



IDAHO BUILDING
CONTRACTORS
ASSOCIATION
The Voice Of The Industry

June 2022

Newsletter



President's letter

It is with great excitement and humility that I stand as the President of the Idaho Building Contractors Association (IBCA) for the 2022/23 year. The IBCA has a deep history of leadership and advocacy for our members and those we serve. Our industry is going through unprecedented challenges due to supply chain issues, skyrocketing construction costs and scarcity of resources making our association relevant and needed now more than ever.

In the upcoming year, I have four main goals that I hope can be achieved through a concerted focus and effort:

1. Member engagement
2. Advocacy for sensible legislation, regulation, and policy through political action
3. Improve information sharing and utilization of best practices
4. Encouragement of Diversity, Equality and Inclusion (DEI) throughout our ranks



In the upcoming year, the IBCA will continue in its efforts to actively engage our municipalities, elected officials, building officials, and regulators to ensure we work together toward the common goal of building healthy communities of enduring value where people want to live. I will make myself available to listen to and serve our members. I am committed to engaging our membership in meaningful discussion and more importantly unified action as we continue in our efforts to protect our industry. Consider being a part of the experience.

Best regards,
Allen Dykes
2022/23 IBCA President
Managing Member
Village Homes, LLC



Past President Report



My friends and colleagues of the IBCA, Summer is upon us and the housing market is hotter than our record temperatures! Whether you're a builder, developer, trade, supplier, or associated business, over the last year and a half, we are

all learning how to embrace change and adapt our companies. Peter Drucker's words seem appropriate: "You can't predict the future, but you can create it." It's exciting to watch all of you create the future!

In wild market conditions, membership in industry associations like the IBCA and NAHB really demonstrate their value. Just over the last few months, I've been privileged to attend meetings with our Idaho Congressional

delegation where we were able to discuss issues like escalating lumber prices and labor and material shortages. Through specific requests from those meetings, IBCA Past President and current National Area Chair, Steve Martinez, was able to secure a personal meeting with Commerce Secretary, Gina Raimondo, to share the concerns of the Idaho home building industry directly with critical decision makers in the current administration.

When the city of Caldwell recently announced a moratorium on new development applications, IBCA lobbyist, Ken Burgess, and I were able to quickly meet with representatives from the Association of Idaho Cities to work to find common ground. We'll continue to work diligently on behalf of our membership!

What an amazing and dynamic industry; I feel honored and humbled to serve with each of you!
Jon Hastings - Immediate Past President

Builders Fight for the American Dream During National Homeownership Month



As the National Association of Home Builders (NAHB) celebrates National Homeownership Month in June, builders are urging lawmakers to implement policies that will help address housing affordability, calling for a resolution on supply chain disruptions and the ending of Canadian lumber tariffs. [More >>](#)

NAHB Resources to promote Homeownership month [Here >>](#)

Administration Announces Housing Plan

The Biden administration on May 16 released what it calls a "[Housing Supply Action Plan](#)" to ease high housing costs by increasing the supply of quality housing throughout the nation over the next five years. NAHB sees the plan as a good start, but believes it does not go far enough to resolve the many underlying challenges facing the home building industry, including skyrocketing costs for lumber and other building materials.

Membership Chair

Over 20 years ago I started a company selling construction materials to builders and remodelers in the Treasure Valley. As a young go getter full of excitement I made my plan to take over the world. This was the OLD DAYS, there was no TikTok, SnapChat or Instagram.....there wasn't even FaceBook!! How would a new business get our name out?? We ran some phonebook ads. For you younger folks, a "phone book" was a paper printed book full of phone numbers and ads for businesses. We did some radio ads and flyers. And then we hit the streets. We started getting some business. But we wanted more! One of the contractors we sold some product to asked us the big question....."So, are you members of the BCA?" To be honest I was well aware of the Building Contractors Association as I grew up in a lumber yard as a kid. But I hadn't given much thought about becoming a member.

The next day I reached out to the Building Contractors Association of South West Idaho. We signed up and waited for the business to come pouring in.....we then learned that's not how it works. I started asking some others what I was doing wrong. A wise old veteran BCASWI member told me the secret, "You get back what you put into it. Get involved and make relationships, then you will make sales." He was so right.

Now 20 years later I find myself the Chairman of the Membership Committee for the Idaho Building Contractors Association as well as the Public

Relations Chair for the BCASWI. I love traveling around the state and recruiting new members and telling them the secret I learned long ago.

Membership in your local BCA is actually 3 memberships in 1. You are a member of the local, the State and National. The NAHB is one of the most powerful trade organizations in the U.S. They are considered one of the most influential lobbyists in Washington D.C. advocating for all of us in the industry. The IBCA and your local BCA do the same thing at a local level, supporting local candidates in political races.

But if you ask me what the most valuable thing is about my membership I would simply say, RELATIONSHIPS. I have made some very strong connections with other very active members that I have seen go from fellow members, to customers to friends. So now I'm the old veteran and I am telling you..... Get involved and I promise you will get out of it what you put into it.

**Trevor Brown -
Membership Chair**



NAHB Advances Builder Perspective at ICC Code Hearings



NAHB members and Construction, Codes & Standards staff successfully argued for decent, safe and affordable housing during the first round of the International Code Council's (ICC) code development cycle during recent meetings in Rochester, N.Y. These meetings addressed ICC's Group B cycle, which includes the key International Residential Code (IRC) provisions related to structural design, fire safety and egress, as well as the International Existing Building Code (IEBC) and structural provisions of the International Building Code (IBC). [More >>](#)

Legislative Report

The 2022 Legislative session adjourned on March 31. At a total of 85 days, it ranked as one of the shortest sessions in recent memory. This was helped by the fact that this is an election year – all 105 seats in the legislature are up for election and there are many Primary election challenges throughout the state.

In the 2022 legislative session, over 1000 bills were drafted, with 593 of them being introduced for print. A total of 288 bills passed both legislative bodies, and of those, six were vetoed by Governor Little. The legislature failed to override any of the Governor's vetoes.

Between building codes, property taxes, housing issues, and general business operations matters, we engaged in several bills of interest to the Idaho Building Contractors Association. A few of which you should be aware follow:

Workforce Housing Coalition: At the request of Governor Little, the IBCA joined a coalition of entities to drive a \$50 million appropriation to the Idaho Housing and Finance Association for the purpose of providing gap financing for workforce housing developments across the state. The group included the REALTORS, bankers, credit unions, the cities, counties, AGC, large development builders, etc. While we determined few single-family homebuilders participate in federal low-income housing tax credits and other such tools (which this fund is designed to supplement), we supported this successful effort as part of the coalition, recognizing the workforce housing challenges we currently face in the state. If anyone would like more information on these programs, I am happy to steer you in the proper direction.

Energy Conservation Codes: A handful of legislators the last few years have engaged in an effort to eliminate the energy conservation provisions from Idaho building codes. Their argument is that energy conservation has nothing directly to do with life/safety issues and therefore the government has no business mandating efficiency standards and such. This year we supported and helped Rep. Sage Dixon pass a bill that pulls the Idaho Energy Conservation Codes from the building code section of law and places it in its own law section. The bill freezes the energy provisions at the current 2018 level, but still allows the Idaho Building Code Board to amend, if necessary, to adopt new technologies and such moving forward. However, a move to the next edition of energy codes coming from the International Code Council (say 2021 version, 2024 version, etc.) must be done through an act of the legislature.

Ken Burgess, Partner Veritas Advisors, LLP



Additionally, as a result of this bill, the Idaho Building Code Board has tasked DBS staff with gathering data from municipalities across the state to determine instances where those entities have adopted overburdensome – some would say unnecessary and overly expensive – energy conservation provisions that may be in violation of the intent of the building code board.

Property Tax Relief: A total of nine different bills dealing with property taxes were introduced this year, of which only two of any significance became law. One readjusted the qualifications for elderly and low-income homeowners to take advantage of the “circuit breaker” property tax exemption, thus bringing more homeowners into the mix to take advantage of that break. The other that passed in the last days of the session, plots a path for the state to take over the costs, currently borne by the counties, of indigent care services and public defenders. The counties, and the cities to a lesser degree, currently utilize property tax income to pay for these services. Once the state takes on those costs, the cities and counties are charged with providing property tax relief equal to those current expenses. It is estimated this will provide a total of about \$34 million in property tax reduction statewide.

What did NOT get done with property taxes is any action to ease the budget growth cap placed on taxing districts in last year's H389. There was really no serious consideration of doing so in the legislature. Those budget growth caps have impacted the homebuilding industry as the cities (in particular) have reacted by slowing approvals of projects and implementing new, or increasing current development impact fees in their communities.

Speaking of Development Impact Fees: Despite some discussion leading into the legislative session about changes to the way highway districts collect impact fees, and of allowing school districts to collect impact fees for school buildings, no bills were introduced on the subject. The IBCA, with Idaho AGC and the Idaho REALTORS, opposed both of these concepts, and ultimately nothing was introduced. We DO expect the topic of development impact fees to continue to be discussed from a number of angles through this year, and the IBCA will be heavily involved in those discussions with stakeholders and legislators. Expect some action on the matter to be introduced in the

Legislative Report Continued.

2023 legislative session. To be clear:the current position of the IBCA is we OPPOSE allowing school districts the ability to collect impact fees. 2023 legislative session. To be clear:the current position of the IBCA is we OPPOSE allowing school districts the ability to collect impact fees. Material Liens: IBCA members should be aware of a change in law related to the filing of material liens against a property owner. The change adds to the requirements of information filed with the county recorder by adding proof of receipt of the disclosure documents currently required under Idaho law Title 45-525, Liens of Mechanics and Material men

<https://legislature.idaho.gov/statutesrules/idstat/Title45/T45CH5/SECT45-525/>

It also adds the option of utilizing a process server to facilitate notification of a lien being filed against the property. And it now clarifies that in a court proceeding the prevailing party shall be entitled to recover attorney's fees and costs. The law goes into effect on July 1, 2022. This is a slightly better version of what was a terribly overburdensome proposal. We negotiated with the sponsor to get to the version that passed and agreed to remain neutral on the bill.

Business Personal Property Tax, Transient property exemption: This bill clarifies that transient personal property is exempt from taxation. It defines transient personal property as "self-propelled, self-powered, or pull-type equipment or machinery"..."primarily employed for construction, mining, or logging uses, and"..."designed to travel to various job sites."

For those of you who file business personal property taxes, there may be some equipment you previously had to list and pay that tax that may now be deemed exempt. This law is retroactive to January 1, 2022.

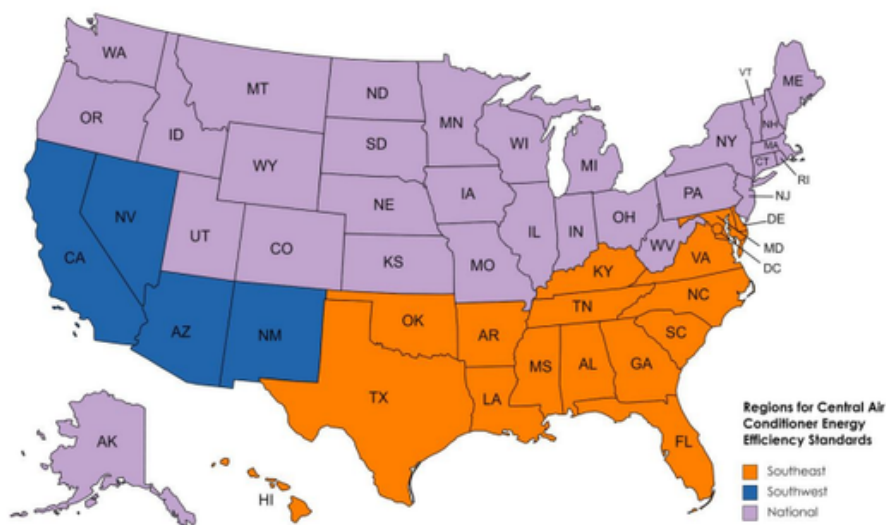
Looking forward: In addition to continued work on development impact fees, we also expect to be involved in interim discussions on cleaning up the annexation and city areas of impact statutes, as well as all things property tax.

I am happy to answer any questions you all may have about these or other issues. You can e-mail me: ken@veritasadvisor.com

Thanks much, Ken Burgess, Partner Veritas Advisors, LLP

Home Builders Must Prepare for New HVAC Standard

On Jan. 1, 2023, new minimum efficiency standards for air conditioners and heat pumps will go into effect across the country. Federal standards for equipment efficiencies are implemented by the U.S. Department of Energy (DOE) in accordance with the Energy Policy and Conservation Act (EPCA) of 1975. This is the first time since 2015 DOE is updating air conditioner and heat pump efficiency standards.



All new units will be required to meet the updated standards. Home builders and HVAC contractors should be getting ready for the transition as equipment meeting older standards will be phased out. For the Southeast and Southwest regions (orange and blue areas on map), the Jan. 1, 2023, deadline will also apply to the installation of air conditioning systems at the building. The installation deadline applies only to AC units (not to heat pumps and not to other specialty systems), and does not apply to the North region.

2022 SPRING & SUMMER
BOARD OF DIRECTORS MEETING

JULY 6TH-8TH 2022
COEUR D'ALENE RESORT

**DID YOU KNOW
YOU ARE A
MEMBER OF IBCA?**

JOIN US FOR
NETWORKING WITH
OTHER MEMBERS,
LEARN WHAT IS
HAPPENING
STATEWIDE & HAVE
SOME FUN!

REGISTER NOW

Questions Contact:
Rose Almanza almanza@ibca.org

You are Invited for our 2022 Spring Summer Board of Directors Meeting July 6th-8th in Coeur d'Alene

Did you know all members are IBCA Members. All are welcome to join us at the IBCA Spring/Summer Board to network with other members, learn more about what is happening Statewide and have some FUN!

Economic Forecast Speaker:

Dr. Robert Dietz (NAHB)

Lunch Speaker: Samuel Wolkenhauer

Activities: NIBCA BBQ & Cornhole competition, Tour of Homes, Lake Boat Ride and Golf. **Register Here >>>**

Rooms are available at both the Coeur d'Alene Resort (where all meetings will be held) and the Best Western & Coeur d'Alene Inn (a less expensive option).

**Please book your rooms ASAP as the resort expects to be completely full for that week!

**\$185/
PERSON
\$175.00
EARLY BIRD
(JUNE 12TH)**



Hotel Info:

Coeur d'Alene Resort

Make your reservation online at **this link** or call: 1-888-965-6542, Idaho Building Contractors Association 2022

Room costs:

North Wing 275.00 ++

Park Tower 325.00 ++

Lake Tower 395.00 ++

Best Western Coeur d'Alene INN

Make your reservation online at **this link** or call: 208-765-3200 Best Western Idaho Building Contractors Association 2022

Room Cost:

\$269.00 plus a 5% surcharge and 8.4% tax

AGENDA - Coeur d'Alene Resort 2022 Link to download>>>

WEDNESDAY - JULY 6th

- 2:00 - Conference Sign-in Available
- 2:30 - 3:30 Legal Defense Fund (Closed)
- 3:00 - 5:00 Executive Officers Council (Closed)
- 4:00 - 5:30 Executive Committee - cocktails served (Closed)
- 6:00 - 8:00 NIBCA BBQ & Yard Games (families invited) Hosted by NIBCA Associates Council
- 8:30 - 9:30 Gold Key Desert & Cocktail hour (Closed)

THURSDAY - JULY 7th

- 7:30 - 9:00 Breakfast Buffet Available
- 8:00 - 9:00 Breakfast - Economic Forecast Presentation (Dr Robert Dietz)
- 9:00 - 10:30 Local Presidents Council
- 9:00 - 10:30 Past Presidents Council (Closed)
- 10:30 - 11:30 Legislative / HomePAC
- 11:45 - 1:00 Lunch / Guest Speaker, Samuel Woleknhauer- Labor Economist, Idaho Dept of labor
- 1:30 - 2:30 Impact Fee Task Force / Strategic Plan Task Force (separate meetings)
- 2:30 - 2:45 Break
- 2:45 - 4:15 Associates Council / Membership Committee / Spike Recognition
- 4:30 - 5:30 Certified Master Builder Reception (CMB Builders only)
- 6:00 p.m. Dinner, Boat Ride, Homes tour

FRIDAY - JULY 8th

- 7:30 - 9:00 Breakfast Buffet Available
- 8:00 - 9:15 PWB Mimosas Breakfast Meeting (NIBCA PWB invited)
- 8:00 - 9:15 Certified Master Builder Board Meeting (Closed)
- 10:30 - 12:00 Board of Directors Meeting - IBCA Members Only
- 2:30 Golf CDA Resort (Pre registration required)

Thank You Spring Board Sponsors and to Our Major 2021 Sponsors

