

Construction Risks with Smart Buildings

While “smart” building in commercial construction is increasing, new risks are presenting themselves to builders, building owners, workers and insurers. Although smart technologies could increase building efficiencies, the answer to whether smarter is better is yet to be seen.

For example, new technology could increase risk, as untested building materials are being introduced to projects. This is especially true with “green” contractors aiming to please their clientele by lessening their carbon footprints.

There is also the question of whether wearable technology aimed at improving worker safety poses a risk. For example, a wearable vest that monitors an employee’s body temperature during heat warnings could potentially save his or her life, but it could also violate the Health Insurance Portability and Accountability Act or other privacy laws.

Furthermore, as smart technologies provide the potential for hackers to shut down a building’s systems, there is the question of cyber liability exposures, which may increase the need for cyber liability insurance.

Federal Contractor Rule Change

President Donald Trump recently signed a joint resolution under the Congressional Review Act (CRA) to eliminate the Fair Pay and Safe Workplaces rule. The Obama administration originally passed the rule, which would have required prospective federal contractors to report violations of more than a dozen U.S. labor and employment laws.

Supporters of the resolution believe that businesses will be better able to compete for federal contracts without additional contractor reporting requirements. Critics, however, argue that businesses may now focus exclusively on competing for these contracts and ignore important workplace safety issues.

The resolution is part of a Republican effort to use the CRA to eliminate the federal regulations finalized during the last months of the Obama administration. Now that the resolution has been signed, agencies are barred from issuing substantially similar regulations in the future.

Beryllium Rule Delayed

After a White House review issued on Jan. 20, 2017, the U.S. Department of Labor (DOL) has been directed to allow OSHA more time to review the [Occupational Exposure to Beryllium](#) rule due to questions of law and policy. As a result, the rule’s original effective date of March 21, 2017, has been pushed to May 20, 2017.

The final rule was initially proposed by OSHA on Jan. 9, 2017, to amend its beryllium standards for the construction, shipyard and general industries. If implemented, it will reduce the permissible beryllium exposure limit and require additional protections that include personal protective equipment, medical exams, medical surveillance and training.

The proposed extension of the effective date will not affect the rule’s compliance dates. Employers should become familiar with the new standards and evaluate their current workplace practices to ensure compliance with the final rule.

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