

Notebook...

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Remodeler Activists Speak Out in Washington

More than 120 remodelers descended on Capitol Hill this summer to lobby in favor of pending legislation that directly affects them. The annual event is organized by the National Association of the Remodeling Industry (NARI), which keeps its members up to date on legislative issues by publishing a *Federal Issues Book* three times a year. (For more information, call Patti Burgio, NARI Director of Government Affairs, at 703/575-1100 ext. 3014.)

Some of the issues remodelers at the gathering were able to speak directly with legislators about include the following:

Simplify independent contractor rules. The current test for distinguishing between an employee and an independent contractor is ambiguous. Unfortunately, favorable independent contractor language was pulled from the Taxpayer Relief Act of 1997 before it passed.

Cut small-business taxes. The Estate and Gift Tax Rate Resolution Act would phase out estate taxes by 2009, allowing family-owned construction companies to be willed to surviving family members without penalty.


Reform health care insurance. NARI supports the Expansion of Portability and Health Insurance Coverage Act, which would allow small-business owners to join association-based health care plans and to purchase insurance at lower rates. The association is also concerned that self-employed contractors can deduct only 45% of their health premiums this year, and must wait until 2007 for premiums to be fully deductible.

Reform OSHA. Several bills have been introduced that will make OSHA a more user-friendly agency. For example, the proposed Safety Advancement for Employees Act will allow construction companies to voluntarily use OSHA-certified third-party safety and health professionals to evaluate their job sites to identify unsafe or non-compliant conditions. If a contractor follows the recommendations of the voluntary audit and corrects any non-compliant conditions within 90 days, the company would be



Mandates for low-flow toilets will be flushed away if members of NARI and other industry lobbyists are successful in their efforts to support passage of the Plumbing Standards Improvement Act.

exempt for two years from OSHA fines. OSHA could still enter a workplace, conduct compliance inspections, and issue citations.

Reform plumbing standards. NARI supports the Plumbing Standards Improvement Act, which would repeal the low-flow toilet mandate introduced with the Energy Policy Act of 1992. 

Intuit Wins Y2K Class Action Suit

Judge dismisses complaint




Intuit Inc., manufacturer of QuickBooks, Quicken, and other financial software, has prevailed in a class-action suit filed against it in relation to its popular Quicken software.

The complaint centered around the "Year-2000 problem," also called the "millennium bug" or simply "Y2K," which has been a hot topic in the software industry for the last several years. Y2K refers to the fact that until recently, most computer programs were written using a two-digit date code, which

works fine until midnight at the turn of the century. When the clock turns from "99" to "00," many PCs will change the date to Jan. 1, 1900, which could cause your bank to send you a check for 100 years of interest — or an overdue notice for ten decades of mortgage payments.

The lawsuit sought compensation for users, claiming that Quicken's online banking functions were not Y2K-compliant and would not be able to process transactions after Dec. 31, 1999. On Friday, August 28, 1998, Judge John Herlihy of the Santa Clara County Superior Court ruled that there was no proof users would be damaged before Intuit had an opportunity to provide a remedy to the problem, and dismissed the complaint.

Intuit's victory is significant because the suit was one of the first Y2K actions to make it to court. Intuit counsel Claude Stern said, "Judge Herlihy's decision to throw the case out is a warning to all these class-action law firms and their clients, and an indication that the courts won't tolerate this sort of litigation abuse."

Because many *JLC* readers use Intuit's software, we asked the company to give us the official word on its plans for Y2K compliance for each of its products. The results are shown in the above chart. Intuit urges customers to check its Web site (www.intuit.com) regularly for free patches and special pricing on upgrades. You can also call the company (800/446-8848) to speak to a customer representative about the latest versions of Quicken and QuickBooks. For questions about Y2K, write to Intuit's Year 2000 Coordinator (Intuit, Inc., 2650 East Elvira Road, Tucson, AZ 85706). 

Year-2000 Status of Intuit Software

Software	Current status	Method of Compliance	Comments
Quicken			
DOS v 1-4	Non-compliant		No fix planned. Users will have to upgrade.
DOS v 5-8	Compliant through 2027	Use 4-digit year or use apostrophe to separate year (e.g. 12/31'03 = Dec 31, 2003)	No future fix planned.
Windows v 6 & 98	Compliant through 2027	2-digit year	Loan & investment subsections are 2-digit compliant beyond 2027 to allow for 30-year terms. Future releases will be fully compliant.
Online banking	Non-compliant		Patch available from bank or Intuit in 2nd quarter of 1999.
BankNOW (Internet & AOL)	Non-compliant		Free download patch available in Oct., 1998.
Quicken for Mac	Compliant except for online banking	2-digit year	Free patch available from bank or Intuit for v 6 & v 7 in 2nd quarter of 1999. Quicken 98 for Mac patch available at www.intuit.com .
QuickBooks for DOS	Compliant through 2025	Use 4-digit year or use apostrophe to separate year (e.g. 12/31'03 = Dec 31, 2003)	No fix planned for dates beyond 2025.
QuickBooks & QuickBooks Pro for Windows & Mac	Version 5 compliant through 2027 Version 6 fully compliant	2-digit year	No v 5 fix announced for dates beyond 2027.
Online banking	Non-compliant		Free download patch available in Oct., 1998.
Quicken Financial Planner	Compliant through 2999	2-digit year using apostrophe as separator (e.g. 12/31'03 = Dec. 31, 2003)	After 2099, use 4-digit year.
QuickPay			
v 2.0 & 2.1 (Windows & DOS)	Same as parent product.	(See parent product.)	
v 3 for DOS	Non-compliant		No fixes planned.
v 3 for Windows	Compliant through 2027	2-digit year using apostrophe as separator (e.g. 12/31'03 = Dec. 31, 2003)	
TurboTax, MacInTax, ProSeries	Non-compliant.		Tax software is updated annually. Intuit claims all will comply by 2000.

Model Energy Code Workarounds

Since the introduction of the Energy Policy Act of 1992, the energy conservation situation has gone from complex to confusing. Part of the blame lies with soft wording, which urged states to “consider adopting” — but didn’t require adoption of — the energy saving standards of the *Model Energy Code (MEC)*. Factor in states’ rights and the resistance among builders to more codes and restrictions, and it’s easy to understand why only slightly more than half of the 50 states have adopted any energy code at all. On the other hand, some states, like California and Colorado, have adopted energy codes that far exceed *MEC*’s standards.

Sooner or later, though, energy codes will apply to all residential and commercial buildings. The federal government already requires *MEC* compliance for




The *MEC* window-to-floor ratio may seem too restrictive at first glance, but the code allows builders to make up for non-compliance in one area by upgrading energy measures in other parts of the structure.

HUD, VA, and FHA financing, and many states and jurisdictions require some kind of energy code compliance before awarding permits. You can find out where your state stands with regard to adopting or changing its energy code by checking out the bimonthly report at www.crest.org/efficiency/bcap/update.html. The Web site is sponsored by the federally funded Building Codes Assistance Project.

If you discover that more stringent energy codes are coming your way, don’t panic: Thanks to the use of “trade-offs,” energy codes are more flexible than they might first appear. The *MEC* allows the thermal efficiency of one building component to be decreased if another is increased. For instance, if your project is on a site with a grand view and the client wants more windows than are allowed by code, you might increase the wall insulation to R-19 (exceeding the R-13 requirement) to make up for the larger window-to-floor ratio.


Trade-offs can be calculated with computer software, such as MECcheck, which was developed by Pacific Northwest National Laboratory. The program can be downloaded free from www.energycode.org, or can be ordered for \$20 by calling 800/270-2633.

If you don’t have time to make the calculations yourself, you can hire an energy code specialist who is familiar with energy regulations in your area, and who can prepare an energy package that satisfies building codes for your project. As with any subcontractor who performs tasks that you are not equipped to handle, the cost for an energy consultant can be a wise investment. For example, Mark Madison, an energy code specialist in San Clemente, Calif., charges \$275 to provide energy calculations and trade-offs for projects up to 5,000 square feet. For remodels, the energy calculations can be as low as \$125. 

EIFS Manufacturer Settles

EIFS manufacturer Senergy has settled its part of a North Carolina class-action suit by agreeing to pay \$20 million to help repair one- and two-family homes that have sustained damage as a result of moisture intrusion around windows, doors, and other openings. Only homes clad with products sold under the Senergy or Thoro Wall brands will be affected. In settling the case, Senergy denied that its product was at fault, blaming poorly sealed or flashed windows and doors. The settlement has no effect on the status of other EIFS manufacturers — Dryvit Systems, Sto Corp., Parex, W.R. Bonsal Co., Continental Stucco Products, Thomas Waterproofing Coatings Co.,

United States Gypsum Co., and Shields Industries Inc. — who were also named in the 1996 suit brought by a group of aggrieved homeowners in the Wilmington area.

Training help on the way. In a related story, the EIFS industry has taken a step toward ensuring that future installations will be free of water problems by offering an education and certification program through the Association of Wall and Ceiling Industries International. The EIFS training program is designed for inspectors as well as mechanics, who receive certification after completing a course of study and passing an exam. Foremen who complete a more substantial education course will be deemed qualified to train craftsmen within their own companies. For more information about the training, contact AWCI at 705/534-8300. 


Lead Paint Requirements Tighten

As of June 1999, contractors who disturb painted surfaces on any housing built before 1978 must distribute an EPA pamphlet entitled "Protect Your Family From Lead in Your Home" to building owners and occupants, according to an EPA ruling this summer. Contractors must also obtain signatures as proof that the pamphlet was distributed. Violators face civil penalties of up to \$25,000 a day per violation, and criminal penalties of up to one year in prison for each violation. Over the next year, the EPA will provide notices warning



Come January, remodelers whose work will disturb paint in dwellings built before 1978 will be required to distribute this pamphlet to homeowners and occupants.


of the impending deadline and will help contractors comply.

Exemptions to the ruling include homes without a bedroom, such as efficiencies or studio apartments, and housing for the elderly or persons with disabilities, provided a child under the age of six does not live in the building. Also exempt are emergency renovations as well as minor repairs disrupting two square feet or less of a painted surface (window replacements are not exempt). Copies of the pamphlet can be purchased in English or Spanish from the National Lead Information Clearinghouse (800/424-5323), but the document can be photocopied for distribution. For more information, log onto www.epa.gov/lead and click on "Pre-Renovation Education Program (Section 406[b])." 

Bad Days for Bad Siding

A jury has ordered Weyerhaeuser Co. to pay \$20.85 million in damages after the company's hardboard siding was deemed deceptively designed, causing it to fall apart due to fungal growth and rot in a 370-unit luxury apartment complex in Mountain View, Calif. After listening to 41 days of testimony, the jury concluded that the \$11-billion-a-year forest products giant had concealed information about the defective siding from the public; the award does not, however, include punitive damages. According to Eagle Square Partners, lawyers for the apartment complex ownership group, the siding was applied to the new buildings in 1988 and 1989, and had begun to split by 1994. Weyerhaeuser maintained that the problems were caused by construction and design errors.

Claims exceed L-P settlement. In a related story, the \$275 million that Louisiana-Pacific Corp. agreed to pay in 1995 as a result of its failed L-P Inner-Seal siding product has proved insufficient to keep up with claims from suing homeowners. The money was to be paid out in installments until 2002, but claims have so far totaled \$365 million, with 800 claims pouring in weekly. About 48,000 homeowners who have filed claims have not been paid.

According to a late-July article in the *Wall Street Journal*, L-P's insurers have refused to pay anything toward the settlement, claiming that the company did not disclose to them known problems with the siding. Unless L-P puts up more cash, it could be sued again, but homeowners are barred from going back to court on the issue until 2000. The defective siding was used on an estimated 800,000 homes. For information on the progress of the suit and payments, call 800/245-2722. 

Offcuts ...

The Telluride ski resort must restore 15 acres of ancient wetlands that it filled in while expanding its ski terrain and building homes, parking lots, and golf courses, a federal court ruled this summer. That is in addition to 12 acres of wetlands the Colorado resort is restoring under a settlement with the EPA.

OSHA issued 83,000 citations in fiscal 1997, an increase of nearly 26,000 over fiscal 1996. The trend, which results from an initiative to more thoroughly enforce safety rules, is expected to continue.

New Wheat-Based Particleboard

Window products manufacturer Fen-Tech has introduced jamb extensions made from wheat straw. Called WheatBoard, the industrial-grade particleboard combines a core of wheat straw with a wood or vinyl veneer to produce a moisture-resistant alternative to wood that meets or exceeds ANSI standards for stiffness and screw-holding power. A “receiver” for the jamb extension is attached to the vinyl window with glazing tape, providing an airtight seal between the window and the jamb extension.

According to Fen-Tech, the new material is only available to OEMs (original equipment manufacturers) for use in the construction of windows, and not as a general substitute for standard particleboard panels. The jamb extensions come in sizes to accommodate most wall thicknesses.



A new composite made from wheat straw is being used in window jambs. The manufacturer claims the material exceeds standards for stiffness and screw-holding power.

Ancient Laws Smote Errant Builders

If you've ever yearned for the “good old days,” consider what happened to incompetent builders 4,000 years ago. The following edicts were included in the Code of Hammurabi, one of the earliest known building laws:

- If a builder has built a house for a man and his work

is not strong, and if the house he has built falls in and kills the homeowner, the builder shall be slain.

- If the child of the householder is killed, the child of that builder shall be slain.
- If the slave of the householder be killed, he shall give slave for slave to the householder.
- If goods have been destroyed, he shall replace all that has been destroyed, and because the house that he built was not made strong and it has fallen in, he shall restore the fallen house out of his own material.



Home on the Range


Hey buckaroos! Are you too cool to wear a frumpy hardhat, but value your noggin just the same? Well, hold your horses and lasso yourself the most striking fashion statement to ride onto job sites since nylon tool belts — the new Cowboy Hard Hat. Made of a tough, lightweight plastic, it looks like the real wrangler thing, except that it's approved for construction use by ANSI and OSHA. Available in four colors — gray, straw, and the classic good-guy white and bad-guy black — the western-style safety gear costs \$34 and can be imprinted with your company logo. To order, call High Desert Technologies at 805/822-9244, or order yours online at www.trail-boss.com.



Western-style hard hats are the latest in fashionable OSHA-approved safety wear.


Drywall Dust May Be Hazardous — Still

Results from a National Institute for Occupational Safety & Health study showed that 9 out of 10 total-dust samples (as opposed to airborne dust) measured at test sites where workers were finishing drywall with joint compound were at higher levels than limits set by OSHA. Several samples contained silica as well as kaolin, a material found in clay; both substances have been found to cause permanent lung damage. The study,

which was conducted at the request of the Center to Protect Workers' Rights, involved tests done in 1993 at sites in Buffalo, N.Y., and Washington, D.C., but the results were only recently released. While the report stopped short of saying elements in the dust will definitely cause health problems, it did say the dust may not be safe even when it falls within recommended limits. The report recommends the use of local-exhaust ventilation, wet-finishing techniques, and personal protective equipment. For a free copy of the report, and to purchase a \$7 seven-minute video on how to use controls to protect workers, call 800/356-6474 and ask for HETA94-0078-2660. 

¿Que Pasa, Jefe?

Aiming to remove language barriers from the job site, Denver framing contractor Bader/Burke & Co. helped start a class that teaches English and Spanish translations for frequently-used construction words and phrases. The class was developed in conjunction with the Community College of Denver's Business and Industry Services Division, which has tailored similar classes to other industries.

Some translations taught in the class are timesavers, others are potential lifesavers. For instance, "Where is your hardhat?" translates into Spanish as *¿Dónde está su casco?* and "Where are your safety glasses?" to *¿Dónde están sus lentes de seguridad?* A booklet of the translations taught in the class is available through the Denver HBA by calling 303/778-1400. 

Español on Site

Brick	<i>ladrillo</i>
Broom	<i>escoba</i>
Scaffold	<i>andamio</i>
Boots	<i>botas</i>
Harness	<i>entero</i>
Ladder	<i>escalera</i>
Tape measure	<i>cinta</i>
Drill bit	<i>broca</i>

When is the inspection?

A qué hora es la inspección de la casa?

Please move your truck.

Mueva su troque, por favor.

When will you be done with the roof?

¿Cuándo va a terminar el techo?

Where's your boss?

¿Dónde está su jefe?

Offcuts ...

Urban sprawl may screech to a halt in New Jersey, the nation's most densely populated state, after both houses of the state legislature voted overwhelmingly in favor of preserving 1 million acres as permanent open space. Voters decide Nov. 2 whether or not they want to allocate \$98 million a year for the next ten years to purchase and preserve the land, which occupies roughly half of the state's remaining undeveloped real estate.

The risk of serious job-site injury is nearly double for younger laborers who have been treated for substance abuse compared with non-abusers. That's the word from a Center for Workers' Rights study called "A Health Profile of Construction Workers in the United States, 1959-1994." Among other conclusions, the study said that construction workers have the greatest risk of work-related hearing loss compared with workers in other industries.

A housing shortage crisis is looming in California, where builders are putting up only half of the houses needed to accommodate the state's fast-growing population. This is according to a report by the California Building Industry Association, which says that the state's population is growing by 1,700 people a day and needs at least 250,000 houses, condominiums and apartments annually to keep pace. That rate of construction hasn't been reached in more than a decade.