

MIRS Capitol Capsule, Tuesday, May 20, 2008

Homebuilders 'Stand Up For Housing' At Capitol

Roughly 400 members of the Michigan Association of Home Builders (MAHB) rallied in front of the Capitol today over a new package of bills designed to help lift Michigan's housing market out of its current slump.

The bipartisan package features six key elements to jumpstart the housing sector. Supporters hope the package will be passed before the summer recess.

The "Six to Fix" plan includes tax exemptions for newly built, unoccupied homes (**SB 1247**), a Michigan Business Tax carve-out for building materials (**SB 1217** and **HB 6031**) and an energy efficient incentive program for existing and newly built homes.

The Capitol rally was the culmination of a series of 10 summits held throughout Michigan from late January through March. At the summits, local builders and representatives discussed possible options for reviving the housing market. MAHB CEO Robert **FILKA** said the summits were a "true grassroots process" and the key to getting broad bipartisan support.

If passed, the bills will not affect taxes against existing occupied homes, but rather will affect those homes being built. Filka stressed that the measure will add future tax revenue, reverse the "tax burden" on homebuilders and prompt residents to purchase homes by eliminating the Real Estate Transfer Tax.

Summer **MINNICK**, Director of the Michigan Municipal League, is critical of the MAHB proposal. She said that offering special treatment to new home construction is "not the direction we should be going in," especially with the influx of homes in foreclosure. This proposal has the potential, Minnick said, to further decrease home values.

Currently, the bills have been introduced in both the House and Senate and have not yet been tie-barred to one another. However, tie-barring might become an option if legislators see it as a more efficient method of getting them to the Governor, said Rep. Fred **MILLER** (D-Mount Clemens).

Present at the rally from MAHB was Filka, President Greg **POWELL**, Vice President John **DIEFENBACHER**, and Secretary-Treasurer Tom **BARBER**. Also at the rally were Miller, Sen. Wayne **KUIPERS** (R-Holland) and Rep. Steve **BIEDA** (D-Warren). Senate Majority Leader Michael **BISHOP** (R- Rochester) and House Speaker Andy **DILLON** (D-Redford Twp.) were scheduled to attend, but were not present.