

BUILDING INSIGHT

JANUARY 2018

VOL. 28 ISSUE 1



BIAW INSTALLS PRESIDENT RUSSELL TAKES REINS

P8

GET UPDATED UNIVERSAL DESIGN

MEETING, TRADE SHOW FOCUSES ON AGING-IN-PLACE — INDUSTRY'S FASTEST-GROWING MARKET

One of the fastest growing markets in the home building industry is universal design. Individuals who have suffered major injuries, disabling illnesses or other health conditions want to stay in their homes and continue being self-sufficient as long as possible.



// KAREN HALL

**ACCESSIBLE
HOUSING COUNCIL
LIAISON**

Many builders and remodelers are designing products and making home improvements that appeal to these customers. In the aging-in-place market, for example, the 55+ category will account for nearly half of all U.S. households next year (2019). More of this age group will need updated features and products

to stay in their current homes. In addition, a growing number of households have someone who has either a temporary or permanent disability and needs improved accessibility or universal design updates to stay mobile and live in these homes.

VISIT THE TRADE SHOW

To keep BIAW members current on the latest information and trends, the Accessible Housing Council is presenting the seventh Accessible Housing Trade Show on February 27, 2018 at the Hotel RL in Olympia during the Winter BIAW Board of Directors meeting.

The trade show is unique among accessible trade shows as the event is free for anyone interested in learning more about universal design. Even those that are not scheduled to attend the regular BIAW meetings can take part. Over just a few hours, home builders and remodelers can speak with experts and learn the latest information to help them in this market.

REACH A NEW MARKET

Accessible housing and universal design offer many opportunities to reach a new group of home buyers and homeowners. Learn how to make the most of this niche in the home building industry and attend the Accessible Housing Trade Show in February. No tickets required!

CONNECT WITH EXPERTS

Learn about issues relevant to the aging-in-place, universal design market segment at the Accessible Housing Council meeting during the BIAW winter board meeting in Olympia.

ATTEND AWARD-WINNING TRADE SHOW

Meet local manufacturers, suppliers and exhibitors and take part in one-on-one discussions and demonstrations of products. Learn what you need to know to meet the demand for accessible living.

CALL FOR TRADE SHOW VENDORS

Are you a vendor interested in BIAW's 2018 Accessible Housing Trade Show?

There's still time to reserve your space!

Registration deadline for trade show vendors is Monday, January 29. Contact Karen Hall at 360-352-7800 or email karenh@biaw.com for information.



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On the Cover: North Peninsula Building Association member Kevin Russell of Kevin Russell Construction is installed as 2018 BIAW President by Representative Mike Chapman during the installation and awards ceremony at Semiahmoo Resort in Blaine.



Who We Are

The Building Industry Association of Washington is the state's largest trade association and represents nearly 8,000 member companies in the home building industry. Known as the "Champions of Affordable Housing," BIAW is dedicated to ensuring and enhancing the vitality of the building industry for the benefit of its members and the housing needs of citizens.

2018 SENIOR OFFICERS

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Kevin Russell, MCGP
North Peninsula Building Association

First Vice President
Rick Hjelm, CGR
MBA of Pierce County

Second Vice President
Debbi Boyd
Olympia Master Builders

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Sherry Schwab, CAPS, CGR
MBA of King & Snohomish Counties

Secretary
Chris Lockhart
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Immediate Past President
Ted Clifton, CGB, MCGP
Skagit/Island Counties Builders Association

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Want to submit an article for publication?
Have a story tip or suggestion? For consideration, please email jenniferh@biaw.com.

A NEW YEAR BEGINS

DUST OFF THOSE BOOTS AND ATTEND A BIAW MEETING OR TWO



// KEVIN RUSSELL

PRESIDENT

The year has begun, and I wish all of you a happy and prosperous New Year!

As the new president of BIAW, please allow me to thank all of you, the BIAW members, for the privilege to serve you in 2018. I am humbled that I have your trust.

I would also like to thank the BIAW staff for all of their support as I sought the presidency. Without your help and guidance, I would not enjoy the successes I have had. I am looking forward to working with all of you to continue the tradition of hard work of the presidents before me, and I value the hard work that all of you do

to make this organization what it is! I also want to thank Immediate Past President Ted Clifton who passed on the baton. I appreciate how hard he worked to hand off a well-organized and run association!

Looking ahead in 2018, it looks to have the makings of a continued boom. However, we also face challenging hardships on our businesses. We open the year with the continued battle to solve the *Hirst* water issue. I hope the solution our BIAW team develops with legislators allows our members relief from over regulation, overzealous special interest attacks, and that we are also able to find common ground for the future, for all of us. Additionally, as we continue to face labor shortages, BIAW will be focused on finding answers through workforce development and other means to ensure members have the staff to do the job.



...By staying involved, we all gain from shared knowledge when we stay united in our fight to improve all facets of building.

GET INVOLVED - ATTEND BIAW BOARD MEETINGS

Now, as this is my inaugural article, I have some “asks” for you, our BIAW members:

Please embrace the responsibility that we all share in making our industry safer and profitable, while we continue to work hard to keep housing affordable and reasonably regulated for our clients. In that light, as members of this association, please make every effort to attend our winter, summer and fall BIAW board meetings and share your causes, concerns, successes and any other prevalent issues that will better our home building community.

By staying involved, we all gain from shared knowledge when we stay united in our fight to improve all facets of building. If you are the chosen representative of your local association who has the honor to serve on a National Association of Home Builders (NAHB) committee or council, it is imperative that you attend BIAW’s board meetings so we can strategize how to work together with our national counterparts. BIAW board meetings ARE the place for debate, discussion and receiving direction from our members as to how, and what, we are going to do at our national board meetings on important issues. I would also ask that when members are at NAHB, we speak with ONE VOICE—the voice of the Building Industry Association of Washington. We are not there for a personal objective nor personal gain or notoriety, but for ALL of our fellow state members!

And, if you are your local association’s BIAW representative, I ask that you please attend the BIAW board of director meetings as well. I have been present in meetings where I have seen local associations without any representation. If you are given the privilege to serve, take it. We need you and want you at the meetings—you all have something important to contribute.

SHARE YOUR KNOWLEDGE

I have another “ask” of you. As those of us who have traveled the building industry’s

See **NEW YEAR** on page 12 //

VOTER INITIATIVE 1433

NEW RULES JANUARY 1st

PAID SICK LEAVE, MINIMUM WAGE INCREASE GO INTO EFFECT IN 2018: HERE'S WHAT YOU NEED TO KNOW

When Initiative 1433 was passed by Washington voters in 2016, it not only raised the state minimum wage to \$13.50 per hour by 2020, it also created a mandatory paid sick and safe leave requirement for all employers, which goes into effect January 1, 2018 for employees to care for themselves or their family members.

If you have non-exempt employees, entitled to overtime under the Fair Labor Standards Act, you will need to know what to do in order to be in compliance by January 1. Note that use of a paid time off (PTO) program complies with the provisions of paid sick and safe leave when meeting certain conditions.

Paid Sick Leave Notices

Employers that are affected by this must notify employees of their paid safe and sick leave rights no later than March 1, 2018. The notification must contain the accrual rate, authorized uses of the leave and explain the no retaliation portion of the rule. Employers must also provide a monthly notice of accrued leave, used leave and their current balance.

1 Hour for Every 40 Hours

Employees hired before January 1, 2018 will begin accruing the leave at 1 hour of leave for every 40 hours of work when the initiative goes into effect. New employees will start accruing the leave on their first day of employment. The accrual is at the employees' normal rate of pay and should be paid in the pay period in which the leave was used. Employees will be eligible to use the leave after 90 days.

When Employees Can Use Leave

There are several ways an employee is authorized to use this leave. Employees

may use paid sick leave to care for themselves or a family member, when the employees' workplace or their child's school or place of care has been closed by a public official for any health-related reason, and for absences that qualify for leave under the state's Domestic Violence Leave Act.

At Least 10-Day Notice to Use Leave

The employee must give at least 10 days notice of their intent to use this leave when foreseeable. Unforeseen leave should be reported to the employer as soon as possible before the start of a shift, unless impracticable. In either case, the employee is authorized to have someone else report their leave if they are not able to do it themselves. When leave is used under the Domestic Violence Leave Act, the notice rules do not apply.

Enforcement

An employer may not adopt or enforce any policy that counts the use of paid sick leave time as an absence that may lead to or result in discipline against the employee. Further, an employer may not discriminate or retaliate against an employee for his or her exercise of any rights contained in the initiative.

For more information on I-1433, please contact Al Audette at ala@biaw.com or (360) 352-7800, ext 105.



ADDITIONAL RESOURCES ON I-1433

WEBINAR

L&I's free online webinar covers the paid sick leave law. Register for the class and get an overview of the new rules.
www.lni.wa.gov/apps/workshops/workshopinfo.asp?WkshopID=810

FACT SHEET

L&I's two-page fact sheet on the impacts of I-1433.

www.biaw.com/documents/homepage/sick_leave_fact_sheet_2017.pdf

SAMPLE POLICIES

To help employers implement the requirements in the paid sick leave rules, L&I offers a draft sample policy.
lni.us.engagementhq.com/PaidSickLeaveSamplePolicies

PERFECT STORM

MANY FACTORS, ANTI-GROWTH POLICIES LEAD TO HOUSING SHORTAGE



// ART CASTLE

**EXECUTIVE
VICE PRESIDENT**

Nationally, as of October, we had only a 3.9 month of supply of homes for sale in the state. A supply of 5-6 months is considered a balanced market—not favoring buyers or sellers. This is called the “absorption rate.” King County’s absorption rate is now 0.79 months and Snohomish is only 0.89 months. Only slightly better absorption rates can be seen in other counties in Western Washington and some of the more urban markets in Eastern Washington.

In Washington state, inventory is well below one-year-ago levels. King County is still having double-digit reductions in inventory compared to this same time last year, and the shortage is even more pronounced in some outlying counties. King County supply is down 29%, Thurston County down 39%, Mason County down 26%, Cowlitz County 39%, Snohomish County down 24%, and Kitsap County down 29%. In fact, across the entire Northwest Multiple Listing Service, supply is down nearly 16%!

PERFECT STORM = HOUSING CRISIS

This has resulted in significant appreciation throughout nearly all markets in our state due to lack of supply, and with the shortage of buildable lots for new homes, among other factors, the trend will likely continue. In effect, it is expected to continue throughout 2018 and beyond. Frankly, this is pricing families out of home ownership, and also making it more difficult for families even to find places to rent as rents are rising faster than home prices. It also forces people to live farther and farther away from where they work, which is the major contributor to our traffic delays.

Currently, 75% of Baby Boomers own their homes. For Millennials to buy their first homes, and for home-owning Gen Xers to move up to their second home, Boomers have to sell. But Boomers are living longer and staying healthier, and due to all the artificial price increases causing the scarcity of supply, they generally can’t find a home to downsize to that is affordable. This ultimately impacts the supply of existing homes.

After the foreclosure crisis, millions of single-family homes were converted to rentals, and now a homebuyer is competing with investors as well as other families. Low interest rates on existing mortgages average 3.8%, and families that enjoy these low mortgage rates are reluctant to give them up. Thus, as current interest rates rise, families tend to keep their homes longer.

In the first three quarters of 2017, about 473,000 newly constructed houses were sold across the U.S. Over half of those homes sold for over \$300,000 nationally. Washington’s sale prices were much higher. Builders who still want to build entry-level homes face higher lot prices, regulatory costs and project delays that prevent them from being able to create entry-level homes that are affordable to most of our citizens. In Washington state, we are still building only three-quarters of the average number of single family homes built since 1980! Lot scarcity, constantly increasing regulatory compliance costs, material costs, and scarcity of labor are all to blame.

UNINTENDED CONSEQUENCES

The state’s Growth Management Act, zoning and land-use regulations aren’t bestowed by a hidden hand. They’re enacted by officials who were elected. When planning and zoning officials limit the number of houses that can be built in a neighborhood, or when they set minimum square footage for houses, and limit where new housing can be built, they’re limiting the



Builders who still want to build entry-level homes face higher lot prices, regulatory costs and project delays that prevent them from being able to create entry-level homes that are affordable to most of our citizens.

See **PERFECT STORM** on page 14 //

BIAW READY TO BEGIN

MIXED-BAG AWAITS

DEMOCRAT-CONTROLLED LEGISLATURE HOLDS PLETHORA OF UNCERTAIN PRIORITIES

Although it seems like the 2017 session never really ended (it went into late July), the 2018 session will begin on January 8. It is also set to be a “short” 60-day session, but there are a number of hard issues for the Legislature to address, and it’s yet to be seen if a fully Democrat-controlled Legislature can accomplish all their promises.



// JAN HIMEBAUGH

**GOVERNMENT
AFFAIRS DIRECTOR**

The home builders’ legislative agenda for 2018 includes important issues like: access to water; condo liability reform; land use reforms; vesting; and State Building Code Council reforms and funding.

The Democrats will need or want to address additional things too, including: compliance with the K-12 McCleary funding court order; campaign finance; carbon tax; capital gains income tax; vehicle mileage tax; and other social issues.

Will they make the 2018 session a protest of the federal executive administration? Signs point to yes.

These make up the background scenery for the 2018 session. When those 60 days arrive, we will find out which of the background scenery pieces play a bigger part and what else comes out of the woodwork. But suffice it to say, BIAW’s advocacy team will hit the ground running and will be working for you.



NOTABLES: 2018 LEGISLATIVE SESSION

Seattle Income Tax

Seattle passed an income tax, and a court overturned it. Seattle says it will appeal because a Superior Court judge should not be deciding law for the whole state. This signals that their city income tax was never just about Seattle’s incomes being taxable.

2020 Presidential Race

Governor Inslee has been focused on the national narratives and less and less on state issues. He could be testing the water for a 2020 presidential run.

Capital Budget

Democrats lack 60% majority in both chambers. Does this mean a capital budget still stalls without a Hirst/household well legislative fix? It’s likely.

Carbon Tax

The Governor and Democrats have long sought some type of increased cost to add to carbon emissions. 2018 is their chance, but just last year, voters rejected a ballot initiative on carbon by nearly 60%.

Moderate Viewpoints

Moderates exist in all four caucuses, which can make strong ideological bills hard to do, even with one-party rule.

Sexual Harassment

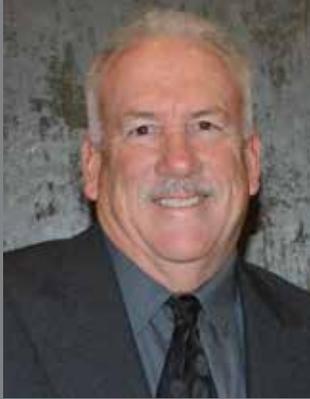
Over 200 women (legislators, lobbyists, and staff) have signed a letter asking the Legislature to address sexual harassment and assault in Olympia’s capitol. Will this effort accomplish a fair approach to something that shouldn’t be happening or will it turn into a way to get rid of political opponents?

McCleary Ruling

The WA Supreme Court Justices recently told the Legislature, in yet another court decision, that the recent K-12 funding for complying with the McCleary ruling does meet funding requirements, however,

See **MIXED BAG** on page 12 //

//PRESIDENT

// **KEVIN RUSSELL, MCGP**
Kevin Russell Construction
North Peninsula Building
Association

President Kevin Russell has been in the construction business for more than 10 years in Washington state.

During that time, he has been active in his local, the North Peninsula Building Association (NPBA), including

serving as president twice. He's been an avid recruiter of new members achieving 200 Spike credits.

For over a decade, he has also participated on numerous BIAW committees and councils, served in leadership roles and advocated on behalf of the industry in Washington, D.C.

Moreover, Russell has also been a leader in the green building industry in his com-

munity and the state.

He was the charter chair of Built Green of Clallam County and built the first dual-certified Built Green and Energy Star homes in his area. At the state level, he served as a charter member of the committee to help develop Built Green of Washington. He has continued to pursue high standards in green building along the way, earning the MCGP (Master

MEET YOUR 2018 SENIOR OFFICERS

//FIRST VICE PRESIDENT

// **RICK HJELM, CGR**
Phase II General Contractor
MBA of Pierce County

For more than 20 years, Rick Hjelm has been a stalwart supporter of his local association, the Master Builders Association of Pierce County (MBAPC) and BIAW. He has held

numerous positions with MBAPC, serving twice as president, and chairing several other committees and councils.

His involvement has also extended to volunteering for community projects in Pierce County, including the Mary Bridge Festival of Trees.

In addition, Hjelm has been an active member at BIAW. He has chaired the Legislative Policy and Budget and Investment Strategy committees and served on numerous other committees as well.

//SECOND VICE PRESIDENT

// **DEBBI BOYD**
Naberly Solutions
Olympia Master Builders

Debbi Boyd has been an Olympia Master Builders and BIAW member for over two decades, and as such, a staunch supporter of the home building industry.

She has served as

OMB associate vice president, chaired several committees and councils and served on OMB's board of directors and as a state director.

She has been recognized with numerous awards, including OMB's 2014 Associate of the Year, the 2015 Norm Paulsen Memorial Award, and the President's Award (2005, 2015).

In 2017, Boyd served as BIAW Secretary and was awarded BIAW's Associate Advisory Council's Associate Appreciation award.

Certified Green Professional) designation.

In addition to his strong commitment to the home building profession, Russell has been involved in several community projects in Clallam County. He has been active in NPBA's Future Builders Program and helped develop multi-home sites using Low Impact Development (LID) practices that are models for other programs.

For his outstanding work and contributions to the industry, he has been nominated twice by his local association for BIAW's Associate Advisory Council's Builder Appreciation Award.



Representative Mike Chapman injects a moment of levity during the official reciting of the president's oath to Kevin Russell. Chapman, a long time friend of Russell, delivered the oath during the installation ceremony held at Semiahmoo Resort in November.

//TREASURER



// SHERRY SCHWAB, CAPS, CGR
HCS Construction Services Company
MBA of King & Snohomish Counties

Sherry Schwab has been a BIAW member for more than 20 years and heavily involved in leadership at BIAW and the National Association of Home Builders (NAHB) as well as in her local association, the Master Builders Association of King and Snohomish Counties (MBAKS).

Most recently, she served as NAHB national area 15 chair, representing members in Washington and four other states.

For her contributions, she has received top awards from MBAKS, BIAW's Remodeler of the Year Award (2002) as well as BIAW's Hall of Fame and was named NAHB's Professional Women In Business 2016 Member of the Year.

//SECRETARY

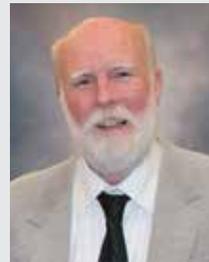


// CHRIS LOCKHART
AAA KARTAK Glass & Closet
MBA of Pierce County

During his years as a member, Chris Lockhart has been actively involved with his local association, the Master Builders Association of Pierce County (MBAPC). He has served in several leadership roles, including as second vice president and as chair of several committees, including the MBAPC Awards Committee and BIAW's Spike Party.

In addition, he has led several large events for MBAPC that recognize members and the home building industry and has also been a champion recruiter who has focused his time and attention on bringing in new members. Chris has achieved Life Spike status (25+ credits) with 75 Spike credits.

//IMM. PAST PRES.



// TED CLIFTON, CGB, MCGP
Zero Energy Plans, LLC, CVH, Inc.
Skagit/Island Counties Builders Association

A long-time homebuilder, Ted Clifton has been a dedicated leader and supporter of the Skagit/Island Counties Builders Association (SICBA), BIAW and NAHB. He has held several leadership roles, including SICBA president in 2001, and has been active on numerous BIAW and NAHB committees and councils.

He has also been widely recognized for his involvement in green building and zero net energy at the state and national level.

In recognition of his work and dedication to the home building industry, Clifton was honored as Builder of the Year by SICBA as well as BIAW.

RULES UNDER REVIEW

WORKPLACE CHANGES

RULE CHANGES BEING CONSIDERED BY L&I IN COMING MONTHS

A significant number of workplace rules are now being considered by the Washington state Department of Labor and Industries (L&I). What started out as a frenzy of



// AL AUDETTE

**CODES AND
REGULATIONS MANAGER**

filings of CR-101s, the report needed to notify the public of proposed rule action, has fizzled into the holding pattern we currently find ourselves in.

Rules and standards regarding Silica, Lead, Fall Protection, Ladder Safety, Record Keeping, Confined Spaces and Beryllium are all active within L&I. Currently, there are no implementation dates or enforcement dates except for the new paid sick leave law (Initiative 1433).

SILICA

As of now, the only meeting for Silica took place on December 15 and the public comment period for Silica ended December 22. BIAW will sort through the comments to know what changes were accepted and others that were not. Notably, several states are two years ahead of Washington in compliance with this rule. BIAW has reached out to them to see how residential contractors and sub-contractors are being affected by the changes. By partnering with other state associations and receiving member input (like that from Olympia Master Builders member Tim Dickey and his staff), BIAW will advocate for a rule that keeps your employees safe and your business model feasible.

Compliance Date: Currently, there are no implementation dates or enforcement dates for Silica in Washington state.

OSHA

The Occupational Safety and Health Administration (OSHA) has finalized and published the latest versions of several of their rules and their enforcement policies. This indicates that states that manage their own safety plans,

like Washington, will now ramp up efforts to finalize and issue their own updated rules.

Compliance Date: Currently, there are no implementation dates or enforcement dates in Washington state. Stay tuned to BIAW communications in print, online, and social media for updates on how you can get involved in shaping state policy as well as stay in compliance with new rules.



Workplace rules and standards for silica will be on BIAW's radar in 2018.

2018 Building Code Cycle

The 2018 building code adoption cycle has begun. The first Technical Advisory Group (TAG) met November 30, while the first meeting of the International Fire Code TAG was scheduled for December 8.

Every three years, new model codes are published. During the year of release, the State Building Code Council (SBCC), with the assistance of their TAGs, reviews and adopts the new editions. In addition, the TAGs also review any changes proposed to these new editions, or to the pre-existing state amendments.

The code adoption cycle is a little different this year. In the 2018 cycle, the state building codes are divided into two groups. Group 1 is the International Building Code (including the International Existing Building Code); the International Fire Code; and the Washington State Energy Code (Commercial).

If you are interested in participating on one of these TAGs, where the real work is done, please contact me at 360-352-7800, ext. 105, or ala@biaw.com and I'll fill you in on the commitment and responsibility.

11+ EMPLOYEES TRIGGERS RULE

RECORD KEEPING 101

POSTING OF OSHA 300 SUMMARY AND NEW LOG REQUIRED FOR CERTAIN EMPLOYERS

Now that 2017 has come and gone, it's time to start thinking about beginning 2018 anew. It's also time to start thinking about posting your Occupational Safety and Health Administration (OSHA) 300 Summary and beginning a new OSHA 300 log for the new year.

For those companies that are required to keep the OSHA 300 logs, posting will begin February 1 and will end April 30. The 300A summary should be posted in the same place you post other required employee posters.

Your OSHA log does not need to be submitted to any agency unless you have been informed by the Bureau of Labor Statistics (BLS) at the start of the year to complete a survey at the end of the year.

OSHA 300 LOG: EXEMPTIONS AND COMMON ERRORS

WHO DOES THIS AFFECT?

- Employers are exempt from having to keep the OSHA records if your company had 10 or fewer employees at all times during the last calendar year, unless the state's Division of Occupational Safety and Health, OSHA, or BLS informs you in writing that you must keep records.
- However, also remember that if you had employees only working part of the year—and while they were employed by you, your employee count exceeded the 10 employee mark—you will need to keep the OSHA log for the entire year as well as post the 300A summary.
- Some employers classified in low hazard industries are exempt. However, exemption rules have changed so if you have not kept the OSHA logs before, you should check to make sure you are still exempt. Visit www.lni.wa.gov/Safety/Topics/AtoZ/RecordkeepingReporting/training.asp for details.

NEW ELECTRONIC REPORTING RULES—DO THEY APPLY?

OSHA implemented new Electronic Reporting Rules on Jan. 1 of 2017, which required certain employers to submit injury and illness logs starting December 2017. However, this rule does not apply to Washington state employers. The rulemaking process is under way to adopt the rules in Washington state for 2018. We'll provide more information about the state's electronic reporting rule once it's developed.

NOT RECORDABLE and RECORDABLE INCIDENTS

Proper recording is key to keeping your OSHA log. A word of caution needs to be noted, however, especially for companies struggling to keep a low incident rate for bidding purposes.

A common mistake is over-recording. **As always, first-aid treatment is not a recordable incident**—the most common error.

For example, some not recordable incidents:

- cleaning a wound
- hot or cold therapy
- using non-prescription medication at non-prescription strength
- using eyewash to remove foreign bodies from the eye

First-aid treatment by the doctor is a perfect example of a workers' compensation case **not** qualifying as recordable on the OSHA 300 log.

DETAILS, DETAILS, DETAILS

Pay close attention to each entry. An incident may qualify for this exemption, thus lowering the company's overall incident rate. For employers new to this document, the incident rate determined is not tied to your workers' comp account. These are two separate issues.

For additional clarification, an example of a **recordable incident** involves "days away from work," restricted work or "light duty," or any issue beyond first aid. Prescription medicine given due to an incident, regardless of if the employee never missed a day of work, is also a recordable case. This is another common mistake.

Lastly, the date of the incident determines the year in which it is to be documented. For example, if an employee was injured on December 30, 2017 and missed 20 days of work thereafter, that incident should be recorded on the company's 2017 OSHA 300 log—not the 2018 log.

////// NEW YEAR from page 4 //

long journey together, and we look ahead to finally celebrate our hard earned retirements, we still have a responsibility to answer up-and-coming members' questions while also learning from them some of the new techniques and technologies they bring.

While we (older members) have worked hard to bring BIAW to where it is today, we can now feel good about letting the "kids play in the sand box without supervision" (dilly dilly!!) To you younger members, do not stop coming to BIAW board meetings. By day, we work hard on the issues and in the evening take part in events that provide an energy and brevity that keeps us in balance. (Remember the movie *The Shining*? I'm paraphrasing here: "All work and no play makes Kevin a dull boy.")

BRING ALONG A NEW MEMBER

As a matter of fact, I challenge all of you young folks to each bring two new people to a BIAW board meeting, attend a committee or council meeting (all are of equal importance) and listen (really understand what we are doing), and share and learn ways of doing things to keep "bettering" our association. Remember, it will be yours to make even better, and I challenge all of you to step up! With that, I

challenge our established members to incorporate the younger members' enthusiasm, and include it with our knowledge so we can continue to serve the citizens of Washington state and beyond with healthy, safe living environments!

Finally, to wrap up this article, I will say that the hardest thing I have had to do so far as president is make my selections for BIAW committee appointments.

I have had the opportunity to speak with many of you and appreciate your consideration. It is refreshing to see how many quality folks we have in our association who are willing to step up. I thank you. If I was unable to place you, I apologize. Know that if there are other opportunities that come up, I will be asking for your help!

Thank you again, and I look forward to serving all of you to the best of my ability in 2018.

////// MIXED BAG from page 7 //

NOTABLES: 2018 LEGISLATIVE SESSION

it does not meet it soon enough. A daily fine of \$100,000 continues to be assessed on the state.

Policy Points

The general Washington state anti-Trump sentiment is strong. Expect many statements about all sorts of non-state specific policy points on everything from health-care to taxes to the environment.

REGULATORY NOTES

Paid Sick Leave is Here

Make sure you're up-to-date on the new paid sick and safe leave requirements that go into effect on January 1, 2018. All employers are required to comply. See page 5 and BIAW's website for resources.

Silica Rule is Coming

The rule will be finalized by L&I. Make sure you're aware when the new requirements become effective for your business. It will be significant. (More on silica on page 10.)

Safety Fines are High

The Department of Labor and Industries' (L&I) safety compliance fines are extremely high. Make sure your employees are trained and are following the safety rules.

RESOURCES AND ANSWERS

For more information and resources on these rules so your business stays compliant, connect with BIAW Codes and Regulations Manager Al Audette at ala@biaw.com, (360) 352-7800, ext. 105, or check out BIAW.com for updates.



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BIAW HEALTH INSURANCE PROGRAM
Capital Benefit Services, BIAW's health insurance program administrator, helps BIAW members plan ahead by offering the most comprehensive and competitive employee health insurance benefits plan possible.

CAPITAL Benefit Services

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2018 SCHEDULE RELEASED

GET SET FOR EDUCATION

NEW YEAR IS PERFECT TIME TO DIVE INTO CONTINUING EDUCATION, SELF-IMPROVEMENT

Every year, BIAW and its award-winning Education Program is proud to offer members the lat-



// AMANDA FIELDS

**EDUCATION
PROGRAM DIRECTOR**

est top notch education classes and continuing education opportunities. In conjunction with BIAW's 14 local associa-

tions, the Education Program is a valuable resource for both members and the state's home building community. And, this year, we have an excellent line up.



BIAW offers a diverse collection

of courses in several categories, such as: business management, marketing, building performance, code compliance, stormwater management, aging-in-place, and an array of legal and business-related matters.

Check out the schedule at right, on BIAW.com or register for a class with me at 360-352-7800, ext. 114 or amandaf@biaw.com.

Together, we can make 2018 the year you get educated and help you prepare for what lies ahead.

2018 EDUCATION SCHEDULE//

JANUARY

17 & 18	Certified Erosion & Sediment Control Lead (CESCL)	Vancouver
19	CESCL Recertification	Vancouver
24	Competent Person: Residential Fall Protection	Bellingham
30	CAPS 1: Marketing & Communication Strategies	Bellevue
30	Competent Person: Confined Space Training	Vancouver
31	CAPS 2: Design/Build Solutions for Aging-in-Place	Bellevue

FEBRUARY

1	CAPS 3: Details & Solutions for Livable Homes & Aging-in-Place	Vancouver
6	Qualified Rigging & Qualified Signal Person	Olympia
8	Project Management	Spokane
8	Qualified Rigging & Qualified Signal Person	Olympia
8 & 9	OSHA 10	Longview
14	Competent Person: Fall Protection	Olympia
22	Construction Contracts & Lien Law	Pt. Townsend

MARCH*

1	L & I Compliance Safety Day	Burlington
1	EPA Certified Lead Renovator: INITIAL Certification	Olympia
1	EPA Certified Lead Renovator: REFRESHER Certification	Olympia
8	Construction Contracts & Lien Law	Vancouver
14 & 15	Certified Erosion & Sediment Control Lead (CESCL)	Burlington
16	CESCL Recertification	Burlington
16	Project Management	Olympia
20, 21, 22	Certified New Home Sales Professional	Bellevue
21 & 22	OSHA 10	Kennewick
28	CAPS 1: Marketing & Communication Strategies	Spokane
29	CAPS 2: Design/Build Solutions for Aging-in-Place	Spokane
30	CAPS 3: Details & Solutions for Livable Homes & Aging-in-Place	Spokane

**March is National Professional Designation Month. Professional designations offer excellent opportunities to improve skills, advance careers and earn recognition for professional growth. Find out more about professional designations at BIAW.com.*

***Classes are continually added. Visit BIAW.com for the most up-to-date listings.*

HAPPENINGS AROUND THE STATE //



Photo courtesy of C.I. Ruxton.com



Photo courtesy of Alabastro Photography



2018 PRESIDENT INSTALLATIONS

[A] Skagit/Island Counties Builders Association 2018 President Jay Roberts raises his right hand and repeats the oath of office delivered by 2018 BIAW President Kevin Russell during SICBA's annual installation event. **[B]** Master Builders Association of King and Snohomish Counties 2018 President Erich Armbruster (l) prepares to take the oath of office delivered by MBA Immediate Past President Mike Walsh. **[C]** Thurston County Commissioner Gary Edwards invites Olympia Master Builders 2018 President Karen McClennen to the podium for the swearing in portion of their annual Christmas party.

CODES CHANGES AHEAD

BIAW continues to monitor changes to Washington state codes and regulations. Below is a summary of upcoming changes to electrical codes by the Department of Labor & Industries (L&I).

LIGHTED SIGNS

This new rule affects residential (02) licensed electricians and (04) licensed electricians that work primarily on lighted signs. Currently, (02) licensed electricians are able to work in multi-family buildings up to 3 stories in height in construction types III, IV and V with non-metallic sheathed cable.

This change will increase the building height to 6 stories above grade for same construction types.

Effective date for new rule: February 2, 2018.

In addition, the new rule would allow (02) licensed electricians to work within existing housing of parking lots to either change a bulb or retrofit LED lighting.

Effective date: February 2, 2018.

SKYPE-BASED INSPECTIONS PROPOSAL

BIAW has met with electrical department staff at L&I about inspection delays. In response, L&I is putting together a pilot project to offer Skype-based inspections. L&I will be looking for volunteers to join the pilot program.

If you are interested in participating in the pilot program, please contact BIAW Codes and Regulations Manager Al Audette at 360-352-7800, ext. 105, or ala@biaw.com

//PERFECT STORM from page 6 //

supply of homes and making them more expensive. They're responding to constituents, and all the regulations and restrictions add cost and continue to cause scarcity.

Many regulations are more about the neighbors' sensibilities than they are about the safety of the people living in the houses. Neighbors who want their property values to go up, in most cases, are insistent upon some excess requirements. Washington's Urban Growth Areas (UGA) boundaries have become like a religious icon—they largely can't be touched, thus eliminating land availability for new homes. Counties that try to move UGA boundaries are met with litigation and more—producing a self-fulfilling reality where home prices continue to escalate upward beyond the reach of many of Washington's residents.

L&I RATES DECREASE FOR WORKERS' COMP IN 2018

The Department of Labor & Industries (L&I) announced it decreased workers' compensation insurance rates for businesses in Washington, after multiple years of increases.

The average amount employers and workers pay dropped by 2.5 percent. The new rates went into effect Jan. 1, 2018.

The new percentage decrease of 2.5 percent is an average. Individual employers may have different rates based on the employer's industry and claims history. See the list of rates by employer risk class online at www.lni.wa.gov/ClaimsIns/Insurance/RatesRisk/Check/RatesHistory/default.asp.

For several years, BIAW and other business groups have voiced concerns on the burden to businesses due to several years of rate increases. BIAW has also pushed for common sense reforms that would put Washington in line with other states' workers' comp rates as well as reduce costs for employers and workers. We will continue to work toward these reforms and the additional workers' comp reform issues listed below:

- Allowing settlement agreements for all adult workers' compensation claimants, not just those over a certain age
- Changing the definition of "occupational disease" to cover injuries and conditions that are *primarily* caused by work
- Changing time loss rules so that injured workers don't earn more while on time loss than they did while working

BUILDING PERMITS OCTOBER

	SINGLE FAMILY	MULTI 2017	OCT 2017	YTD 2017	OCT 2016	YTD 2016
Benton	95	36	131	996	91	1,007
Chelan	26	4	30	314	28	279
Clallam	20	2	22	178	15	141
Clark	220	163	383	3,536	240	2,728
Cowlitz	16	0	16	172	10	123
Douglas	13	0	13	158	41	140
Franklin	51	2	53	476	35	372
Grant	26	0	26	340	25	574
Grays Harbor	14	0	14	188	10	148
Island	33	0	33	346	25	271
Jefferson	18	0	18	156	37	195
King	299	1,773	2,072	14,900	1,986	14,159
Kitsap	71	0	71	965	92	795
Kittitas	41	0	41	488	31	270
Klickitat	8	0	8	76	10	83
Lewis	16	0	16	176	48	167
Lincoln	2	0	2	39	2	40
Mason	22	0	22	165	13	141
Okanogan	13	0	13	112	13	120
Pacific	8	0	8	67	6	56
Pierce	299	165	464	4,428	292	3,109
San Juan	12	0	12	102	10	120
Skagit	42	0	42	433	25	328
Skamania	5	0	5	45	4	35
Snohomish	244	27	271	3,137	413	3,525
Spokane	164	123	287	3,242	228	2,990
Stevens	10	0	10	113	8	76
Thurston	95	10	105	912	109	1,548
Walla Walla	10	0	10	93	18	132
Whatcom	56	45	101	1,090	95	1,002
Whitman	8	10	18	73	19	191
Yakima	27	10	37	260	55	299
TOTALS	1,987	2,370	4,357	37,812	4,038	35,574

*Only counties reporting are represented in state totals. For archived listings, click on Member Resources tab at BIAW.com. Source: U.S. Census Bureau

SINGLE FAMILY AND CONDOS | MARKET ACTIVITY SUMMARY NORTHWEST MULTIPLE LISTING SERVICE | OCTOBER 2017

	LISTINGS			PENDING SALES		CLOSED SALES				
	TOTAL NEW '17	NEW & ACTIVE ACTIVE '17	% CHG vs. '16*	OCT '17	% CHANGE vs. OCT '16*	CLOSED OCT	% CHANGE, CLOSED vs. OCT '16*	MEDIAN SALE PRICE	% CHANGE MEDIAN PRICE*	MONTHS OF INVENTORY
Chelan	75	232	-6%	77	-14%	53	-22%	\$340,000	19%	4.38
Clallam	85	294	-4%	143	52%	91	32%	\$259,880	4%	3.23
Clark	65	134	103%	68	24%	47	15%	\$325,000	25%	2.85
Cowlitz	161	294	14%	177	9%	144	19%	\$230,000	2%	2.04
Douglas	45	108	19%	38	12%	35	-8%	\$260,000	2%	3.09
Ferry	4	51	-23%	7	40%	5	0%	\$249,000	177%	10.20
Grant	94	300	-20%	100	25%	106	10%	\$204,850	12%	2.83
Grays Harbor	122	409	-23%	180	32%	131	12%	\$179,000	10%	3.12
Island	165	408	-14%	198	28%	177	-5%	\$345,000	15%	2.31
Jefferson	49	215	-15%	77	35%	66	10%	\$320,750	6%	3.26
King	3,088	3,108	-15%	3,533	0%	3,174	-3%	\$565,000	14%	0.98
Kitsap	403	629	-24%	563	2%	424	-1%	\$324,363	11%	1.48
Kittitas	69	237	-11%	92	26%	79	3%	\$315,000	21%	3.00
Lewis	124	333	-5%	160	37%	98	24%	\$225,000	33%	3.40
Mason	100	344	-16%	145	41%	137	30%	\$216,000	17%	2.51
Okanogan	37	289	-16%	46	-4%	43	8%	\$207,000	6%	6.72
Pacific	44	214	-6%	70	11%	67	26%	\$177,500	15%	3.19
Pierce	1,441	2,204	-14%	1,934	13%	1,546	16%	\$309,000	12%	1.43
San Juan	22	219	-25%	46	53%	32	0%	\$567,500	0%	6.84
Skagit	175	462	-3%	207	-14%	201	7%	\$323,000	10%	2.30
Snohomish	1,284	1,476	-17%	1,710	10%	1,428	5%	\$415,000	12%	1.03
Thurston	455	711	-22%	560	13%	519	18%	\$278,000	5%	1.37
Whatcom	313	782	0%	407	9%	342	18%	\$315,950	4%	2.29
Others	46	227	71%	48	7%	44	7%	\$191,268	30%	5.16
TOTAL	8,466	13,680	-13%	10,586	8%	8,989	5%	\$373,000	8%	1.52

*Percentages rounded up. Source: Northwest Multiple Listing Service

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Building Industry Association of Washington
111 21st Avenue SW | Olympia, WA 98501
(360) 352-7800 | BIAW.com |  

SAVE THE DATE!

BIAW Winter Board Meeting | Feb. 26-28 | Hotel RL | Olympia

A block of rooms are being held until February 14 at Hotel RL. Reserve your room directly with the hotel at 800-RED-LION and mention you're with BIAW to get the \$117 single/double room rate.

DON'T MISS TRADE SHOW

ACCESSIBLE HOUSING TRADE SHOW

- Meet local manufacturers, suppliers and service providers
- Discover the newest design features, retrofits and products
- Learn how to grow and expand your client base

Tuesday | February 27 | 11 am - 2 pm

GENERAL MEMBERSHIP LUNCHEON

All BIAW members and guests are invited to attend the BIAW general membership luncheon. A special guest speaker is scheduled and will address attendees and take Q&As.

Tuesday | February 27 | 11:30 a.m.

Please RSVP to your local association by February 9

YOU'RE INVITED: BIAW'S LEGISLATIVE RECEPTION



Here's your chance to meet and greet new legislators as well as established leadership. Visit with your lawmakers one-on-one and discuss policy decisions that impact you, your employees and your business.

TUESDAY | FEBRUARY 27 | 7 p.m.

HORS D'OEUVRES | BEVERAGES | FUN!

