Resolution No. 3

Date: 1/29/2021
City: Washington, DC

NAHB Resolution

Title: Electrification of the Housing Sector
Sponsor: NAHB’s Electrification Task Force
Submitted by: John Barrows

WHEREAS, concerns about the impacts of climate change have compelled policymakers at all levels to look for ways to cut greenhouse gas emissions (GHG) across all sectors of the U.S. economy;

WHEREAS, while there are many ways to achieve GHG reductions, many communities have passed laws or ordinances effectively banning the use of natural gas and propane within new construction and existing homes, with the goal of moving towards “electrification” and a growing number are considering doing the same;

WHEREAS, building electrification describes the transition from fossil fuel-powered appliances such as natural gas and propane furnaces, water heaters and stoves to electric appliances such as heat pumps, heat pump water heaters and cooking appliances;

WHEREAS, heat pumps, where feasible, can use considerably less source energy to produce heat and domestic hot water as resistance electric units or high-efficiency fossil- fueled furnaces and water heaters;

WHEREAS, because new construction is already significantly more energy efficient than the existing housing stock, any GHG emissions reductions gained through electrifying new construction would be far less than reductions gained through the improving the energy efficiency of existing homes;

WHEREAS, although electrification may provide benefits in certain applications, electrification mandates can be costly and infeasible in some areas of the country, limit consumer choice and create challenges for builders, homeowners, and consumers;

WHEREAS, due to performance limitations of electric heat pumps in colder climates, the continued use of fossil fuel may be the only feasible option in certain circumstances and locations;
WHEREAS, because electrification can result in both increased first costs and higher utility bills, electrification may place additional burdens on the consumer;

WHEREAS, because of real or perceived performance differences between electric and non-electric appliances, consumers may be reluctant to accept all electric homes; and

WHEREAS, market driven policies and programs, certifications, and other options that recognize homes that are built following high performance or green building practices can show verifiable reductions in GHG emissions,

NOW, THEREFORE, BE IT RESOLVED, that the National Association Home Builders (NAHB) supports incentive-based, voluntary electrification, and opposes unnecessary and costly mandates, including electrification only mandates;

BE IT FURTHER RESOLVED that the National Association of Home Builders (NAHB) only support the voluntary electrification of residential buildings if the entity considering the electrification policy:

1. Preserves consumer choice and considers consumer acceptance of an all-electric home;
2. Ensures that the existing housing stock is addressed; and
3. Develops economic incentives to offset the costs of electrifying buildings through methods such as rebates, tax incentives, favorable mortgage financing terms, utility rate structure, etc.

BE IT FURTHER RESOLVED that NAHB urge Congress, State legislatures, and local governments to support the efficient use of fossil fuels;

BE IT FURTHER RESOLVED, that NAHB urge the development and adoption of property appraisal methods that recognize the attributes of electrified homes and include utility costs in the calculations for mortgage qualification;

BE IT FURTHER RESOLVED, that NAHB monitor, support and assist the state and local HBAs, when requested, in working with their policymakers to oppose electrification mandates or adopt electrification policies that fit their local needs; and

BE IT FURTHER RESOLVED, that NAHB commit to educating policymakers, consumers, and the industry (builders, designers, remodelers, realtors, appraisers, and lenders) on the performance and positives and negatives of electrification in order to inform policy decisions and consumer choice.
Leadership Council Action: Approved
Resolutions Committee Action: Recommends Approval
Construction, Codes & Standards Committee Action: Recommends Approval
Custom Builders Committee Action: Recommends Approval
Housing Finance Committee Action: Recommends Approval
State & Local Government Affairs Committee Action: Recommends Approval
NAHB Remodelers Action: Recommends Approval
Environmental Issues Committee Action: Recommends Approval
Federal Governmental Affairs Committee Action: Recommends Approval
Single Family Builders Committee Action: Recommends Approval
Multifamily Council Board of Trustees Action: Recommends Disapproval
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
NAHB Recommendation

Title: Sunset Review
Sponsor: Resolutions Committee
Submitted by: Phil Warrick

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 2021 was available on www.nahb.org;

WHEREAS, all resolutions due to expire in June 2021 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 2017 and due to expire in June 2021 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 45 resolutions as outlined in the NAHB Sunset Review Handbook:

Construction and Codes
2013.10 No. 6 Federal Funding for Fire Safety
2013.6 No. 1 International Code Council - cdp ACCESS Remote Voting Program
2013.1 No. 2 Building Information Modeling (BIM)
2005.1 No. 3 NFPA One- and Two-Family Building Code

Energy and Green Building
2017.6 No. 1 Electric Utility Generation
2017.6 No. 2 Energy Efficiency as a Component of Greenhouse Gas Emission Reduction
2017.1 No. 1 Support for Sustainable, Green, Resilient, and High Performance Homes
2013.6 No. 2 Home Energy Labeling
Environment
2013.10 No. 4 Water Quality Trading
2009.1 No. 3 Climate Change Mitigation Strategies
2001.9 No. 4 Water Supply Planning and Infrastructure Policy

General Government & Economic Policy
2017.6 No. 3 Intellectual Property
2017.6 No. 4 Forest Management Practices and Sustainable Lumber Supplies
2013.6 No. 7 Disaster Relief and Recovery
2009.10 No. 3 Interior Designer Licensing
2005.9 No. 4A Comprehensive Reform of Immigration Laws
2005.4 No. 16 Supporting America's Veterans
2005.1 No. 7 Making Eco-Terrorism a Crime
1989.1 No. 8 Interest Rates and Monetary Policy

Home Environment
2009.5 No. 3 Policy on Radon

Housing Finance
2013.10 No. 2 EB-5 Immigrant Investor Program
2013.10 No. 3 Crowd Funding for AD&C Financing
2013.6 No. 8 Ensure Availability of Acquisition, Development and Construction Credit
2013.6 No. 9 Support of FHA
2013.1 No. 3 Tax Treatment of Securitized AD&C Loans
2005.1 No. 2 Addressing the Adverse Impact of Accounting Standards on Housing Finance System
1997.5 No. 6A Expansion of Commercial Bank Powers
1997.1 No. 12 Preserving a System of Locally Based Depository Institutions

Housing Programs
2005.4 No. 4 Federal Housing Choice Voucher Program Reform
1993.5 No. 12 Flexibility in the Use of HUD Community Development Block Grant Funds
1989.5 No. 30 Housing Data

Insurance
2017.6 No. 7 FEMA’s 50 Percent Rule for Substantial Improvement Damage Repair

Labor
2013.10 No. 9 US Dept of Labor Persuader Regulation
2013.6 No. 4 Employment Verification
2013.6 No. 6 Family Medical Leave
2001.6 No. 1 Support for Job Training Tax Credits
Land Development
2005.9 No. 6 Preserving Private Property Rights

Recommendation/Internal Directives
2009.5 No. 2 Endorsement of Presidential Tickets by Senior Officers

Tax
2009.5 No. 11 Expanding Investor Market for Low Income Housing Tax Credits
2009.5 No. 12 Providing Affordable Housing for Rural Americans
2009.1 No. 4 Exempt Loan Restructuring From Income Taxation
2005.4 No. 8 Modify Income Limits in the LIHTC and Tax-Exempt Bond Programs
2005.1 No. 8 Exit Tax Relief
1997.5 No. 3 Like Kind Exchange -- Section 1031 of Internal Revenue Code

Leadership Council Action: Approved
Resolutions Committee Action: Recommends Approval
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.
NAHB Recommendation

Title: NAHB Health Insurance Benefit
Sponsor: Dallas Builders Association
Submitted by: Tim Jackson

WHEREAS, the vast numerical majority of the National Association of Home Builders (NAHB) member companies are small to medium sized businesses;

WHEREAS, smaller employers face significant challenges in negotiating quality health care at costs that they and their employees can afford;

WHEREAS, putting small businesses on a more equal footing with larger employers and unions when it comes to health care costs empowers these businesses to attract and retain talented workers;

WHEREAS, competitive and stable health insurance solutions customized to meet the unique demands of the housing industry can significantly enrich membership recruitment and retention when offered by an association as a member benefit; and

WHEREAS, several state and local builders associations are unable to introduce competitive health care solutions due to significant regulatory and fiscal challenges to establish and maintain them.

NOW, THEREFORE, BE IT RECOMMENDED that the National Association of Home Builders (NAHB) explore the viability of introducing health insurance as a member benefit; and

BE IT FURTHER RECOMMENDED that NAHB engage a task force, committee or other working group that includes health insurance experts and representatives from state and local builders associations to identify potential solutions and present findings to the NAHB’s Leadership Council and Board of Directors as soon as practicable.

This recommendation was submitted after the deadline and will require a two-thirds majority vote for approval by the Leadership Council.

Leadership Council Action: Approved
Resolutions Committee Action: Recommends Approval
Budget & Finance Committee Action: Recommends Approval
Membership Committee Action: Recommends Approval
Association Planning Committee Action: Recommends Approval
Recommendation No. 2
Title: NAHB Health Insurance Benefit

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 ______.

[x] 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.

The recommended analysis may require the assistance of outside legal and insurance experts at an estimated cost of $75,000. As approved by the NAHB Leadership Council, costs to implement this recommendation may not exceed $100,000.

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

[ ] No cost implications.