

Resolution No. 1

Date: 1/29/2021

City: Washington, DC

NAHB Resolution

Title: Federal Funding for Infrastructure
Sponsor: Taxation Subcommittee of Federal Government Affairs Committee
Submitted by: Mark Konter

WHEREAS, historically all of the federal highway program and 80% of the public transportation program have been funded with revenues from the Highway Trust Fund (HTF);

WHEREAS, the federal government accounts for about one-quarter of all public spending on roads and highways, with the remaining three-quarters financed by state and local governments;

WHEREAS, HTF revenues are raised from a combination of fuel, truck and tire taxes, with fuel taxes providing 85% to 90% of the money in recent years;

WHEREAS, the tax rate on diesel fuel is 33% higher than that levied on gasoline and ethanol blended fuels;

WHEREAS, 25% of all U.S. public road mileage is federally funded roads;

WHEREAS, the Congressional Budget Office (CBO) projects the HTF will be exhausted by mid-2021;

WHEREAS, CBO projects that if scheduled payments are maintained, the HTF faces a 10-year shortfall of \$203 billion;

WHEREAS, from 2008 through 2019, the HTF's spending exceeded revenues by \$127 billion;

WHEREAS, to match funding with revenue in 2022, Congress would have to cut transportation spending by roughly 25%, or increase gas taxes by 10 to 15 cents to match current funding needs;

WHEREAS, the federal gas tax rate has not been adjusted since 1993;

WHEREAS, inflation, along with greater fuel efficiency, have reduced the amount of revenue into the HTF;

WHEREAS, over 1.6 million electric vehicles (EVs) have been sold in the United States since 2010, and those cars do not pay the federal gas tax;

WHEREAS, estimates suggest the number of EVs on the road will hit 18.7 million in 2030 (7 percent of all cars), which will further reduce the effectiveness of the gas tax as a funding mechanism for the HTF;

WHEREAS, the lack of infrastructure funding has forced a growing number of states to privatize existing highways or to use public-private partnerships to construct new roads, which are funded by tolls often based on distance travelled;

WHEREAS, each annual HTF shortfall that is funded by a transfer from the Treasury increases our nation's debt;

WHEREAS, the lack of federal funding may put more pressure on residential development to finance national, regional and local transportation needs; and

WHEREAS, Congress has debated different options to fund our infrastructure needs, including increasing the gas tax, indexing the gas tax to inflation, or shifting to a Vehicle Miles Traveled (VMT) tax,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders support efforts in Congress to fully and adequately fund the federal Highway Trust Fund, using funding mechanisms that fairly spread the burden amongst all users and vehicle types, and oppose efforts that would target or shift the financial burden onto residential developments;

BE IT FURTHER RESOLVED, that NAHB call on Congress to:

1. Shift away from the gas tax to a new revenue source *only if* the gas tax is eliminated;
2. Separate public transportation funding from the Highway Trust Fund to ensure the HTF prioritizes roads and bridges; and
3. Tax vehicles that do not consume motor fuel to ensure all vehicles contribute to the HTF, if the gas tax remains the primary revenue source.

Leadership Council Action:

Resolutions Committee Action:

Land Development Committee Action:

State and Local Government Affairs Committee Action:

Federal Government Affairs Committee Action:

Taxation Subcommittee of the

Federal Government Affairs Committee Action:

APPROVED

Recommends Approval

Recommends Approval

Recommends Approval

Recommends Approval

Recommends Approval

Resolution No. 2

Date: 1/29/2021

City: Washington, DC

NAHB Resolution

Title: Water Conservation
Sponsor: Environmental Issues Committee
Submitted by: Drew Smith

WHEREAS, the nation's growing population and economy needs safe, clean and reliable supplies of water has prompted interest and actions to curtail domestic water use through both increased efficiency and user conservation, as well as expand reuse and other options to supplement supply;

WHEREAS, accomplishing the nation's water conservation and water use efficiency goals will require action by all water users, including private, commercial, industrial, agricultural and state and federal interests;

WHEREAS, federal action, to date, generally has been limited to setting water use standards for plumbing fixtures and appliances,

WHEREAS, extended regional droughts and inadequate water supplies have pushed state and local agencies to undertake historic water conservation measures, including placing regulatory restrictions on the housing industry;

WHEREAS, increasing the water efficiency of existing homes represents a much greater opportunity to save water than reducing usage in newly constructed homes, which use water more efficiently;

WHEREAS, wise and efficient water use, both inside and outside the home, such as using high efficiency appliances, xeriscaping, collecting rainwater and reusing water, can contribute to water conservation, offer significant financial benefits to both water suppliers and consumers and help ensure adequate water supplies are available for future development;

WHEREAS, technological advances continue to further the development of water saving devices that perform well, are durable, and meet or exceed consumer expectations;

WHEREAS, design tools that provide generic water use guidance, allow for the evaluation and marketing of water efficient products, and facilitate the calculation of home

water consumption can supplement and enhance local incentive and rebate programs and allow consumers to make more informed water use decisions;

WHEREAS, various organizations and government agencies are developing and promoting residential water conservation standards and programs, such as the U.S. Environmental Protection Agency's (EPA) WaterSense, a voluntary water efficiency product labeling and home certification program; and

WHEREAS, the *ICC 700* National Green Building Standard® (NGBS) outlines water efficiency practices that can be used to reduce water usage in both new and existing homes,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders (NAHB) support approaches and initiatives that encourage water conservation and efficiency in new and existing structures and properties as long as those programs:

- 1) Are voluntary, not cost-prohibitive and recognize consumer preferences;
- 2) Are sufficiently flexible and include prescriptive options that do not require calculations or design professionals to apply, and include guidelines that can be applied independent of a specific home design;
- 3) Include low-cost options;
- 4) Where applicable, recognize multiple rainwater, greywater and landscaping options; and allow water savings at alternative location(s) to be credited to new homes; and
- 5) Recognize that the degree of concern with water supplies and decisions, varies widely across regions and localities.

BE IT FURTHER RESOLVED that NAHB support research on and technical advances in water efficiency and conservation;

BE IT FURTHER RESOLVED that NAHB support incentives to facilitate the early adoption of water saving products and practices that can lead to a reduction in construction fees, conservation tax credit programs, and rebates on efficient fixtures and appliances;

BE IT FURTHER RESOLVED that NAHB encourage the development and voluntary use of water calculation tools and formulas that account for total water consumption both within the structure(s) and the overall property and include both delivered potable water (via utility and/or private well) and water from precipitation; and

BE IT FURTHER RESOLVED that NAHB promote the water efficiency practices in the NGBS as a reference guide for those entities seeking to establish water efficiency programs, and in jurisdictions where water allocations may be limited or restricted on new homes or residential developments, NAHB encourages the development of policies based on Appendix D: Water Rating Index of the *ICC 700-2020* National Green Building Standard®

(as may be amended, revised or clarified periodically), as a means to predict usage and as a basis for establishing guidelines or rules for allocation of water for housing.

If approved, this resolution will update and replace existing policy: 2016.1 No. 6 Water Conservation.

Leadership Council Action:	APPROVED
Resolutions Committee Action:	Recommends Approval
Construction, Codes, and Standards Committee Action:	Recommends Approval
Custom Builders Committee Action:	Recommends Approval
Land Development Committee Action:	Recommends Approval
NAHB Remodelers Action: Recommends for Approval	
State and Local Government Affairs Committee Action:	Recommends Approval
Single Family Builders Committee Action:	Recommends Approval
Federal Government Affairs Committee Action:	Recommends Approval
Environmental Issues Committee: Recommends for Approval	
Multifamily Council Board of Trustees Action:	Recommends Approval
Sustainability & Green Building Subcommittee of the Environmental Issues Committee Action:	Recommends Approval
Energy & Green Construction Codes & Standards Subcommittee Of the Construction, Codes & Standards Committee Action:	Recommends Approval

Resolution No. 4

Date: 1/29/2021

City: Washington, DC

NAHB Resolution

Title: Accessory Dwelling Unit Financing
Submitted by: Mike Nykreim

WHEREAS, urban neighborhoods in many cities across our nation were shaped by exclusionary laws and systemic discrimination: who could own land, what could be built, and whether and how it could be financed;

WHEREAS, our nation's housing shortage and rapid growth in many cities have priced out longtime residents, spurring gentrification in our urban areas and further marginalizing Black, Indigenous, People of Color (BIPOC);

WHEREAS, safe, decent and affordable housing provides fundamental benefits that are essential to the well-being of families, communities and the nation;

WHEREAS, ADUs and DADUs Accessory Dwelling Units and Detached ADUs, present an innovative way to create affordable housing, are a sought-after housing choice, and offer significant community benefits;

WHEREAS, ADUs and DADUs make it easier for younger buyers to qualify for their first home, enable seniors to age in place, and expand options for multigenerational living;

WHEREAS, ADUs and DADUs offer homeowners a proven and viable way to earn rental income, remain in their communities, and build wealth;

WHEREAS, ADUs and DADUs can reduce housing costs for both owner and tenant, thereby preventing displacement of both;

WHEREAS, ADUs and DADUs are an environmentally friendly housing option, given their small size and the fact that residents tend to drive less, resulting in lower carbon emissions; and

WHEREAS, the unique qualities that make ADUs and DADUs affordable, also can inhibit lending to build or buy them through traditional banking systems; allow rental income from permitted ADU's to offset Debt Service.

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders (NAHB) work with housing stakeholders and federal, state and local policy makers to explore the development of new funding options for accessory dwelling units (ADUs) and detached ADUs (DADUs);

BE IT FURTHER RESOLVED that NAHB urge financial institutions and their regulators to advance solutions that would enable borrowers to improve the use of projected rental income for underwriting mortgages for properties containing a legal ADU;

BE IT FURTHER RESOLVED that NAHB urge federal, state and local policymakers to focus on developing solutions for meeting community housing finance needs.

Please note: This resolution was submitted after the 30-day advanced deadline and will require a two-thirds majority for approval by the Leadership Council.

Leadership Council Action:	APPROVED
Resolutions Committee Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
Custom Home Builders Committee Action:	Recommends Approval
Land Development Committee Action:	Recommends Approval
NAHB Remodelers Action:	Recommends Approval
State and Local Government Affairs Committee Action:	Recommends Approval
Federal Government Affairs Committee Action:	Recommends Approval
Single Family Builders Committee Action:	Recommends Approval