



Talking Points on Key Housing Issues

January 2026

The following talking points help tell the residential construction industry story to the media, policymakers, NAHB members, local/civic organizations and consumers.

Key NAHB Housing Issues

1. **A Productive 2025.** Led by passage of the One Big Beautiful Bill Act, NAHB made solid progress in advancing our housing policy objectives in 2025. In addition to other legislative victories, we also secured several wins for our members on the regulatory, legal and codes fronts.
2. **Building on the Momentum.** NAHB will seek to build on our wins from 2025 by continuing to work with lawmakers at all levels of government to eliminate obstacles that are preventing builders from constructing more homes and apartments. And we will work diligently to elect pro-housing, business lawmakers to Congress in the 2026 midterm elections.
3. **Optimism for Home Building.** In the last three months of 2025, builders reported positive readings for future sales expectations. This is consistent with NAHB's forecast for a slight increase in single-family housing starts in 2026.
4. **Housing Market Snapshot:** Due to the aftermath of the government shutdown, no new data has been released for housing starts and new home sales since August. (Single-family starts for September and October are scheduled to be released on Jan. 9.) Existing home sales posted a slight gain in November and builder confidence registered a one-point increase in December to a reading of 39.

A Productive 2025

- In 2025, NAHB secured several important legislative, regulatory and business wins for our members and moved the ball forward on many other important housing policy objectives.
- Here are just a few wins that will have an immediate and positive impact on our industry and our members:
 - **The One Big Beautiful Bill Act was signed into law on July 4.** NAHB helped secure several key housing and business provisions in this sweeping tax and domestic policy legislation that will benefit small businesses, real estate and our members. The tax law:

- Blocks a \$4 trillion tax increase by making permanent key provisions in the Tax Cuts and Jobs Act, including the tax rate structure and increased exemptions to the Alternative Minimum Tax.
 - Makes permanent the 20% Section 199A Qualified Business Deduction, which helps provide tax parity for pass-through entities.
 - Provides more resources for affordable rental housing by expanding the Low-Income Housing Tax Credit.
 - View more details and housing wins on the tax law [here](#).
- **A roll back of Biden’s gas water heater ban.** In a major win for NAHB, Congress approved a resolution that will [block the Biden administration’s recent attempt to ban certain natural gas water heaters](#).
 - **A revamped WOTUS rule.** In a move championed by NAHB, the Environmental Protection Agency and U.S. Army Corps of Engineers [announced a proposed updated definition of “waters of the United States”](#) (WOTUS). The rule will provide builders much-needed clarity by defining which waters are subject to federal jurisdiction under the Clean Water Act while continuing to protect our nation’s vital waterways.

NAHB has been [actively engaged](#) in this rulemaking process, [participating in listening sessions](#) and [providing written feedback](#) on how federal regulation affects development practices.

- **Six-month delay on HUD’s 2021 IECC rule.** NAHB convinced the Department of Housing and Urban Development (HUD) and Department of Agriculture (USDA) to [wait until May 28, 2026](#) before enforcing the compliance dates for adopting the 2021 International Energy Conservation Code (IECC) and ASHRAE 90.1-2019 as the minimum energy-efficiency standards for certain single-family and multifamily housing programs.

On Jan. 2, 2025, NAHB and 15 state attorneys general [filed a complaint](#) in the Eastern District of Texas seeking to stop HUD and the USDA from adopting the 2021 IECC and ASHRAE 90.1-2019 as the minimum energy-efficiency standards for certain single-family and multifamily housing programs. NAHB is also working to get legislation introduced in Congress that will achieve the same goal.

- **U.S. firms exempt from beneficial ownership reporting.** In a win for NAHB and the small business community, the U.S. Treasury’s Financial Crimes Enforcement Network [published an interim final rule](#) on beneficial ownership information (BOI) reporting requirements that narrows the BOI reporting requirements to foreign reporting companies only.

NAHB has actively advocated to protect small businesses from these substantial compliance burdens, including [working with lawmakers](#) to provide ample time to understand and comply with these reporting rules and [filing an amicus brief](#) to question their constitutionality.

This rule removing BOI reporting requirements for U.S. companies and U.S. persons became effective on March 26, 2025.

- **FHA cuts all multifamily mortgage insurance premiums to 0.25%.** In an important win for NAHB members, the Federal Housing Administration on Oct. 1 [slashed the FHA multifamily mortgage insurance premiums \(MIP\) for all multifamily programs to 25 basis points.](#)

Before this reduction, multifamily MIPs ranged from 25 basis points up to 95 basis points. A blanket 25 basis for all multifamily programs makes these programs cost effective and should serve to stimulate the production of multifamily housing.

- **Energy-efficiency mandates suspended.** In a move supported by NAHB, the Department of Energy announced in mid-February that it will [postpone the implementation of the latest round of restrictive energy efficiency mandates](#) on key home energy appliances, including for gas powered instantaneous (tankless) water heaters.
- **A mandate to cut regulations and increase the housing supply.** President Trump issued an [executive order](#) on his first day in office that seeks to lower the cost and increase the supply of housing. The president cited NAHB data when he noted that regulatory requirements alone account for 25% of the cost of constructing a new home.
- **Key Codes Wins.** Although not finalized, NAHB staff and members worked through the International Code Council's (ICC) model building code development process to:

Defeat two proposals, which would: 1) require fuel gas detectors and alarms in homes with fuel-fired appliances, and 2) extend flood-resistant construction for one- and two-family dwellings and townhouses to the 500-year floodplain.

And gain approval of proposals to: 1) restore the traditional 8-1/4" tread depth and 9" riser height for stairs used in many states, and 2) [reference the ICC 1200 series of standards for modular and panelized construction.](#)

- **Combating Permitting Roadblocks.** On the legal front, NAHB successfully challenged the validity of a number of Biden administration **Endangered Species Act** rules. This resulted in four proposed rules concerning species listings, critical habitat designations, and interagency consultations being restored to their favorable 2019 framework.

NAHB argued that environmental impact analyses are improper when straying outside an agency's regulatory or mitigation control. The U.S. Supreme Court agreed and notably narrowed the scope of **environmental reviews**.

On March 4, 2025, the U.S. Supreme Court ruled that the EPA could not include "end result" requirements in **Clean Water Act permits**. NAHB filed an amicus brief opposing "end result" requirements and warning the court not to alter the "best management

practice” approach to Clean Water Act permitting, which is crucial for home builders. The U.S. Supreme Court cited NAHB in rendering its decision.

On the legislative front, NAHB worked with House lawmakers to pass the [PERMIT Act](#) and [SPEED Act](#), permitting reform bills that would provide builders clarity under the Clean Water Act and spur single-family and multifamily housing production.

- **Supporting Members at All Levels.** NAHB achieved great results for our rank-and-file by working on major state and local issues that affect our members’ bottom lines. Through its [State and Local Issues Fund](#), which provides financial assistance to HBAs to help them advocate on industry issues, NAHB distributed \$360,000 to 18 HBAs in 2025.

Similarly, the [Legal Action Fund](#) granted \$330,000 to help 13 state and local associations and three members involved in litigation. NAHB supplemented this funding with technical assistance and staff expertise to help the HBAs meet their goals.

These actions resulted in key wins for our state and local HBAs:

- [New York State Gas Ban Suspended While NAHB and NY HBA Appeal](#)
- [Delaware Pauses State Energy Code Overhaul After HBA’s Concerns](#)
- [Vermont Executive Order Addresses Builders’ Top Concerns](#)
- [California Tackles Housing Costs with Building Code Freeze, Permitting Reforms](#)
- **Key Legislation in the Pipeline.** NAHB actively worked in 2025 to secure additional wins on Capitol Hill, which included advancement of several housing- and code-specific bills that NAHB will continue to advocate for in 2026. These bills include:
 - **ROAD to Housing Act/Housing for the 21st Century Act.** The Senate approved a [major NAHB-supported housing package](#) to address our nation’s housing supply crisis by cutting red tape, incentivizing local zoning reform and supporting new construction. Mirroring the Senate’s efforts, the House Financial Services Committee approved its own plan to increase housing production, the [Housing for the 21st Century Act](#).
 - **CONSTRUCTS Act.** Pending in the House and Senate, this bipartisan bill is specifically geared to [ease the labor shortage in the construction industry](#) by helping to prepare young adults for rewarding careers in construction and other essential trades.

- **Energy Choice Act.** Awaiting action on the House floor and introduced in the Senate, this bill would [prevent state and local governments from banning the use of natural gas energy in new homes](#).
- [View the full report](#) of NAHB's wins for our Federation in 2025.

Looking Ahead in 2026

- This year, NAHB will seek to build on our wins from 2025. We will continue to:
 - Work with the administration and Congress to eliminate regulatory obstacles that are preventing builders from constructing more homes and apartments;
 - Urge Congress to move quickly to pass a major housing package that cuts red tape, addresses zoning and land-use policies, and provides state and local governments an array of options to increase housing production.
 - Assist state and local HBAs as they work with local officials to overturn inefficient zoning rules, lower impact fees and expedite approvals for new home construction.
 - Ensure that housing remains a top national priority by working to elect pro-housing, pro-business candidates in the 2026 midterm elections.

Optimism for Home Building

- With mortgage rates lower than those at the start of the fall, some housing indicators have shown slight gains.
- For example, the NAHB/Wells Fargo Housing Market Index increased one point to 39 in December.
- Moreover, some optimism exists for 2026, as the last three months have registered positive readings for the future sales index, consistent with our forecast for a slight gain for single-family home building this year.
- In another encouraging sign, the homeownership rate increased to 65.3% in the third quarter of 2025, a promising improvement given challenging affordability conditions.
- However, builders continue to face several supply-side concerns, including shortages of lots and labor as well as tariff uncertainty that all are contributing to rising construction costs.

Housing Market Snapshot

Latest Data: **August/November 2025***

Housing Starts	Current Value	Monthly Change	Yearly Change
Single-family:	890,000 AR	-7.0%	-11.7%
Multifamily:	417,000 AR	-11.7%	8.9%

Median SF Home Price			
<u>New:</u>	\$415,200	6.6%	2.1%
<u>Existing:</u>	\$422,800	-0.2%	1.2%

SF Home Sales			
<u>New:</u>	800,000 AR	20.5%	15.4%
<u>Existing:</u>	3.75 million AR	0.8%	-0.8%

Notes: AR - Annual Rate, SF - Single-family, Seasonally Adjusted Data

Source: U.S. Census Bureau, National Association of Realtors, NAHB Analysis

*Due to the government shutdown, no new data for housing starts and new single-family home sales have been released since August.

NAHB/Wells Fargo Housing Market Index – The index, which measures builder confidence in the market for newly built single-family homes, was 39 in December, up one point from November. Any number below 50 indicates that more builders view sales conditions as poor than good.

NAHB Chief Economist Robert Dietz's analysis: ""Market conditions remain challenging with two-thirds of builders reporting they are offering incentives to move buyers off the fence. Meanwhile, builders are contending with rising material and labor prices, as tariffs are having serious repercussions on construction costs. In positive signs for the market, builders report that future sales expectations have been above the key breakeven level of 50 for the past three months and the recent easing of monetary policy should help builder loan conditions at the start of 2026. NAHB is forecasting a slight increase in single-family starts for this year."