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### TOP NEWS

# 1. Congresswoman Erin Houchin Visits IAA to Discuss Industry Priorities



On Monday, June 10th, Congresswoman Erin Houchin (IN-9) spent time visiting with industry leaders at IAA's offices. Congresswoman Houchin serves on the influential House Financial Services Committee, which is a common landing spot for bills that would impact the apartment industry as it includes the Subcommittee on Housing and Insurance.

Why it matters: During the meeting, IAA asked that Houchin consider co-sponsoring the Yes In My Backyard Act (H.R. 4351) and the Respect State Housing Laws Act (H.R. 802). The Congresswoman has already supported both bills in committee. The Yes In My Backyard Act incentivizes local communities to remove barriers (regulations) that prevent housing and drive up the cost of housing. The Respect State Housing Laws Act fixes the inadvertent drafting error in the CARES Act that has resulted in some courts imposing a 30-day Notice to Vacate prior to filing for an eviction. We also discussed our concerns with the proposed HUD rule (further discussed below) that would limit the type and scope of criminal records that can be considered when analyzing tenant applications.

IAA thanks Congresswoman Houchin for taking the time to meet with IAA. She is a great advocate for our industry and we appreciate her time.



#### 2. IAA Submits Comment Letter on HUD Proposed Rule



IAA submitted a comment letter in which we expressed concerns regarding a HUD proposed rule titled **`FR-6362-P-01 Reducing Barriers to HUD-Assisted Housing.'** 

Why it matters: This proposed rule would restrict the type and scope of criminal record screening that can be done in reviewing a tenant application for public housing, section 8 assisted housing programs, Section 221(d)(3) below market interest rate (BMIR) program, the Section 202 program for the elderly, the Section 811 program for persons with disabilities, and the Section 236 interest reduction payment program. Without proper screening, communities are vulnerable to security issues and increased insurance costs. Additionally, this rule provides further disincentives to participate in HUD programs. Click here to read the entire IAA letter.



IAA is excited to announce the hire of Chris Lee as Vice President of Government Affairs. Chris joins the association from the National Shooting Sports Foundation (NSSF) where he represented the firearm industry as Midwest Director of Government Affairs in 8 states. During his time at NSSF, Chris worked to pass over ten bills protecting industry interests. Prior to joining NSSF, Chris also served in the roles of District Director and Field Representative for the late Congresswoman Jackie Walorski (IN - 02) where he previously worked with IAA's Incoming President Brian Spaulding. Lee is a graduate of Indiana University-Purdue University Indianapolis with a BA Degree in Political Science and the University of Notre Dame with a MS Degree in Management.

### PREFERRED SUPPLIERS













## TOP NEWS CONTINUED

4. Indiana Building Code Review Subcommittee Accepts IAA Amendments, Tables Others for More Negotiations



On Wednesday, June 12, the Indiana Building Code Review Subcommittee met to consider proposed amendments to the 2024 International Building Code. IAA offered several amendments involving accessibility, sound transmission, and Emergency Responder Communication systems. Thanks to the hard work of IAA's Representative, Mike Patarino (President of Construction of Cityscape Residential), IAA was successful in getting unanimous approval to carry forward language from the 2014 Indiana Building Code allowing developers not to build Type A units. Additionally, Patarino was able to obtain unanimous approval to delete Section 1206 from the 2024 International Building Code involving sound transmission, which would have added to the cost of developing units.

**Emergency responder communication enhancement systems** are a costly new requirement in the building code, which was not included in the 2014 code. Newer versions of the code delegates authority to local fire or building officials to require building owners and developers to install expensive systems to help first responders' radio communications on the property prior to a certificate of occupancy. These systems are critical for first responders' radio communications inside a building, but they are also extremely costly systems.

A robust conversation occurred during the meeting, after IAA's Patarino offered amendments trying to carve exceptions for our industry and delete the section requiring these systems on existing buildings in their entirety. While no official action was taken, subcommittee members all agreed to continue to work toward a compromise. However, the review subcommittee felt unanimously that this requirement should not apply to existing buildings, despite the model code permitting that action. Committee members drew parallels to sprinkler systems which are not required in existing buildings unless the use changes. Additionally, there was a general consensus that property owners/developers need to know whether a system is required in the initial stages of the project to budget accordingly. There was also dialogue regarding requiring testing in the initial stages of the project and requiring submission of that testing data to the local fire official, as evidence an emergency responder communication enhancement system is unnecessary. The subcommittee agreed to table this amendment and continue to work towards a compromise on how to handle emergency responder communication enhancement systems moving forward.

# 5. Indiana State Budget Committee Meets, Warsaw Multifamily Housing Discussed



The Indiana State Budget Committee meets multiple times a year to consider budget requests from government agencies and other entities. The **committee met on June 11th**, where Bob Vitoux, the CEO of OrthoWorx, presented a request for \$30 million from the 2023 General Fund for an "Orthopedic Industry Retention Initiative."

**Why it matters:** Warsaw is already known as the "Orthopedic Capital of the World" and OrthoWorx is working to attract more companies and talent for their workforce. A key part of the budget request is housing and the need for more housing as OrthoWorx says there is currently a shortage. Mr. Vitoux stated that "the monies will be utilized to subsidize the developers in a manner to, to bring that workforce housing in at a, at a cost that, that again, this next generation will be able to, to afford to get into."

You can see the presentation on this housing project here. It begins around the 44:30 mark.

# 6. Biden Administration Proposes Prohibition on Medical Debt Inclusion in Credit Reports



On June 11th, Vice President Kamala Harris announced a CFPB proposed rule that would block medical debt from being included on credit reports. This action would impact over 15 million Americans and, according the CFPB, would lead to the approval of approximately 22,000 additional mortgages annually.

**Why it matters:** This move is expected to increase credit scores of those with medical debt by an average of 20 points. This would naturally have an impact on multifamily properties that run credit checks. Also, while medical debt is a unique challenge, this could lead to a slippery slope scenario where government agencies continue to hide other pertinent information about prospective tenants from property owners and managers in the name of increased access to housing.

### SIGNATURE SUPPLIERS





### **UPCOMING EDUCATION**

- June 25: What's the Big Deal about Generational Leasing? FREE
- June 25: SAL Visionary Leadership Program
- June 26: Understanding Emotional Support Animal Statutes and Case Law FREE
- July 11: EPA/CFC Certification July Test Prep
- July 18: Mold: What is it? How to Investigate and Address it FREE

#### **EXECUTIVE SUPPLIERS**



## **CONTRACTORS INC**

### **HEADLINES YOU MAY HAVE MISSED**

Opinion: Indiana should not hitch its wagon to renewables (IIB)

Data centers are choosing Indiana. Is the state's electricity supply ready? (IBJ)

Survey: 65% of middle-class Americans are 'struggling financially' (WISH)

School's out, apartments are in (Axios)

Six states where housing is hard to find: Here's what governors are doing about it (Politico)

Hoosiers call on governor to take action on affordable housing (WRTV)

#### PARTNER SUPPLIERS









# Questions? Clarifications? Contact the Government Affairs Team Email Lynne | Email Brian | Email Chris



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