



September 22, 2011

The Honorable Pat Tiberi, Chairman
Subcommittee on Select Revenue Measures
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Boustany, Chairman
Subcommittee on Oversight
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Chairman Tiberi and Chairman Boustany,

On behalf of the 7,000 companies that belong to the National Association of the Remodeling Industry (NARI), we are writing to thank you for having this hearing on the intersection of energy policy and tax policy.

NARI is a non-profit trade association based in Des Plaines, Illinois. We have 60 Chapters in major metro areas nationwide and our membership is comprised of remodeling contractors, local suppliers, and national suppliers. Eighty percent of NARI member companies have 20 employees or less. NARI's core purpose is to advance and promote the remodeling industry's professionalism, product and vital public purpose.

The Energy Policy Act of 2005 established a federal tax credit for energy-efficient home improvements (found in section 25C of the tax code). The 30 percent credit applies to energy efficiency improvements for existing homes and the purchase of high-efficiency heating, cooling, and water-heating equipment. Homeowners were able to take a combined credit up to \$1,500 for equipment purchased during a two-year period, until 2010 when the lifetime credit cap was lowered to \$500.

NARI believes that 25C tax credits deserve recognition for their success which is largely undocumented when only measuring tax return data. If the true measure of success was considered, reinstatement of the program is more likely, rather than exploration of alternative energy programs with unknown success rates. In a November 2010 survey, 81 percent of NARI members supported the extension of the 25C tax credit.



Every energy efficiency improvement offers an opportunity for trained remodeling professionals to enhance the quality of homeowners' lives. Those projects provide valuable work in the construction sector which is struggling to recover from our economic downturn. The home energy efficiency improvements also save homeowners substantial amounts of money on their monthly energy bills.

The 25C tax credit had significant impact on job creation in the construction and manufacturing sectors as well as in energy reduction, and it's believed that reinstatement of the program will have continued positive impact

Sincerely,

A handwritten signature in black ink that reads 'Mary Busey Harris'.

Mary Busey Harris, CAE
Executive Vice President