



National Association of Home Builders

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Government Affairs

James W. Tobin III
Senior Vice President & Chief Lobbyist

April 29, 2015

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, DC 20515

Key Vote

Dear Speaker Boehner:

On behalf of the 140,000 members of the National Association of Home Builders (NAHB), I am writing to express NAHB's support for H.R. 1732, the *Regulatory Integrity Protection Act*, introduced by Congressman Bill Shuster (R-PA). H.R. 1732 requires the Environmental Protection Agency and the Army Corps of Engineers (the agencies) to withdraw the proposed rule defining "waters of the United States." The agencies would be permitted to release an updated rule after completing a number of missed regulatory requirements. Because of the critical nature of this legislation to the home building industry, **NAHB is designating support for H.R. 1732 as a KEY VOTE.**

Last year, the agencies proposed a rule that greatly expands federal authority under the Clean Water Act. While NAHB disagrees with the substance of the proposed rule, it was also disappointed to learn that the agencies failed to complete many of the regulatory requirements that are designed to ensure a fair and balanced rule. For example, as required under Executive Order 13132, the agencies failed to adequately consult with state and local governments; consequently more than 33 states have formally requested that the proposed rule be withdrawn.

In addition, the agencies never assessed the impacts the rule will have on small business stakeholders, as required by the Regulatory Flexibility Act. In a letter dated October 1, 2014, the Small Business Administration's (SBA) Office of Advocacy publicly admonished the agencies because they "improperly certified this rule" and stated that the rule "will have a direct impact on small businesses." Since the home building industry is dominated by family-owned small businesses, we are frustrated with the lack of consideration of the burdens on small businesses.

The agencies failed to provide an accurate and statistically valid cost-benefit analysis to accompany this rule. Nonetheless, on April 6, 2015, the proposed rule was submitted to the Office of Management and Budget for review, which represents the last hurdle for agency rulemaking. If the rule is finalized, the public will have no opportunity to comment on the final economic report. Considering the flaws in the first analysis, this is an area of great concern.

Congress put in place these regulatory safeguards to ensure all stakeholder opinions are considered during the promulgation of a regulation. Yet, the agencies have disregarded these protections by either completing the task to the barest minimum standard or outright ignoring these requirements. H.R. 1732 would withdraw the proposed rule and require the agencies to develop a new proposal in consultation with state and local governments, as well as other affected entities, while relying on sound economic and scientific analysis. **NAHB urges you to support H.R. 1732, and designates a vote in support of H.R. 1732 as a KEY VOTE.**

Thank you for giving consideration to our views.

Sincerely,

A handwritten signature in black ink, appearing to read "J. W. Tobin III", is written over a light blue horizontal line.

James W. Tobin III