

Legislative Update

WRITTEN BY FORREST WALL, CAE, STAFF VICE PRESIDENT AND INDUSTRY RELATIONS

Energy Theft Legislation Enacted

For almost a year now, AAM has been involved in a workgroup with utilities and other rental property organizations on legislation addressing energy theft in residential rental property. Utility officials cited increased problems with illegal electric and natural gas connections, the resultant public safety hazards, and a lack of authority in current state law to refuse service to repeat offenders as the need for legislation. The legislation was formally introduced in May as Senate Bill 1310, and after a great deal of revision, **it was passed by the legislature and signed by the Governor in July.** The key provisions of this legislation are as follows:

- Allows an electric or gas utility to shut off service to units where theft has occurred 2 or more times in a 24 month period
- Mandates that the utility shall reestablish service once the property owner provides property ownership information and either agrees to pay for reconnection and repair of the services, or, provides the utility with a lease agreement with the identity of the tenant responsible.
- Allows for an alternate path via settlement where the utility may reestablish service in cases where the property owner cannot provide tenant information and does not agree to pay for the charges.
- Allows for the tenant to have service reestablished by providing certain information and paying fees
- Mandates notification of the utility when a property owner abandons or surrenders a property or the owner will be liable for theft.

• Mandates that large utilities establish a shutoff notification service which is optional for landlords to utilize.



Additionally, **DTE Energy has pledged to create an ombudsman position** to efficiently deal with multifamily rental property issues under this new law. A similar arrangement will be sought with Consumers Energy. **Special thanks to Allen Amber and Mike Tobin, who worked on our subcommittee to recommend changes to the legislation to protect apartment owner interests.** While not perfect, the final version addressed most of our concerns.

FHA Multifamily Loan Program Will Continue

NAHB and a coalition of multifamily and health care industry organizations lobbied successfully to ensure the Federal Housing Administration (FHA) will continue to have sufficient funds available this year to finance multifamily mortgage insurance programs. FHA had announced in July that it was close to exhausting its \$15 billion multifamily subsidy for fiscal year 2010. H.R. 5872, The General and Special Risk Insurance Funds Availability Act of 2010 authorized an additional \$5 billion in commitment authority for FHA to finance apartment and hospital facilities. The program has experienced a significant increase in volume due to the lack of credit availability. ■

AAM Breakfast Club

Join fellow apartment owners for a roundtable discussion of today's hot topics in multifamily rental management.

DATE: Tuesday, September 14

TOPIC: Distressed Real Estate - REOs, Receiverships, Workouts And Deeds In Lieu

TIME: 8:30 - 9:30 a.m.

PLACE: Association Offices - NEW LOCATION!
2075 Walnut Lake Rd

West Bloomfield 48323

SPEAKERS: *Gregory DeMars,*
Honigman Miller Schwartz and Cohn
David Findling,
Findling Law Firm

COST: Complimentary to AAM Members;
\$10/Guest. Includes Breakfast

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Lisa Killinger, FOURMIDABLE
Director of Human Resources

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Back-To-Basics Lifting Techniques Key To Protecting Your Back

WRITTEN BY JOE ELMORE, SMITH-PEABODY-STILES

Regular readers of Association news may well wonder why so much time and ink is spent on proper lifting techniques. The answer is simple: The No. 1 cause of back injuries is improper lifting. Second to this is improper carrying and twisting of the torso. These are called, “manual material handling issues.”

When you are lifting and carrying heavy objects, one wrong move could mean a painful strain. So take a few minutes now to review these simple tips that will help you improve your lifting and carrying abilities.

- Don't look to lifting belts to take the place of good lifting and handling techniques. While useful, these belts are at best “band-aids.” (Incidentally, these belts are to be worn only while lifting and handling materials. They should not be worn throughout the workday.)

- Reduce the weight of the object. With cold weather in the future, use 40 or 50-pound bags of ice melt product instead of 80-pound bags. Even though they are cheaper, 80-pound bags are just too heavy and unwieldy for the average maintenance worker to manage. (The same is true for properties that have to fill water softeners.)

- Eliminate unnecessary lifting or carrying. Talk to your supplier and see if, at the point of delivery, they can store the ice melt product on skids and pallets. Ideally, the salt should be stored so that it is almost waist level. (The Fourmidable Group has constructed a bench just for the storage of salt. This allows employees to stand upright and simply pull the salt from the shelf.)

- Make sure there is ample storage space for your ice melt product. Granted, maintenance staffers at some properties work in close quarters and with tight budgets. Nevertheless, prevention pays off. Free pallets can often be found at construction sites. Gather these up and store your salt so that it is easily accessible to both pick-up trucks and workers using push-type hoppers for sidewalks and other small areas.

- Don't be a hero. Put into practice the two person lift. If the load is too heavy for one person to carry, use the buddy system. The buddy system involves two workers each carrying the load level and on the same respective shoulder.

- If possible, use mechanical devices for lifting.

Good technique is critical. Your back is a lever. It works on a 10 to 1 ratio. So if you are lifting 10 pounds, your back is feeling 100 pounds. If you are lifting 50 pounds, your back is feeling 500 pounds.

That's the way your body is built; that's the way it works, and if you don't use good technique 500 pounds on your lower back is going to cause big problems. Maybe not today, maybe not tomorrow but some time this will become a problem for the employer and the employee. ■

All of us at Smith-Peabody-Stiles support efforts to make the workplace a safer and productive environment. For concerns and questions contact Brenda Boomer or Jim Peabody at Smith-Peabody-Stiles, 1-800-467-6645. We welcome your calls and questions concerning safety in the workplace.

AAM Economic Forecast & Capital Market Outlook

Register today for the Apartment Association of Michigan's 2011 Economic Forecast & Capital Market Outlook - **The Gold Rush In Multifamily Rental Housing** - to be held on **TUESDAY OCTOBER 5**. Speakers include:

- **David Sowerby, CFA, Portfolio Manager of Loomis Sayles** will discuss Capital Markets and the Business Outlook.
- **Kevin Dillon of Henricks & Partners** will present a Market Update.
- **Joseph Palamara of Karoub Associates** will provide a Legislative Update.
- Information will be included on our **local and national rental markets** along with a **status report on state legislative issues** facing the residential rental industry.

The event, sponsored by AAM with **Smith-Peabody-Stiles Insurance Agency, Wells Fargo** and **Hendricks & Partners**, will be held at **PI Banquet Center located at 28847 Franklin Road, Southfield 48034**. Registration and Networking will be from 11:00 a.m. - Noon followed by Lunch & Program until 2:00 p.m. The cost to attend is \$20/Member or \$30/Guest.

Seating is Limited! Please register using the Response Form on page 15 of this magazine or online at www.apartments.org or by calling 248-862-1002.



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For further details, call Association offices:
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