

## **“BRINGING HOUSING HOME”** **May 3<sup>rd</sup> and 4<sup>th</sup>, 2018**

Every other year, the National Association of Home Builders has their Legislative Day across the nation, rather than in Washington, D.C. This year the theme was America’s Home Builders – Creating Jobs, Strengthening Families and Building Communities. Meetings are set up in district offices of our Congressman and Senators where members have the opportunity to attend. Over 100 meetings were held this year.

Nebraska was no exception, on May 3<sup>rd</sup> & 4<sup>th</sup>, NSHBA set meetings with Congressman Bacon, Senator Fischer, and Congressman Smith. Information was also discussed with Congressman Fortenberry and Senator Sasse’ offices.



The issues were as follows:

**Regulatory Reform** – This has been an ongoing problem affecting American Enterprise and particularly small business. The level of regulations that are now a part of the home building industry are causing us to be able to build the number of homes that are in demand. As you are aware, 25% of the cost of a home is directly related to regulations. Senators were ask to Support S.21 “Scrutiny Act of 2017”, S584 – Small Business Regulatory Flexibility Improvement Act and S951 – Regulatory Accountability Act which would all lead to more accountability and compliance.

**Flood Insurance** – The National Flood Insurance Program (NFIP) is set to expire on July 31<sup>st</sup>, 2018. We were urging that Congress pass a long term reauthorization of the NFIP before its current July 31<sup>st</sup> expiration date.

**Softwood Lumber** – As you are aware, US domestic timber production is not sufficient to meet demand in 2017. The United States consumed 47.62 billion board feet of softwood lumber while producing only 33.86 billion board feet (bbf). We rely almost exclusively on Canada to make up the difference. Our agreement with Canada on Softwood Lumber expired on December 31<sup>st</sup> of 2017. The 20% tariff on imports of Canadian softwood lumber imposed by the US Department of Commerce have driven lumber prices to a record high. Prices are up 25% from a year ago and 43% since January 1<sup>st</sup>, 2018. Softwood lumber alone is adding \$7,300 to the cost of a home. Again, eliminating thousands of buyers from the market.

Following these meetings, a letter was circulated on the Hill called the Marchant-Higgins Letter. I continued to work with all three Congressional Offices to ask that our Congressmen all sign on to this letter to encourage returning to the table to negotiate a new Softwood Lumber Agreement. I am pleased to note that we were able to achieve this. We were one of three states to have all Congressman on board.

**Housing Finance Reform** – Discussion was held on Housing Finance Reform and our association expressed a continued need to reform current systems and provide a market system for conventional mortgages with a limited backstop for catastrophic circumstances.

**Workforce/Immigration** – Lengthy discussions were held on this topic as it is one of the top concerns of not only homebuilders, but all industry. Our Nebraska delegation is committed to help solve this issue. It was expressed that we need a permanent solution regarding immigrants. We need a skilled workforce and we are working toward this in many states. Unfortunately, it is not a quick fix. There are some bills in the system that deal with working toward a solution such as H.R.2353, S792 and H.R.4508 as well as H.R.2004.

**Permitting Reform** – Discussion was held on creating a permitting system that is consistent, predictable and timely. A practical and transparent permitting system will improve compliance. These changes will go a long way toward improving the way builders do business and making the homes they build more affordable.

Our meetings in the two days encompassed a lot of issues, but were well worth the time. I appreciated all of the members that took time to attend and to discuss how some of the topics are affecting their individual businesses. Our Nebraska delegation is always eager to weigh in on how their constituents are being affected.