

NOVEMBER 30, 2010

**MECHANICAL INSULATION & MID-TERM ELECTIONS:  
WORKING THROUGH "LAME DUCK," LOOKING AHEAD TO THE 112<sup>TH</sup> CONGRESS**

Dear Member,

With Thanksgiving behind us and the holiday season in full swing, we cannot forget that it was only earlier this month that the country saw a vibrant day of voting on November 2. The mid-term elections brought a major shift to Washington and the composition of the U.S. Congress. With a change in House leadership, a near flip of the Democrat to Republican member ratio on Congressional committees, and a Republican pick up of six seats in the Senate, those in Washington—including NIA—will be looking to build relationships with at least 13 new senators and 93 new representatives.

Despite the tumultuous election outcome, we are pleased to report that our bill sponsor of S. 3716, Senator Gillibrand (D-NY), will be returning to Congress along with co-sponsors Senators Rockefeller (D-WV) and Johanns (R-NE). Our newest co-sponsor and mechanical insulation supporter Senator Stabenow (D-MI) will also be returning next year. And while we were sad to learn that our H.R. 4296 sponsor and champion Representative Halvorson (D-IL) lost her reelection bid, at least 47 of our 65 co-sponsors will be returning, and we look forward to leveraging those relationships further next year.

In the upcoming weeks of the remaining Congressional session (known as "lame duck"), we will find out which members will serve on House and Senate committees, including those that handle the issues most relevant to our priorities and future efforts: energy and tax policy. Armed with this information, we can better develop our long-term outreach and education strategy for the 112<sup>th</sup> Congress, which will no doubt depend on the continued strong support of our members.

In the meantime, we are monitoring the lame duck session and continue to advocate our NIA priorities. Members of Congress have just arrived back in D.C. following the Thanksgiving break and are expected to debate major issues, including the expiring 2001 and 2003 tax cuts and the Fiscal Year 2011 spending bills. Both of these issues are likely to be contentious, and we can expect to see plenty of politicking in the remaining session.

Although legislative members will be largely focused on these broader issues, we are also working with our Congressional champions on further progress before this Congress adjourns, likely by December 17. Our priorities include enactment of the Mechanical Insulation Installation Incentive Act and pursuing an omnibus appropriations bill to enable the continuation of \$500,000 for the Mechanical Insulation Education and Awareness Campaign (MIC). Given the crowded Congressional calendar and the change in political dynamics caused by the mid-term elections, it is unlikely that either the tax deduction bill or an omnibus appropriations bill will be signed into law before the end of the year. Regardless of the lame duck outcome, however, our efforts now will help build a strong foundation for support in the next Congress.

While the mid-term elections have caused a major shift in Washington, we have made significant strides this year in improving awareness of our industry. Armed with a recognized DOE ITP program, existing tax bill language, a winning issue, and your support, I am confident that we can use this opportunity to reach new heights in sharing the importance of mechanical insulation. I hope you had a wonderful Thanksgiving, and I look forward to reporting the outcomes of this Congress and our progress next month.

Regards,  
Michele M. Jones,  
Executive Vice President/CEO