## **National Association of Home Builders**



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April 29, 2025

The Honorable Roger Williams Chairman Committee on Small Business U.S. House of Representatives Washington, D.C. 20515 The Honorable Nydia Velazquez Ranking Member Committee on Small Business U.S. House of Representatives Washington, D.C. 20515

Dear Chairman Williams and Ranking Member Velazquez:

On behalf of the more than 140,000 members of the National Association of Home Builders (NAHB), I am writing to express our strong support for the *Prove It Act of 2025* (H.R. 1163), which would increase small business input in the regulatory process and ensure agencies are fully accounting for the impact of regulations on small businesses. NAHB urges the Committee to favorably report out this bill.

While the original congressional intent and subsequent enhancements to the Regulatory Flexibility Act are to be lauded, the reality is that far too often agencies either view compliance with the Act as little more than a procedural check-the-box exercise, or they artfully avoid compliance by other means entirely. The *Prove It Act* will ensure agencies thoughtfully consider the true cost of regulations on small businesses by requiring a more thorough analysis, including indirect costs associated with the proposed rule.

In April, NAHB Chairman Buddy Hughes testified before the House Small Business Committee that, "regulatory costs have a direct and negative effect on housing affordability." In fact, on average, nearly 25% of the cost of a single-family home is attributable to government regulation. While appropriate regulations play a key role in protecting health and safety, NAHB believes federal agencies rarely consider the unique burden small businesses face in complying with regulations as Congress intended with the Regulatory Flexibility Act.

Ensuring that regulations consider the true cost of compliance on small businesses in the home building industry would go a long way in helping to overcome the nation's housing supply crisis. For this reason, NAHB urges the committee to support the *Prove It Act of 2025*.

Thank you for considering our views.

Sincerely,

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Lake A. Coulson

**Government Affairs** 

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