



**December 3, 2021**

The Honorable Chuck Schumer  
Majority Leader  
U.S. Senate  
322 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Mitch McConnell  
Minority Leader  
U.S. Senate  
317 Russell Senate Office Building  
Washington, D.C. 20510

Dear Majority Leader Schumer and Minority Leader McConnell:

The National Lumber and Building Material Dealers Association (NLBMDA) with its state and regional association partners represent over 6,000 building material retail locations nationwide who operate single and multiple lumber yards and component plants serving homebuilders, subcontractors, general contractors, and consumers in the new construction, repair and remodeling of residential and light commercial structures. The majority of NLBMDA members are small, family-owned lumber and building material (LBM) operations, in many instances providing lumber products and building material in the same communities for generations.

NLBMDA writes today to urge the Senate to support the priorities of the LBM industry as you consider possible revisions to the House of Representatives' Build Back Better Act (H.R. 5376). As currently written, the Build Back Better Act contains several problematic provisions that would have a negative impact on LBM dealers and the U.S. economy overall. These provisions are particularly concerning given the ongoing economic uncertainty resulting from the COVID-19 pandemic, labor shortages and supply chain disruptions.

To this end, NLBMDA calls on the Senate to amend the legislation to ensure any new policy proposals do not impose burdensome costs on small businesses and hinder job creation. Below you will find several recommendations from NLBMDA to improve the Build Back Better Act and support America's LBM dealers.

### **Oppose Tax Increases on LBM Dealers**

NLBMDA opposes all tax increases on LBM dealers and urges the Senate to reject any changes to the tax code that would have a negative impact on the LBM industry. Small businesses are the backbone of the economy as they employ nearly half of all American workers and account for two-thirds of the net job creation over the past decade. NLBMDA believes any changes to our tax code should sustain the competitiveness of America's small businesses and ensure they can remain viable in the long-term. NLBMDA also opposes limits to the state and local tax (SALT) deduction that increases taxes for individuals in high cost areas and makes it more difficult for dealers to retain quality employees. As the economy continues to recover from the COVID-19 pandemic, now would be the wrong time to raise taxes on America's small businesses.

### **Oppose Provisions from the Protecting the Right to Organize (PRO) Act**

NLBMDA opposes the inclusion of any provisions from the Protecting the Right to Organize (PRO) Act in the Build Back Better Act. The PRO Act would drastically restructure America's labor laws resulting in economic upheaval that would cost millions of American jobs, threaten vital supply chains, and greatly diminish opportunities for entrepreneurs and small businesses. Specifically, NLBMDA calls on Congress to remove sec. 21006 from the Build Back Better Act that would institute unreasonable new civil penalties on

employers under the National Labor Relations Act. NLBMDA believes the budget reconciliation process is the wrong avenue to implement drastic new labor policies and urges Congress to reject all PRO Act provisions in the Build Back Better Act.

### **Oppose Unreasonable Increases to OSHA Fines**

The Build Back Better Act currently contains ten-fold increases to civil penalties levied by the Occupational Safety and Health Administration (OSHA) on the employer community. While workplace safety continues to be a top priority for NLBMDA, these proposed increases are unreasonable and could cripple small businesses and lead to job losses across the country. NLBMDA urges the Senate to remove these increases in the final bill.

### **Oppose Expansion of the Family Medical Leave Act (FMLA)**

NLBMDA opposes the House proposal to expand the Family Medical Leave Act (FMLA) as it would create considerable burdens on small businesses in the lumber and building material industry. Government mandates take away employers' and employees' ability to negotiate flexible benefits packages and increase the time, paperwork and cost of complying with labor laws. The Senate should remove the House's FMLA expansion in the final bill.

### **Prioritize Workforce Development Initiatives**

NLBMDA remains concerned about the growing "skills gap" in the nation's workforce and the negative effects it is having on residential construction. NLBMDA supports the Perkins Act that provides federal support to state and local career technical education (CTE) programs and proposals to expand vocational training, apprenticeships and work-based learning. The Senate should prioritize programs that will help alleviate workforce shortages in the U.S. economy.

### **Prioritize the Low-Income Housing Tax Credit and Affordable Housing**

NLBMDA supports the Affordable Housing Credit Improvement Act (H.R. 2573), which would address the nation's shortage of affordable housing by protecting, expanding and strengthening the Low-Income Housing Tax Credit (LIHTC). The Senate should prioritize policies that will expand access to affordable housing across the country.

Thank you for the opportunity to provide comment and we look forward to working with the Senate as you consider changes to the Build Back Better Act in the coming weeks. Please contact NLBMDA's Director of Government Affairs Kevin McKenney at [kevin@dealer.org](mailto:kevin@dealer.org) with any further questions.

Sincerely,



Jonathan M. Paine, CAE  
President & CEO