



September 2021

Advocacy Newsletter

Washington's Tax System Overhaul Moves Forward

Washington's Tax Structure Work Group has released potential alternative taxes to the state B&O tax and is seeking your feedback.

Washington's **Tax Structure Work Group**, led by a bipartisan group of legislators, has worked over several years to research, evaluate, and conduct public outreach around developing a new state taxation system that is not **the most regressive in the nation**. (Legislation is not expected to be considered until January 2023.)

AIA has been following this process closely with respect to the B&O, which is the tax on gross receipts paid by architecture firms of all sizes, including sole practitioners. AIA has long argued that the B&O is particularly onerous for professions that utilize a large number of subcontractors, as receipts are double taxed by both the payer and the payee. In general, AIA has advocated for the B&O to be replaced by a tax that is assessed on net income instead.

The Work Group has now released actual **tax system overhaul scenarios** with varying combinations of taxes. Two of these scenarios would leave the B&O unchanged; four would replace it with a new tax or combination of taxes.

The state has not offered any detail on each potential replacement tax, which we realize makes evaluating them difficult. Despite this, we're looking for input

from members and firms on the four alternative taxes listed below. Note that some scenarios use two new taxes to replace the B&O.



Alternative B&O Taxes Under Consideration

Value Added Tax

A tax on the difference between the value of a business' sales and how much it costs to create the product.

Employer Compensation Tax

Imposed on compensation that exceeds \$150,000 per year paid to an employee located in Washington; applies only to employers with annual worldwide compensation payments of \$7 million or more.

B&O Tax, continued

Margins Tax (modified Texas model)

- Modified gross receipts tax; margin = total revenues minus the greatest of the cost of the goods sold.
- Allows businesses to subtract certain expenses from the total amount the business makes and pay tax on the remaining amount.

Corporate Income-Net Receipts Tax

Taxes revenue after expenses are deducted. Legislators could make this flat (all payers pay one rate) or progressive.

Alternative Taxation System Scenarios

The Work Group has developed six scenarios for overhauling the entire tax system, not just the B&O. These are available on [this document](#). At right are the six scenarios' treatment of the B&O only.

WA Tax Structure Work Group Scenarios

- A. B&O tax is unchanged
- B. B&O tax is unchanged
- C. B&O replaced with VAT & Employer Compensation Tax
- D. B&O replaced with Margins Tax (modified Texas model) & Employer Compensation Tax
- E. Replace the B&O tax with a Corporate Income-Net Receipts Tax
- F. Replace the B&O tax with a Corporate Income-Net Receipts Tax

Opportunities to Offer Feedback

Getting the business tax right from the beginning will be critical for architecture firms, and your feedback is important. Please consider participating in one or more of the following ways:

- AIA Task Force: AIA|WA is putting together a workgroup of architects and firms willing to review the tax proposals more closely and identify a preferred alternative(s) for architects. If you or your firm is interested in participating, please let us know.
- The state's Tax Structure Work Group is currently conducting [listening sessions](#) on its proposed scenarios across the state – and input from architects is critical. We highly encourage members to take part in one of the go-minute sessions to provide your feedback. (The Eastern and Spokane region listening sessions have already taken place, but you can take part in another region or participate in [this survey](#).)
- Send your comments or questions to AIA: Kirsten Smith, Manager of Policy & Advocacy, kirstens@aiaseattle.org or 206-708-3199.

Reminder: State's Vaccine Mandate Begins Oct. 18

A reminder that Governor Inslee has issued a [vaccine mandate](#) for state employees. The mandate also applies to any person engaged to work as an on-site contractor for a state agency, an education facility or a healthcare facility.

Contractors must be fully vaccinated by Oct. 18 unless they are exempted for medical or religious reasons. While some local governments have extended their deadlines, the state has not.

Guidance and resources from the state can be found [here](#). Read AIA|WA's info sheet [here](#).



AIA|WA's Board Associates Program offers leadership experience and highlight new voices

In 2021, AIA|WA piloted the Board Associate Director program to offer opportunities to members who are at the early stages of their careers and who would like to be more involved in advocacy.

Board Associates learn about AIA|WA and gain tangible non-profit management and board governance experience through participation as non-voting board members. This opportunity is designed to allow the Associates to develop leadership skills while bringing fresh perspectives to the AIA|WA Board. Board Associates attend all board meetings, participate in at least one AIA|WA policy committee, and participate in a group special project of the Associates' choice.

As the year has progressed, it became clear that there are areas where the program can be strengthened to improve the experience of the Board Associates. As a

Heidi Buchberger, AIA Southwest Washington

Heidi Buchberger AIA received her Masters in Architecture from the University of Texas at Austin in 2016 and moved to Washington shortly thereafter. While working at McGranahan Architects in Tacoma for the first five years of her career, she worked on Timberline Middle School, Glacier Middle School, Stanwood High School, and Stanwood Alternative Learning Center.

Heidi particularly enjoyed her time serving as a construction administrator, so this year she made a slight career pivot to work as a senior project engineer at Lydig Construction in Bellevue. Heidi is eager to continue to facilitate successful construction experiences for her clients from a different vantage point, starting with Northgate Elementary School in Seattle.

Heidi seeks to engage as many construction industry communities as she can (she also serves as a Board Director for Construction Specifications Institute—Mt. Rainier Chapter). Her time working on job sites has taught her how many people play a part in the design and construction process: not just owner, architect, and contractor but engineers, consultants, city officials, product representatives, sub-contractors, fabricators, and more.

result, the current Associates will extend their terms through 2022 and will provide mentorship to incoming Associates. The AIA|WA board will determine how statewide representation in this program will move forward for 2022.

The first Board Associates to participate in the program were selected by their local chapters and have participated in all aspects of board service as non-voting members of the board:

- Heidi Buchberger AIA, AIA Southwest WA
- Katie Cherrier Assoc. AIA, AIA Spokane
- Rushyan Yen AIA, AIA Seattle

We highlight each below.



"For the profession to continue to evolve and diversify, we must continue to listen to and learn from one another, which starts with sitting at new tables even if you don't see yourself represented there yet. AIA has the potential to lead

this outreach in continuing education for its members and industry partners, and I am excited to be part of that outreach," she says.

AIA|WA: What has been your focus in the AIA|WA Board Associates Program?

Heidi: I played a key role in the creation of a Diversity and Inclusion Committee at McGranahan Architects, so when the Board Associate position was created for AIA|WA with the goal to diversify the voices of and increase outreach beyond those represented by the Council, it seemed like a natural next step in my advocacy for diversity and inclusion in AIA.

One of the areas I was interested in advocating for, specifically, was to better understand the relationship between AIA and NCARB so that licensure candidates can be better supported during that process. It has also been eye opening to engage in discussions about architecture through a legal and political advocacy lens.



Katie Cherrier, AIA Spokane

Katie Cherrier Assoc. AIA was born and raised in Southcentral Alaska and has called Spokane home for the past eight years. In Spokane she has been busy raising her three children, developing and fostering relationships within the community, and following her passion for investing in homes with “good bones and potential”—designing and doing much of the labor herself.

Katie’s background has prepared her for creative vision and design concepts as well as the practical application. She isn’t afraid of power tools, and no task on a jobsite will miss her attention for detail.

Katie graduated from the architecture program at Spokane Community College in 2020. In the spring of 2021, she received a Certificate in Women’s Leadership from Gonzaga University. Her passion for community and problem solving led her to serve as president of the Spokane AIAS Chapter, during which time she had the opportunity to travel and attend the AIAS Forum conference in Toronto and the AIAS regional West Quad Conference in Honolulu, and she was able to virtually attend the AIAS Grassroots Conference as a past-president mentor for her chapter.

Katie joined Integrus Architecture as an intern after school, where she recently celebrated her second year as an architectural associate. Her active involvement in her community led to her desire to dive into AIA|WA’s **Capitol Connections** lobby day and its **Advocacy in Action** advocacy 101 series, which gave her a foundational understanding of how our voices can be used in advocacy.

AIA|WA: Why were you interested in the AIA|WA Board Associates Program?

Katie: Capitol Connections and the Advocacy in Action series were my windows into AIA Washington Council. They showed me how our voices can be heard and how we are a part of shaping our communities for future generations. We have a direct impact on the future of design, our climate, the spaces we raise our children in, and how we live our day-to-day lives.

My experience with AIA and the many people and groups I work with has given me a richer understanding of the impact architects and design leaders have at our local and state levels. Through AIA, I was able to further my understanding of how collectively our voices can impact the future of the practice of architecture and the constantly evolving design standards and growing pains our state is going through.

The Board Associates Program encourages a wide range of experiences and perspectives, which is so important to me as a nontraditional student. To have the opportunity to be a leader in the field of emerging professionals in the industry and to be supported in bringing my perspective to the conversation is an honor.

Join AIA|WA for Advocacy in Action in November!



AIA Washington Council’s Advocacy in Action series aims to turn you into an architect advocate on any issue that is important to you. It is designed for emerging professionals and students, but everyone is welcome. In this 3-part webinar, you will discover how AIA works to protect the profession and address key issues, as well as how you can play an important role.

- Session 1: Advocacy 101 | Nov. 4, 12-1
- Session 2: Key Issues | Nov. 11, 12-1
- Session 3: Advocate! | Nov. 18, 12-1

More info [here](#).

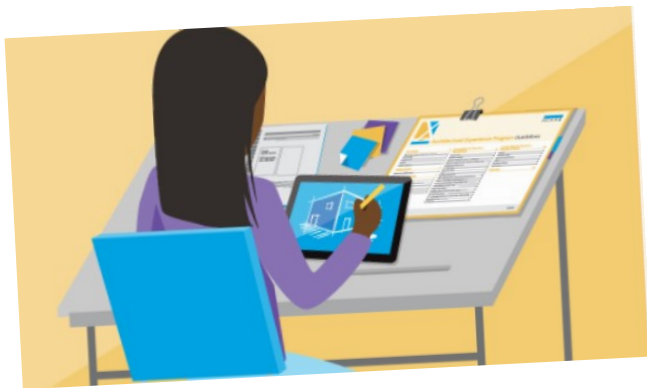
Board Associates, continued

Rushyan Yen, AIA Seattle

Rushyan Yen AIA has a background in studio art, urban ecology, and sustainable design. She received dual master's degrees in architecture and environmental management from Yale University and received a Thomas J. Watson Fellowship to travel the world for a year researching a textile art form known as **Batik**.

"My design work straddles architecture, urban design, art, and ecology to create healthy and vibrant spaces for people to live, work and play. I have spent much of my life creating bridges between societal, human, and environmental needs. While the result has often expressed itself in built form, I have come to see that it is through policy, advocacy, and cross-disciplinary collaboration that fundamental change is possible."

In Seattle, Rushyan worked at LMN Architects for six years and now works for McLennan Design on Bainbridge Island.



Board Associates Group Project

This year's Board Associates are focused on daylighting the current licensure process and addressing the roadblocks that many emerging architects face on their path to getting licensed. These concerns include testing software malfunctions, a lack of support for AXP, and inequity demonstrated in uneven pass rate demographics. In their words:

In order for our profession to diversity and grow we must ensure all emerging architects have the support they need to get through the licensure process. We believe AIA Washington Council has a role to play in standing up for candidates and streamlining conversations between the AIA and NCARB. The next generation of architects are the future of our profession, and their success will shape the health of our cities and the planet.

AIA|WA: Why were you interested in the AIA|WA Board Associates Program?

Rushyan: Attending the [Capitol Connections](#) lobby day three years ago gave me a window into the power architects have in shaping policy, and it inspired me to be more involved with AIA Washington Council.

As a Board Associate, I've had the opportunity to step through the door and participate in discussions on the important decisions of our time. In the last nine months, board meetings have resulted in important decisions on a broad spectrum of topics, including the organizational structure of the AIA; climate policy; equity, inclusion, and diversity; and professional practice.

It has been an honor to have a seat at the table and I look forward to furthering the work of the AIA|WA and maintaining the relationships I have made for many years to come.



Congratulations to our 2021 Civic Design Award Winners!

AIA|WA's Civic Design Awards celebrate the best examples of what can be realized when architects and civic clients work together to achieve quality design. The Awards showcase the clients and the architects who have demonstrated an appreciation for the excellent work done by AIA members in the Washington Council. These projects represent the finest standards in innovation, sustainability, building performance, and overall integration with the client and surrounding community.

Honor Awards



Mukilteo Multimodal Ferry Terminal
LMN Architects



Shore Aquatic Center, Port Angeles
ARC Architects

Merit Awards



Blakely Elementary School,
Bainbridge | Mithun



Goldendale Observatory State
Park | EHDD



Island County Administration
Building, Camano Island
SHKS Architects

Citation Awards



Clyde Hill Elementary School,
Bellevue | Integrus Architecture



Central Skagit Sedro-Woolley
Library | SHKS Architects



Tukwila Justice Center
DLR Group

Civic Design Award Winners, cont.

Citation for Process and Community Engagement Award



Cal Anderson Park Outreach Process, Seattle | DLR Group

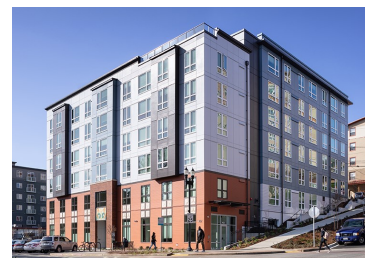
Thank you to all of our applicants!

The 2022 Civic Design Awards application period will be announced in late May/early June 2022.

Honorable Mention for Program Resolution



Clover Park Technical College Center for Advanced Manufacturing Technology, Lakewood | Mithun



Dorothy Height Apartments, Tacoma | SMR Architects

More info on all of these projects is available at: aiawa.org/civic-design-awards/

AIA Seattle + Seattle Design Festival Welcome New Executive Director

Melissa K. Neher was selected by the boards of AIA Seattle and Design in Public to lead the newly aligned AIA Seattle + Seattle Design Festival as Executive Director.

Most recently, Melissa served as Executive Director of Architects Without Borders Seattle, which provides access to design to underserved communities.

Melissa is from upstate New York and has lived all over the world, including London, Japan, Chicago, Singapore, Hong Kong, and Sydney. Melissa and her family made Seattle home in 2009.

Melissa has decades of experience in nonprofit leadership as a problem solver. She began her career as a social worker for adults with physical disabilities, realizing early on that systemic inequity was the underlying cause of most of the challenges her clients faced. She sought systemic solutions through advocacy by attending law school. As a social justice lawyer, Melissa advocated for underserved and marginalized communities, including asylum seekers and migrant workers.



Welcome to AIA, Melissa!

Melissa can be reached at: melissan@aiaseattle.org.



Seattle
Design
Festival

COMPONENT EVENTS

AIA Central Washington

- 2021 AIA Central Washington Design Awards Gala: Oct. 22 [More info](#)

AIA Northwest Washington

- NWW Design Awards: Oct. 7, featuring Dr. Sharon Egretta Sutton FAIA, distinguished professor at Parsons School of Design, author of *When Ivory Towers Were Black*, and AIA Whitney M. Young Jr. Award winner, speaking on The Architecture of a World House: Creating a Just and Inclusive Commons.

AIA Seattle

- AIA Seattle **Honor Awards**: In-person event Nov. 8

AIA Southwest Washington

- AIA SWW Design Honor Awards: Oct. 6 Awards Gala is cancelled; will be replaced by video awards. The **Call for entries** is extended to Oct. 1; submissions due by Oct. 15.

OPPORTUNITIES

Associates: AIA National Associates Committee

AIA Washington Council is seeking candidates for consideration and appointment to serve as Washington's State Representative to the **AIA National Associates Committee (NAC)** for a 2-year term.

The NAC represents associates, in both traditional and non-traditional paths, by providing information and leadership to AIA components. The NAC representative will be involved in addressing local and national issues and will help to shape and dictate new policy.

The appointed representative will also become an AIA|WA Board Associate and ex-officio member of the AIA|WA board of directors for the duration of their NAC term.

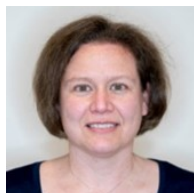
Applications are due November 30, 2021. More information, including qualifications and how to apply, is available [here](#).

AIA Washington Council

STAFF



Tammie Sueirro
Executive Director
tsueirro@aiawa.org
(206) 957-1925



Kirsten Smith
Manager of Policy & Advocacy
kirstens@aiaseattle.org
(206) 708-3199

AIA Washington Council serves as the collective voice for and a resource on state government policies that impact the practice of architecture for all architects and the profession through AIA components in Washington State.

2021 Board of Directors

President

Carl Dominguez, AIA—Seattle | carld@mithun.com

President-Elect

Doug Ito, AIA—Seattle | dito@smrarchitects.com

Secretary-Treasurer

Steve Mallory, AIA—Central Washington
smallory@arculus.net

Jed Ballew, AIA—Seattle/Northwest Washington
jed@zervasgroup.com

Stephen Black, AIA—Southwest Washington
stephen@fiarchitecture.com

Elizabeth de Regt, AIA—Seattle
elizabeth.deregt@gmail.com

Tom Rieger, AIA—Southwest Washington
tom@tasolympia.com

Corey Zachow, AIA—Spokane
corey@mmecarchitecture.com