

# Sheet Metal Journal

October 2026 « [smacna-oregon.org](http://smacna-oregon.org)

## RENOVATION OF RESER STADIUM



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CHARLES WATTS  
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# Sheet Metal Journal



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## ADVOCATING FOR OUR MEMBERS: THE POWER OF POLITICAL ACTION



Chris Schneider, Representative Val Hoyle, and Brian Krieg discuss infrastructure investments in Oregon. Photo: SMACNA Oregon & SW Washington

Our industry relies on active advocacy in the halls of government. From city halls and the state capitol to our nation's capital, our political committees protect our members and the integrity of our trade.

### Engaging Leaders Across the Aisle

Effective advocacy requires bipartisan relationships with lawmakers. In the past weeks, our legislative teams have met with key decision makers, including Oregon State House and Senate Republicans, as well as House and Senate Democrats.

At the federal level, we have met with U.S. Representative Val Hoyle. These discussions focus on securing federal infrastructure investments, strengthening labor standards, and supporting fair wages and safe working conditions. Our conversations with Representative Hoyle revealed her strong commitment to investing in the infrastructure of our state.

### Protecting Projects and Members: Oregon SB 426

The benefits of this legislative work appear in our efforts surrounding Oregon Senate Bill 426. As detailed in our [joint guidance with SMACNA Oregon & SW Washington and SMART Local 16](#), SB 426 establishes joint and several liability for unpaid wages on construction projects. Under this law, general contractors and property owners can be held directly liable if a lower-tier subcontractor fails to pay workers, even if the general contractor paid that subcontractor in full.

The liability rules do not apply to workers covered by a valid collective bargaining agreement (CBA). Because our CBAs guarantee fair pay and resolve wage disputes, projects utilizing SMACNA contractors and SMART Local 16 members are shielded from this legal exposure.

To help contractors communicate this value, we provide an example letter that signatory contractors can share directly with their customers, building owners, architects, and project



By Chris Schneider, Executive Director  
SMACNA Oregon & SW Washington

stakeholders. This resource highlights how hiring a SMACNA contractor mitigates project liability, protects bottom lines, and ensures work is performed safely under a trusted CBA.

### Fueling Our Mission: The Role of PAC Contributions

These advocacy efforts are made possible through voluntary contributions to our Local and National Political Action Committees.

Political action committees serve as our collective voice in the political process, allowing us to support candidates and secure legislative exemptions. Protecting our trade requires active participation from every member. You can support our ongoing political initiatives by making a contribution to the SMACNA-SMART PAC. Support our political action efforts by [donating here today](#). ■

### The SMACNA Advantage

SMACNA is dedicated to helping members run successful businesses and provides them with many benefits that lead to competitive advantages. These efforts include

- strengthening labor management relations.
- amplifying members' voices in Washington, D.C. through legislative and regulatory advocacy.
- developing technical standards and guidelines with input from members.
- creating a community of professionals devoted to developing the best safety and health programs.
- providing the best local and national industry training and educational events on a diverse range of business and operational topics.
- offering discounted events, educational programs, and resources at a value worth more than membership dues.
- planning networking opportunities to establish peer groups with non-competitors from other markets.
- giving access to top suppliers and vendors.
- sharing the latest trends and news via its industry-leading publications and newsletters.

Many contractors say SMACNA provides value with opportunities to come together, learn, network, and return to their businesses fully energized with ideas and new abilities to strengthen their companies. Visit [smacna.org](http://smacna.org) to learn more.

### Member Action Requested: SMACPAC Prior Approval

Federal election law requires SMACPAC to obtain Prior Approval from a member company before communicating with its eligible executive and administrative personnel about political activities and opportunities to participate.

Providing Prior Approval does not obligate anyone to contribute to SMACPAC or participate in political activities. It simply allows SMACNA and SMACPAC to keep eligible individuals informed about political and legislative matters affecting the sheet metal industry. One authorization covers a company's related locations nationwide for the years selected on the form.

Please note that federal law allows a member company to provide Prior Approval to only one trade association per calendar year. Members whose authorization has expired or who have not previously submitted a form are encouraged to complete the online form.

Complete the prior approval form here: [smacna.org/government-affairs/smac-pac-prior-approval/smac-pac-prior-approval-form](https://smacna.org/government-affairs/smac-pac-prior-approval/smac-pac-prior-approval-form) ■

### Customer Excellence Training

*November 16-18, 2026 | Indianapolis, IL*

Looking to elevate how your team shows up with customers? This in-person SMACNA training is designed to strengthen the customer-facing skills of service professionals, with a focus on communication, professionalism, and team dynamics. Participants will gain practical tools to improve interactions in the field, build stronger client relationships, and enhance overall service delivery. Ideal for those in service roles, this program helps reinforce the behaviors and mindset needed to stand out in a competitive market.

Register through the Education & Events page at [smacna.org](https://smacna.org) ■

### Volunteer with SMACNA and Benefit the Industry

Volunteering is one of the most profound ways you can give back to your association. Sharing your time and knowledge is invaluable, which is one of the reasons SMACNA greatly appreciates all its volunteers.

Our industry benefits from your involvement and your time. In return, you benefit both professionally and personally by

- contributing to industry and organizational issues.
- exercising new leadership, team building, and communications skills.
- networking deeply with other contractors and thought leaders in our trade.
- helping develop programming that keeps our industry competitive.
- learning from other successful entrepreneurs like yourself.

### SMACNA's Committees and Task Forces

SMACNA welcomes you to submit your application for committee positions at any time throughout the year. The primary review of applications begins annually in May. Committee selections are determined by the outgoing and incoming president following the July board of directors meeting. Applications received after the review process is started for the current cycle may not be considered until the following year's review period.

Appointment notifications are sent prior to the annual convention, typically mid- to late-September. Appointments begin on November 1 and run for four years.

Visit [smacna.org/community/volunteer-opportunities](https://smacna.org/community/volunteer-opportunities) to explore a list of committees or to apply to join a committee or task force.

If you have additional questions regarding the committee application process, please contact Beth Thurston at [bthurston@smacna.org](mailto:bthurston@smacna.org). ■

### SMACNA Safety Survey Results Now Available

Each year, SMACNA National conducts a Safety Excellence Awards Program to recognize SMACNA members with the lowest injury/illness rates during the prior calendar year. Awards are presented to participating contractors with the lowest injury/illness incident rate (as computed using the OSHA incident rate formula). There are various award categories based upon a contractor's hours worked. These include Top Safety Performer Awards, which grant an elite safety performer certificate for all members achieving an incident rate 50% better than the U.S. Department of Labor BLS incident rate for sheet metal contractors in the United States and the adjacent rate for Canadian members.

The Zero Injury and Illness Incidence Award is awarded to all members who demonstrate an outstanding safety record with zero reported incidences in the calendar year. Winners receive a certificate of safety excellence.

Information submitted for the program provides a rich database for evaluating industry safety performance. Findings are summarized in a SMACNA Safety Profile report, which contractors participating in the awards program can use to compare their own safety performance with other similarly sized contractors and those performing similar types of work. Reach out to the SMACNA Oregon & SW Washington office for a copy of the 2026 SMACNA Safety Profile report. ■

## Annual Dinner Meeting at Oregon Zoo

*Featured speaker Carl Riccadonna to speak on Oregon's economic outlook*

Join us for our Annual Dinner Meeting on November 5 at 6:00 pm at the Oregon Zoo. In addition to conducting association business—including a review of our new bylaws—we are honored to feature Oregon State Chief Economist Carl Riccadonna as our keynote guest speaker.



*Carl Riccadonna, Oregon's State Chief Economist*

Carl Riccadonna brings a unique and robust global perspective to the state's economic outlook. Appointed as Oregon's State Chief Economist in September 2024, Riccadonna boasts over two decades of high-level experience on the world stage. His impressive background includes serving in senior and chief economist roles for major financial institutions such as Deutsche Bank, Bloomberg L.P., and most recently as Chief U.S. Economist at BNP Paribas.

### Why it Matters for Contractors

Transitioning from Wall Street and global financial markets to tracking Oregon's distinct fiscal landscape, Riccadonna specializes in translating complex macroeconomic trends—such as labor market dynamics, monetary policy, inflation, and tax revenue forecasts—into practical, engaging insights. For mechanical and sheet metal contractors navigating shifting material costs, labor demands, and broader economic indicators, hearing directly from Oregon's top forecaster offers invaluable context for future planning.

### Event Details

- Date: November 5
- Time: 6:00 pm
- Location: Oregon Zoo, 4001 SW Canyon Rd, Portland
- Highlights: Annual business updates, association bylaws review, and keynote presentation by State Economist Carl Riccadonna.

Secure your spot for an evening of association networking and critical economic insights. Reach out to Chris or JoLonna to register. ■

## SMACNA Holiday Party

*December 4: Save the date for the Annual Holiday Party & Toy Drive*

Mark your calendars for our Annual Holiday Party on Friday, December 4 at the Portland Downtown Hilton.

Celebrate the season with industry peers while continuing a powerful tradition of community giving. This year's event proudly benefits Toy and Joymakers.

### Supporting Toy and Joymakers

For generations, the Toy and Joymakers program, a local, volunteer-run toy drive founded by Portland Fire & Rescue in 1914 to help local families in need around Christmas time. For more than 100 years, Toy & Joymakers has provided holiday toys, books, and support to families in need throughout the greater Portland area, ensuring that every child experiences the joy of the holidays.



*Stock photo / LarryHans*

### Our Impact

Our SMACNA Oregon and SW Washington community's generosity continues to make a profound difference. Since 2012, SMACNA members have contributed a combined total of over \$200,000 in cash and \$50,000 in toys to support local children and families during the holidays.

### Event Details

- Date: Friday, December 5
- Location: Hilton Portland Downtown
- Benefiting: Toy and Joymakers [toynjoymakers.org](http://toynjoymakers.org)

Formal invitations and registration details will be sent soon. Save the date and join us in celebrating another fantastic year while giving back to our community. ■

# Harder Mechanical Tackles a Complex Renovation at RESER STADIUM

Reser Stadium, Corvallis, Oregon  
Owner: Oregon State University  
Mechanical Contractor: Harder Mechanical Contractors  
Design-build General Contractor: Hoffman Construction  
Architecture: SRG Partnership and Populous  
Size: 250,000 square feet  
Completion: 2023

BEAVER NATION

Words by Jeanette Lampe, project manager/estimator, and Christina Blaser, director of business development  
Photos courtesy of Harder Mechanical

When the architectural team at Harder Mechanical took on a complex renovation at the Oregon State University Reser Stadium project in Corvallis, Oregon, they had no idea they would take away game-changing lessons. The then-new(ish) team contributed invaluable expertise that saved the owner in costs while demanding the confidence and coordination to try new approaches.

The renovation involved demolition of the existing west grandstand and construction of an entirely new west side of the stadium, along with a new Wellness Center. The approximately 250,000-square-foot project included a 360-degree concourse, concessions and restrooms, accessibility improvements, a Student Welcome Center, and meeting and gathering spaces. The project was completed in 2023. Hoffman Construction served as the design-build general contractor, with SRG Partnership and Populous comprising the architectural team.

Harder provided and installed the architectural sheet metal package for the new west side of Reser Stadium and the Wellness Center. Harder's scope included 60,000 square feet of composite metal wall and soffit panels; 7,000 square feet of standing-seam soffit panels, including the hanging ceiling support structure; 3,000 square feet of box-rib corrugated wall panels; and custom radius stainless steel caps at the escalators.

One of the things that made Reser particularly interesting from a sheet metal standpoint was the variety of materials, systems, and installation conditions contained within a single package. "In addition to installing a significant quantity of a composite panel

system that was new to our team, Harder was responsible for several highly customized architectural elements," says Jeanette Lampe, project manager and estimator for the Reser project.

Harder's custom fabricated metal panel installations are featured throughout both buildings, spanning multiple elevations and floors. They include 4,000 square feet of .125-inch aluminum plate panels at the stadium vomitories, and 3,000 square feet of custom 22-gauge metal panels along Beaver Street.

The aluminum plate panels called for the Harder team's creativity. They were installed in highly visible transition areas, directly over structural steel that had tolerances broader than the tolerances acceptable for the finished architectural panel system.

"Our team could not simply install the panels to the structure as it existed," Lampe says. "Our general foreman field-measured and verified the steel, identified conditions requiring correction, and established a consistent finished plane so the panels would align properly."

The geometry of the stadium added another layer of complexity. There was very little repetition across the elevations, and the changing building geometry created numerous transitions between materials and systems. "Many conditions had to be individually coordinated, measured, and resolved rather than relying on repetitive installation details," Lampe says.

One of Harder's major early contributions was working with the project team to identify value-engineering opportunities that maintained the architectural intent while improving



constructability. “We proposed an alternate composite panel system that could be installed more efficiently,” Lampe says. “This reduced field labor and equipment requirements while maintaining the intended finished appearance.”

The willingness to try this kind of new approach was a key value for the project and the company because it demanded expert coordination and confidence across the project management, field leadership, and craft teams. “The system performed well enough that we subsequently proposed and installed it as a value-engineering option on other projects,” Lampe says. “Seeing something we first implemented at Reser become another solution we could bring to future projects was particularly rewarding.”

As construction progressed, the team encountered delays from preceding work, material shortages, late turnover of areas needed for installations, and an aggressive overall schedule. Combined with the complexity of the architectural details and limited repetition throughout the stadium, many conditions required individual coordination and field problem-solving.

“Our project management, field supervision, fabrication, and installation teams worked closely together to adjust sequencing as conditions changed,” Lampe says. “Rather than waiting for entire elevations or areas to become available, we continually evaluated where crews could work productively, coordinated around changing site conditions, and developed solutions for individual details while maintaining the quality required for highly visible architectural finishes.”

At peak production, Harder employed approximately 37 union sheet metal workers on the project. The primary workforce challenge was not simply maintaining crew size; it was maintaining a consistent workforce with the architectural sheet metal experience the project required.

Much of the work involved custom architectural systems, complex layout, tight tolerances, and highly visible finished surfaces, and that required installers with specialized architectural sheet metal skills.

“As staffing changed over the course of the project, our field leadership had to continually balance production requirements

with training, quality control, and crew development,” Lampe says. “Maintaining continuity among experienced installers became especially important because of the limited repetition in the building.”

“Knowledge gained while solving one condition often informed the approach to the next, so retaining that experience within the crew helped us maintain both productivity and finish quality.”

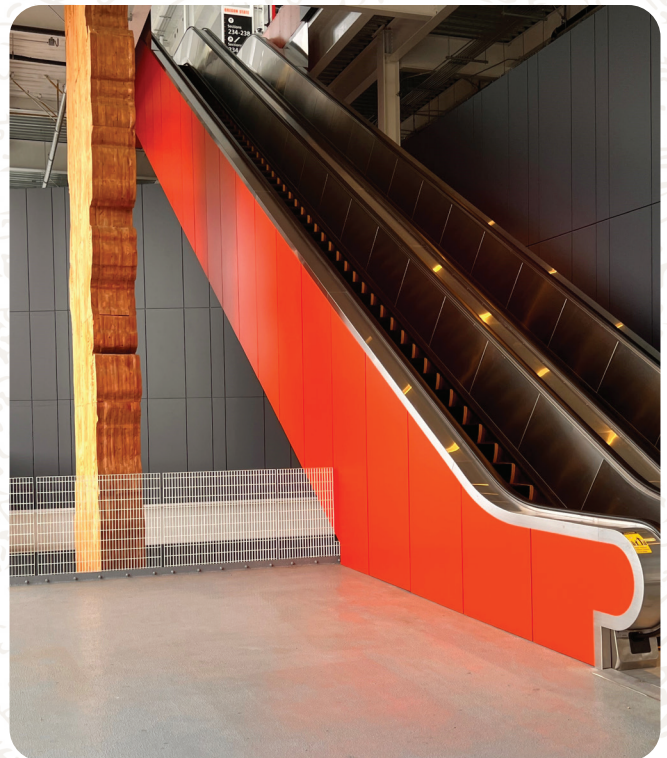
Reser Stadium was an especially meaningful project for the at the time relatively new architectural sheet metal team.

“This was one of the first large, complex architectural sheet metal projects we had the opportunity to execute,” Lampe says. “It challenged us technically and operationally while giving the team an opportunity to demonstrate what we could accomplish on a highly visible project.”

For several members of the team, Reser was the type of project that may only come along once in a career. “There is a tremendous amount of pride in looking at a completed stadium of this scale and knowing our craft had a visible role in building it,” Lampe says. “In terms of developing our architectural sheet metal group, the experience we gained—in fabrication, field installation, coordination, workforce planning, and solving complex architectural conditions—carried directly into the projects that followed.”

Reser Stadium was complicated and demanding, but it remains one of the most personally and professionally rewarding projects the Harder team has completed.

“We are proud of the craftsmanship our team delivered and proud to have contributed to a facility that will serve Oregon State University and its community for years to come,” Lampe says. ■



# Peter and Charles Watts Memorial Endowed Scholarship Available in October

By Jessica Kirby

**SMACNA Oregon & SW Washington** strives to create opportunities for workforce growth and development through several means. It supports the apprenticeship program, which develops a highly skilled workforce and provides crucial paths to middle class jobs. The association also supports industry colleagues' family members who wish to attend college, particularly if they are interested in pursuing careers in the construction industry.

"We know that paying for college is not in everyone's budget," says Chris Schneider, executive director at SMACNA Oregon & SW Washington. "So, we set up this scholarship so families can have some financial support."

## Eligibility

This endowment, available through SMACNA National's College of Fellows, will provide one annual scholarship of \$4,000. Each annual scholarship award will be effective for the academic year (fall to spring) beginning in the fall of 2027.

"The Peter and Charlie Watts Memorial Endowed Scholarship is open to students seeking to further their education by attending an accredited four-year university or college," Schneider says. "The Sponsor hopes that recipients will consider a career related to the sheet metal industry."

Eligibility for the award is limited to the Employees and Immediate Family of an employee the Sponsor and the Employees and Immediate Family of members of Member Companies of the SMACNA Oregon & SW Washington Chapter.

"Immediate family" refers to a child, stepchild, grandchild, a child adopted by the owner or employee, or a child over whom the owner or employee has legal guardianship.

## The Watts Family

Jim Watts is SMACNA Oregon & SW Washington's attorney, and he has been involved in the chapter since the 1970s. In 1984,



Jim and Karen Watts

he helped found the chapter as part of the larger SMACNA national organization; prior to that, the association was a local industry group.

"For decades, Jim has helped guide the chapter through difficult times and through significant growth," Schneider says. "The leaders of our chapter have become good friends with Jim and his wife Karen over the years."

In 2025, the unthinkable happened. Jim and Karen lost two of their adult sons by tragic and unexpected health conditions.

"The loss was a terrible blow to their family and to the entire SMACNA Oregon community," Schneider says. "We decided to honor Peter and Charlie and the Watts family by creating this scholarship in their names."

## SMACNA National Scholarship Program

The first annual Peter and Charlie Watts Memorial Endowed Scholarship will be open for applications in October through the SMACNA National College of Fellows scholarship program.

The program's mission is to identify and recognize academically talented youth and potential future leaders within the SMACNA extended family and to provide them an opportunity to further their education and develop their talents as future leaders and positive contributors to society.

The primary goal of the College of Fellows Scholarship Fund is to provide scholarships to SMACNA members and employees and their families who are participating in undergraduate studies in accredited institutions of higher education.

The secondary goal is to create a sense of community and support among the elements of the SMACNA extended family by working toward a common goal—furthering the education of individual members of the family.

Visit [smacna.org/about-smacna/scholarships](https://smacna.org/about-smacna/scholarships) for more information and to apply. ■

# UNITED STATES-CANADA TRADE UPDATE: 50% TARIFFS TAKE EFFECT

*Industry leaders warn that the breakdown in United States-Canada trade talks adds new uncertainty to project costs, materials, and deeply integrated supply chains*



By Austin Keating

**The phrase “trade war”** may sound newly dramatic coming from Canadian leaders this month, but for the sheet metal industry, it is old news. As early as spring 2025, SMACNA National was warning that a “tariff-led trade war” was upending construction markets, driving immediate price spikes, and creating deep investment uncertainty. “The timing of the tariff-led trade war is particularly problematic,” SMACNA’s executive director of government and political affairs, Stan Kolbe, wrote at the time.

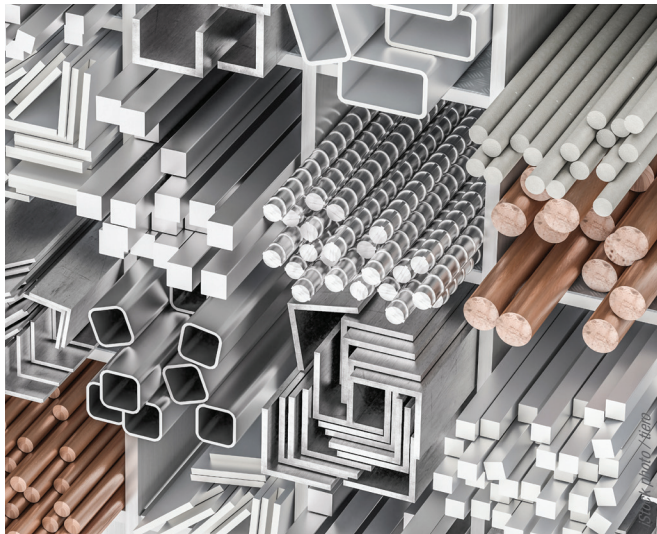
The new 50 percent American tariffs, covering nearly \$20 billion in Canadian imports (about 5 percent of Canada’s exports to the United States, according to Associated Press), took effect at the end of August. The Section 338 tariffs are separate from existing Section 232 duties on steel, aluminum, and copper, which are expressly excluded from the additional duties. The new tariffs stem from three American actions targeting what the administration says is discriminatory Canadian treatment of American motor vehicles, alcoholic beverages, and dairy products. The tariff schedules, however, encompass hundreds

of categories of goods. Canada announced dollar-for-dollar counter-tariffs to begin after Labor Day.

Both Carney and Ontario Premier Doug Ford used increasingly stark language, including “trade war” and “economic war,” marking a sharp escalation in public rhetoric. Carney said Canada was “being attacked” and invoked his earlier warning that the United States would try to “break us so they can own us.” Ford said Canada should be prepared to withhold electricity and critical minerals from the United States if the confrontation worsens, stating, “Everything is on the table.”

**HVAC and Sheet Metal Industries Caught in the Crossfire** For metals-heavy HVAC and sheet metal trades, the broader tariff conflict is already a daily operational challenge. SMACNA has reported higher bid prices, longer lead times, and greater uncertainty for sheet metal and HVAC projects as tariffs affect steel and aluminum markets.

“Canada has long been our closest and most important trading partner,” Kolbe said. He warned that tariffs have already caused



“harsh and unnecessary economic pain” for American workers and disrupted construction, metal fabrication, and HVAC equipment manufacturing. Kolbe noted that even contractors who support Buy American policies sometimes have no choice but to source Canadian metals and equipment because of project budgets and requirements, especially if the materials are USMCA-compliant.

SMACNA is now urging its members to review tariff provisions, change-in-law clauses, and force majeure language, and to consider adding price-escalation clauses into contracts, particularly as steel and aluminum tariffs continue to change.

On the labor side, SMART International is equally direct. “SMART strongly opposes the imposition of blanket tariffs that threaten jobs, raise costs, and disrupt the long-standing economic partnership between the United States and Canada,”

said General President Michael Coleman. SMART, which represents workers on both sides of the border, has warned that tariffs threaten industries dependent on integrated North American supply chains. “We need trade policies that strengthen North American industries, protect union jobs,” Coleman said.

### Tariffs Ripple Through Equipment Costs

The HVAC-specific picture is just as stark. According to the Air Conditioning Contractors of America (ACCA), steel, aluminum, and copper tariffs affect HVAC components including compressors, coils, cabinets, refrigerant lines, and electrical components. ACCA’s tariff resource lists Section 232 tariffs on primary steel, aluminum, and copper articles at 50 percent, with certain derivatives subject to different rates.

But the details are complicated. On June 1, 2026, the administration reduced the Section 232 tariff on certain residential HVAC equipment from 25 percent to 15 percent, with qualifying products containing at least 85 percent American-made steel or aluminum eligible for a 10 percent tariff. This carve-out, scheduled through December 2027, means not all HVAC goods are hit equally. ACCA is advising contractors to consider shorter quote-validity periods and tariff-adjustment clauses for longer projects, illustrating how tariff uncertainty is affecting basic business decisions.

### Billions at Stake, Supply Chains in Question

The United Steelworkers union, which represents workers in both countries, says two-way steel trade alone is about \$20 billion per year, with Canada exporting nearly \$16 billion in aluminum to the United States in 2024. Because intermediate goods can cross the border during different stages of production, tariffs can potentially touch more than one point in an integrated supply chain.

“Existing tariffs continue to hurt Canadian steel, aluminum, copper, forestry, automotive, and other industries,” said Marty Warren, USW’s Canadian national director. He urged Canada to seek meaningful reductions in United States tariffs but not at the expense of Canadian jobs or industrial capacity. “No deal is better than a bad deal that sacrifices Canadian workers,” he said.

### The Bigger Question

Can the United States untangle itself from Canadian supply chains without imposing major costs on the contractors, manufacturers, and workers the tariffs are supposed to help?

For HVAC and sheet metal, the answer is not theoretical. It is showing up in higher prices, longer lead times, and changing approaches to bids and contract language. With the window on negotiations closed, at least for the time being, the question for HVAC and sheet metal is whether the North American system they rely on is entering a fundamentally different era. ■



Would you like someone in your office to receive a copy of our newsletter?

Email [cschneider@smacna-oregon.org](mailto:cschneider@smacna-oregon.org) to request your free subscription

## FEDERAL “QUALIFIED OVERTIME” TAX DEDUCTION: WHAT CONTRACTORS NEED TO KNOW

### What the Law Does

The new provision allows employees to deduct certain overtime compensation from their federal taxable income on their individual tax returns. This is a federal income tax deduction. It does not eliminate overtime wages. It does not eliminate payroll taxes. It does not change prevailing wage requirements. It does not change union contracts.

It allows eligible employees to deduct the qualifying overtime premium portion of their pay when they file their federal income tax return.

### What Counts as “Qualified Overtime”

Under IRS guidance, “qualified overtime” is narrowly defined. It includes only the overtime premium required under the Fair Labor Standards Act, meaning the additional half-time portion paid for hours worked over 40 in a workweek.

For example: If an employee earns time and one-half, the “half” premium portion is what qualifies.

It does not include:

- daily overtime required by state law
- double time
- holiday pay
- contractually required overtime under a collective bargaining agreement if it exceeds FLSA requirements
- shift differentials

This distinction is important for union contractors whose CBAs may include overtime provisions beyond federal law.

### Employer Reporting Requirements

For tax year 2025:

- employers are not required to separately report qualified overtime on Form W-2. The IRS has indicated this is a transition year.
- employers may voluntarily provide information to employees regarding qualifying overtime amounts, but it is not mandatory.

Beginning in tax year 2026:

- employers will be required to separately report qualified overtime compensation on Form W-2.
- contractors should begin preparing payroll systems to track the FLSA-required overtime premium separately from other premium pay categories.

### What This Means for Contractors

This provision primarily affects employees’ personal tax returns, not contractor tax liability.



However, contractors should consider:

- whether payroll systems can distinguish FLSA overtime premium from other premium categories
- whether payroll vendors are preparing for 2026 reporting changes
- whether internal accounting codes need refinement
- how to communicate clearly with employees to avoid confusion

It is important not to assume that all overtime is tax-free. Only the defined premium portion may qualify for deduction on the employee side.

### What This Does Not Change

This federal deduction does not:

- change prevailing wage laws
- change overtime requirements under CBAs
- change employer payroll tax obligations
- eliminate FICA or Medicare tax
- automatically reduce withholding in 2025

Employees should consult their personal tax advisor for specific guidance. ■

## SMACNA ADVOCATES FOR BILL TO IMPROVE IAQ, LIVING CONDITIONS IN MILITARY HOUSING

*The MOLD Act would address insufficient oversight, poor maintenance, and substandard HVAC systems that have exposed military families to increasing levels of mold and other harmful environmental health conditions in base housing.*

SMACNA is backing bipartisan legislation to improve health and safety conditions in privatized military housing across the country. Recent official audits and reports—such as a Department of Defense Office of Inspector General audit (DODIG-2025-154)—have highlighted systemic oversight failures and negligent maintenance by private housing contractors across multiple military installations.

In a statement to lawmakers, SMACNA endorsed H.R. 7188, the *Military Occupancy Living Defense (MOLD) Act*, and its Senate companion, S. 3654. Rep. Jimmy Panetta (D-CA) introduced the House bill, with cosponsors Reps. Gus Bilirakis (R-FL), Don Bacon (R-NE), Eugene Vindman (D-VA), and nearly two dozen other Members. In the Senate, Sen. Richard Blumenthal (D-CT) and Tim Sheehy (R-MT) introduced the bill, with Senators Joni Ernst (R-IA) and Mazie Hirono (D-HI) as original cosponsors. This legislation would set enforceable health and safety standards for housing used by about 700,000 service members and their families nationwide.

Lack of facility oversight, poor maintenance, and faulty HVAC systems have exposed thousands of military families to widespread mold and related IAQ issues, many of serious health consequences for our service men and women and their families. This exposure has been linked to serious health problems, such as respiratory illnesses, neurological symptoms, and developmental issues in children. Families also often have to pay for medical care, property damage, and temporary moves from their own financial recourses, damaging morale and often leading service personnel to leave the military earlier than planned.

This legislation would require several important assessment and remediation changes:

**Uniform habitability and safety standards:** The Department of Defense would have to adopt a single set of housing standards based on widely accepted property maintenance codes, including limits on humidity across all DOD housing.

**Third-party inspections:** Certified professionals would carry out independent inspections when families move in or out, after complaints, and after repairs. The results would be shared directly with tenants.



By / Stan Kolbe, Executive Director of  
Legislative and Political Affairs, SMACNA



**Timely remediation and accountability:** Landlords would have to fix problem units or move families to safe housing within a set amount of time. A 24/7 complaint hotline would require a five-day response, and contractors could face financial penalties if they do not meet established housing standards.

**Tenant protections:** Service members could keep their Basic Allowance for Housing if their units do not meet standards. The legislation would also create a DOD office to oversee compliance.

Stan Kolbe, SMACNA's executive director of government and political affairs, explained SMACNA's support for the legislation. "SMACNA supports this legislation because the conditions it addresses are, at their root, mechanical systems failures... cosmetic remediation that leaves the underlying moisture and ventilation deficiency in place guarantees that the next family assigned to that unit will file the same complaint," he says. "This effort is fully consistent with the broader indoor air quality agenda SMACNA has advanced as a top priority to Congress for many years, including the recently introduced H.R. 9886, the *Federal Facilities Indoor Air Quality Assessment Act*, requiring an assessment for IAQ in the federal building portfolio to require targeted remediation of IAQ problems."

Read more about full the *MOLD Act* at [smacna.org/news/member-update/article/2026/07/15/stan-kolbe-discusses-impact-of-housing-bill-on-contractors](https://smacna.org/news/member-update/article/2026/07/15/stan-kolbe-discusses-impact-of-housing-bill-on-contractors) ■