

Dear Members:

Below is a legislative update article appearing on today's Florida Home Builders Association website – www.fhba.com. The article addresses FHBA legislative priorities that began moving this week – the first week of the 2007 Legislative Session.

Following the below FHBA article is a news article published in today's *Tallahassee Democrat* and *Florida Today* providing an additional update on the internal pressurization glitch bill.

Sincerely,

Eddie Ousley

Legislature Addressing FHBA Priorities

By Eddie Ousley

www.fhba.com

While only two days into the 2007 Legislative Session, Florida lawmakers are quickly taking action on several Florida Home Builders Association top priorities.

On Tuesday, lawmakers began addressing the internal pressurization design option when they unanimously passed SB 1870 out of the Senate Banking and Insurance Committee. SB 1870, sponsored by Senator Bill Posey, R-Rockledge, seeks to delay the effective date for eliminating the design option from January 25, 2007 to June 1, 2007.

Earlier this year, lawmakers passed property insurance reform legislation during a Special Legislative Session that immediately eliminated the internal pressurization design option. This action resulted in a minimum of \$72 million negative impact on Florida's construction industry.

As a result, approximately 6,000 signed residential contracts have been in jeopardy of being immediately denied permits. Thousands of homeowners that have signed these contracts have been at risk of losing their bank financing because of increased regulatory costs and residential construction within 33 counties has been in jeopardy of coming to a complete halt.

With SB 1870, lawmakers are working to prevent the impairment of existing contracts, and are working to provide the additional time needed to educate and train Florida's construction industry on the new building code regulations.

SB 1870 has been forwarded to additional Senate Committee's for further hearings. FHBA will keep you apprised of its progress.

Members of the Florida Home Builders Association have also placed reforming Florida's property tax system at the top of their priority list. Lawmakers have wasted no time in taking up this issue, and it will likely be one of the biggest debates of the 2007 Legislative Session.

The Florida House of Representatives has introduced a plan that would abolish taxes on homesteaded property and offset the costs by increasing the sales tax to 8.5 percent. Governor Crist has introduced his property tax reform recommendations and the Florida Senate is moving forward with their reform efforts.

FHBA members have not taken a position on any of the current proposals. However, we strongly support reforming Florida's property tax system.

Specifically, FHBA supports making Save Our Homes portable – this will help eliminate Florida's current "separate but unequal" tax system. The Save Our Homes amendment has shifted billions of tax dollars from homesteaded taxpayers to non-homesteaded businesses and second property owners. Portability will provide equity between new and existing homebuyers, and commercial and residential property owners.

FHBA is also advocating for revenue and spending limits by local governments and other taxing entities.

Finally, FHBA believes that any property tax reform legislation passed should not leave Florida's construction industry to the whims of local government's taxation and exaction processes. Already communities throughout Florida are experiencing skyrocketing impact fees. Additional increases in these and other local regulatory fees will eliminate the industry's ability to build affordable housing.

Bill would delay storm building codes

BY PAIGE ST. JOHN

FLORIDA TODAY, CAPITAL BUREAU

March 8, 2007

<http://www.floridatoday.com/apps/pbcs.dll/article?AID=/20070307/INSURANCEPROJECT/70307038/1086>

TALLAHASSEE -- Florida's home construction industry will get a four-month reprieve from changes in the state's hurricane-proof building codes, under a bill that cleared its first Senate committee today.

The bill exempts homes already under design from a change passed by the Legislature in January that allowed builders in coastal counties to skip storm shutters and impact resistant glass if they add extra strength to wall and roof connections.

Many counties began implementing the change when that bill went into effect Jan. 25, but some, including Lee County, have given builders until July 1 to comply, the deadline for the Florida Building Commission to remove the exemption from its own codes.

Senate Banking and Insurance Chairman Bill Posey, R-Rockledge, sponsored the bill, SB1870, making June 1 the official start date.

The bill received unanimous support Wednesday before that committee. It has two more Senate committees before reaching the floor.

The Florida Home Builders Association is behind the delay, contending that lawmakers in January's special insurance session were hasty in making the change to building codes immediate.

With an expanded lobbying corps, the association lists the delay among its top priorities this session, followed by property tax reform.

"This bill does not diminish the strength of the Florida Building Code," said Home Builders' spokeswoman Edie Ousley, who called it a "very brief delay" to what the industry group contends

was not a legal start date in the first place.

It gives the association time to communicate the changes to its 21,000 members, though Ousley noted Florida has more than 60,000 licensed contractors.

Ousley said the Department of Community Affairs recently released a \$100,000 grant to Building a Safer Florida, to coordinate education campaigns for a consortium of construction-related trades and manufacturing associations.