



Building Industry Association of Washington
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Office of Insurance Commissioner
PO Box 40255
Olympia, WA 98504

RE: Insurance Repairs and Building Code Compliance

The Building Industry Association of Washington (BIAW) is the voice of the housing industry as the state's largest trade association with over 8,000-member companies. The association is dedicated to ensuring and enhancing the vitality of the building industry so more Washington families can enjoy the American Dream of owning a home.

I am writing today regarding homeowner insurance coverage of building code compliance. If insurance companies require correspondence from building officials to provide coverage of re-building to the current code, insurance companies are adding unnecessary time and cost to projects that reduce the overall health and safety of the home.

Delays in permitting can cost home builders – and thus homeowners – thousands of dollars on each home. Statewide, the average permit delay is 6.5 months, resulting in holding costs of \$26,298. Only 24% of families can afford to purchase a home, whereas 76% of families cannot. With every \$1,000 added to the cost of a newly built home pricing-out an additional 2,200 families of the opportunity to own a home (National Association of Home Builders, Priced-Out Estimates 2022). Permit delays in the state price out 57,855 families from purchasing a home and securing a better future for themselves.

Contractors are bound to all current codes, rules and laws when updating or renovating structures to bring them up to code. This ensures safety and consistency for homeowners in our state. Once the work is complete, builders work with local building officials to get their projects and permits reviewed, inspected and approved. We encourage the Office of Insurance Commissioner to reiterate the steps laid out in current law for permits, inspections, and approvals.

In light of our housing affordability crisis, should an insurance company request additional proof of need to comply with current code and completion of such work, BIAW asks that the final issued permit indicate that all required reviews and inspections have been satisfactorily completed in substantial compliance with the current code.

Sincerely,

Greg Lane
Executive Vice President
Building Industry Association of Washington