

EIGHT-PENNY NEWS

VOLUME 11 • NUMBER 5

FEBRUARY 1993

OSHA May Regulate Work-Site Lead Exposure

New Worker Standards Due this Spring

This April, the Occupational Safety and Health Association (OSHA) is expected to release standards regarding how construction workers should handle lead-based paint on site. The new standards are part of a mandate issued by Congress last fall in the National Housing Act's Residential Lead-Based Paint Hazard Reduction Act, more simply known as Title 10. This act gives OSHA the potential authority to determine how remodelers handle jobs involving lead paint removal.

There is much debate as to what the standards will actually include, how severely they will affect construction practices, and how much they will cost. Some say they may rival the Department of Housing and Urban Development's (HUD) stringent Lead-Based Paint Abatement Guidelines — guidelines that presently affect only public housing, but which have the potential to be adopted as standards by states, localities, or mortgage lenders. These HUD standards require on-site lockers and showers for employees of companies that do lead abatement work, and frequent worker blood testing.

Contractors, of course, are hoping for less extensive, and less costly, regulations from OSHA. "I just can't see myself telling people we'll start demolishing their kitchen as soon as

we get the showers and locker rooms installed," says Michael Markstahler, president of Markstahler Inc. in Champaign, Ill.

Like most of the contractors we talked to, Markstahler is avoiding work that involves disturbing areas contaminated with lead paint until OSHA's standards are released. "We just aren't doing things like stripping old woodwork," he says. Instead, he suggests that the homeowners either do the work themselves (being careful not to spread dust around the house and limiting their own exposure), or avoid that aspect of the job.

Remodelers worry not only about exposing themselves, their employees, and their clients to lead paint, but about liability. According to Dick Morris, senior technical adviser at the National Association of Home Builders (NAHB), there have been few cases so far in which clients or employees sued contractors for lead poisoning. But suits are not far off, he adds. The OSHA standards, by giving one definition of what is acceptable practice, may make it easier to assign responsibility in liability cases.

Who's watching the kids?

The primary goal behind the lead-based paint regulations is to keep blood lead levels low among the nation's children. Two years ago the Center for Disease Control (CDC) set the level of concern for youngsters at 10 micrograms per deciliter of blood (down from 25 micro-

grams per deciliter), because research suggested that higher levels compromised physical and mental development. In adults, extreme cases of lead poisoning can lead to memory loss, kidney damage, paralysis, or even death.

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According to David Jacobs, deputy director of the National Center for Lead-Safe Housing, an organization established last fall to find cost-effective ways to make housing lead-safe, one in six children nationally are now likely to be intellectually impaired due to lead exposure. "There have been lots of estimates as to how much it will cost to make all the housing with lead in it safe. But according to the CDC, fixing all the housing stock built before 1950 will actually save \$50 billion," he says. The savings will come in the form of reduced hospital bills and lower remedial education expenses.

Bringing your problems home from work. Jacobs says there are numerous cases where the children of construction workers have been poisoned from dust brought into the home from outside jobs. While he doesn't favor such extreme measures as installing showers on remodeling sites, Jacobs says changing clothes and shoes and washing your hands and face before leaving the site, wearing respirators, and other basic worker protection measures are essential. "We're not advocating the creation of a new and expensive industry like asbestos removal. But existing industry practices can be modified to make them safer," Jacobs says.

Safe jobs. The National Association of Home Builders (NAHB), in a publication called "What Remodelers Need to Know and Do About Lead,"

differentiates between remodeling activities that generate hazardous lead dust and those that don't (or that generate only minimal amounts). For instance, safe activities include painting and wallpapering over lead-based paint, replacing doors, windows, and cabinets, and adding new construction.

The most dangerous activity is actually removing lead, particularly by sanding, heat gun, or chemical means. Kitchens and baths are most dangerous since these rooms typically have high-gloss paint, which is more likely to contain high lead concentrations than flat or semi-gloss paints.

NAHB's Morris recommends testing surfaces first to determine whether you're working with lead. There are do-it-yourself kits on the market, but Morris suggests using a lab, since this gives you a written record of the results in case of liability problems down the line. Before working in the area, seal it off from other parts of the house by covering openings (including heat registers) with poly. If woodwork must be sanded, wet the surface frequently to contain dust. Follow up by thoroughly washing the entire area and using a HEPA vacuum to pick up dust.

More OSHA intervention?

Many contractors are not pleased at the prospect of having yet another set of OSHA regulations to conform with. "To me, the lead issue is just one more thing OSHA has to fine you for. I don't see where mandatory regulations will necessarily make the workplace safer. But they will certainly make OSHA wealthier," says one contractor.

Markstahler adds: "The majority of contractors want to conform with the OSHA regs and protect our workers. But we can't force them to wear respirators and change their clothes before leaving work, just as we can't force them not to stand on the top rung of the ladder. What you tell them in the office and what happens in the field are two different things."

For more information or a copy of "What Remodelers Need to Know and Do About Lead," contact the NAHB, 1201 15th Street, N.W., Washington, DC 20005; 800/368-5242. □

STATE BY STATE

Washington: The cost of a new, single-family home in Olympia, Wash. could be as much as \$10,000 higher since the city council there raised construction fees to cover infrastructure expenses. For instance, water hook-up fees increased from \$680 to \$900. Like many parts of Washington, Olympia's roads, water treatment facilities, and parks are feeling the pressures of population growth.

Florida: Take from the rich and give to the poor. That's the logic behind Florida's new law requiring purchasers of expensive homes to pay a higher percentage in real estate transfer taxes. The additional income will go into a fund that will help Florida's poor people acquire low-cost housing.

Utah: Developers here may have their own endangered species to worry about, depending on the findings of a U.S. Fish and Wildlife study of the southwestern subspecies of the willow flycatcher to determine whether it should be included on the federal endangered and threatened species list. Though the distribution of the shy bird is hard to discern precisely, it is thought that its population has declined dramatically. The Virgin River in Utah's Washington County is one of its remaining secure habitats, and development there might be limited if the bird is listed. One group estimates that fewer than 100 breeding pairs of the once-common bird remain, primarily because so many of the riverbank cottonwoods and willows in which it breeds have been lost to development.

Pennsylvania: Developers in Pennsylvania are eligible for financing and tax credits when they hire unemployed persons, who are registered with state job centers, to build low-income rental housing. □

It may not call for moon suits, but OSHA's new lead-paint standards, due in April, will most certainly affect the way remodelers handle lead paint.



New Energy Bill Encourages Energy-Efficiency in Construction

This past October, the most comprehensive federal energy legislation to be enacted in more than a decade was signed into law by President Bush. The 900-page law covers many aspects of energy, from alternative fuels to uranium enrichment; from industrial insulation incentives to energy-efficient mortgages and home rating systems.

According to Matthew Chwalowski of Edison Electric Institute in Washington, D.C., "the bill is full of compromises. It didn't make anyone really happy or anyone really unhappy."

Of specific importance to the building industry, the law includes provisions that:

- Set mandatory energy efficiency standards for incandescent and fluorescent lamps, electric motors, and heating and cooling equipment for commercial buildings. Timelines on these standards vary from 18 months to 5 years.
- Require the DOE to support a voluntary national window rating program that will develop energy ratings and labels for windows and window systems. (But if the voluntary program isn't set up within time guidelines, the feds will develop their own testing procedures.)
- Encourage a similar voluntary program for rating and labelling in lighting fixtures and bulbs.
- Require study of the potential development of high-efficiency appliances and a report on the utility of early replacement programs for appliances.
- Set mandatory low-water use standards for some plumbing products, including showerheads, faucets, toilets, and urinals.
- Require states to review their residential and commercial building standards. Basically, state residential codes will have to match or exceed CABO's 1992 Model Energy Code, and state commercial codes must match or exceed ASHRAE Standard 90.1-1989.
- Mandate energy-efficiency standards for federal buildings and federally assisted residential construction. Over 500,000 buildings owned or leased by the federal government are required to reduce their energy consumption 20% over the next few years. Many of these buildings will

be retrofitted to achieve this reduction.

- Develop voluntary guidelines for rating residential buildings on their energy efficiency. Also authorize support for regional building energy efficiency centers.
- Authorize private partnerships and technical transfer money under the low-income weatherization program.
- Establish five state energy-efficient mortgage pilot programs. These programs can be expanded within two years.
- Authorize tax breaks to residential customers of public utilities receiving subsidies for the purchase or installation of energy conservation measures.

According to Chwalowski, the bill's appliance and equipment energy-efficiency standards should not be a hardship for manufacturers, "because products are already being manufactured at these efficiency levels." He believes first cost for contractors purchasing the equipment will increase, however, probably by about 15%, as the less expensive and less energy-efficient options are dropped from product lines. Prices for appliances may also be affected by increases in CFC taxes mandated by the bill. Financial incentives for energy-efficient new and retrofit construction, such as energy-efficient mortgages, conservation tax breaks, and utility incentives, however, may offset this potential increase in first cost.

An unofficial estimate pegs the cost of implementing all provisions of the act at around \$2.5 billion. In its budget request for 1994, the DOE requested only \$200 million, however. Most observers agree that if adequate appropriations are not made, many of the act's provisions, particularly for grants, incentives, and technical assistance, are empty shells.

However, the bill's aims will still likely save plenty of energy — as much as 31,000 megawatts, or the equivalent of 30 large nuclear plants. According to Norm Blake of Pennsylvania, writing in *Lighting Management & Maintenance* last fall, the "lighting provisions alone should save approximately 37 billion kilowatt-hours annually."

— Kathleen O'Brien

TAX TALK

IRS Simplifies Employers' Tax Deposit Rules

by Milton Zall

Builders, remodelers, and other employers will find it easier to know when to deposit the taxes withheld from employees' salaries under new IRS regulations that took effect in January 1993. Under the new rules, employers will report withheld taxes on either a monthly or a semiweekly basis.

The former arrangement was much more complex. Deposit requirements could change from month to month depending on the amount of taxes accumulated. Many employers had to deposit about twice a week, on days that were determined by dividing the month into eight parts — a confusing increment that everyone found confusing.

Under the new rules, however, employees will know at the start of the year what their deposit deadlines will be through the year. As a result, they'll probably pay fewer penalties for late payments.

The key to the new rule is a "look back" provision that puts

most employers on a standard deposit cycle. Employers look back to their employment tax liabilities during a twelve-month base period ending June 30 of the preceding calendar year. For 1993, in other words, you look back to the year July 1, 1991, through June 30, 1992.

If your accumulated payroll taxes were \$50,000 or less in that year (as they are for 75% of all businesses), you must deposit payroll taxes monthly, on the 15th day of the month following the payroll. For February's payroll, in other words, you would pay payroll taxes to the IRS on March 15.

If you accrued over \$50,000 in payroll taxes in the prior year, you must deposit taxes semi-weekly, for example, on Tuesdays and/or Fridays. (This is a little less simple.) If your payday is Wednesday, Thursday, or Friday, you have to deposit taxes on the following Tuesday. If payday is Monday or Tuesday, you must

deposit taxes on Friday. The only time you have to pay twice in a week is if you have two paydays a week.

New employers will be monthly depositors until they report more than \$50,000 of employment taxes for the previous July-June look-back period. The IRS will notify employers of which method they must use in November of the previous year.

The new rules also contain special rules for holidays, as well as "safe harbors" to avoid penalties when deposits fall short of the required amounts. There is also a special transitional rule for employers who can't adjust their payroll systems fast enough; if they choose, they may comply with the old rules until the necessary payroll system changes are made or until December 31, 1993, whichever comes first. □

Milton Zall writes on tax and business matters from Silver Spring, Md.

Code Bodies Nix Universal Design Amendments

About a year ago, the big news from the Building Officials and Code Administrators' (BOCA) annual meeting was their approval of the "7-11" stair rule. This required that residential stairs have a maximum 7-inch rise and a minimum 11-inch tread, to make stairs safer, especially for elderly or disabled people. This year, BOCA reversed itself; its 1993 code book will permit the previous 8 1/4-inch maximum riser and 9-inch minimum tread (though the treads must have at least a 1-inch nosing).

There were three reasons for the reversal, according to Ken Schoonover, manager of code development services for BOCA. First, builders complained about the additional expense of building the longer, wider stairs. Also, he says, there is no concrete evidence that 7-11 stairs are safer or will help prevent falls. Finally, some question whether universal design is necessary for residences. Dan Johnson, senior construction and codes advisor for the National Association of Home Builders, says those who need greater accessibility should customize their homes after they buy them. "People with disabilities are a minority and the majority of people in the U.S. don't want or need these fea-

tures," he says.

But the issue hasn't been put to rest. BOCA's board of directors is appointing a committee to further research the safety issue. "It's likely that 7-11 stairs will be proposed again, and soon," Schoonover says.

In another move away from universal design for residences, BOCA also reversed last year's decision to require 32-inch clear-width passage doorways. Next year's code will allow a 29 3/4-inch opening for interior doors. Like 7-11 stairs, the wider doors cost more and require more space in the house.

BOCA's board also announced a moratorium on code changes for next year. The reason, Schoonover says, is the overwhelming number of changes processed each year. "The process just isn't efficient anymore. So the board is taking a year off to study the process and look for ways to streamline it," he says. In 1992 alone, there were 291 changes to the building code. When these are added to the changes in the plumbing, fire safety, and other components of the BOCA book, there are close to 600 changes. That's a lot for code officials and builders to keep track of.

ICBO defeats safety changes. Representatives at the

International Conference of Building Officials (ICBO) meeting this fall were also voting against changes designed to make houses safer and more accessible. For instance:

- The group defeated an initiative requiring all residential doors, interior and exterior, to have lever hardware instead of knobs.
- It also voted against a move to require all windows 29 inches or less from the floor and 6 feet or more above grade be either covered with bars or unopenable beyond 4 inches. This would prevent children from falling from windows that meet these provisions. But according to NAHB's Johnson, barring windows or making them inoperable above a certain height would also make it difficult to escape in case of fire.
- A proposal to require carbon monoxide detectors in all homes was also defeated. The rule was designed to protect homeowners from the dangers of backdrafting. But those present argued that since many homes are all electric, the carbon monoxide detector would simply be an unnecessary added expense. □

From What We Gather

The remodeling market leaped upwards in 1992, if expenditures from the second quarter of last year are any indication. Commerce Department reports showed remodeling activity running at a seasonally adjusted rate of \$124.7 billion during the second quarter of 1992, up 35% from the previous quarter. According to the National Association of Home Builders' Remodelors Council, that figure was expected to level out at sales of \$105.1 billion in 1992. The Remodelors Council is expecting more growth this year, with sales expected to increase to \$112.3 billion.

Lumber production was at its lowest level since 1985 last year, according to figures from the Western Wood Products Association. The association cited the sluggish economy, low housing starts, and, most significantly, timber supply reductions due to environmental constraints.

Electric and gas rates run up to 300% higher in the Northeast and Pacific Northwest than in the central and mountain states, according to a survey conducted by the National Association of Regulatory Utility Commissioners.

A trade association of minority- and women-owned banks is working with housing finance giant Fannie Mae to deliver affordable housing to minorities and those living in urban areas. The National Bankers Association is implementing a low downpayment mortgage plan with flexible qualification guidelines and a home purchase and rehab mortgage that allows families to contribute sweat equity.

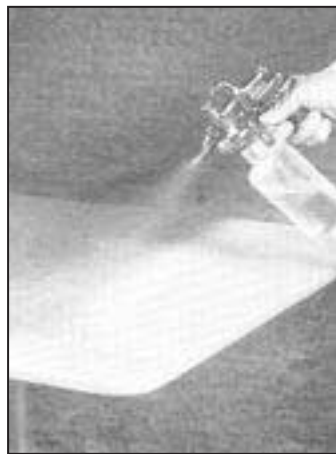
There's a fungus among us and it's killing the majestic sugar pines that line the slopes of the Sierra Nevada mountains. While production of sugar pine lumber is small, accounting for only about 15% of Western production, the fungus has still affected lumber prices. There's also a fear that white pine blister rust, which not only kills trees but also makes them more susceptible to insect infestation, will make its way east. Should Eastern white pine trees fall victim to the fungus, builders on the East Coast are likely to see lumber prices rise as well.

Hardware stores and home centers rank among the top ten places to meet men, according to a recent story in *Cosmopolitan* magazine. □

Spray-On Solid Surfacing

Formica Corp. recently began marketing spray-on, granite-look solid surfacing for use on kitchen and bath countertops, as well as for walls, backsplashes, and shower surrounds. The material, called Granicoat, is actual solid surfacing that's applied with a spray gun to a thickness of about 20 mil.

Granicoat is a two-part system consisting of a proprietary, petroleum-based resin, with small polyester



Formica's new spray-on solid surfacing material can be applied over standard substrates or over existing countertops.

granules to give it the look and texture of granite, and a hardener. The components are mixed during the spraying process. The material starts to cure within 20 minutes and is fully hardened, depending on weather conditions, within several hours.

According to Janeen Schnitzer, marketing coordinator for Safas Corp., developers of Granicoat, the material can be sprayed on most substrates, ranging from medium density fiberboard to porcelain and ceramic tile. Slick surfaces, such as plastic laminate, must be scuff sanded.

"Everyone wants solid surfacing, but it's expensive. This is the same material, but because it goes on in a thin, sprayable coat, it costs considerably less and weighs a lot less than solid-surface panels," Schnitzer says. Schnitzer says it has the same properties as solid surfacing: You can buff out any scratches and set hot pans on it without worry. The seamless finish can be polished from matte to gloss with sandpaper and polishing compound. It is also stain resistant.

Formica is expected to market Granicoat, initially available in about 12 colors, through solid surfacing fabricators. Since the material has a very strong odor, much of the spraying will be done in the fabricator's shop. However, for renovation work, fabricators will be able to spray the material on site, over existing countertops, for instance.

For more information, contact Formica Corp., 10155 Reading Rd., Cincinnati, OH 45241; 513/786-3400. □