NAHB Recommendation

Title: Building a Collaborative Artificial Intelligence (AI) Permitting
                 Framework to Lower Costs, Drive Growth, and Create New Revenue
                 Streams
Submitted by: Mike Nykreim

WHEREAS, the National Association of Home Builders (NAHB) is uniquely positioned to support a national modernization effort for digital permitting through a unified artificial intelligence (AI) framework. This initiative has the potential to strengthen industry relationships, foster innovation, and open new revenue opportunities through data, software, and service ecosystems that directly benefit builders and their associations.

WHEREAS, NAHB can explore how AI can both streamline permitting nationwide and create sustainable revenue opportunities that reinforce the organization's mission. This strategy enhances member value, accelerates project delivery, and positions NAHB as the central hub for digital transformation in homebuilding.

NOW, THEREFORE, BE IT RECOMMENDED that the National Association of Home Builders (NAHB) explore options with regards to a national modernization effort for digital permitting through a united AI permitting framework that could include, but not necessarily be limited to, the following:

1. Strengthen Vendor Partnerships:

Deepen collaboration with existing permitting software vendors to co-develop solutions that meet builder needs, streamline regulatory workflows, and promote interoperability across jurisdictions.

2. Enable Monetization Through Open Standards:

Certification Programs: Establish NAHB-certified compliance standards for permitting software and Application Programming Interfaces (APIs).

Marketplace Participation: Operate or license an NAHB-backed marketplace for verified digital permitting tools.

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Data Services: Offer analytics, benchmarking, and compliance data subscriptions that support builders and municipalities.

Affiliate and Licensing Models: Generate recurring revenue through co-branded software partnerships and integrations.

3. Encourage Open Innovation:

Maintain open access to standardized schemas and APIs, allowing new and established tech firms to innovate while aligning with NAHB's brand and quality assurance.

4. Form a Cross-Industry Coalition:

Collaborate with energy, broadband, and telecom sectors—industries that share similar permitting challenges—to expand adoption, lower costs, and build a shared digital foundation for infrastructure growth.

Leadership Council Action:	Approved
Resolutions Committee Action:	Recommends Approval
Budget & Finance Committee Action:	Approved a motion to take no action. Recommends to maker of the recommendation that more research be conducted and that it be brought back to the Budget & Finance Committee at IBS for further discussion
Leading Suppliers Council Board of Trustees Action:	Recommends Approval
Land Development Committee Action:	Recommends Approval
Construction, Codes & Standards Committee Action:	Recommends Approval
State & Local Government Affairs Committee Action:	Recommends Approval
Business Management & Info Tech Committee Action:	Approved a motion to take no action
Design Committee Action:	Did not consider or take action
Single Family Builders Committee Action:	Recommends Approval

This recommendation was submitted after the deadline to be circulated 30-days in advance of the Leadership Council meeting and will require a two-thirds majority for approval.

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2025 Fall Leadership Meeting

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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.

[X] Impractical to provide a preliminary cost estimate at this time.

At this time, NAHB does not have the staff expertise, technology expertise, certification process or insurance that would be required to implement this recommendation. If this recommendation is approved by the Leadership Council, a program and corresponding budget would have to be developed to implement this program. Creating a program proposal and corresponding budget will require significant NAHB resources, including staff time, external expertise and funding. This program and budget proposal would have to be approved by the Budget and Finance Committee and the Board of Directors.

[ ] No cost implications.