

APRIL SHOWERS SPROUT CAUTIOUS OPTIMISM

Dear Member,

First, I would like to thank everyone who attended NIA's 57th Annual Convention in Scottsdale a few weeks ago. From the beautiful weather to the energized meetings, the convention was a great success. I hope that you all enjoyed reconnecting with old friends and meeting new ones, and that you found the presentations and discussions to be informative and helpful.

New to this year's Annual Convention was our first ever Foundation Stakeholders Business Meeting and Luncheon. We invited representatives from Foundation contributors to hear a presentation on the Foundation's legislative activity, strategic partner progress, the MIC, and the education training classes. Attendees were provided with important resources, which they were encouraged to share with their companies to inform them of the work we're doing to grow the mechanical insulation industry. We received valuable feedback from the event, and I look forward to developing this meeting concept further.

APPROPRIATIONS

We have also been busy legislatively. The Senate Appropriations Committee has completed the FY'13 Senate Energy and Water Development Appropriations Bill, which now contains language that may make a big difference for the mechanical insulation industry as a whole. It reads, "The Department is encouraged to utilize \$500,000 to continue the mechanical insulation campaign that was initiated in fiscal year 2010 and is ongoing with industry cost-sharing and collaborating on content."

Additionally, the House's Appropriations Committee has drafted language pertaining to mechanical insulation in its Energy and Water Development Appropriations Bill, and it reads: "The Department is encouraged to continue its efforts furthering improvements in mechanical insulation, an area which has the potential to yield significant energy and cost savings for the industrial, commercial, and manufacturing sectors."

While we know that the language in both bills could be struck from the finalized version, we remain cautiously optimistic at both the Senate and the House's vocal support of the mechanical insulation industry.

The FY'13 Senate Energy and Water Development Appropriations Bill includes \$50 million for the SEP (\$1 million more than the Administration's request) and \$145 million for the Weatherization Assistance Program (\$6 million more than the Administration's request). Since the House Energy and Water Development Appropriations Bill includes \$25 million for SEP and \$54 million for WAP, the higher Senate numbers are important to achieving an amount equal to or near the FY'12 level of \$50 million for SEP, when the bills go to conference.

These predicted appropriations, combined with the steady rise in the economy this past year, encourage us to continue to push for federal support of the mechanical insulation industry.

TAX INCENTIVE

While we know that we still face potential challenges in securing additional funding, we will continue to aggressively promote our mechanical insulation tax credit on Capitol Hill. H.R. 2866, The Mechanical Insulation Installation Incentive Act, has added two additional cosponsors, Rep. Lois Capps (D-Calif.) and Rep. Mazie Hirono (D-HI), bringing the total number of cosponsors to 55. This bill would allow for additional tax deduction for installing mechanical insulation properly.

I want to thank you for your ongoing support and involvement as we work to communicate the importance of mechanical insulation. As you heard at the Annual Convention, your participation and advocacy is vital to promoting mechanical insulation, creating valuable jobs and increasing energy savings throughout the country.

To that aim, please consider making a pledge to NIA's Foundation, as we need your financial support to sustain our progress.

Regards,
Michele M. Jones
Executive Vice President/CEO