



TAB Advocating on Your Behalf: Value of Membership

The Texas Association of Builders (“TAB”) is dedicated to serving the business needs of Texas home builders, remodelers and developers. To fulfill this commitment, TAB proudly advocates on behalf its extensive membership at the Texas State Capitol. Having TAB advocate on your and your business’ direct behalf, and for the overall home building industry, is a significant member benefit.

The TAB government relations program is nationally recognized for its innovative programs and legislative successes. The TAB Government Relations team works closely with elected state officials and regulatory agencies in the development and adoption of regulations, codes and standards for housing with the goal of creating safe, quality and common sense construction standards.

The Texas residential construction industry can maintain its status as an economic driver if state legislators consider the impact of their decisions on the cost and availability of housing. While market forces do affect affordability, the opportunity for Texans to realize the dream of homeownership is also dependent upon the repercussions of governmental regulations and fees. Fees and taxes, adequate infrastructure, property rights, tort reform, workforce training, and environmental impacts are only a few of the areas in which the residential construction industry is impacted by the decisions of policy makers at the local, state and national levels.

When state legislation endorsed by TAB passes and becomes law, it results in significant savings to the home building industry and, in turn, to the home buying public. To the same degree, TAB has actively combated proposed bills that represent anti-building ideologies that, if passed, would be harmful to the stability and success of our industry. In fact, given the established Texas legislative process and the composition of the elected body, TAB exerts more effort in defending the residential construction and development industry in Texas against onerous and burdensome regulations that would ultimately negatively affect future homeowners.

Imposed regulations would significantly add the overall cost of building and selling a home. According to the Real Estate Center at Texas A&M University, for every \$1,000 increase in the cost of an average-priced home, roughly 22,000 Texas households are priced out of the American dream of homeownership. Thus, TAB is dedicated to remaining engaged at the legislative and regulatory level at the Texas Capitol and before statewide regulatory agencies.

The 2015 84th Legislative Session was one of the most successful sessions in TAB history. This session yielded numerous pro-active policies that will greatly benefit the home building industry in Texas. Over the course of 140 days, TAB tracked, monitored and participated in the movement of over 1,500 bills while productively working with the Governor, Lieutenant Governor, Speaker of the House, 181 state legislators and numerous state agencies. The association’s active involvement at the Capitol influenced the passage of bills that will preserve private property rights, improve applicable energy codes, and reduce onerous regulations.

Energy Code Update & Reasonable Compliance Standards - A top legislative priority for the association was a bill, and new law, which implements rational energy code policy that will result in significantly better compliance rates and allow for more cost effective implementation of the state energy code. TAB worked to ensure this new law provided for viable performance path scores that give consumers and home builders more options to meet energy code requirements, while establishing a lengthier six year code cycle. Without this new law, the increasing inflexibility and high stringency levels of the energy code requirements would have resulted in economic hardship on consumers and priced thousands of households out of the market.

Condo Owner Protection & Builder's Right to Cure – Another top legislative priority for our association was a bill, and new law, which protects a condominium owner's right to make litigation decisions regarding his or her private property. TAB was made aware of litigation taking place in other states due to a loophole in various states' Uniform Condominium Act that allowed representatives on the board of the condominium association to make certain litigation decisions affecting two or more condominium units and the common elements without prior notice to, or approval from, the actual condominium unit owners. Given that Texas has a similar statute and that Texas condominium builder and developer members were already being subjected to such lawsuits, TAB was proactive in addressing this problem by requiring notice and offering builders a right to repair. Without this new law, the future of condominium development in Texas would certainly have been threatened.

Mandated Statewide Impact Fee – TAB defeated a proposed bill that would have required every city in Texas to impose a mandatory road impact fee of at least 20%, in addition to any existing impact fees being collected. Such an impact fee would essentially be a direct tax on housing, so TAB successfully halted the movement of this bill and stood in strong opposition to similar policy proposals. Excess fees and regulations like this proposal have a negative effect on the cost and affordability of new homes and apartments.

Repeal of Residential Fire Sprinkler Installation Prohibition – TAB also defeated a proposed bill that would have repealed existing law that, as passed in 2009, prohibits cities from mandating fire sprinklers in new one or two family homes. Doing so would have given municipalities the authority to require the installation of costly fire sprinkler systems in new residential construction over the objection of homeowners. If you apply the estimated cost of residential fire sprinklers to the 98,000 homes built in Texas in 2014, the cost to Texas consumers would have been more than \$410 million. TAB successfully prevented this bill from passing into law.

Builder and Contractor Registration Requirement – Another proposed bill that TAB defeated would have made fundamental changes to the home building industry by requiring construction contractors to register with the Texas Commission of Licensing and Regulation (TDLR). TAB worked to halt the movement of this bill that negatively singled out the construction and building industry.

Mandatory Workers Compensation – TAB worked hard to ensure that burdensome mandatory workers compensation insurance regulations did not pass or place unnecessary mandates on the home building industry.

County Land Use Authority – Various bills were filed that would have given counties unreasonable and unnecessary land use authority. TAB worked diligently to defeat such provisions or to work with bill authors to correct offensive language.

In conclusion, TAB's ability to successfully advocate on the industry's behalf, relies largely upon resources, opinions and involvement of engaged volunteer members like you. Visit TAB's Advocacy and Action Center at TexasBuilders.org for more information on key issues affecting the industry and opportunities to raise your voice to elected officials on what is important to you and your business.

The TAB Government Relations team stands ready to work with legislators on the myriad of issues that impact the home building industry, with the goal of ensuring that the builders and citizens of Texas have access to quality, affordable housing. We are honored to advocate on your behalf.

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