

BOMA

Spokane
Seattle & King County
South Puget Sound
Tri-cities

The Building Owners and Managers Associations of Washington

The Voice of Commercial Real Estate and the Office Building Industry

2008

BOMA members in Washington represent over 450 companies that own or manage over 50 million square feet of commercial real estate, or provide goods and services to the industry. Our companies employ over 20,000 workers and house over 300,000 employees and voters in Washington State. Our mission is to actively represent the best interests of our member's commercial real estate tenants, owners and managers through effective leadership in advocacy, education, and professional development. The Real Estate Industry as a whole is a significant contributor to the economic revenue base of government and is responsible for 70% of local, county and state taxes. When our industry thrives, so do important tax revenues. Economic expansion and the prosperity of the real estate industry is vital to our state and local economies.

BOMA's Legislative and Regulatory Interests

1. **B&O Tax Clarification Reimbursable Wages On-site Personnel Support HB 1509 SB 5982**

We seek your support to clarify existing law whereby B & O tax should not apply to those reimbursed operating expense wages of on-site personnel paid by the owner of a property to a management company which are a simple pass through expense to the owner. Currently, this exemption does not apply to employees who spend 50% or less of their time at a specific property. As a result, a small group of similarly situated tax payers whose on-site personnel work at multiple properties are not treated the same as those that work "primarily" on one property for an owner through a management company. The fiscal note is estimated at \$750k per biennium.

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2. **Building Engineer's Single Licensing through Labor and Industries**

Please support legislation that will be introduced in the 2008 session to create a single license within L & I that would allow commercial building engineers (repair and maintenance staff) to perform a limited scope of like-in-kind repair and maintenance in the areas of electrical, plumbing, HVAC, and boilers. Original L & I regulations were drafted to address the journeyman installation of these trades but not the ongoing repair and maintenance that has been routinely performed by commercial building engineers for years.

3. **Contractor Registration through Labor and Industries**

Currently the Department of labor and Industries is considering rule making with respect to updates, new definitions and clarifications as to who needs to be registered as a General Contractor in the state of Washington. BOMA has some concern about the direction discussions are going – possibly requiring a property management firm to register as a general contractor even if they hire a general contractor to do their construction work.

4. **No Split Roll Taxation**

Protect the State Constitution's requirement for uniformity in property taxation. Do not support attempts to shirk around the uniformity principle by supporting property tax proposals that have the effect of creating a split roll situation between residential and commercial real estate.

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