

“TOP 10 NCHBA ACTIONS TO BENEFIT OUR MEMBERS IN 2010”

1. Focused Congressional Attention on the Credit Crunch Facing Builders—NCHBA solicited and supplied excellent letters to Congressman Brad Miller (D-NC-13th District) from a representative sample of builders, from the mountains to the coast, who have or are experiencing difficulties obtaining credit, or extensions of existing credit, from various lending institutions. These letters were introduced and discussed by Rep. Miller at a joint hearing of the US House Financial Services Committee and the US House Committee on Small Business on February 26, 2010. Miller is a member of the Financial Services Committee and authored a letter to federal regulators calling attention to this critical problem.

2. Removed the Unfair Merkley Provision—NCHBA lobbied our NC Congressional delegation very hard to vote to pass the reconciliation bill which included a repeal of the so-called Merkley amendment contained in the recently enacted Health Care Reform Act. This provision, added at the behest of the unions, would have required construction companies to provide health care coverage if they had 5 or more employees. Repeal of this provision returned our industry to the 50-employee small business threshold before such mandate takes effect.

3. Provided Critical Tax Relief and Assist With Builder Cash Flow—NCHBA worked to implement the law which we passed in 2009 to allow builders to defer local property taxes on unsold builder inventory. While the taxes on the improvements are only deferred and will have to be paid when the property is transferred (or a maximum of 3 years after first receiving the deferral), this act will help with builder cash flow during this severe economic downturn and may allow the increased tax burden to be shared with the eventual purchaser of the residence.

4. Fighting Unnecessary and Costly Amendments Proposed for Inclusion in the N. C. Building Code—NAHBA staff has been waging a high-profile fight against a proposed residential sprinkler mandate in one and two family construction estimated to add between \$7,000 to \$21,000 in unnecessary costs to the price of homes. Smoke detectors, which are already required by the Code, provide excellent protection for life; sprinklers protect property. In addition, NCHBA is fighting several proposals which would increase new home energy code requirements estimated to increase housing costs at least \$15,000 per house. Most energy loss in the residential sector comes from the older, pre-energy code housing stock. The NC Building Code Council will conduct a public hearing on these proposals in June and take final action on them in September. NCHBA will lead the fight and we will need your participation.

5. Preserving Housing Affordability by Extending Certain Development Approvals—NCHBA has worked to implement the law which we passed in 2009 to extend required development approvals, at both the local and state level, to ensure that these approvals did not expire where current economic conditions would not support proceeding with the planned development. These approvals, from local building permits to various state environmental permits, carry a time certain for their execution. This new law provides that the running of the period of development approval for any approval that is current and valid at any point from January 1, 2008, until December 31, 2010, is suspended for the same time

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period. When the economy rebounds, this law will save hundreds of thousands (if not millions) of dollars in unnecessary costs to reapply for permits that otherwise would have expired.

6. Support Local Membership Recruitment Efforts—NCHBA coordinated efforts with the Oliver Group to hold local membership drives in the spring of 2010 to follow up on similar drives held by 13 of our local associations in the fall of 2009. The fall drive produced a total of 639 new members across the state. NCHBA has offered to provide a \$200 rebate to any local association who agrees to participate in the Oliver Group training and conduct a spring drive. The training session has been set at the Gaston Co. HBA on April 12 and other locals can still sign up (call Kathryn Atkinson for details).

7. Builders Mutual Policyholder Dividend—NCHBA worked closely with the BMIC Board of Directors and BMIC staff to assure over \$1 million in NCHBA member-policyholder dividends to be paid in 2010 based on 2009 policyholder experience. In virtually every case, the amount of this member dividend more than paid for the policyholder to renew his or her HBA membership. In most instances, the dividend amounts were considerably more—welcome revenue in this economy. NCHBA is very proud to exclusively endorse the entire BMIC product line and we are appreciative of the wonderful support that BMIC provides to our association and to our members.

8. Preserve Housing Affordability by Fighting Efforts by the State Banking Commission to Limit Builder Assistance to Homebuyers Who Choose to Utilize Affiliated Builder Mortgage Lenders—NCHBA led a successful effort which led the State Banking Commission to withdraw a proposed rule which would have prohibited builders from offering incentives to homebuyers who utilize a mortgage lender affiliated with the builder. The negotiations on this issue, led by NCHBA, produced a resolution that resulted in the proposed rule being withdrawn.

9. Increase Member Professionalism—NCHBA's North Carolina Builder Institute (NCBI) recently concluded its Spring Session with 52 attendees. Twelve of those attended earned their NCBI professional designation—8 Accredited Builders (AB), 3 Accredited Master Builders (AMB), and 1 Accredited Associate (AA)—at this session. Because of a law passed by NCHBA several years ago, those builders who earn and maintain their AB and AMB designations will have same displayed on their general contractors license and on the NC Licensing Board for General Contractor's website.

10. Provided Timely Information on the new NC Lead- Based Paint Renovation, Repair & Painting Program (LRRP)—Jessi Hayes and Heather Crews held an excellent webinar on March 16 on the details of the new LRRP requirements. A total of 54 members and staff participated in this webinar—the first time that NCHBA has utilizing this new technology. This pilot program, suggested by the NCHBA Communication Committee at our 1st Quarter Meeting in February, was, by all accounts, a rousing success. Much information about this program, including Jessi's PowerPoint webinar presentation, can be accessed on the NCHBA website.