Recommendation No. <u>1</u>

Date: <u>6/19/2020</u> City: <u>Washington, DC</u>

NAHB Recommendation

Title:	NAHB's Involvement in the Model Code Adoption Process
Sponsor:	Pennsylvania Builders Association
Submitted by:	Kert Sloan (PA State Representative)

WHEREAS, the National Association of Home Builders (NAHB) has been a member of and supporter of the International Code Council (ICC) which has promoted the use of building codes in residential construction;

WHEREAS, the ICC has been the lead organization on the development and structure of building codes (ICC Code) for use by state and local governments and persons working in the building industry;

WHEREAS, in the ICC Code, the ICC has promoted safe building standards for residential construction and NAHB has supported the same to assure consumers that new residential construction is completed in a safe manner;

WHEREAS, NAHB and its members have supported the use of the ICC Code and the adoption of the same by state and local governments for use in residential and other construction in each respective state or locale;

WHEREAS, under the ICC structure, NAHB and its members participate in committees and the board of the ICC, but most NAHB and HBAs members, primarily homebuilders and subcontractors, the same persons who have to "build" to the ICC Code, are not typically permitted to be voting members of the ICC;

WHEREAS, the ICC's model code adoption process does not allow for the regulated community (builders, developers, subcontractors, etc.) to vote on the final adoption of new codes;

WHEREAS, over the last two decades, the ICC Code promulgated by the ICC has vastly expanded the level of oversight of and intrusion into the residential construction process;

WHEREAS, the ICC-developed codes originally focused primarily on health and safety concerns but has come to focus increasingly on energy efficiency;

WHEREAS, many of the newer ICC Codes have steadily introduced significant increases in the cost to build a home in the United States regardless of the territory of construction;

WHEREAS, the ICC's Code Adoption Cycle (the "Cycle") has resulted in additional expense to those working in the residential construction industry because of constant adoption of new codes and little time for the industry to adapt and update its processes in connection with the adoption process;

WHEREAS, the ICC's code adoption process does not meaningfully address the fact that some of its participants have a vested interest in the expansion and adoption of codes to benefit those participants' own individual businesses or manufacturing processes by introducing their products and systems into model codes;

WHEREAS, the constant changing to the ICC Code have resulted in expense to not only home builders and subcontractors who have to deal with constant changes to the rules of building and buy new code books annually but also to local governments who must adopt the new code changes and purchase the code books for officials;

WHEREAS, the greatest expense of constantly more demanding codes is borne by home buyers who are frequently priced out of the new home market due to the added cost introduced by code compliance;

WHEREAS, the NAHB manages its involvement in the ICC through the NAHB Construction Codes and Standards Committee (CC&S) which like other NAHB committees is comprised of members as selected by NAHB leadership, and

WHEREAS, the NAHB CC&S Committee approves the policy of NAHB related to the ICC Code, the adoption of the same by state and local governments, and the support of the same by NAHB and its membership.

NOW, THEREFORE, BE IT RESOLVED that NAHB advocate actively that the ICC change its voting structure to allow voting rights for the regulated community– builders – in any final action or adoption of model codes;

NOW, THEREFORE, BE IT RECOMMENDED that NAHB:

- 1. Realign representation on the NAHB CC&S Committee to ensure representation of states disproportionately affected by the model codes;
- 2. Reexamine and reconsider using the ICC Model Codes as the standard for the industry; and
- 3. Explore the feasibility of the NAHB's drafting and adoption of its own model building code.

Leadership Council Action: Resolutions Committee Action: Construction, Codes & Standards Committee Action: Custom Home Builders Committee Action: Single Family Builders Committee Action: Multifamily Council Board of Trustees Action:

2020 Spring Leadership Council Meeting

Recommendation No. 1 Title: NAHB's Involvement in the Model Code Adoption Process

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.
- **[x]** No cost implications.

Recommendation No. <u>2</u>

Date: <u>6/19/2020</u> City: <u>Washington, DC</u>

NAHB Recommendation

Title:Sunset ReviewSponsor:Resolutions CommitteeSubmitted by:George LaCava

WHEREAS, the National Association of Home Builders (NAHB) has an established "sunset review" process for reviewing resolutions and recommendations adopted four years ago;

WHEREAS, the appropriate paperwork, including the current NAHB Policy Handbook and a booklet identifying all resolutions due to expire in June 2020 was available on www.nahb.org;

WHEREAS, all resolutions due to expire in June 2020 were reviewed by the appropriate committees and councils that have jurisdiction over the policy adopted or reaffirmed four years ago; and

WHEREAS, all committees and councils have submitted to the Resolutions Committee their recommendations on those resolutions adopted or reaffirmed in 2016 and due to expire in June 2020 that should be reaffirmed as active NAHB policy for another four years,

NOW, THEREFORE, BE IT RECOMMENDED that the National Association of Home Builders (NAHB) reaffirm as NAHB policy for another four years the following 50 resolutions as outlined in the NAHB Sunset Review Handbook:

Construction and Codes

2016.8 No. 4 Resiliency
2016.1 No. 2 Americans with Disabilities Act
2012.6 No. 2 Earthquake Hazard Mitigation
2012.6 No. 4 Federal Agency Housing Research and Development Activities
2008.5 No. 2 Stair Geometry Standards
1996.5 No. 11 Standards Referenced in Legislation and Regulations
1992.5 No. 19 Building Codes for Affordable Housing

Energy and Green Building

2016.1 No. 6 Water Conservation2008.2 No. 7 Appraisals of Green Homes2008.2 No. 5 Cost Effective and Affordable Energy Codes and Standards

Environment

2008.5 No. 6 Stormwater Regulation 2004.4 No. 6 Stormwater Enforcement 2004.4 No. 9 Submetered Water Systems

General Government & Economic Policy

2016.1 No. 1 Emerging Technology in Residential Construction
2016.1 No. 4 Require Congressional Review for Rule Adoption
2012.6 No. 1 Recognition of Benefit of Advocacy for Small Business Interests
2008.2 No. 6 Telecommunications Access, Marketing and Billing
1988.5 No. 25 Establishing Housing as a National Priority

Home Environment

2012.2 No. 2 Lead-Based Paint and Lead Hazard Reduction

Housing Finance

2016.1 No. 5 Comprehensive Framework for Housing Finance System Reform
2016.1 No. 3 Support for Ginnie Mae
2012.9 No. 1 The Use of Eminent Domain in Mortgage Restructuring
2012.2 No. 4 Improving the Accuracy of New Construction Appraisals
2012.2 No. 6 Foreclosures
2008.5 No. 10 Improving Mission Efforts by Fannie Mae and Freddie Mac
2004.10 No. 2 Treating Grants and Subordinated Mortgages as Equity for FHA-Insured
Home Mortgages
1996.9 No. 4 FHA Financing of Rental Housing of Less Than Five Units
1992.9 No. 6 Improving HUD's Construction/Permanent Program
1988.5 No. 20 Government National Mortgage Association Servicing Fee

Housing Programs

2004.10 No. 7 Improve Leverage Requirements in HUD Grant Programs 2004.4 No. 1 Age Restrictions for Rental Properties Insured by the Federal Housing Administration

2000.5 No. 2 Housing as a National Priority

1996.1 No. 4 Rural Housing Programs

1992.5 No. 46 Tenant Participation

1992.1 No. 33 Housing Finance Agency Programs

Insurance

2016.8 No. 3 National Flood Insurance Program

Labor

2012.6 No. 5 Fall Protection
2012.2 No. 1 Comprehensive OSHA Reform
2008.9 No. 2 Fair Labor Standards Act and Overtime Pay
2008.5 No. 3 Union Secret Ballot Elections
2004.10 No. 6 Davis Bacon Wage Requirements for HUD Housing Programs
2004.10 No. 13 Skilled Trades Outreach
2004.4 No. 5 Hearing Conservation in Construction
2000.5 No. 13 Apprenticeship Program Modernization

Recommendation/Internal Directives

2012.6 No. 7 Amend "Builders For" Program

Tax

2004.10 No. 10 Application and Allocation Fees in LIHTC Eligible Basis

2004.10 No. 11 Enforcement of Three-Year Provision for LIHTC Properties

2004.1 No. 2 Improving the Low-Income Housing Tax Credit Program for the Production of New Affordable Housing

2000.1 No. 5 Tax Credit for Affordable Homeownership

1996.9 No. 1 Legislation to Allow the Deductibility of Contributions to Loss Reserves by New Home Builders

Leadership Council Action: Resolutions Committee Action:

2020 Spring Leadership Council Meeting

Recommendation No. 2 Title: Sunset Review

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 _____.
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