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**Advocacy Digest | February 19, 2021**

**Brad Boycks, Executive Director**

**PPP Loan Federalization Becomes Law**

With the help of WBA members lobbying their members of the Wisconsin Legislature using the VoterVoice System, a bill to federalize the taxation of PPP loans was passed by a wide and bipartisan vote and signed into law by Governor Evers.

Over 200 individual emails were sent to members of the State Senate and Assembly by WBA members encouraging a “yes” vote on Assembly Bill 2 (AB 2) which would assure there is no Wisconsin tax liability for PPP loans. Now, [2021 Wisconsin Act 1](https://docs.legis.wisconsin.gov/2021/related/lcamendmemo/ab2.pdf) treats the taxation of PPP loans the same in Wisconsin as they are on the federal level. Over 90% of the members who sent messages via the VoterVoice system were new users of the system.

Thank you to those members who used the VoterVoice system to lobby members of the legislature on this issue, to those members of the legislature that voted in favor of AB 2, and to Governor Evers for signing the bill into law. For the roll call vote for AB from the State Assembly [click here](https://docs.legis.wisconsin.gov/2021/related/votes/assembly/av0018) and for the State Senate [click here](https://docs.legis.wisconsin.gov/2021/related/votes/senate/sv0022).

**Governor Evers’ Introduces 2021-2023 State Budget**

In a virtual speech to a joint session of the legislature and to those watching at home, Governor Evers recently introduced his 2021-2023 State Budget. The introduction of Governor Evers’ budget now triggers the review of that document by the republican controlled Joint Committee on Finance under the leadership of two first time co-chairs, Representative Mark Born and Senator Howard Marklein.

In a joint appearance organized by the online political news service Wispolitics.com, Born and Marklein appeared to be leaning towards mostly ditching Governor Evers’ budget plan and starting over. The cochairs did react positively to some increase in public school funding and additional support for broadband expansion to more rural parts of the state.

Some of the positive aspects of Evers’ budget proposal include funding for additional positions to review and approve POWTS applications at DSPS, expanded use of TIF to encourage workforce housing, and first-time homebuyers savings accounts.

A few of the more concerning provisions that have a negative effect on housing affordability include requiring prevailing wage on developer financed subdivision infrastructure, the reintroduction of an additional contractor registration at DSPS that had been previously eliminated as part of the 2013-2015 state budget, and greater flexibility for local municipalities to increase property taxes on Wisconsin families.

Over the next few months, the [Joint Committee on Finance](https://docs.legis.wisconsin.gov/2021/committees/joint/2293) will first be briefed by the Legislative Fiscal Bureau and various cabinet secretaries to get more information on the overall fiscal condition of the state and the needs of the various state agencies prior to starting to vote on various provisions in the budget. State law requires a state budget to be passed and signed into law by July 1, but if that date is not met, state government does not shut down (like on the federal level) but continues funding at levels from the previously passed state budget.

**Roth and Rodriguez introduce bill to streamline DSPS Commercial Plan Review**

Recently State Senator Roger Roth and Representative Jessie Rodriguez introduced a bill to streamline the approval of commercial building plans by the Department of Safety and Professional Services (DSPS).

The bill would make some changes to the way application fees are processed by DSPS that are required for plan review and exempt certain smaller commercial buildings from plan review at DSPS if they are approved by a state licensed engineer, architect, or designer. The bill also suggests plumbing plans with fewer than 26 plumbing fixtures to be exempt from DSPS review. Currently, plumbing plans with 15 or fewer fixtures are not reviewed by DSPS.

[Click here](http://www.wisconsinlobbyists.com/resources/Co-Sponsorship%20Memos/2.19.2021/LRB-0655%20Examination%20of%20Building%20Plans%20by%20DSPS%20Memo.pdf) to see the summary of the bill provided by Senator Roth and Representative Rodriquez.

# From NAHB: [Record-High Lumber Prices Add $24K to the Price of a New Home](https://nahbnow.com/2021/02/record-high-lumber-prices-add-24k-to-the-price-of-a-new-home/)

Lumber prices have skyrocketed more than 180% since last spring, and this price spike has caused the price of an average new single-family home to increase by $24,386 since April 17, 2020, according to NAHB standard estimates of lumber used to build the average home. Similarly, the market value of the average new multifamily home has increased by $8,998 over the same period due to the surge in lumber prices.

The latest Random Lengths prices as of mid-February show the price of framing lumber topped $975 per thousand board feet — a 180% increase since last April when the price was roughly $350 per thousand board feet.

NAHB calculated these average home price increases based on the softwood lumber that goes into the average new home, as captured in the [Builder Practices Survey](http://www.homeinnovation.com/trends_and_reports/data/new_construction) conducted by [Home Innovation Research Labs](http://www.homeinnovation.com/). Included is any softwood used in structural framing (including beams, joists, headers, rafters and trusses), sheathing, flooring and underlayment, interior wall and ceiling finishing, cabinets, doors, windows, roofing, siding, soffit and fascia, and exterior features such as garages, porches, decks, railing, fences and landscape walls.

The softwood products considered include lumber of various dimensions (including any that may be appearance grade or pressure treated for outdoor use), plywood, OSB, particleboard, fiberboard, shakes and shingles — in short, any of the products sold by U.S. sawmills and tracked on a weekly basis by [Random Lengths](https://www.randomlengths.com/).

For more information on the price increases, contact [Paul Emrath](mailto:pemrath@nahb.org).