM, IRC (Energy), and IZC.

To view the 2010 group B final action hearings schedule, visit

[http://www.iccsafe.org/cs/codes/Documents/2009-10cycle/misc/2010\\_FAH\\_schedule.pdf](http://www.iccsafe.org/cs/codes/Documents/2009-10cycle/misc/2010_FAH_schedule.pdf)

## **NAHB**

### **WEBINAR OFFERS ADVICE ON OBTAINING ACCURATE APPRAISALS**

NAHB's Housing and Finance and Business Management and Information Technology committees and sponsored by Builder Partnerships on August 4 provided advice for builders having trouble obtaining accurate appraisals for new homes. Panelists suggest improving the lines of communication between builders and appraisers. Participants in the webinar were told they should meet with the appraiser on the site where their home has been or will be built, and provide direct support with whatever relevant information they can. To access a free recording of the entire "Builders' Guide to Appraisals" program and presentation slides, please visit <http://www.builderpartnerships.com/Home/News/782>.

### **YOUR COMMENTS NEEDED ON NEW IRS REPORTING REQUIREMENTS**

NAHB is asking our members and their accounting and tax professional contacts to submit comments and recommendations on new information reporting requirements from the Internal Revenue Service (IRS) that will go into effect in 2012. The change, was included in recently enacted healthcare reform legislation, is expected to increase the paperwork requirements of most businesses across the country. The new law creates a whole new class of transactions that must be reported to the agency by requiring that all businesses file information returns, generally using IRS Form 1099, for entities to which they made payments of more than \$600 in a given year. NAHB has opposed this provision as a costly and unfair administrative burden, particularly for small businesses, that will be ineffective in raising government revenue. NAHB is also participating in a broad coalition of pro-business organizations that is working to repeal the requirement. NAHB will be submitting comments on behalf of the residential construction sector to the Treasury Department and IRS later this month. Submissions from members will be included in NAHB's statement, so please e-mail suggested technical recommendations to Robert Dietz at [rdietz@nahb.org](mailto:rdietz@nahb.org) or (800) 368-5242 ext. 8285.

### **CITING FLAWED ANALYSIS, FEDS SEND EPA STORM WATER RULES BACK TO THE DRAWING BOARD**

In a major victory for affordable housing, sound science and more sensible regulations for builders and developers, EPA has been forced to withdraw a key portion of new storm water management regulations for the construction industry and devise new ones based on better research. This positive news comes as a result of a lawsuit filed by NAHB and petitions filed by both NAHB and the Small Business Administration Office of Advocacy asking the agency to revise its new Effluent Limitation Guidelines (ELGs) for the construction and development industry. NAHB contended that the numeric limit set by EPA for sediment laden storm water running off a construction site was arbitrary and based on flawed analysis. In addition, NAHB asserted that trying to achieve that numeric limit would cost not just the \$953 million that the EPA had estimated, but up to \$10 billion annually, hurting small businesses and housing affordability with additional environmental benefit. While the latest action removes the numeric limit, other requirements of the construction and development ELG remain in place. EPA is expected to issue interim storm water management guidance for construction site operators as the agency works to refine the rule. For details, contact Jeff Augello at (800) 368-5242 ext. 8490.

### **IBS FEES GO UP ON SEPTEMBER 1**

The last chance to get your FREE 4-day exhibit pass is Tuesday, August 31. This is also the last day that all spouse registrations are free and that the member full registration (including access to the education sessions and exhibit floor) is \$195. All fees go up on September 1! Visit [www.buildersshow.com](http://www.buildersshow.com) for information.