

## Remodelers Brace for Long-Awaited EPA Lead Rules

The 1992 Toxic Substances Control Act gave the EPA 18 months to draw up a set of lead-safe work rules for contractors who work in structures that may contain lead paint. On March 31 of this year, the rules were finally published.

The new Lead Renovation, Repair, and Painting Rule requires all remodelers working on residential or “child-occupied” commercial buildings that may contain lead-based paint to receive certified lead-safety training. It also spells out mandatory procedures for sealing work areas against dust, performing final job-site cleanup, and recordkeeping.

According to NAHB analyst Matt Watkins — who’s been closely following the issue — the new rules will be phased in over a three-year period. During the first year, the EPA will work with the industry to develop approved lead-safety training programs. Remodelers who plan to continue to work on buildings that may contain lead must complete the required training by the end of the second year — March 2010.

By mid-2010, contractors will be required to follow the new work rules on all projects involving homes built before 1960, and the EPA will presumably begin to enforce compliance with spot checks of job sites and company recordkeeping. A year later, in 2011, that requirement will be extended to include all structures built before 1978.

Watkins notes that the new rules contain many “uncertainties and gray areas subject to interpretation.” For example, when they’re fully implemented they’ll require the use of lead-safe practices on all rental housing — with an exemption for owner-occupied housing: If the homeowner signs a document stating that no child aged six or under lives on the premises, a contractor can waive the lead-safe practices. “But what happens if a five-year-old shows up in the house once the job is under way?” Watkins asks. “Whose problem is it that the homeowner lied?”

Another key question concerns the level of training necessary for those actually present on the job site. The rules make it clear that workers don’t need formal lead-safety training if they’re working under the direction of a trained person — but whether the trained person must be on the site continuously or can move from place to place as needed to manage multiple jobs at the same time is less clear. — *Jon Vara*

■ An affordable and purportedly zero-carbon home has been unveiled by a British consortium of green builders, reports *The Independent*, a London newspaper. The superinsulated passive-solar “ruralZED” house is based on a prefabricated timber frame that comes as a flat-pack kit — “a bit like a sofa from Ikea,” according to the project architect. Designed for off-the-grid living, the three-bedroom structure has photovoltaic roof panels and a wood-chip-fired boiler for backup heat. Not counting land or site work, it can be erected for the equivalent of about \$305,000, say its creators.

■ Today’s suburban McMansions may be tomorrow’s slums, says developer and land-use planner Christopher B. Leinberger. Writing in the March 2008 issue of *The Atlantic Monthly*, Leinberger argues that “demographic changes in the United States ... are working against conventional suburban growth, and are likely to further weaken preferences for car-based suburban living.” In coming decades, he speculates, as family size continues to shrink and Americans are increasingly drawn to urban residential neighborhoods, more recently developed areas — particularly low-density outer suburbs poorly served by public transportation — will become “magnets for poverty, crime, and social dysfunction.”

# Arizona Immigration Law Drives Worker Exodus

Arizona's comprehensive new law against employing illegal immigrants — which took effect in January but for legal reasons wasn't enforced until March — is already having an effect on the labor pool as thousands of Latino workers leave for neighboring states.

The Legal Arizona Workers Act combines new hiring requirements, tough sanctions against businesses that hire illegal workers, and punitive measures aimed at the workers themselves — such as a provision making it a felony to use a false identity to obtain work.

The law requires that employers use the federal government's Internet-based E-Verify system to confirm that all newly hired workers are legally eligible for employment, and that county attorneys investigate any claim that a business is using illegal workers. If a company is found to have hired an illegal worker, the state will suspend its business license for up to 10 days. A second offense will earn permanent revocation of the license.

Earlier this year, county prosecutors charged with

enforcement agreed to postpone their efforts until March while preliminary legal challenges to the law — none of which proved successful — were considered by the courts. Since then the focus has shifted to the Ninth Circuit Court of Appeals, which is expected to begin hearing arguments by late spring or early summer.

So far, few builders are complaining of a labor shortage. One reason could be that the building slump has hit Arizona particularly hard; right now, more contractors are laying off existing workers than are hiring new ones.

For example, Mesa, Ariz., masonry contractor Robert Ahlers — who told the local *East Valley Tribune* in December he was worried that “come January first when this goes into effect, I'm going to wake up ... and half the people working for me are going to be gone” — now says the law has caused him no problems. “No one I know has said they lost a good mason or bricklayer because he's going to Colorado or moving back to Mexico,” he told *JLC*, adding, “But now we've got about 45 to 50 people working. A year ago we probably had 90 to 100.” — *J.V.*

# San Francisco Bay Area Builders Push for Mandatory Green Standards

Early last year, when the Home Builders Association of Northern California polled area residents on what they wanted to see in new housing, one finding stood out. “An overwhelming majority said they wanted to see more green and energy-saving features,” says HBANC executive director Joseph Perkins.

At about the same time, Perkins recalls, many of the 101 municipalities in the association's 14-county area were discussing a new crop of regulations designed to boost green-building practices. Putting two and two together, the group decided to take the initiative and push for a uniform green standard that would be mandatory and written into area building codes.

As part of that effort, HBANC announced a partnership earlier this year with the Berkeley-based nonprofit

Build It Green, which has developed just such a standard, the Green Point Rated program. Together the two organizations have been lobbying local governments to adopt the program; as of mid-April, says Build It Green spokesman Brian Gitt, more than a dozen municipalities had done so, writing it into their building codes; another 40 — including San Francisco, Oakland, and San Jose — are planning to follow suit. “We think every municipality in the area will sign on in the next year or two,” Gitt says.

The effort benefits builders in many ways, says Perkins. For one, it encourages consumers to give credit where credit's due. “Our industry has been exemplary in reducing carbon emissions,” Perkins says. “The fear was that if we let environmental crusaders push green

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building standards through, they'd take all the credit."

Moreover, the partnership with Build It Green gave builders some control over the final details of area building codes, making it less likely that municipalities would adopt "ordinances that might be more draconian than what we're looking for," Perkins says.

Perhaps most important, the effort has put the association's members — who according to Perkins build three-fourths of the Bay Area's new homes — on a more predictable regulatory footing. "That alone is huge," Perkins says. "In the worst case all 101 municipalities would have come up with 101 different standards." — *Jon Vara*

## Last Call for the Domestic Production Activities Deduction

**T**he 2007 tax deadline is past, but if you overlooked a recent change to the tax code that could qualify your business for a hefty deduction, there may still be time to file an amended return.

The Domestic Production Activities deduction — established as part of the American Jobs Creation Act of 2004 — allowed businesses with "qualified production activities" to take a 3 percent deduction from net income for the 2005 and 2006 tax years. For 2007, the allowable deduction increased to 6 percent, where it will remain until it bumps up to a permanent 9 percent in 2010.

Not sure what "qualified production activities" are? In addition to U.S.-based manufacturing and software and video-game development, IRS Code Section 199 specifically names construction services, including building and renovating residential and commercial properties, and related engineering and architectural services. Calculating the permissible deduction can get pretty complicated, however, and most builders should probably get professional help. — *J.V.*

■ Builders at work on teardown projects are accustomed to neighbors griping about noise, dust, and traffic, but in North Dallas, Texas, a new complaint has joined the list: rats. According to the *Dallas Morning News*, area residents are complaining to the city that the demolition of vacant older houses to make way for new ones is unleashing large numbers of displaced rats — which are looking for new homes of their own. "Rodents like it when it's quiet and their environment is not disturbed," one area pest-control contractor told the publication.

■ U.S. home prices declined in 49 states during the fourth quarter of 2007, according to recent figures from the Office of Federal Housing Enterprise Oversight. Overall, fourth-quarter prices declined by 1.3 percent — substantially steeper than the .3 percent drop recorded for the previous quarter. In a report accompanying the new figures, OFHEO director James B. Lockhart looked hard for a silver lining, noting that "although prices for home purchases in the quarter fell in every state except Maine, only 16 states plus the District of Columbia showed price declines for the full year in 2007."

■ Louisville Ladder is recalling 25,000 fiberglass extension ladders that can fail when the extension section fails to lock properly. The recalled ladders were manufactured in Mexico and sold at industrial supply stores and home centers nationwide from September 2007 through December 2007. For more information, go to [www.louisvilleladder.com/17042007.asp](http://www.louisvilleladder.com/17042007.asp).

■ An unidentified 40-year-old worker on a Murray, Utah, construction site was severely burned in March after attempting to thaw frozen ground beneath footing forms by dousing the area with gasoline and setting it on fire. The local fire marshal told the local *Deseret Morning News* that flames followed the stream of fuel to the can the worker was holding in his hand, causing it to explode.