

OUR COLLECTIVE VOICE MATTERS



So that it not be forgotten how important it is to join forces and encourage all in the residential building industry to be part of something bigger, Michigan Builder Magazine felt it was time to look back and highlight the HBA of Michigan's top advocacy initiatives. As the largest trade association representing construction in the state of Michigan, your state association has been doing battle for nearly 70 years. Its primary mission is to positively promote the building industry and impact legislative, regulatory and legal issues affecting housing affordability. Even during our darkest industry downturns, there has been an effort to keep this core advocacy mission strong. It's why your membership and support for Friends of Housing and HBA Michigan's Legal Action Fund are so important! Here's a look back at our victories (in no particular order):

- **Passage of flex code legislation** providing the State with the option to only update residential codes once every six years.
- **Eliminating the 18-mill inventory tax** on new homes and the land they sit on.
- **Reforming the Sand Dune Protection Act** to balance environmental protection of the dunes while protecting the property rights of those owning land in the critical dunes and allowing for compatible economic development and multiple human uses of the dune.
- **Modifying architects seal requirements** by removing basements and other areas of a house from the 3,500 sq. ft. calculation used to determine when an architect must seal house plans.
- **Eliminating Construction Lien Fund** by ending the practice of making good builders pay the debts of bad builders by ending the \$10 per year paid into the fund by licensees.

- **Removing the requirement for mandatory fire sprinklers from the Michigan Residential Code or MRC.**
- **Helping repeal the Single Business Tax** and replacing it with a 4.35% corporate business tax, paid through the income tax, for companies organized as S-Corps, LLC's, LLP's etc. while C Corps pay a straight 6% corporate income tax.
- **Helping to protect private property rights in Michigan** by negotiating the language of the 2006 constitutional amendment prohibiting the use of eminent domain for either economic development or the enhancement of tax revenues and curtailing the ability of local units of government to abuse "blight" designations.
- **Creating the "Skilled to Build Foundation,"** to promote career technical education in schools and community colleges.
- **Authoring a Call-to-Action Report: "Housing Challenges Threaten our Economic Future: Where will Ten Million Michiganders Live?"** which calls for local government and economic development leaders to rethink their land development and inspection and permitting systems to attract the housing investment that will or is passing them by. The report also calls for a dozen other key recommendations that will better encourage investment, eliminate costly delays and help shape the industry's future workforce.
- **Increasing State workforce funding** for grants that promote skilled trade education.
- **Defeating attempts to remove the builder exemption from the Michigan Consumer Protection Act** (an exemption won at the Michigan Supreme Court level through HBA Michigan's Legal Action Fund)

- **Changing Federal Housing Administration (FHA) regulations to allow FHA loans for site condos.**
- **Defeating attempts to destroy the Single State Construction Code** by allowing local governments to adopt an independent “Green” construction code in its place.
- **Stopping attempts to use fines to run a state Lead Renovation, Repair and Painting program.**
- **Partnering with Intermediate School Districts, Career Tech programs and their instructors to expand and improve skilled trade educational opportunities.**
- **Protecting our member’s businesses** by working to prohibit local governments from adopting ordinances setting mandatory wages, benefits, leave time, scheduling, training, or application information requirements for employers.
- **Stopping proposed MIOSHA (Michigan Occupational Health and Safety Administration) Ergonomic rules** for construction and banning any ergonomic rules not found in federal OSHA (Occupational Health and Safety Administration) standards
- **Removing the requirement for Arc-Fault Circuit Interrupters (AFCI) from the MRC.**
- **Prohibiting project labor agreements** in state, school and local public construction, road projects, or as a condition of selective tax breaks granted for private projects. Project labor agreements require non-union contractors bidding on a government project to pay employee union dues and contribute to union pension and health insurance benefit funds, even though their employees are not union members.
- **Stopping proposed MIOSHA rules that would have required porta-potties and washing stations** on all construction sites (not just those without a mobile work crew) including separate facilities for men and women.
- **Stopping unfair taxes on the industry** by killing legislation that would have allowed additional storm water utility and control fees to be charged on construction sites.



Victories are built upon a foundation of committed long-term advocacy

As is highlighted elsewhere in this issue of MI Builder, the state is going to remain on the 2015 Michigan Residential Code (MRC) with the next residential code update not coming until 2021. While the bill allowing this passed a couple of years ago, this accomplishment didn't happen by accident and was an evolution of the work your state association began decades ago. It started with the passage of the Single State Construction Code Act. In turn that legislation was made possible by earlier legislation repealing the Council of American Building Official's (CABO) Model Energy Code and requiring Michigan to write its own cost-effective residential energy code, the Michigan Uniform Energy Code (MUEC), in its place. Then, as more and more proposed code changes only dealt with product promotion, your state association moved to give the State flexibility on how often it needed to update the MRC. In today's fast-paced world it's easy to focus on the present and the future and forget about past successes that made today's accomplishments possible.

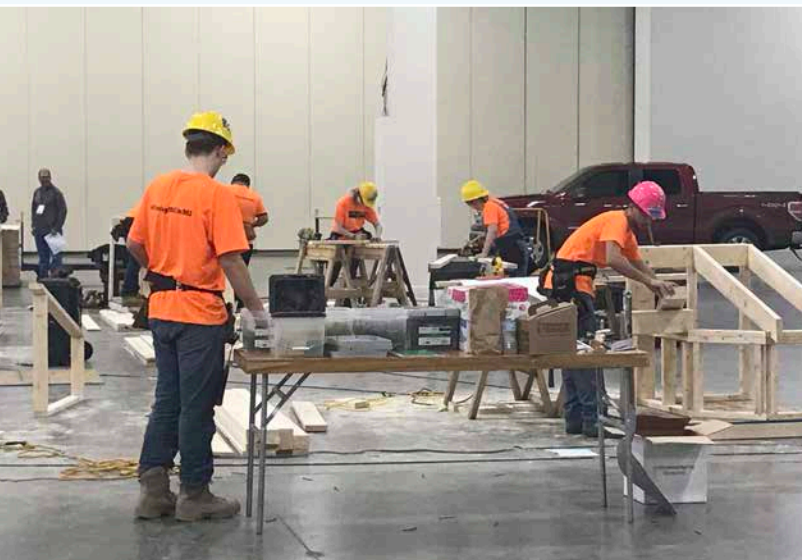


VOTE — What is the most important advocacy initiative victory your state association has had during its history? Go to www.HBAofMichigan.com and cast your vote. If you select the victory with the most votes, you'll be entered into a drawing for a chance to win one of five HBA Michigan Carhartt vests that will be given away to voting participants. You can only vote once and winning names will be drawn and announced at the HBA Michigan's Fall Meeting in Frankenmuth November 2nd.

GREAT LAKES HBA BUILDERS SHOW

Glimpses from the Great Lakes Builders Show & HBAM Winter Board Meeting

Last month the HBA of Michigan's Winter Board Meeting was held in conjunction with the 2018 Great Lakes Builders Show at the Suburban Showplace in Novi. More than 100 HBA leaders from around the state were on hand to participate in their state association meetings and to attend the show. Whether it was checking out the students competing in the Skills USA Competition, sitting in on the HBAM legislative briefing, listening to an inspirational speech from a Navy Seal or talking about new products and services with exhibitors, there was plenty of learning and doing at this year's show. ●



Top Advocacy Initiatives Continued

- **Improving the model code development process** by conducting an ongoing statewide outreach program to forge partnerships with local building officials and inspectors and getting them registered to vote by computer on the proposed changes to the 2018 International Codes including residential and energy.
- **Amending the Condominium Act** to revise provisions under which a developer may withdraw undeveloped portions from a project without the prior consent of co-owners, mortgagees or other interested parties.
- **Protect Log Home Construction** by changing the law to allow for traditional log homes to be built in Michigan and still comply with energy code requirements.

“But,” as Ron Popeil used to say, “wait there’s more.”

While you may know about HBAM's ongoing permit fee overcharge lawsuit to prevent the use of building department fees to run other departments of local governments, you should also be aware the association's Legal Action Fund played a major role in:

- Protecting the builder exemption from the Michigan Consumer Protection Act.
- Preventing disgruntled customers from turning workmanship and contract disputes into “unfair and deceptive practice” lawsuits under the Michigan Consumer Protection Act.

- Stopping personal injury attorneys from making you pay their fees when they sue you or making you pay for the cost of soliciting clients for a class action suit.
- Prohibiting local governments from “extracting” money for offsite improvements and making you agree to the extractions in court just so you can get your permits and approvals.
- Assuring you can’t be charged special assessments for infrastructure improvements only to have local governments cancel the improvements while keeping your money.
- Stopping the MDEQ from requiring municipalities to assume future liability for all private wastewater treatment systems within their jurisdiction which meant no private systems would ever receive approval.
- Stopping drain commissioners from expanding their authority to expend funds for environmental matters. This was the first step to drain commissioners banning development along selected “environmentally sensitive” creeks, streams and rivers.
- Assuring that “additions” which allow local governments to increase the taxable value on a piece of property cannot include public services such as water service, sewer service, primary access roads, natural gas service, electrical service, telephone services, sidewalks or street lighting. This decision provided substantial property tax relief to builders who are in the process of developing subdivisions, site condominiums, or other developments that require the construction of sewer, water, streets and other infrastructure that will be dedicated to the public.
- Assuring a municipality could not charge unlimited fees and costs in conducting a site plan review and related activities, or could only charge reasonable fees and costs.
- Determining that a builder could lawfully shift responsibility for transfer taxes from itself to a purchaser.
- Preserving the rights of a property owner to directly challenge the constitutionality of a zoning ordinance as applied to the property owner’s property without taking an appeal to the zoning board of appeals. ●

HELP YOURSELF TO SOME FREE SAVINGS!

FREE Rx Drug Card,
Compliments of



The card below is pre-activated and can be used immediately to
save up to 75% on your prescription drugs.

» PRESCRIPTION DRUG CARD HIGHLIGHTS



- Save up to 75% on prescriptions
- Everyone is eligible
- Accepted at over 68,000 pharmacies nationwide
- Card is pre-activated and ready to use
- No paperwork to fill out
- No limits on usage
- No health restrictions
- Save on brand and generic drugs
- Covers drugs not covered in health plans
- Covers many pet prescriptions

This card is **pre-activated** for **immediate savings** at participating pharmacies!
Simply cut out the card below and fold along center line.

Rx

FRONT

Prescription Savings Coupon

Retail Pharmacy Card

Compliments of:

Name: _____

MBR ID: Enter Year & Time
(Example: Year 2018; Time 9:14; Enter ID 2018914)

RxGRP: BUILDMI

RxBIN: 610709 guaranteed

NOTE: This card is being provided to you at NO COST. There are no forms to fill out. Simply take this card into a participating pharmacy with your Rx to use for discounts on qualified medications. Each family member must have his/her own card. This card has been pre-activated for immediate use!

Pharmacy Helpline: 800-223-2146
Customer Service: 877-321-6755

guaranteed

This program has LOWEST PRICE LOGIC to guarantee that you get the best deal on your prescriptions (you pay the lower of a discount off Average Wholesale Price-AWP, discount off MAC Pricing, or Pharmacy Promotional/Retail price).

PARTICIPATING PHARMACIES

BACK