



New England Real Estate Journal

July 2012

President's Message

Raising the Bar

By David G. Cannistraro

This summer marks two years since the passage of the construction industry Prompt Pay Law – a law that was years in the making and a true milestone, not only for ASM but for the industry. On paper, the changes were dramatic; but real change comes slowly in construction, and two years later, the industry is still adjusting. In recent months, however, I have personally noticed real improvements across the board: projects with detailed payment schedules and deadlines; and new procedures in place for faster processing of change orders. It's great to see, and it can only get better.

ASM's efforts to improve the industry did not end with Prompt Pay, however. As President of ASM, it has been my goal to raise the bar for the association, subcontractor businesses and the industry as a whole. In that vein, ASM is now aggressively pursuing legislation to address the unique industry practice of "retainage," i.e., holding back earned funds until the end of the project. ASM's goal is simple – to limit the amount of retainage to a reasonable 5%, down from the 10% that is typical today, and to get it released quickly after the work is complete and approved, instead of months later.

We see this bill as a natural extension of the Prompt Pay Law – assuring companies get the funds they have earned and need to meet payroll, pay suppliers and run their business. It's not just about fairness; it's about providing needed relief to businesses that provide many jobs and are vital to the economy of our state.

The bill has made great progress on Beacon Hill this session, and we look forward to the day very soon when Massachusetts becomes the 30th state to take action on this important issue.

On a different front, I am proud to report another major milestone for ASM: We have just been approved by the state's Division of Insurance to form a "group health purchasing cooperative" for our members, to help save on the costs of health insurance. ASM is just the third cooperative to be authorized in the state, out of only six that will be allowed. It is truly a major achievement, and we owe our thanks to TGA Cross Insurance, who partnered with us on our application to the state.

Please read more below about this exciting new venture – which is all part of ASM's ongoing efforts to improve the business climate for subcontractors, in every way possible.

ASM receives state approval to form Group Health Insurance Co-Op

ASM recently received the welcome news that it has been certified by the state's Division of Insurance as the third "group health insurance purchasing cooperative" in the state, effective July 1, 2012. This will enable ASM to negotiate with nationally recognized insurance carriers to obtain health insurance at reduced rates for ASM members. The new "ASM Health Insurance Coop" will also offer a wellness program designed to promote healthy lifestyle choices and prevent costly expenses down the road.

ASM developed the proposed Cooperative in collaboration with TGA Cross Insurance, who will serve as the Administrator of the program. ASM is just the third cooperative certified in the state, joining the Retailers Association of Massachusetts, and the Mass. Association of Chambers of Commerce Executives, who were approved in January. Only six such cooperatives will be allowed, under a pilot program authorized by the Legislature in 2010 (coincidentally, passed on the same day as Prompt Pay).

ASM and TGA Cross are now in the process of talking with several health insurance carriers to secure the best plan options, which will be available to all members with under 50 employees. The program is expected to open for enrollment sometime in the fall, and informational sessions will be held in advance, to explain the particulars.

We are very excited about the prospect of offering affordable alternatives for ASM business owners. Visit the ASM website for news of our progress.

ASM Hosts May Safety Roundtable

On May 23 ASM hosted "**Job Hazard Analysis – the Harvard Way**" a safety roundtable for company owners and managers. Attendees had an opportunity to hear from David Tibbetts, Senior Construction Safety Officer at Harvard University, on the proper way to conduct a thorough "Job Hazard Analysis," to prevent accidents on the job site.

Also presenting at the roundtable was Kathleen Irving who led a hands-on CPR demonstration. **PHOTO**

ASM safety roundtables are free and open to those responsible for oversight of a company's safety program. The next one will be on September 19.

June Breakfast Seminar gets kudos from members

Boston, MA – ASM Members enjoyed a morning of networking and gained valuable contract and insurance information from **Attorney Carolyn Francisco** of Corwin & Corwin and **David LeBlanc** of Acadia Insurance at ASM's June 13 breakfast seminar, "**How Not to Get Caught Holding the Bag.**"

"Great speakers, great topic, enjoyed and look forward to more events," said ASM member **Sergio P. Ferreira**.

2012 ASM Buyer's Guide available online

Boston, MA – ASM has rolled out the 2012 Associate Member Directory and Buyer's Guide. The Buyer's Guide has a new online format to make it easy for ASM members to find and do business with fellow members offering specialty products or services to the industry. The Guide offers members an

opportunity to save money and build a stronger association by supporting businesses that support ASM. Visit the ASM website to download a free copy today.

ASM Calendar of Events

Thursday, September 13

ASM End of Summer Social

5:30 – 7:00 PM

Harpoon Brewery, Boston

Thursday, October 11

ASM BIM/REVIT Seminar

2:00 – 5:00 PM

Westin Hotel, Waltham

Thursday, November 8

GC Showcase

5:00 – 8:00 PM

Westin Hotel, Waltham

For more information about this and other ASM events, visit the website at www.associatedsubs.com or call ASM at 617-742-3412.