

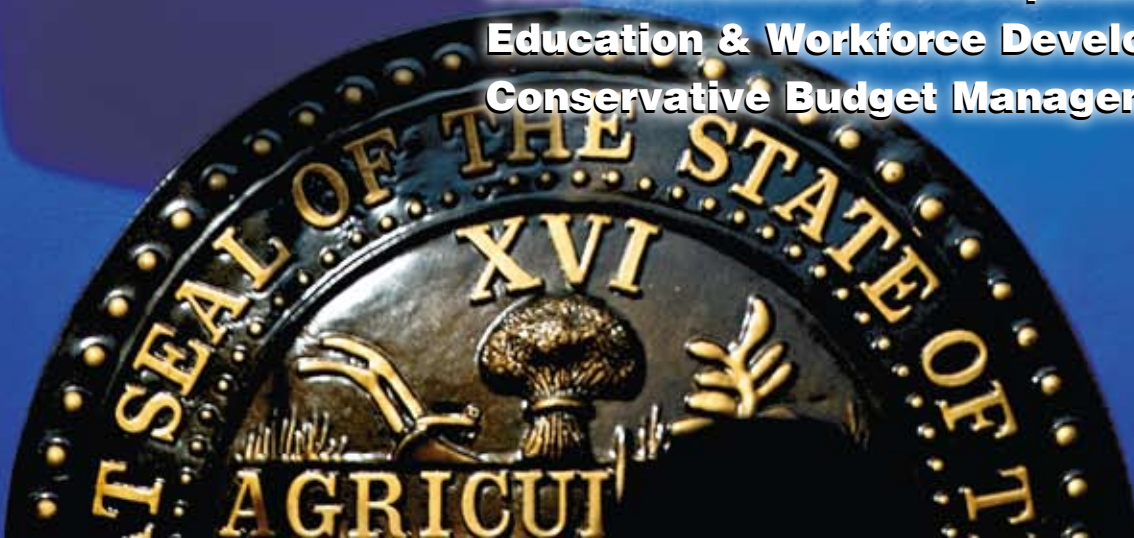
TENNESSEE HomeBuilder

Vol. 11, No. 1

Official Magazine of the Home Builders Association of Tennessee

Getting to Know Governor Bill Haslam

Jobs & Economic Development
Education & Workforce Development
Conservative Budget Management



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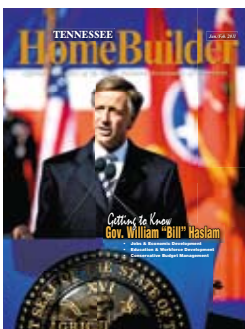
WHO WE ARE

The Home Builders Association of Tennessee (HBAT) is a not-for-profit trade association comprised of professional builders, developers and associated firms engaged directly or indirectly in home building, remodeling and light commercial construction.

MISSION STATEMENT

The Home Builders Association of Tennessee represents over 4,000 member firms as the Voice of the Housing Industry. We advocate housing affordability and availability through:

- Legislation
- Communication
- Education



In this edition of the Tennessee Home Builder, learn more about important builder news, economic trends and legislative issues.

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TENNESSEE HomeBuilder

DIRECTORY

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HBAT
213 Fifth Avenue North, St. 200
Nashville, TN 37219
(615) 777-1700 Local
(888) 550-4228 Toll Free
(615) 777-1703 Fax
www.hbat.org



POSTMASTER
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HBAT
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PUBLISHER
Woods & Associates

EDITOR
Susan Ritter

ASSISTANT EDITOR
Frank Harris

ADVERTISING SALES
Mid-South Advertising
(800) 315-9950 x602 Toll Free
(615) 349-1890 Local
(931) 233-0802 Fax

DESIGN DIRECTOR
Donna Heninger
-InDesign
-Photoshop
-Quark Express

AD SUBMISSIONS
May be sent to—
tnbuilder@comcast.net or

TN HOME BUILDER
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www.tnhomebuilder.com

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EXECUTIVE COMMITTEE

2011



SENIOR OFFICERS



President

Mike Stevens

(National Director)

865-450-9790

mksteven@bellsouth.net



Vice President/Treasurer

Keith Grant

(Alt. Nat'l Director)

(Budget/Finance Chair)

901-683-4422

kgrant@grantnewhomes.com



Currently
Vacant

Vice President/Secretary

TBD



Immediate Past President

Phil Chamberlain

(National Director)

(Nominating/Past President Chair)

865-794-2156

pccham@cmhomes.com



Currently
No Photo

Associate Vice President

Jimmy Harkleroad

423-646-1280

jimmyh@kisersupply.com

EXECUTIVE COMMITTEE CHAIRS

VOTING MEMBERS

NAHB State Representative

David Parsons 901-388-2651

parsonsd@bellsouth.net

Northeast Region Area V.P.

David Stauffer 423-323-2454

staufferconst@centurylink.net

Middle Region Area V.P.

Mitzi Spann 615-412-6065

spannbldr@aol.com

Southeast Region Area V.P.

Charlotte Jones 423-728-3134

bolistics@yahoo.com

West Region Area VP

Steve Hodgkins 901-758-2177

slhodgkins@oaktreehomesmemphis.com

Associate National Director

Billy Allred 931-260-0205

billy.allred@jameshardie.com

Government Affairs

Keith Grant 901-683-4422

kgrant@grantnewhomes.com

Membership/Membership Services

Kim Brown 901-854-0525

kimbrown@grantnewhomes.com

NON-VOTING MEMBERS

NAHB Area 7 Vice-President

Bill Deloney 334-790-2943

bdeloney@sw.rr.com

Education/Programs

Sam Carbine 615-661-9995

scarbine@carbinecompany.com

HIPAC Trustees

Doyle Webb 865-688-3232

doylewebb@hotmail.com

Local Leadership

Charlotte Jones 423-728-3134

bolistics@yahoo.com

Executive Officers Council

John Sheley 615-377-1055

jsheley@hbatmt.net

Past Associate Leadership

Nina Boss 423-8941890

nboss@centurytitleinc.com

COMMITTEE VICE CHAIRS

Executive Officers Council

Don Glays 901-756-4500

dglays@mahba.com

Government Affairs

Mitzi Spann 615-412-6065

spannbldr@aol.com

Tennessee Associates Council

Mark Miesse 901-759-3900

mark@memphistitleco.com

HIPAC Trustees

Tommy Byrnes 901-681-0499

tommy@byrnesostner.com

Membership/Membership Services

Charlotte Jones 423-728-3134

bolistics@yahoo.com

Local Leadership

TBD

Education/Programs

TBD

HBAT STAFF

Executive Vice President

Susan Ritter

sritter@hbat.org

Director of Government Affairs

Frank M. Harris

fmharris@hbat.org

Director of Operations

Joy Odjegba

jodjegba@hbat.org

HBAT Office is Located at:
213 Fifth Ave., North, St. 200
Nashville, TN 37219
(615) 777-1700 Local
(888) 550-4228 Toll Free
(615) 777-1703 Fax



President's Perspective

Mike Stevens
HBAT President



CHANGE

—Expected and Unexpected

The last issue of the *Tennessee Home-Builder* magazine talked of the “winds of change” after the 2010 elections. I am of the mind that change is most usually a good thing. And when challenges come along with change, they are not obstructions, but opportunities... opportunities with great possibilities.

We normally begin every single new year with change at the Home Builders Association, both at locals and the state association. Change in our leadership, change in our plans for the upcoming year, and usually change in the elected officials arena. In our case, the legislature. These are all expected changes.

This year, however, our changes were doubled up and unexpected. On the one hand, a most excellent change was that our 2011 President Steve Cates was appointed Commissioner of General Services by Governor Haslam. We began January with Steve Cates as our HBAT President, when his appointment came just two brief weeks into the new year.

Steve will head up the Department of General Services which operates the functions of state government, including building management, printing and photographic services, food services, records management, warehousing and procurement. Steve, a Civil Engineering graduate from Auburn University, is a perfect fit. To quote Governor Haslam in his announcement, “With Tennesseans

figuring out how to be more efficient at home, we as a state government must do the same, and Steve is the right man for that job.” We could not agree more.

However, this gain by the state of Tennessee, is ultimately a loss to the Home Builders, as Steve made the selfless decision to focus his efforts on our state government and resign as President of the HBAT. As pained as we are to lose a talented consensus builder and dedicated leader, we expect great things from Steve by serving Tennesseans in a different way.

The second change is my immediate advancement to serve as President in 2011, rather than 2012. That move will also advance the rest of the leadership ladder. Keith Grant (Memphis) will be the 2011 Vice President/Treasurer while the new Vice President/Secretary (Middle Tennessee) will be elected at the March 1 Board of Directors Meeting. Jimmy Harkleroad (Kingsport) will serve as Associate Vice President and Phil Chamberlain (Memphis) as Immediate Past President, rounding out the leadership team.

I want you to know that I am excited to take over the reins and step into the role as leader of an excellent team that Steve carefully put together. I sincerely believe Steve chose a dedicated group of people and I would have made the exact same appointments. I believe in our

2011 Action Plan, and that this group of committed leaders is the very best team to carry it forward. You will have an opportunity to meet each member of the leadership team throughout the year in this publication.

I also want to mention that Phil Chamberlain, 2010 HBAT president, set a high standard by visiting and communicating with every one of our locals, some more than once. I plan on our 2011 leadership team following his lead by dividing up the responsibilities. Each Senior Officer will attend a minimum of one local association meeting in his or her area of the State in 2011. Ultimately, every local will have had a visit by a HBAT Senior Officer by year end.

I mentioned the 2011 Action Plan earlier in my article. Please take a minute to read the article in this issue that summarizes the 2011 Action Plan that also includes our legislative agenda.

So you see, change is good both expected and unexpected, and the possibilities are endless. This year we are going to use every resource available to get this economy and this industry turned around. I look forward to serving you, the members of the Home Builders Association of Tennessee to the very best of my abilities. If you need to contact me, my email address is mkstevens@bellsouth.net. Thank you for your support and let's get busy!!!

HBAT MEMBER REBATE PROGRAM

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We're happy to introduce the HBAT Member Rebate Program, aimed at increasing your bottom line. For the minimal effort of informing us about the home construction products you use and when you close on a home or project, you'll be putting money back in your pocket. Both Builder and Remodeler companies, no matter how large or small, qualify for the program. When you participate in the program, you can count on receiving checks every quarter! **Please note:** Program is only available to current HBAT Members.

Participation is easy and free— Visit www.hbarebates.com/hbat to register & claim.

Participating Manufacturers

Register today and we can claim for all homes, remodeling projects, or multi-family units completed from July—December 2010!

Have Questions?

Program Administrator:

Rich Robinson

866-849-8400

info@hbarebates.com



Executive Officer Outlook

*Susan Ritter
HBAT Executive
Vice President*



BENEFITS *of* *Your* ASSOCIATION

Welcome once again to the *Tennessee Homebuilder* magazine, your State Association publication! Although we strive to be the best communication tool this association has to offer, how you choose to benefit by it is up to you.

For instance, this magazine is a great way to let the rest of the state know what is going on in your industry. Did you have an incredibly successful home show? Let us know. Would you like to brag about your unbeatable membership drive? Send us pictures! Are local property rights issues leaning the wrong way? Let's publicize it and maybe another association has faced the same issue and successfully straightened it out.

Do you provide a product or service to offer to more areas than your own? Advertising in this publication is a perfect way to promote yourself to the entire state of Tennessee! If Tennessee is too big, then we can regionalize your ad.

Do you have an issue you would like to see addressed? Give us a call and we'll research it and provide answers so that everyone benefits. Is there something you would like to learn more about? We can write about it.

Would you like a better understanding about what the state association does for you? In each issue we will provide a thorough review of our activities including Board Meetings, Legislative Issues, Regulatory Issues, Membership, Membership Services and Benefits, just to name a few. Have an opinion? Use our "Letters to the Editor" section and your voice will be heard.

As a member of a local association, you have three memberships in one—the Local, the State and National. Need to know what the National Association of Home Builders National does for you? We will keep you informed of the activities going on with the NAHB, including benefits and services your membership entitles you to.

Just like your local association, your state association is there to support you, your issues and your industry. We are over 3,700 members strong and we would like this magazine to grow right along with us. To help us accomplish that, your input is invaluable. We want this magazine to be YOUR magazine and provide everything you may need to help keep your business strong and profitable.

Please take a few moments to browse through the *Tennessee Homebuilder*. Get to know the HBAT Staff, the Senior Officers, issues affecting our industry, our efforts on your behalf, the benefits your membership entitles you to, fellow industry members and most importantly, enjoy! This magazine is for you and about you—take advantage of everything it has to offer. If you think there is something missing just let me know...I am but a phone call or email away.





2011 Strategic Plan for the Home Builders Association of Tennessee



Creating an Action Plan is the foundation of a successful future. In August of 2010, your HBAT Senior Officers and members of the 2011 Executive Committee convened for the purpose of charting the future course of the Home Builders Association of Tennessee.

The strategic plan was designed to define the goals and strategies from one to three years. It will also assist our current leadership, and the leadership of the future, to track the progress of our Association.

Our Mission Statement serves as a basic guide and branding tool:

“The mission of the Home Builders Association of Tennessee is to advocate housing affordability and availability through legislation, communication and education.”

Past leadership also developed a clear and precise Vision Statement:

The Home Builders Association of Tennessee is the principle voice and resource for Tennessee’s home building industry by:

- Promoting home ownership in Tennessee
- Serving as an advocate for home buyers
- Helping our communities understand our significant economic contributions
- Developing leaders in our communities
- Promoting excellence in governance and serving members
- Building and strengthening the Housing Industry PAC (HIPAC)

The 2011 Goals are basic and necessary, as our industry begins to emerge from “the great recession.” The group focused on those areas that our committees can do the most work. The Government Affairs area which is our most important role is covered under the Legislative Review area of the magazine. Let’s take a look at goals for our other committees:

Membership, the Lifeblood of the Association



- Provide and improve on new members packages
- Improve communication to locals and membership
- Enhance “Do Business With A Member” communications program
- Improve and inform our membership of all NAHB and HBAT member services, discounts and rebate programs

Education, the Foundation of the Industry



- Create and deliver “survival” program
- Educate legislators/local governments on industry issues
- Educate consumers about the home building process

Executive Officers Council, the Structure of the Federation



- Keep EOs informed of committee issues
- Introduce issue roundtable program with leadership

Local Leadership Committee, the Leaders of the Federation



- Create a forum that keeps local leadership informed of HBAT products, services and activities.
- Introduce an issue roundtable program
- Enhance local leadership advocacy

Tennessee Associates Council, the Loyalists of the Federation



- Reach out to all associates promoting state meeting attendance
- HBAT President to report to associates at every meeting
- Enhance associate participation/involvement
- Associate recognition program



Tennessee Governor **WILLIAM EDWARD** **"BILL" HASLAM**

Born and raised in Knoxville, Tennessee, newly elected Governor Bill Haslam was blessed with parents who instilled their strong faith and work ethic in their children. As a young man, Bill excelled in academics and sports and was a leader in student government. At thirteen, he got a job pumping gas at a family-owned service station, and quickly learned that running a small business took diligent hard work. When Bill was 16 years old, tragedy struck his family. The sudden, unexpected death of his mother marked a turning point in his young life. Bill's dad pulled the family together and they leaned on each other and on their faith to get through the tough days.

Bill entered Emory University in 1976, and on the first day of class, met Crissy, a young woman from Memphis who would later become his wife. While attending college in Atlanta, Bill was a volunteer leader for Young Life, a Christian ministry that reaches out to adolescents. During the summers, Bill volunteered for the grassroots political campaigns of Howard Baker and Lamar Alexander and gained a deep understanding of the type of principled leadership needed to govern.

After graduating with a degree in History, Bill and Crissy married and moved to Knoxville, where Bill had agreed, at his father's urging, to work "for a couple of years" managing his family's small chain of gas stations. In the early years, Bill spent long days driving all over the country identifying, negotiating and purchasing good locations for new truck-stops. While lots of politicians talk about creating jobs—Bill Haslam has actually done it. When he first went to work for the company, Pilot Corporation had 800 employees; and when he left had more than 14,000 employees in 39 states. Throughout his time at Pilot, Bill sustained the company's growth by allocating resources wisely, managing the business conservatively, working hard to increase sales and satisfy customers. It was here that Bill gained the essential hands-on knowledge that makes the chief executive officer of a complicated enterprise successful.

In 2003, at the urging of many friends, he ran successfully for Mayor of Knoxville. The skills he honed in the private sector have helped make him an extremely effective Mayor. Reelected

in 2007 with 87 percent of the vote, Bill has balanced seven consecutive city budgets, tripled the Rainy Day Fund, insisted that city government focus on providing services in an efficient manner, helped found key education initiatives, and recruited and retained thousands of jobs to the city.

On November 2, 2010, Governor Haslam was elected with 65 percent of the vote – winning 90 of 95 counties and securing the largest victory of any non-incumbent gubernatorial candidate in our state's history – to be Tennessee's 49th governor. Having celebrated their 29th wedding anniversary last year, Bill and his wife Crissy have also been blessed with three children and a daughter-in-law: Annie, Leigh and Will (Hannah). For 27 years, Bill and Crissy have been members of Cedar Springs Presbyterian Church (EPC) in Knoxville and for 21 of those years Bill has served as an Elder.

JOBS & ECONOMIC DEVELOPMENT



Tennessee's unemployment rate still hovers near double digits, many more are underemployed, and some of our rural counties are suffering unemployment rates that approach 20 percent of the workforce. Governor Haslam understands that we must get people back to work quickly while also having a plan for long-term economic growth. His commitment is to lead an administration whose overarching goal will be to make Tennessee the No. 1 state in the Southeast for high quality jobs.

Earlier in his campaign Bill traveled across the state on a Jobs Tour that covered all three Grand Divisions and included numerous meetings with small business owners, economic development professionals, and local government and community leaders. He visited job sites, toured factories, and heard first-hand from small business owners what they need in order to create more jobs in this state.

He looks forward to using the extensive experience he's gained in business and as Mayor of Knoxville to be Tennessee's "chief salesman" and bring jobs to our state.

EDUCATION & WORKFORCE DEVELOPMENT



There's no question that with Tennessee's students ranking 41st on national tests, 28,000 students dropping out of high schools in a given year, and just over a fifth of Tennesseans possessing a bachelor's degree, we're not where we need to be in education. However, recent reforms and investments in education have created a unique opportunity to turn our schools around and implement meaningful education reform that will benefit generations to come.

As governor, he wants to lead the state as a strong advocate for education reform, support the innovative changes that have been made to our K-12 and higher education systems, and seek to capitalize on the momentum that has been created. His goal is to make sure we use this opportunity to transform our schools and create a more seamless path between high school, postsecondary education or training, and the workforce.

CONSERVATIVE BUDGET MANAGEMENT



Just like families and businesses have had to tighten their belts, state government must now do the same. The state has been able to delay many of the painful cuts that are coming through the use of federal stimulus money and other sources of one-time funding. However, this administration won't have this option and will be forced to implement cuts that have been delayed, make a number of tough decisions, and put together a very tight budget.

He has extensive experience managing difficult budgets—in business and as Mayor—and is committed to getting us through this challenging period without raising taxes. He believes that we must not make it harder on working families who are struggling or small businesses that have been forced to cut back. Instead, his promise is to conduct a top-to-bottom review of state government in order to identify and eliminate waste, set priorities and establish measurable goals for those priorities, and ensure all aspects of state government are operating as efficiently and effectively as possible.

His commitment is that our state government will become leaner and more efficient as well as more helpful and customer-friendly and the Home Builders Association of Tennessee support him in this effort. ♦

GOVERNOR HASLAM APPOINTS GENERAL SERVICES COMMISSIONER

Williamson County Residential Developer



Tennessee Governor Bill Haslam has named Williamson County residential developer Steve Cates commissioner of the Tennessee Department of General Services. The Department of General Services operates the functions of state government, including building management, printing and photographic services, food services, records management, warehousing and procurement.

Cates has been a partner in Cates-Kottas Development since 1991, helping to build some of Middle Tennessee's most beautiful neighborhoods.

"I'm excited that Steve Cates will join our team because I believe his management skills will serve Tennesseans well as he heads General Services," Haslam said. "With Tennesseans figuring out how to be more efficient at home, we as a state government must do the same, and Steve is the right man for that job."

"I'm honored that Governor Haslam has selected me to be a part of this highly skilled team," Cates said. "I look forward to taking a business-like approach to government and trying to operate it more efficiently and effectively."

Cates just completed serving as chairman of the National Home Builders Association Political Action Committee, having previously served as fundraising chair. "Unfortunately, in assuming this position I must relinquish my office as the newly elected President of the Home Builders Association of Tennessee" Cates said.

He served for two years on the 21st Judicial District Drug Court of Williamson County and was a member of the Nashville Ballet Board. He remains on the Junior Achievement board of directors.

He graduated from Auburn University with a degree in Civil Engineering and served on fundraising committees for Auburn including the Legends Campaign Committee. He previously served on the Athletic Department Advisory Board and now serves on the Auburn University Engineering Council.

Cates, 47, is married to Lyn. They attend Brentwood Baptist Church.

HOUSING EQUALS JOBS

Legislative Review

Keith Grant
Chair, Government
Affairs Committee



The 107th General Assembly is going strong and Senior Officers, the HBAT legislative staff and lobbyist are intensely involved in making sure the legislative program as determined by your Board of Directors is moving forward. We have worked diligently to craft the proper language of the proposed legislation and to secure outstanding sponsors who will carry the bills in both the Senate and the House. I briefly want to share again the legislation that we are promoting in this session of the General Assembly.

The Tennessee Home Construction Jobs Development Act (S.B.1296 by Johnson - H.B. 0730 by Casada) or more commonly referred to as the *Building Homes—Building Jobs Act*.



Construction and especially home-building is one of the state's weakest sectors. Construction employment

estimates indicate a loss of 36,300 jobs from the employment peak in 2007 to the fall of 2010. The loss of 36,300 jobs resulted in a loss of \$9.08 billion in output, \$2.69 billion in earnings, 72,600 total jobs, and \$168 million in state taxes. A substantial share of the shortfall of state taxes was associated with the decline in this industry. The positive effect of this proposal on the creation of approximately 4,900 new jobs across the state is borne out in a recent study by the Sparks Bureau of Business and Economic Research at the University of Memphis. This economic development legislation which would grant \$6,000 to approximately 1,666 new home buyers would have a positive impact on every county and every community in Tennessee.

The Tennessee Public Improvement District Act (S.B. 1865 by Overbey - H.B. 1643 by Dennis). This legislation based on similar current laws in Alabama, Mississippi, Arkansas, Florida, Georgia and Louisiana would provide an alternative financing mechanism for municipalities and developers to pay for infrastructure

needs. With the current state of the financial markets which limit borrowing for these type projects, we see this as an option that will serve as an economic development tool for cities, counties and developers that will help stimulate new housing construction opportunities.

Finally, we are addressing changes to ***Tennessee Residential Lending, Brokerage and Servicing Act*** (S.B.1158 by Norris - H.B. 0758 by Todd) which now prohibits residential contractors from providing owner financing without being licensed as mortgage loan broker. Our proposal would remove this prohibition.

Your assistance in helping educate your legislators as to the importance of these issues will be most important in securing successful passage of these matters. As you look at the emphasis of our proposed legislation this year you will see the one overriding powerful belief, and that is—



Home Builder's Association of Tennessee

PAST PRESIDENTS

1960	Carl Grant	Memphis
1961	Albert Morris (Deceased)	Nashville
1962	Bill Close (Deceased)	Chattanooga
1963	Jack Renshaw (Deceased)	Memphis
1964	Howard Cockrum (Deceased)	Knoxville
1965	A.H. Johnson, Sr. (Deceased)	Nashville
1966	Morris Mills	Memphis
1967	Jerry Wood (Deceased)	Knoxville
1968	Louis Close	Chattanooga
1969	Frank Stratton	Nashville
1970	Snowden Boyle, Jr.	Memphis
1971	Rufus Smith, Jr. (Deceased)	Knoxville
1972	Calvin Payne (Deceased)	Chattanooga
1973	A.B. Ivey	Nashville
1974	Richard Bauman	Memphis
1975	J.R. Keys (Deceased)	Knoxville
1976	Coolidge Johnson	Johnson City
1977	Jack Ralston	Chattanooga
1978	Jim Fischer	Nashville
1979	H.B. McAdams (Deceased)	Memphis
1980	Fred Osborne (Deceased)	Chattanooga
1981	David Burleson	Knoxville
1982	Auston Stevison	Cleveland
1983	Gary Skidmore	Johnson City
1984	Jim Ford	Nashville
1985	Curtis Pinegar	Chattanooga
1986	Earl Sharp	Knoxville
1987	Jim Eldredge	Cleveland
1988	McNeill Ayres (Deceased)	Memphis
1989	Jackson Downey	Nashville
1990	Bobby Hicks (Deceased)	Johnson City
1991	Gary Cobble	Knoxville
1992	Gary Taylor	Jackson
1993	Freddie Snell	Murfreesboro
1994	Richard Graf	Knoxville
1995	Brad Rainey	Memphis
1996	Jim Fischer	Nashville
1997	Bill Monaghan	Cleveland
1998	Ricky Williams	Humboldt
1999	Michael Apple	Nashville
2000	Mike Carlton	Knoxville
2001	Ronnie Tickle	Memphis
2002	Dino Roberts	Nashville
2003	Keith Whittington	Johnson City
2004	Charles Morgan	Memphis
2005	James Carbine	Nashville
2006	Tim Neal	Knoxville
2007	David Parsons	Memphis
2008	Denzel Carbine (Deceased)	Nashville
2009	Edward Zarb	Knoxville
2010	Phil Chamberlain	Memphis

AREA PRESIDENTS 2011

Clarksville/Montgomery Co HBA

Rex Hawkins..... (931) 647-3942

Cumberland County HBA

Tracey Melton..... (931) 456-0440

Greene County Chapter of NAHB

Ralph Dingus..... (423) 639-5429

HBA of Dyer County

Drew Binkley

HBA of Greater Kingsport

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Neal Smith..... (865) 429-5822

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2011 WORKERS COMPENSATION LAW



Effective March 1, 2011 the much talked about revisions to the Tennessee Workers Compensation Law will become the law of the land with regard to the Tennessee construction industry. As you know, much work has gone into crafting these revisions that have a great impact on our industry. Below you will find a brief summary of some of the provisions of this legislation and how it may affect you and your business. We urge you to pay close attention to the enacting dates listed and how you will need to provide the information that is required. You are encouraged to contact your insurance professional to make sure you are in compliance with the requirements of this legislation.

Requires everyone in the construction industry to be covered by workers compensation – or be specifically exempted.

Reinstates the requirement that sole proprietors and partners engaged in the construction industry carry workers' compensation insurance on themselves, but provides a mechanism for those individuals and certain other construction

services providers to obtain an exemption from such requirement.

Identifies those who may request an exemption.

Allows any of the following construction services providers who are engaged in the construction industry to request an exemption from the requirement that such person be covered by workers' compensation:

- Officer of a corporation; provided that no more than 3 officers of 1 corporation shall be eligible for an exemption;
- Member of a limited liability company, if such member owns at least 30% of the company;
- Partner in a limited partnership, limited liability partnership or a general partnership if such partner owns at least 30% of the partnership;
- A sole proprietor; or
- Up to 3 owners of certain family owned business entities.
- Silent partners of a corporation are still not required to be covered as in previous law.

Limits those who may request an exemption.

Prohibits any affiliate of certain already exempt construction services providers from obtaining an exemption. States that a construction services provider shall only be eligible for 1 exemption, regardless of the number of business entities with which the provider may be associated

Requires an applicant for an exemption to have a valid contractor's license or to obtain a registration from the Secretary of State.

Requires any construction services provider requesting an exemption to first obtain from the board for licensing contractors either a valid license or obtain from the Secretary of State a construction services provider registration.

Lists the information to be provided to the Secretary of State in order to obtain an exemption.

Requires a construction services provider requesting exemption to request an exemption from the Secretary of State's office. In order to obtain such exemption, the provider must submit the following:

- Name, date of birth, physical address and telephone number;
- Name of business entity through which the applicant is seeking an exemption;
- Federal Employer Identification Number and last four digits of the provider's social security number;
- A license or a registration number issued by the board for licensing contractors;
- A current license issued by a local government if the business entity through which the applicant seeks an exemption is required by law to obtain an exemption; and
- Such other information the Secretary of State deems necessary to identify such person.

Requires anyone who receives an exemption must be current in paying all taxes due.

Requires a construction services provider who requests an exemption to be active and in good standing as reflected in the records of the Secretary of State, which includes for some business entities being in good standing with the Tennessee Department of Revenue;

Sets the fees to be paid for an exemption and registration card, which are both good for 2 years.

Requires the construction services provider requesting an exemption to pay \$100 for a registration card (unless a contractor's license is already issued), \$100 for an exemption card, and such other fees associated with the application, renewal or revocation of the exemption. The exemption is good for 2 years and is renewable. The exemption may be revoked in certain circumstances.

Allows an exempted person who is injured to sue at common law.

Provides that any action to recover damages by a construction services provider who maintains a workers' compensation exemption shall be at common law; provided that such provider may not sue to establish workers' compensation coverage.

Provides that a general contractor may continue to be liable to some but not all subcontractors.

Provides that general contractors will continue to be liable in certain circumstances

for injuries to subcontractors, as is the case under current law.

States that no more than 3 persons on any one commercial job are eligible to claim an exemption.

Prohibits more than 3 persons on one commercial job from being exempt from workers' compensation coverage.

Increases the penalty for an employer who deducts any portion of the workers compensation premium from an employee's wage or salary.

Increases the penalty for any employer who deducts any portion of the workers' compensation premium from the employee's wages or salary from \$50.00 to the amount of premium that was deducted from the employee's wages or salary.

Substantially increases the penalties for an employer engaged in the construction industry who fails to comply with the law.

Substantially increases the penalties for any employer engaged in the construction industry that: fails to maintain workers' compensation insurance; fails to comply with the department of labor and workforce development's order to obtain workers' compensation insurance; or commits multiple violations of failing to maintain workers' compensation insurance.

Establishes a task force related to employee misclassification in the construction industry.

Establishes a task force that will study and make recommendations regarding issues related to employee misclassification in the construction industry.

Requires some of the fees collected by the Secretary of State to be used for investigation and prosecution of employee misclassification.

Requires that certain fees collected by the Secretary of State shall be deposited in a fund and such money be used to pay all costs incurred by the Secretary of State that are associated

with the administration of the exemption program, for education of employers and employees regarding the requirements of this part, and in support of the ongoing investigation and prosecution of employee misclassification.

Makes it a crime for an employer to force an employee to obtain a workers' compensation exemption or fire an employee who does not obtain a workers' compensation exemption.

Creates an offense for an employer to knowingly coerce a job applicant to obtain a workers' compensation exemption, or discharge or take any adverse action against an employee because such employee failed to obtain a workers' compensation exemption.

ENACTING DATES —



The act itself goes into effect March 1, 2011.



The Exemption Registry lists must be in effect by March 1, 2011 and anyone that is currently exempt from carrying Workers' Compensation Insurance will only be exempt until March 1, 2011. After that date, EVERY business owner in the construction industry must carry W/C insurance on themselves or apply for an exemption to meet the new law's requirements.



All penalty sections or the act go into effect July 1, 2011.



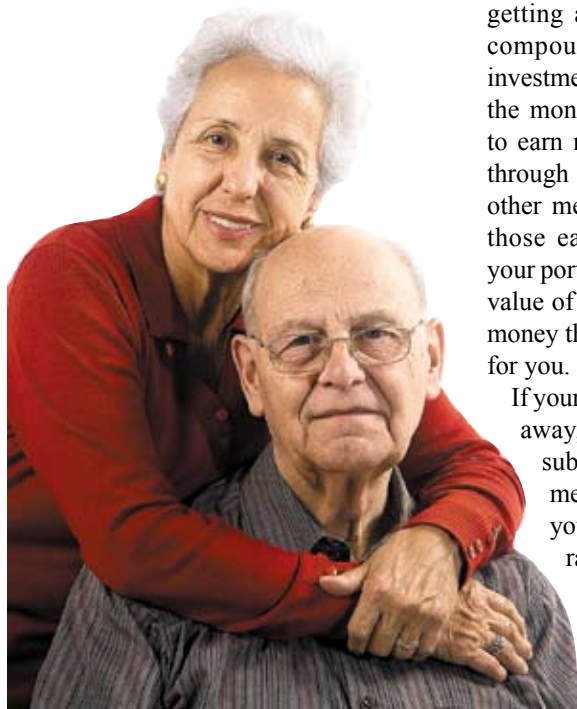
Penalties for not complying with penalty assessments go into effect March 1, 2012.

PLANNING FOR RETIREMENT

By George Sousoulas

IN STAGES

While summer vacations and national holidays typically provide a break for everyone who would be considered a member of the working public, there is one big break ahead that's a priority on most everyone's calendar—retirement. And while it may be closer for some than it is for others, everyone needs to make sure they are financially prepared when the time comes to take a permanent leave from the ranks of the employed. Personal circumstances make planning for retirement different for each individual, but there are several considerations that apply if you break it down by the amount of time you have left until you retire.



If you have at least ten years to go until you plan on retiring, you still have the advantage of time on your side. One of the most basic principles of investing is putting your money into different investment vehicles and then leaving it there so you can reap the benefits of long-term returns. With more than ten years to invest, you might be able to afford to take on a little bit more risk with your investments. While equities—such as stocks—have an inherent risk of losing money, they also have a history of providing significant returns over a long period of time. Just keep in mind that past performance is no guarantee of future results.

Probably the biggest advantage of getting an early start is the benefit of compounding earnings. Based on the investments in your retirement portfolio, the money you put in has the potential to earn more money for you – whether through interest payments, dividends, or other means of growth. In many cases, those earnings can be reinvested into your portfolio, further enhancing the total value of your savings and allowing your money the opportunity to “make money” for you.

If your retirement is less than ten years away, then it's time to start making subtle adjustments to your investment mix. Hopefully, at this point you're not just getting started, but rather taking a look at how your investments are allocated and making sure they appropriately match your risk tolerance, your investment objectives and your

relatively short time horizon. Because you have less time to work with, you still want to have some investments that offer growth, but you also want to begin looking at preservation of principal through fixed income alternatives such as bonds, which may provide a little more stability in your portfolio and help reduce your overall risk.

Finally, at some point you'll reach that day that you once thought was so far off. When you find yourself officially in the position to retire, you will have a whole different outlook on those funds you have set aside for just that purpose. Instead of making contributions to your retirement funds to help them grow, you'll be looking to maintain income from those investments. You'll likely begin taking distributions from them to pay for your day-to-day expenses. A thorough review of your investments will help you clearly see just how much you have saved, and how you will have to plan your distributions so you don't run short on funds during your retirement.

Financial preparation for retirement is something that is different for every individual. To make sure that you're on the right track, take the time now to assess your own situation and see what you can do to make sure you're ready when it's time for you to retire.

Mr. Sousoulas is a Senior Vice President and Director of Professional Development at Wunderlich Securities. He can be reached at 901-251-2226 or gsousoulas@wundernet.com. ♦

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Local, State, and National HAPPENINGS



Charlotte Jones Named Builder of the Year

Charlotte Jones was named Builder of the Year for the Ocoee Region Builders Association for 2010. Charlotte started her own wallpaper business in the 7th grade, Charlottes Wallpaper Hanging. She has a Commercial and Residential Building License. Charlotte served as the 2010 ORBA President and did an outstanding job. Charlotte also serves on the 2010 Home Builders Association of Tennessee Local Leadership Chair, 2011 HBAT Area Vice President, Board of Zoning and Appeals, and Economic Development Council. She also received her Green Building Certification in 2010

Left: Sherri Blakely, Ocoee Region BA Executive Officer and Charlotte Jones, Ocoee Region BA "Builder of the Year."

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1995	William McNeill Ayres	Memphis
1995	Martin L. Bartling, Jr.	Knoxville
1995	William B. Close	Chattanooga
1995	Jack Renshaw	Memphis
1996	John B. Downey	Nashville
1996	Lloyd B Lovitt, Jr.	Memphis
1996	Henry B McAdams	Memphis
1996	Curtis L. Pinegar	Chattanooga
1996	Rufus H. Smith	Knoxville
1997	W. Ralph Chumley	Chattanooga
1997	Jack Ralston	Chattanooga
1997	Kemmons Wilson	Memphis
1999	Bob Gillespie	Sevierville
1999	Jerry Strebel	Nashville
2000	James Ford, Sr.	Nashville
2000	Jerry Wood	Knoxville
2001	Don Moon	Chattanooga
2001	Earl Sharp	Knoxville
2002	R.W. "Dick" Graf	Knoxville
2002	Bobby Hicks	Johnson City
2003	Jerry Gillis	Memphis
2003	Brad Rainey	Memphis
2004	Terrence L. Cobb	Nashville
2005	Ronnie Tickle	Memphis
2005	Congressman Jimmy Duncan	Knoxville
2006	Reese Smith, III	Nashville
2007	Congressman Lincoln Davis	Pall Mall
2007	Tonya Jones	Nashville
2008	David Stauffer	Kingsport
2009	Monroe Pointer	Memphis
2009	Gary Taylor	Jackson
2010	James Carbine	Nashville
2010	Bill King	Brentwood
2010	Dan Stern, Sr.	Brentwood

BUILDING PERMITS

Below are the current, total building permits, as reported by MarketGraphics Research Group, Inc., through December 2010:

Greater Nashville

The Greater Nashville Eleven County Building Permit Summary includes the counties of Davidson, Sumner, Williamson, Wilson, Rutherford, Cheatham, Robertson, Dickson, Maury, Marshall and Bedford. Year-to-date permits for these counties total 4,405.

The Memphis Metro Area

The Memphis Metro Area includes Crittenden, DeSoto, Fayette, Shelby and Tipton counties. Year-to-date permits for these counties total 1,530.

Knoxville Area

The Knoxville Area Building Permit Summary includes the counties of Loudon, Roane, Anderson, Knox, Sevier and Blount. Year-to-date permits for these counties total 1,716.

Montgomery County/Clarksville

The Montgomery County Permit Summary is listed separately. Year-to-date permits total 1,051.

Metro Chattanooga

The Metro Chattanooga Area Building Permit Summary includes the counties of Bledsoe, Bradley, Catoosa, Hamilton, Marion, Murray, Sequatchie, Walker and Whitfield. Year-to-date permits for these counties total 1,420.

Northeast Tennessee

The Northeast Tennessee Area includes the counties of Carter, Greene, Sullivan and Washington in Tennessee and Scott and Washington in Virginia. Year-end permits for these counties total 914.

The overall building permits reported so far in 2010 for these regions total 11,036.



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2011 HBAT MEETINGS



SUMMER MEETING

July 3 – July 6
Hilton Sandestin
Destin, Florida

FALL MEETING

Because of unexpected changes of Senior Officers, the Fall Meeting schedule is yet to be determined.

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