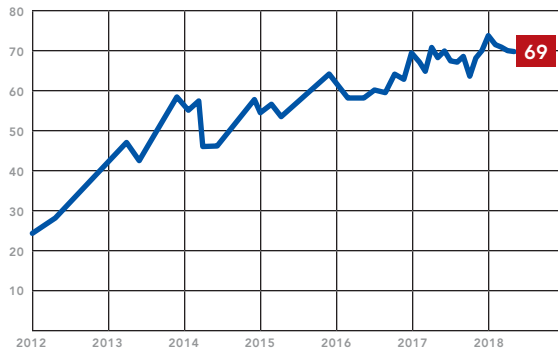
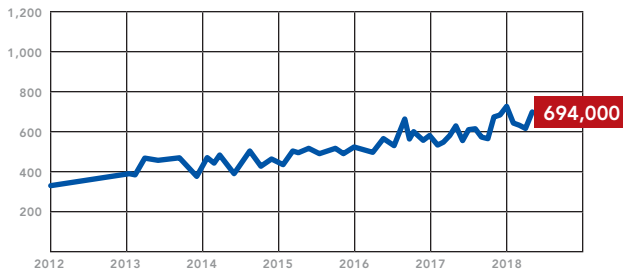


## HOUSING MARKET SNAPSHOT

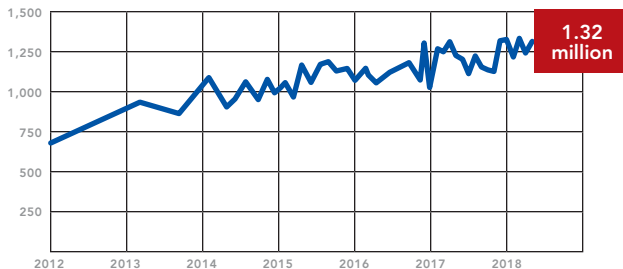
BUILDER CONFIDENCE EBBED



NEW-HOME SALES UP



HOUSING STARTS GROWING



REMODELING SPENDING DOWN



The builder confidence reading for April dropped 1 point to 69, according to the NAHB/Wells Fargo Housing Market Index. Remodeling spending decreased in March, down 8 percent to a seasonally adjusted annual rate of \$194.3 million. However, there was an uptick in new-home sales and housing starts in March, with sales rising 4.1 percent and starts up 1.9 percent.

## REGULATIONS' IMPACT ON SMALL BUSINESSES

Excessive regulation hurts small businesses, impedes residential construction, and slows the broader economy.

The Trump administration has taken steps to address the problem, but significant work remains to revisit the accumulated layers of regulations heaped upon small businesses.

Over decades, through both Republican and Democratic administrations, legislators and regulators have grown more distant from American enterprise, unaware of how their web of regulations affects businesses.

As increasingly complex regulations are added to existing ones, the proliferation of red tape generates skyrocketing compliance costs that stifle business innovation and harm consumers.

The housing industry provides a cautionary example of the impact, as regulatory costs dramatically affect affordability, which is detrimental to home builders and buyers alike. On average, nearly 25 percent of the cost of building a typical new single-family home, almost \$85,000, is attributable to government regulation. NAHB economists estimate that 14 million American households are priced out of the new-home market as a result. Congress can fix this broken system with three key reforms: restoring congressional oversight of the regulatory process, ensuring rulemaking agencies consider the disproportionate impact that rules have on small businesses, and reconsideration of the rulemaking process.

Any regulatory reform effort must begin with restoring congressional oversight to the rulemaking process. Unelected bureaucrats in Washington's regulatory agencies employ a variety of mechanisms, including interpretive rules, guidance documents, and policy statements to establish new laws beyond the intent of Congress. There are few checks against this unofficial fourth branch of government.

The process for implementing federal regulations has not been updated since the 1946 Administrative Procedures Act established a systematic protocol for proposals and use.

It is long past time for Congress to provide for greater transparency and public input during rule development, better public access to rulemaking data, and greater emphasis on least-cost alternatives. **PB**

ABOUT NAHB: THE NATIONAL ASSOCIATION OF HOME BUILDERS IS A WASHINGTON, D.C.-BASED TRADE ASSOCIATION REPRESENTING MORE THAN 140,000 MEMBERS INVOLVED IN HOME BUILDING, REMODELING, MULTIFAMILY CONSTRUCTION, PROPERTY MANAGEMENT, SUBCONTRACTING, DESIGN, HOUSING FINANCE, BUILDING PRODUCT MANUFACTURING, AND OTHER ASPECTS OF RESIDENTIAL AND LIGHT COMMERCIAL CONSTRUCTION. FOR MORE, VISIT NAHB.ORG.