

Report: Analysis of Dr. Ivan Rupnik's Testimony on Housing System Certification

Source document: Written testimony of Dr. Ivan Rupnik (MOD X Advisory / Northeastern University) before the House Select Committee on Small Business, "Building the Future: How Small Home Builders are Closing America's Housing Gap," May 21, 2026.

1. Summary of the Testimony

Rupnik's central thesis is that the United States already possesses the legal authority and institutional design needed to fix a longstanding problem — the failure to "industrialize" housing delivery the way other complex manufactured products (cars, aircraft, medical devices) are regulated. Rather than proposing new legislation, he argues Congress should simply direct implementation of authority it already granted in 1974.

The historical arc he presents:

- **1968 Housing Act** authorized HUD to pilot a national housing system certification approach and study how local codes affect per-unit costs.
- **Operation Breakthrough (1969–1973)** was the resulting pilot. Rupnik argues it validated the institutional/certification model even though it didn't reach commercial scale, largely because a 1973 federal housing subsidy moratorium cut off the pipeline.
- **1974 Housing and Community Development Act** produced two outputs: the HUD Code (a performance-based federal standard for manufactured/mobile homes) and the creation of the National Institute of Building Sciences (NIBS), which was mandated — but never directed or funded — to build a broader housing system certification framework.
- Rupnik's claim: that the 1974 mandate has "never been rescinded" and is available for Congress to activate now, without new appropriations or authority.

What "housing system certification" means in his framework: rather than approving each home project individually (design review, construction inspection, financing, insurance — all done project-by-project), a company's entire integrated delivery system (design logic, manufacturing/assembly process, quality controls, performance characteristics) would be certified once by an independent body. Individual projects using that certified system would then inherit the approval, similar to how aircraft models are certified once and then produced repeatedly within a "configuration space."

Three recommended actions:

1. **Immediate:** Standardize terminology and federal award/underwriting criteria across HUD, FHFA, USDA, VA, FEMA, etc.
2. **Near-term:** Direct NIBS to build the certification framework using the still-valid 1974 authority.
3. **Longer-term:** Use the certification framework as a bridge to broader performance-based building code reform (following the HUD Code precedent).

Evidence offered:

- Japan's parallel certification program (established 1973, following direct HUD engagement) now covers ~28% of Japanese housing units, with cited benefits in earthquake resistance, net-zero energy performance, accessibility, and insurance/mortgage discounts.
 - Case studies of two firms: **Fading West Development** (factory-built modular homebuilder) as an example of a small firm burdened by project-by-project approval, and **JPI** (a large, site-built multifamily developer owned by Japan's Sumitomo Forestry) as an example of a company that has internalized certification logic and reports substantial R&D investment and schedule compression (26→18 months on large multifamily projects; 180→120→70 days for interior finishes).
 - The 1976 HUD Code's manufactured housing program as proof that performance-based regulation works in the U.S. context (9 million units delivered, ~half the per-square-foot cost of comparable site-built housing).
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2. Structure of the Argument

The testimony is built on a single load-bearing legal/historical claim — that a 1974 congressional mandate to NIBS is real, still active, and sufficient to justify Committee action without new legislation — supported by three types of evidence:

1. **Historical/legal precedent** (1968 and 1974 statutes, Operation Breakthrough, GAO report)
2. **International comparison** (Japan's certification system)
3. **Contemporary industry testimony** (Fading West, JPI — both drawn from Rupnik's own advisory relationships)

Nearly all citations trace back to a single primary source: the 2026 HUD report Rupnik co-authored with Ryan E. Smith and Tyler Schmetterer ("HUD Action Plan"), and a 2023 companion "Research Roadmap." This is disclosed and not hidden, but it means the testimony functions largely as a distilled advocacy summary of the author's own prior report, rather than as independently corroborated testimony.

3. Points Worth Flagging for a Critical Reader

a. Self-sourced data. The JPI figures (6%+ of ROI to R&D; 26→18 month compression; the projected 58% "technical limit" of schedule savings) come directly from JPI to Rupnik's firm "in the course of an ongoing advisory engagement" (endnotes 18–20). Endnote 20 explicitly states the 58% figure "has not been independently verified and is presented as company analysis."

This is disclosed, but it is also client-provided data being used to support the policy recommendation the client's own advisor is proposing — a real conflict-of-interest consideration for the Committee to weigh, even if not concealed.

b. Rupnik has a direct financial/professional stake in the outcome. MOD X Advisory is (1) advising JPI, (2) leading a Washington State starter-home certification pilot, and (3) participating in the NIBS Steering and Technical Committee that would do the certification development work being recommended. The recommendation—directing NIBS to act—would expand the market for exactly the kind of advisory work Rupnik's firm does. This doesn't invalidate the argument, but it's a material interest a careful reader would want disclosed prominently (it is disclosed, but distributed across the text rather than flagged as a conflict).

c. The "no new authority needed" framing does a lot of work. The claim that the 1974 NIBS mandate is still legally live is plausible but is asserted primarily via the authors' own report rather than independent legal analysis (e.g., from the Congressional Research Service or HUD's Office of General Counsel). Whether an unexercised 50-year-old statutory mandate is straightforwardly "activatable" via committee report language, without any additional appropriations, authorization, or rulemaking, is a legal question the testimony treats as settled but doesn't fully substantiate with an independent legal opinion.

d. Attribution of Operation Breakthrough's failure. The testimony attributes the program's failure to reach commercial scale almost entirely to the 1973 subsidy moratorium ("political continuity, not policy validity"). The GAO's 1976 retrospective (cited in endnote 3) is more mixed in the historical record generally — GAO reports on Operation Breakthrough also raised questions about technology performance, cost overruns, and market demand issues, not solely funding discontinuity. A reader relying only on this testimony would get a somewhat more favorable account of the pilot's technical success than the full GAO record likely supports; it would be worth pulling GAO/PSAD-76-173 directly to check this framing.

e. Japan comparison may understate implementation complexity. The benefits cited for Japan's certification system (28% market share, earthquake resistance, insurance discounts) are real and documented, but the testimony doesn't address why it took Japan roughly 25 years post-1973 authorization to grow that certification system to significant market share, nor what regulatory, cultural, or industry-structure differences (e.g., Japan's much larger

prefab/industrialized housing manufacturers) might make direct transplantation to the fragmented U.S. homebuilding market harder than the testimony implies.

f. Overall framing. The piece is testimony, not a neutral research paper — it's explicitly advocacy for a specific policy action, structured to persuade a committee. That's appropriate for its genre, but it should be read as one advocate's synthesis of research he co-authored, rather than as an independently adjudicated account of the historical or comparative record.

4. Organizations Involved and the Funding Pathway

A companion document — "NIBS Federal Funding Record, FY2008–FY2026," published by Tiny House Alliance USA — adds detail relevant to the antitrust discussion above. It identifies three organizations and traces how federal money moved between them.

The organizations:

- **NIBS (National Institute of Building Sciences)** — the congressionally authorized nonprofit created in 1974, the same institution Rupnik's testimony recommends Congress "direct" to build the certification framework. NIBS does not receive a flat congressional appropriation; it earns revenue through federal contracts and grants, including sole-source contracting authority Congress granted it under 12 U.S.C. §1701j–2(g)(3).
- **ICC (International Code Council)** — the trade group that develops the model building codes (IRC, IBC) most U.S. jurisdictions adopt, runs the ICC Evaluation Service (ICC-ES) that technically evaluates building products, and — per the Tiny House Alliance report — serves as DAPIA/IPIA (design/inspection approval agency) on HUD manufactured-housing matters. ICC is not a government body; it is a private trade association.
- **MOD X (MOD X Advisory)** — Rupnik's own firm, which authored both HUD publications underlying his testimony under a subcontract from NIBS.
- **Dr. Ivan Rupnik** — Founding Partner of MOD X Advisory and the author of the testimony this report analyzes. He is a co-author of both HUD publications funded through the pathway below, and is also the individual who, in that same testimony, recommends Congress direct NIBS to build the certification framework — the same framework his firm's federally funded reports were commissioned to study and promote. He additionally discloses an active advisory relationship with JPI and involvement in a Washington State certification pilot (see Section 3 above), and is described in the testimony as participating in the NIBS Steering and Technical Committee doing this development work.

Shared executives. The report documents three individuals who have held senior positions at both NIBS and ICC simultaneously or in overlapping periods:

Individual	ICC role	NIBS role
Dominic Sims	Former ICC CEO (2012–2024, counting predecessor roles from 2003)	NIBS Board of Directors, 2019–2022; 2025–2028
John "JC" Hudgison	Chief Building Official, City of Tampa; Chair, ICC Emerging Leaders Membership Council	NIBS Board of Directors; founding past chair, NIBS Off-Site Construction Council
Ryan M. Colker	VP, Innovation, ICC; Executive Director, Alliance for National & Community Resilience	Former VP at NIBS (Consultative Council, multiple councils); Chair, NIBS Off-Site Construction Council

How it was funded through the HUD publications. The two HUD reports central to Rupnik's testimony — the 2023 *Research Roadmap* and the 2024–2025 *Action Plan* — were funded as follows, per the Tiny House Alliance report's review of USASpending.gov records:

1. HUD's FY23 Offsite Construction and Land Use Reform NOFO distributed **\$2,998,999** across 10 recipients.
2. Of that, **\$499,878** (Award H-21760CA) went to NIBS.
3. NIBS **subcontracted that award to MOD X**, which authored both publications — the same publications cited throughout Rupnik's testimony as the evidentiary basis for recommending that Congress direct NIBS to build the certification framework.

Separately, the report tabulates NIBS's total federal funding from FY2008–FY2026: **\$300,182,572** across 14 agencies (led by the Department of Defense at \$130.6M and the Department of State at \$68.2M), of which HUD's contribution is a relatively small \$1.54M. The Tiny House Alliance report's concern is not that this single \$499,878 award is unusually large, but that the structural pattern — a NIBS-ICC leadership overlap, combined with HUD funding a NIBS subcontract to author reports that steer housing policy toward ICC's proprietary code ecosystem — raises the market-allocation question discussed in the antitrust section above.

5. Statutory Verification: What Section 809 Actually Says

Checking the testimony's central legal claim against the primary source itself — the actual text of Public Law 93-383, Section 809 (42 U.S.C. 4501 et seq.) — surfaces both confirmations and a meaningful gap.

Confirmed by the statutory text:

- The "four general areas" language is accurate and close to verbatim. Section 809(e)(1) states: "The Institute shall exercise its functions and responsibilities in four general areas, relating to building regulations," including (B) "Evaluation and prequalification of existing and new building technology."
- The self-sustaining funding structure is confirmed. Section 809(h) authorizes only \$5 million for FY1975 and \$5 million for FY1976 as one-time seed capital, after which "the Institute shall be financially self-sustaining" through contracts, grants, and fees — consistent with the \$300M+ federal contracting relationship documented in Section 4.

Not found in the statutory text:

- **Operation Breakthrough is never mentioned anywhere in Section 809, or in the statute generally.** The claim that "the 1974 Act explicitly mandated NIBS to continue the housing system certification work that Operation Breakthrough had piloted" is not statutory language — it is an interpretive connection the testimony's authors draw between NIBS's general evaluation function and the earlier pilot program.
- **The word "certification" does not appear in Section 809.** The statute's actual term is "evaluation and prequalification." "Housing system certification" is the report authors' own translation of that language, not Congress's term.
- **"Advanced Building Technology Council" and "Advanced Building Technology Program" — cited in the testimony's endnote 5 as things "Congress also mandated" — do not appear anywhere in the statute as enacted.**
- **The enforcement mechanism is voluntary, not mandatory.** Section 809(g) states federal agencies "shall be encouraged to accept" NIBS's technical findings — not required to. The same soft, encouraging language governs state and local adoption. Even if NIBS's authority were fully "activated" exactly as the testimony proposes, the statute itself does not compel any agency, lender, insurer, or code official to actually use NIBS's certification.

Implication: the statutory mandate NIBS holds is real, but it is a general-purpose evaluation/prequalification function with voluntary uptake — not, as characterized, a dormant certification program with a documented lineage back to a specific completed pilot and dedicated technology-development infrastructure. This is a narrower and softer authority than the testimony's framing conveys, and it reinforces the concern raised in Section 3: the claim that

this authority is straightforwardly "activatable" via committee report language rests on an interpretation of the statute by the same team recommending its activation, not on independent legal analysis.

6. Housing System Certification as a Vertical-Integration Mechanism

A useful lens for evaluating the whole framework: housing system certification is, in a structural sense, a vertical-integration mechanism — and this operates on two distinct levels.

a. The certification model rewards vertically integrated builders by design. A "housing system," in Rupnik's own definition, is an integrated whole — design logic, manufacturing, supply chain, and quality control under one company's control. What gets certified is not a product spec but a company's control over its entire delivery chain. Rupnik states this directly: the strongest endorsement in his research came from "small, vertically integrated companies... firms already committed to industrialized housing delivery." Both companies held up as models — JPI and Fading West — are cited specifically because they've internalized design-through-assembly under one roof. A traditional small builder who subcontracts framing, plumbing, and finishing to independent local trades (how most small-scale home building actually works) has no single "system" to certify in this framework's terms. The framework doesn't just tolerate vertical integration; it structurally requires it as a precondition for participation.

b. The regulatory apparatus itself is trending toward vertical integration. This is the sharper point raised by the Tiny House Alliance report discussed in Section 4. ICC already writes the model codes (IRC/IBC), runs the product-evaluation service (ICC-ES), and — through ICC-NTA — serves as the DAPIA/IPIA inspection and approval agency on HUD manufactured-housing matters. That combines code authorship, product evaluation, and field enforcement inside one organizational ecosystem. Layer NIBS on top — sharing board members and executives with ICC (Section 4's table), and now positioned, per Rupnik's own recommendation, to become the body certifying entire housing delivery systems — and the result is a regulatory structure where a small, overlapping group of institutions would write the standard, certify compliance with it, and oversee its enforcement, all at once.

This tracks the concern underlying the SSO antitrust cases discussed in the antitrust section above (*Allied Tube, Hydrolevel*): industry standard-setting isn't inherently unlawful, but when the same actors control code-writing, evaluation, and enforcement — and the market participants best positioned to meet the standard are also the ones who helped write it — the standard-setting process risks functioning as a market-allocation tool rather than a neutral technical judgment.

The net effect: a policy explicitly framed, in this hearing, as leveling the playing field for small home builders may in practice most directly benefit organizations — corporate and regulatory alike — that are already vertically integrated: large, capital-backed builders that can absorb system-level certification costs, and an ICC/NIBS ecosystem consolidating code-writing, certification, and enforcement under increasingly overlapping leadership.

7. The Cumulative Effect: Every Lever Points to the Same Institutions

Read the three recommended actions together, in sequence, rather than as isolated steps, and a pattern emerges: each one hands a different regulatory lever — terminology, certification, and code reform — to the same narrow, overlapping set of institutions, with financing and insurance following as natural downstream consequences.

Step 1 (terminology and award criteria) sets the vocabulary everything else builds on. As discussed in Section 4, the terminology this step would standardize across HUD, FHFA, USDA, VA, and FEMA originates in a report MOD X was paid to author under a NIBS subcontract funded by HUD. Rupnik's own framing makes the sequencing explicit: standardized terminology has to exist "before coordinated criteria can do their work." Whoever supplies that initial vocabulary shapes the vocabulary every downstream agency then writes its own criteria against.

Step 2 (certification) hands the operational lever to NIBS, an organization that — per Section 4 — shares board members and executives with ICC. The stated payoff of this step is explicit: certification would let "lenders, insurers, and code officials rely on a single performance-based approval." That one sentence names three additional domains — lending, insurance, and code enforcement — that would come to depend on NIBS's certification determination.

Step 3 (performance-based code reform) is built explicitly on ICC's existing work. The testimony frames this step as extending the HUD Code precedent "and the existing work of the International Code Council" — naming ICC directly as the vehicle for the final, most durable phase of reform.

Financing and insurance are not separate tracks — they are named as consequences of Step 2. The testimony states plainly that certification would let lenders and insurers "rely on the certification as a basis for underwriting," and separately cites Japan's certification system as already generating mortgage-rate reductions and insurance discounts of 10–50 percent tied to certified status. Once a NIBS certification exists, it becomes the reference point Step 1's standardized federal criteria are keyed to, extending its reach into federal award programs, private lending, and insurance underwriting without any of those domains needing their own separate reform process.

Laid end to end:

Domain	Institution positioned to control it	Mechanism
Terminology / federal award criteria	MOD X (authorship) → federal agencies (adoption)	Step 1
System certification	NIBS	Step 2
Building codes	ICC	Step 3, building on ICC's existing model codes
Financing / underwriting	HUD, FHFA, USDA, VA — keyed to NIBS certification	Named consequence of Step 2
Insurance	Private insurers — keyed to NIBS certification	Named consequence of Step 2, evidenced by Japan comparison

Each of the three actions is individually modest and defensible on its own terms — none requires new legislation, appropriations, or authority, and each is framed as simply activating dormant statutory authority or extending an existing precedent. But taken together, they describe a single continuous pathway in which code-writing, certification, federal financing criteria, and insurance underwriting all come to reference one certification framework, developed by one set of overlapping institutions (NIBS and ICC), seeded by terminology from a single authorship chain (MOD X, the report's own author). A policy process that reaches into all five of these domains through a shared set of institutions is a materially larger structural outcome than any single recommended action suggests in isolation — which is precisely the kind of cumulative effect that warrants scrutiny independent of whether each individual step, viewed alone, seems reasonable.

8. Deep Dive: The HUD Code as Precedent

Rupnik's testimony repeatedly holds up the HUD Code as proof that performance-based, preemptive federal housing regulation already works in the U.S. It's worth examining that precedent closely, since the testimony leans on it heavily to justify extending the same model more broadly.

Origins and legal structure. The HUD Code is formally the National Manufactured Housing Construction and Safety Standards Act of 1974 (Title VI of the same 1974 Act that created NIBS), with standards taking effect June 15, 1976. It is structurally unusual in two ways relative to nearly all other U.S. residential construction regulation: (1) it is a **federal preemption code** — a single national standard overriding conflicting state and local codes for manufactured homes, unlike the state/local system (typically built on ICC's I-Codes) that governs virtually all other housing; and (2) it is **performance-based** rather than prescriptive, setting criteria the home must meet rather than dictating specific construction methods — the exact model the testimony proposes generalizing through certification.

How compliance is actually verified. The HUD Code does not rely on local building inspectors. It runs on a third-party inspection structure: a **DAPIA** (Design Approval Primary Inspection Agency) approves a manufacturer's designs before production; an **IPIA** (In-Plant Primary Inspection Agency) inspects the manufacturing plant and monitors ongoing production; and **State Administrative Agencies** handle installation-site inspection where states have their own program. These DAPIA/IPIA roles are performed by private, HUD-approved third-party agencies rather than government employees — and, as the Tiny House Alliance report notes, **ICC-NTA** (an ICC subsidiary) serves in this role for HUD manufactured-housing matters. That means ICC's ecosystem already functions today as both private code developer (through the I-Codes generally) and approved inspector/enforcer within the existing HUD Code system — prior to, and independent of, any of the reforms this testimony proposes.

Track record. The cited figures — roughly 9 million units delivered since 1976 at about half the per-square-foot cost of comparable site-built housing — are broadly consistent with Census Bureau and industry data on manufactured housing's construction-cost advantage. The comparison warrants some caution, though: manufactured homes are smaller on average, are frequently financed as personal-property (chattel) loans at higher rates than conventional mortgages, and depreciate differently than site-built homes — factors that make a pure per-square-foot construction-cost comparison overstate the total cost-of-ownership advantage.

Persistent criticisms. Several issues complicate the HUD Code as a clean model to extend: (1) its update cycle on major structural and energy provisions has historically been slow, in some tension with the "living, evolving standard" framing the testimony applies to certification generally; (2) much of the affordability gap manufactured housing could close is blocked by local **zoning exclusion** rather than code inadequacy — zoning ordinances that bar manufactured homes from many residential zones regardless of code compliance, a barrier a construction-certification framework doesn't address since it operates on construction approval, not land use; (3) manufactured homes titled as personal property often can't access conventional mortgage financing, pushing buyers toward higher-rate chattel loans — a friction point outside a construction-code framework's reach; and (4) manufactured homes have historically depreciated rather than appreciated in value, an effect tied partly to titling and financing structure and partly to market perception, neither of which code reform alone resolves.

Why this matters for the broader analysis. The HUD Code is presented as clean proof-of-concept for performance-based certification. But its actual operating machinery — a private, ICC-affiliated third-party inspection structure already serving as both approver and enforcer within a federal preemption code — is itself an instance of the institutional configuration flagged in Sections 4, 6, and 7: ICC-affiliated entities functioning as standard-interpreter and inspector under a single federally sanctioned system. Extending "the HUD Code model" to a broader housing system certification framework would not introduce that structure for the first time; it would generalize a structure that already exists in narrower form, under the same overlapping set of institutions this report has traced throughout.

9. Project LEAP: The Actual Origin of the HUD Code's Inspection System

A document tracing the history of ASTM E541 surfaces a separate, well-documented institutional lineage for the HUD Code's inspection-agency system — one that runs through a completely different set of institutions than the Operation Breakthrough/NIBS narrative the testimony relies on, and one the testimony does not mention at all.

What the record shows: In 1970, the National Conference of States on Building Codes and Standards (NCSBCS) — a body distinct from both NIBS and Operation Breakthrough, formed in 1967 to consider problems of building regulation — asked the National Bureau of Standards (NBS, a federal agency and NIST's predecessor, itself distinct from NIBS, the private nonprofit created in 1974) to develop a laboratory accreditation program. NBS launched **Project LEAP** (Laboratory Evaluation and Accreditation Program) in January 1971 to develop criteria for evaluating labs against the manufactured-housing standard ANSI A119.1. Per NCSBCS's own account ("History of ASTM E541: Criteria for Compliance Assurance Agencies for Manufactured Building," April 1973), Project LEAP divided building-evaluation services into three distinct functions: **(1) analysis, (2) testing, and (3) compliance assurance**. LEAP's research reports were handed to ASTM for processing as national consensus standards; two ASTM committees (E32 and E36) developed them, and in 1975 the E32 committee produced **ASTM E541**, "Criteria for Evaluating Agencies Engaged in Systems Analysis and Compliance Assurance for Manufactured Buildings." (Source: NCSBCS, "History of ASTM E541," April 1973, via govinfo.gov.)

A note on the standard's more recent history: according to the author of this testimony analysis, who reports direct personal involvement, ASTM E541 was withdrawn in 2019 and was subsequently revised and reinstated, being republished in 2022.

This is not a narrow or marginal standard — it is currently adopted across at least 11 states, plus an interstate compact. A compiled review of state regulations found ASTM E541 referenced by name in the codes or administrative rules of Virginia, California, Illinois, Georgia, Maine, New Hampshire, Rhode Island, Minnesota, North Dakota, and New Jersey, plus Utah.

The last 3 of those states participate through the **Industrialized Interstate Building Commission (IIBC)**, an interstate compact "created to promote uniformity and encourage coordination in state industrialized buildings programs in a manner to assure interstate reciprocity" — itself a working, multi-state model for exactly the kind of cross-jurisdictional reciprocity Rupnik's testimony argues doesn't yet exist. In several of these jurisdictions (Georgia, Maine, Illinois, New Hampshire), E541 personnel qualifications are the *sole* named standard for approving compliance-assurance or inspection agencies. This considerably strengthens the point made above: a functioning, legally binding, multi-state qualification framework for manufactured-building compliance-assurance agencies has been in continuous, expanding use for decades — not a historical footnote, but active law in at least a tenth of U.S. states today.

A notable pattern within this same record: ICC's newer standards are beginning to displace or sit alongside ASTM E541 in state law. Virginia's code, for instance, now references both ASTM E541-10 *and* ICC/MBI 1200-2021 and 1205-2021 (ICC's own off-site construction planning/design and inspection/regulatory-compliance standards) side by side. Utah's rule allows an inspection agency to qualify under *either* "ASTM E541-22 or ICC certification standards" — treating the two as interchangeable alternatives. This is a live, present-day instance of the pattern discussed in Sections 4, 6, and 7: as ICC's proprietary standards (ICC/MBI 1200/1205) are incorporated into state law, they begin to compete with and, in some jurisdictions, sit alongside or substitute for the ASTM/NCSBCS-originated standard that has governed this space since 1975 — expanding the footprint of the ICC ecosystem into a function it did not originate and does not have exclusive claim to.

This is not historical trivia — it is load-bearing today. The current Code of Federal Regulations governing the HUD Code's inspection system (24 C.F.R. § 3282.358, "Personnel," covering DAPIA and IPIA qualification) explicitly states that the qualifications of personnel performing these functions "will be judged in accordance with the requirements of ASTM Standard E-541." In other words, the actual verification infrastructure the HUD Code relies on right now traces to Project LEAP and ASTM — not to Operation Breakthrough, and not to NIBS's Section 809 authority.

Why this matters for the testimony's narrative: Rupnik's account presents Operation Breakthrough and the dormant NIBS mandate as the singular missing piece — the "unfinished breakthrough" that, once activated, would finally deliver system-level certification. But the actual mechanism already governing agency qualification under the existing HUD Code came from an entirely separate, successfully-completed process (NCSBCS → NBS → ASTM), one that reached a durable, still-in-force national consensus standard within about four years (1971–1975) — while running in roughly the same window as Operation Breakthrough (1969–1973). This is worth two observations:

1. **The claim that "no housing system certification framework currently exists in the United States"** is harder to sustain once Project LEAP and ASTM E541 are accounted

for. A working, ASTM-consensus-based agency-evaluation framework has been operating continuously since 1975 and is cited by name in current federal regulation — it simply isn't branded "housing system certification," and it doesn't cover the broader "integrated delivery system" scope the testimony proposes. But dismissing all existing frameworks as absent overstates the gap.

2. **It suggests NIBS was not, in fact, the only or even the primary vehicle** through which this type of standard-setting problem got solved in the 1970s. NCSBCS and ASTM — private, industry-facing standards bodies with a different governance structure than NIBS — did the actual, lasting work on inspection-agency evaluation criteria. This raises a fair question the testimony doesn't address: if a different institutional pathway (NCSBCS/ASTM) already solved a closely related problem successfully once before, why is NIBS specifically — an organization with the leadership overlaps to ICC documented in Section 4 — the necessary vehicle for solving the broader system-certification problem now, rather than an expanded or updated version of the ASTM process that already has a working track record?

None of this means Rupnik's broader diagnosis (that the U.S. lacks integrated system-level certification, as distinct from agency/lab accreditation) is wrong. But the omission of Project LEAP and ASTM E541 from a testimony that otherwise builds its entire narrative on "we already have the framework, it just needs activating" is a notable gap — a directly relevant, still-operative precedent for exactly the kind of standard-setting problem under discussion, involving different institutions than the ones the testimony recommends empowering.

10. Bottom Line

The strongest parts of the argument are the legal/historical narrative and the Japan comparison, both grounded in cited primary sources. The weakest parts, from an evidentiary-rigor standpoint, are the JPI performance figures (unverified, client-supplied, tied to the author's own advisory relationship) and the relatively favorable gloss on Operation Breakthrough's causes of failure. None of this means the policy recommendation is wrong — but a Committee member evaluating the testimony should weigh the JPI data as anecdotal company projection rather than independently audited results, and should consider seeking an independent legal read on the NIBS mandate's current enforceability before treating "no new authority needed" as settled.