

LOCAL EVENTS**Anchorage**

- 2015 AHBA Golf Tournament, July 16 at Anchorage Golf Course
- Parade of Homes, September 11th, 12th & 13th in Anchorage and Eagle River

For more information, visit:

www.ahba.net

Northern SEABIA

- 2015 SEABIA Volunteer Work Party at the Eagle River Boy Scout Camp in Juneau, August 21 - 23.

For more information, visit

www.seabia.com

Interior Alaska Building Association

- IABA Thrill of the Grill BBQ, June 27th
- IABA Parade of Homes on August 8

For more information, visit:

www.interioralaskabuilders.com

2015 ASHBA Legislative Session Summary Report

The first regular session of the Twenty Ninth Alaska Legislature has wrapped up. Builders and businesses in Alaska's residential construction industry spoke up and successfully advocated for maintaining a healthy housing market.

As part of the Alaska State Home Building Association (ASHBA), local building associations and their members help establish an agenda of goals to accomplish in Juneau. ASHBA then prioritizes these goals, and directs the ASHBA Legislative Committee to work with a contract lobbyist toward achieving the goals.

Here is a summary and status of the bills the ASHBA Legislative Committee worked on during this past legislative session:

House Bill 81

HB81, sponsored by Rep. Cathy Tilton (R-Mat-Su/Peter's Creek), addresses a problem of enforcing state laws on unlicensed contractors illegally building and selling newly constructed homes. The bill would require a notification from an unlicensed builder who sells a newly constructed building within two years of completion.

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20%2081&session=29

Rep. Tilton introduced HB81 at the beginning of the session, and moved the bill to the House Finance Committee. Although the Finance Committee scheduled hearings late in the session, negotiations and attention to the state's budget issues kept the bill pending in committee for the next session.

House Bill 146

HB146, sponsored by Rep. Cathy Munoz (R-Juneau), gives municipal governments the option to exempt property taxes on the increased assessed value of subdivided property. Property that is subdivided into three or more lots can be exempted from paying the portion of property taxes attributable to increase in value of the



newly created lots. This exemption applies for the lesser of five years or when the lots are either sold or developed.

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20146&session=29

Rep. Munoz sponsored this bill as a way to help local governments give a property tax incentive for subdividing land to develop housing. It passed the House of Representatives by a vote of 36 - 1, and passed the Senate by a vote of 20 - 0. HB146 is now headed to Governor's Walker's desk for signature.

House Bill 178

HB178, sponsored by Rep. Kurt Olson (R-Soldotna), would extend the deadline for the Medical Services Review Commission (MSRC) to finalize a new worker's compensation medical fee schedule in order to control rising medical costs. The current deadline for completion of the new fee schedule is July 1, 2015. However, the MSRC has requested more time to complete the updated schedule. HB178 moves the deadline to December 1, 2015.

http://www.legis.state.ak.us/basis/get_bill.asp?bill=HB%20178&session=29

HB178 passed the Legislature, and was signed into law by Governor Walker on June 5th. Please note this bill is simply an extension of time for the Dept. of Labor to establish a new medical fee schedule and other measures to help control the costs of worker's compensation insurance. We are continuing to monitor the efforts of the MSRC to make a final report by July 1st.

(Continued on Pages 2 & 3)

LOCAL EVENTS**MatSu Home Builders Association**

- MSHBA- 2015 Annual "scramble" style Golf Tournament July 17th at Settler's Bay Golf Club

For more information, visit:
www.matsuhomebuilders.com

Southern SEABIA

- SSEABIA members or employees with a graduating senior are eligible to apply for a scholarship.

For more information, visit:
www.sealaskabuilders.com

Kenai Peninsula Builders Association

- "Golfing for Scholarships" Fifth Annual Golf Tournament at Bird Homestead Golf Course, Soldotna on August 1

For more information, visit:
www.kenaipeninsulabuilders.com

Chuck Homan II, ASHBA President**Why did I Join the Home Building Association?**

I joined the Association in 1978 to participate in the local Parade of Homes to market the homes I was building. What I received in return for membership is much greater than I ever imagined. With membership comes friendships, knowledge, networking and support.

Membership starts with attending local events and getting to know your "competitors" and other industry professionals. What you find as a Builder/Remodeler is your competitors are often times your greatest advocates. When I transitioned from being primarily a spec homebuilder to a remodeler, a remodeling contractor member gave me a copy of his remodeling contract. My reaction was why are you willing to share this with me? His answer was we need to improve the image and professionalism of our industry and anything he can do to help others better run their business helps his business.

Our industry is changing rapidly with technology, building methods and regulation.

When meeting with clients they expect you to be the expert. The classes and events sponsored by the Association is one of the best ways to stay educated of these changes. This November 4th -6th in Fairbanks the Alaska State Home Building Association will be holding its annual conference offering classes for our members to meet this need.

Advocacy for our businesses before governmental regulators is the primary focus of NAHB, ASHBA and many of the local associations. When I joined I soon got involved with the local Builders Council as the issues I was facing with our local building officials was the same for my "competitors". Being on the State Board I have found this to be true even at the State level. Addressing issues as a group is much more effective than doing it alone.

As you look to renew your membership or recruit new members I urge you and those you recruit to get involved as that is where the real value in your membership lays. By volunteering your time and energy you will be reward both personally and professionally.

ASHBA Legislative Summary Report - Continued**State Budget Issues**

In addition to monitoring bills, ASHBA's Legislative Committee also keeps an eye on the state budget for housing programs and large development projects. This past session was dominated by a large \$4 billion deficit between state oil tax revenues and expenditures. World oil prices have dropped about 60% over the past eight months, which has forced the governor and the legislature to make significant budget reductions.

Some specifics in the budget are the AHFC Weatherization and Energy Rebate programs. Weatherization received \$7.1 million this year, and AHFC has indicated there is enough funding remaining in the Energy Rebate program to address all current applicants. Also, the Cold Climate Housing Research Center (CCHRC) was funded for a total of \$750,000. This is

about half of the funding approved in prior years for CCHRC.

Local building associations expressed support for large construction projects in their regions. These include support for the Knik Arm bridge, the Juneau access road, the Interior energy project, and development of a natural gas pipeline from the North Slope. Although some of these projects face political opposition in the face of the state's budget woes, we were successful in helping to keep these projects either partially or completing moving forward.

Conclusion

With the session finally adjourned after two special sessions following the regular session, the ASHBA Legislative Committee is looking at issues to discuss with Governor Walker during his first year in office.

Membership Committee Report - Carolyn Foelsch and Jim Dunlap

The 2015 Membership Committee has put Retention of current members as a priority. The committee is proposing a state-wide retention plan that utilizes well-timed, concise contact to build a sense of affiliation between members and the board. This minimizes effort on the part of the association and prevents members from being overwhelmed with needless correspondence. The proposed membership retention plan includes increased focus on benefits and accomplishments, detailed opportunities for involvement and channels to collect member feedback. The intent of the plan is to fully and immediately inform members of membership benefits, opportunities for involvement, and the local association's sincere interest in their feedback.

Members expect tangible advantages in exchange for their membership fee. Such advantages include savings, networking, and business promotion. Cancellations should decline if members are actively involved in the function of state and local associations. Members can gain insight on the organizations'

ASHBA Legislative Summary Report - Continued

One topic is an effort to raise awareness about all the different building codes that are administered by various state agencies. There will also be continued discussions with the Department of Labor about enforcement of unlicensed contractors who violate state laws.

Governor Walker has also embarked on a major effort to engage Alaskans in discussions about our state's fiscal future. The budget last session was cut about \$800 million, and more budget cuts are expected next year. However, these reductions are not enough to plug the annual deficit, estimated to be over \$3.5 billion each year for the next three years (assuming oil prices don't plummet further). State

achievements and develop a sense of affiliation if they are immediately invited to contribute their unique talents and resources to the organization. Most members require assurance that their interests are being accurately represented by the board. Effective leadership should operate on the priorities of members. A survey would be conducted to ascertain the primary concerns of members (i.e. political, regulatory, industrial etc.) This survey would also collect data regarding the members' motivations for joining and which benefits they believe will impact them most.

Surveys conducted in the most convenient manner for participants should result in higher response rates. Accordingly, all surveys would be conducted electronically as well as in person at new member orientation. A "check all that apply" format that includes blank space for additional input reduces the energy required from participants but gives those with additional feedback a channel to share their thoughts.

budget reserves will be depleted from filling these deficits by the year 2018. The short version is that Alaskans will be talking about state income and sales taxes and using the Permanent Fund to pay for government over the next two years. We will be looking at making sure these discussions don't impact the state's housing market and builders negatively or unfairly.

**SAVE THE DATE! THE 2015
BUILDING CONFERENCE WILL
BE IN FAIRBANKS
NOVEMBER 4TH TO 7TH**

MISSION STATEMENT

Our mission is to provide an organization wherein building contractors and persons engaged in a trade, industry or profession related to housing may meet to discuss various problems of common interest, particularly those related to labor, production and finance. To maintain high standards in the building industry, to support building contractors in efforts to rectify conditions of an unsatisfactory nature, to encourage those methods of contracting work which reduce the building contractors risks and to encourage sound business methods. We are an aggressive, service oriented Association run by and for the membership.

FOLLOW US

On the web at:

buildersofalaska.com

On Facebook at:

Alaska State Home Building Association



Finance Committee Report -

The Alaska State Home Building Association is conducting a raffle with its gaming permit. This will be a raffle with cash prizes. Please contact an association member to obtain more information or call the local association staff. The winning ticket will be drawn at the 2015 Building Conference, November 4-7 in Fairbanks.

State Membership Summary

Local Association Members on 5.31.2015
AHBA - 37 Builders & 137 Associates
NSEABIA - 22 Builders & 44 Associates
Mat-Su HBA - 43 Builders & 74 Associates
KPBA - 39 Builders & 48 Associates
IABA - 52 Builders & 80 Associates
SSEBIA - 16 Builders & 29 Associates

NAHB Build-PAC in Alaska

Did you know?

Alaska is at 82% of its goal for NAHB Build-Pac fundraising this year and is #1 in the country, percentage wise. NAHB has approved donations for both Congressman Young and Senator Murkowski.

Alaska has 12 Gold Key Members and 1 Capital Club Member!

Alaska State Build-PAC

Did you know?

ASHBA raised funds to make over \$12,000.00 in contributions to support 2014 pro-housing legislative candidates that also supported economic development.

Alaska State Home Building Association
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Anchorage, Alaska 99509
Robin E. Ward, Executive Officer
907-644-4190

We are on the Web at
www.buildersofalaska.com
and Facebook

2015 Board of Directors

Jeff Twait, Kenai - Past President
Chuck Homan, Anchorage - President
Andre Spinelli, Anchorage - Vice-President & Leg Co-Chair
Carolyn Foelsch, Fairbanks - Associate Vice Pres. & Membership Co-Chair
Aaron Welterlen, Fairbanks - Treasurer & Finance Co-Chair
Jim Dunlap, Anchorage - Secretary & Membership Co-Chair
Jack Hebert, Fairbanks - NAHB State Rep.
Clai Porter, Anchorage - NAHB Build-Pac Trustee
Wes Keller, Anchorage - NAHB Associate Director
Terry Duszynski, Fairbanks - State Build-PAC Chair
Richard Green, Fairbanks - Director & Leg Co-Chair
Brian Barney, Fairbanks - Alternate Director
Alan Wilson, Juneau - Director
Russ McDougal, Juneau - Director
James Young, Juneau - Alternate Director
Randall Nelson, Kenai - Director
Jake Denbrock, Kenai - Alternate Director
Garnet Dima, Ketchikan - Director
Kelley Roth, Ketchikan - Director
Guy Mickel, Ketchikan - Director
Chas Edwardson, Ketchikan - Alternate Director
Shiela Morrison, MatSu - Director
Richard Carr, MatSu - Director
Kevin Saiki, MatSu - Alternate Director
Mike Buller, Anchorage - Director
Ryan Strong, Anchorage - Director & Finance Co-Chair
Paul Michelsohn, Anchorage - Director
Doug Lipinski, Anchorage - Alternate Director

LOCAL ASSOCIATION EXECUTIVE OFFICERS

Jessica Laine, Fairbanks Laura Baker, Juneau
Cindy Rombach, Kenai Sarah Collins, MatSu
Nikki Giordano, Anchorage



**Alaska State
Home Building Association**