



THE NATIONAL INSULATION ASSOCIATION

Insulation Advocate



Insulation Gaining Respect on Capitol Hill

As Congress recesses for August, we reflect back on all the progress we have made, and the newfound respect insulation is receiving on Capitol Hill; we believe Congress has learned a valuable lesson about insulation, and the value it offers to alleviate a number of issues. NIA is proud of what we and our members have accomplished, and we are working hard to make the most of the well-deserved recognition insulation is finally receiving.

In July, NIA collaborated with other organizations in order to promote collective industry goals. One issue that has been of particular concern to the industry is the low effective U.S. tax rates of certain large multi-national corporations. While they pay effective tax rates that are often in the single digits, smaller businesses often pay some of the highest tax rates in the United States. Given the prioritization of tax reform on Capitol Hill, we believe it is crucial that policymakers take effective tax rates-what businesses actually pay-into consideration. Reform is needed to ensure that the tax burden is not unfairly shifted to smaller companies. Toward this end, NIA has joined with the National Association of Whole-Sale Distributors in their new group, the Coalition for Fair Effective Tax Rates. This alliance seeks to ensure that tax reform proposals consider effective-not marginal or statutory-tax rates and that policymakers, leaders in public thought, and other major players adopt this comprehensive view. Over 163 organizations have joined the coalition, and are ready to shape the ongoing conversation about creating a fair tax code.

In past issues of *Insulation Advocate*, we have written about the Energy Savings and Industrial Competitiveness Act, also known as the Shaheen-Portman bill. In July, we joined 64 other companies in signing a letter penned by The Real Estate Roundtable supporting the Tenant Star amendment to the bill. This amendment authorizes a program to certify leased spaces within buildings as energy efficient, as opposed to only allowing the whole building to be certified. This amendment seeks to remedy the issue caused by the fact that building owners and managers usually control only half of their buildings. The Tenant Star amendment takes into account tenants' significant impact on energy consumption.

Last month, we discussed our success in attaching mechanical insulation amendments to the Farm Bill, which eventually failed to pass the House of Representatives. On July 10, however, House Representatives introduced a modified version of the Farm Bill, and we were again successfully able to include insulation language in in the form of mechanical insulation assessments for U.S. Department of Agriculture facilities. The bill passed the House on July 11 and was sent to the Senate, where it was passed with some modifications. The bill must now go back to the House where they will approve or reject the changes; if it is passed in the House, it will then go to the President for signing.

In early June, NIA initiated a grassroots campaign asking members to contact their Congressional Representatives and urge them to support H.R. 184, the Mechanical Insulation Installation Incentive Act. To date, more than 600 letters have gone to Congress! While we are thrilled at the response, these

letters have come from only 26 members companies. We need all of our companies to participate to ensure Congress understands that this issue matters to their constituents. Sample letters and instructions are available for you on our homepage.

During July, NIA also received follow-up questions from the Congressional hearing "Green Buildings- An Evaluation of Energy Service Performance Contracts" (ESPCs). NIA Past President Ron King testified during this hearing about the value insulation could add to ESPCs. The follow-up questions focused on how often mechanical insulation is used as an energy efficiency improvement with ESPCs, its efficiency and why it is not utilized further, whether insulation is included in most building codes, code enforcement, energy/water nexus, savings verification for mechanical insulation use in ESPCs, and mechanical insulation assessments in federal buildings. We are very encouraged to see how engaged the Congressional Representatives are with these issues, and hope our testimony will encourage the increased use of mechanical insulation in ESPCs and other applications.

Like Congress, *Insulation Advocate* is going to recess for August. Here at NIA, we will be regrouping and strategizing on the best path forward to make sure our industry is represented and our policymakers understand the unparalleled potential of insulation. We will be back in September, stay tuned!

Best Regards,
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NIA EVP/CEO