

Date: 10/27/2022

City: Kansas City, MO

NAHB Recommendation

Title: Requesting a Reduced Dues Rate and other Benefits for New Incoming Young Professional Members
Sponsor: HBA of Michigan
Submitted by: Jeff Grantham

WHEREAS, membership growth in the National Association of Home Builders (NAHB) remains flat and many local associations struggle to retain and grow their membership bases;

WHEREAS, our federation has initiated many efforts to grow its student chapter ranks and must do more to diversify its membership and attract new and younger industry professionals;

WHEREAS, local associations have been hit with pandemic-related declines in non-dues revenue and continue to be impacted from such losses;

WHEREAS, the current one-size fits all membership dues structure for NAHB makes it harder for local associations to establish membership pricing points that attract younger members who may just be starting out in the industry;

WHEREAS, more members will provide a bigger pool to attract attendees for IBS and other national gatherings, as well as a stronger voice for advocacy efforts and related fundraising;

WHEREAS, various studies and analysis of membership organization data shows that retention rises exponentially for those who have maintained membership in an organization for four years or longer;

WHEREAS, the current per member payment structure has created an environment where, at least in the short-term, many HBAs get a better financial return spending time on non-dues revenue programs—recruiting sponsors & exhibitors instead of members;

WHEREAS, NAHB and affiliated state associations have lost a number of local associations in recent years and months because of financial strain and frustration with the current model;

WHEREAS, it is reasonable to expect that the recent trend of local associations ending their affiliation with NAHB may continue without change and new opportunity;

WHEREAS, NAHB has looked at new organizational and membership structures for decades and has spent millions on consultants and studies on how to reinvent the association with little, if any, implementation of those ideas;

WHEREAS, there is growing consensus across the country that the NAHB must evolve to be a partner in helping create more opportunities for local HBAs to grow and retain members in the future; and,

WHEREAS, it is time to test more and do more rather than theorize, debate and frustrate HBAs out of the association,

NOW, THEREFORE, BE IT RECOMMENDED that the National Association of Home Builders (NAHB) Board of Directors, at the 2023 IBS, establish a Young Professional (YP) membership promotion, providing full membership status to new YP members at a substantially reduced dues rate, for qualifying local associations to offer.

BE IT FURTHER RECOMMENDED that NAHB develop an application process that enables such a new membership recruitment tool to be leveraged by local associations that demonstrate they have developed a plan to recruit, mentor and engage these new members.

BE IT FURTHER RECOMMENDED that for this initiative an NAHB dues rate no greater than the current student rate be established for a YP's first year of membership and no higher than 50% of the standard dues rate set for other full paying NAHB members for years two, three and four of their membership.

BE IT FURTHER RECOMMENDED that this reduced special dues rate for YP's only be available in territories where state associations have provided an equal or higher reduction in their dues structures for such members.

BE IT FURTHER RECOMMENDED that NAHB establish other YP special benefits and discounted pricing to encourage YP participation at NAHB events and in various professional development opportunities.

Leadership Council Action:

Resolutions Committee Action:

Budget and Finance Committee Action:

Young Professionals Committee Action:

Membership Committee Action:

Associates Committee Action:

[2022 Fall Leadership Council Meeting]

Recommendation No. 1

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Check one of the four boxes below:

This recommendation requires additional budget appropriations, which will be presented and considered as part of NAHB's normal budget review process. The amount of the new budget request to be presented to the NAHB Budget Committee is _____.

The above recommendation can be implemented using already approved budget and staff resources, but may require some shifting of priorities in terms of staff time and other resources. The preliminary cost estimates for implementing the above recommendation are (**bold** one):

-- Less than \$20,000.

-- Between \$20,000 and \$50,000.

-- Between \$50,000 and \$100,000.

-- More than \$100,000.

Impractical to provide a preliminary cost estimate at this time.

A projected cost estimate/budget impact is not available at this time. Further information will be provided at the Fall LCM.

No cost implications.