National Association of Home Builders

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The Honorable Bruce Westerman Chairman Natural Resources Committee 1324 Longworth House Office Building Washington, DC 20515 The Honorable Jared Huffman Ranking Member Natural Resources Committee 1329 Longworth House Office Building Washington, DC 20515

Dear Chairman Westerman and Ranking Member Huffman:

On behalf of the more than 140,000 members of the National Association of Home Builders (NAHB), I am writing to convey support for H.R. 1897, the *ESA Amendments Act of 2025.*

NAHB applauds this legislation's reversal of an egregious final rule that the Fish and Wildlife Service and National Marine Fisheries ("the Services") made to how property owners exercise "Reasonable and Prudent Measures," where the Services identify project-specific modifications to avoid or minimize impacts to endangered species or critical habitat.

Under the current regime, the Services may compel permittees to purchase mitigation credits, which increases housing costs and delays—or even halts—the residential construction process. This finalized rule also represents a dramatic expansion of the Services' authority under the Endangered Species Act (ESA) Section 7 provisions—which requires minimization, not mitigation.

H.R. 1897 also makes helpful changes to the ESA's Section 4 process. Presently, the Fish and Wildlife Service (FWS) imposes a "blanket rule"—a blunt tool that extends sweeping restrictions on actions that may affect endangered species to threatened species. The legislation addresses this by codifying the formerly used "4(d) rule". This allowed the FWS to promulgate fit-for-purpose rules for threatened species which accomplished two objectives: home builders had a clear and predictable regulatory process, and the protected species benefited from industry complying with a uniform set of conservations measures.

Lastly, this legislation clarifies the definition of "critical habitat" to ensure that an area must, indeed, be habitat for the listed species. In accordance with *Weyerhauser*¹, the bill specifies that habitat must be able to support one or more life processes of the species, with the ability to access other areas to support additional life processes.

¹ Weyerhaeuser Co. v. U.S. Fish & Wildlife Serv., 586 U.S. 17-71 (2018).

Reversing compensatory mitigation requirements, restoring the "4(d) rule" for threatened species, and clarifying the definition of "critical habitat" are key strides in improving longstanding issues surrounding the ESA. For these reasons, NAHB urges the Committee to report out the *ESA Amendments Act of 2025* as favorable.

Sincerely,

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Lake A. Coulson