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## **President's message: No summer slowdown this year**

July 17, 2014 - Construction Design & Engineering

Summer may be a time for vacations and slower pace of life - but not this year, for the construction industry or for ASM. And we're not complaining!

After years of dismal economic news, it's great to see continuous improvement in construction hiring, and cranes going up in every direction not only in and around Boston - but across the state as well. We're particularly encouraged at the spurt in affordable housing developments, complementing the brisk pace of retail and office projects. Extending beyond Boston, there are significant projects slated for Chicopee, Duxbury, Fitchburg, Greenfield, Haverhill, Lunenburg, Middleborough, Northampton, Dartmouth, Pittsfield, Quincy, Springfield, Williamstown, New Bedford, and even out on Provincetown. All those projects not only create housing opportunities for working class families and veterans, they also create job opportunities for hundreds of construction companies, big and small.

So while for many, July means summer break, it's high season for ASM's subcontractors.

It's high season on Beacon Hill, too - or rather, "crunch" season, as the 2013-14 legislative session races to a finish on July 31. ASM has been right in the thick of the action over the past several months. Together with other construction industry associations, we expressed concern earlier this year at proposed increases in Unemployment Insurance (UI) rates that would have increased UI taxes for most contractors by 36%. Responding to our concerns, the Legislature adjusted the rates, and passed fair UI reforms that provide significant relief to all employers, including contractors. We applaud their moderate approach to this issue, which was signed into law in June.

With that issue behind us, we are now engaged in another issue equally important to the construction industry - a bill to reduce the amount of retainage withheld from payments to contractors on private projects. Current practice is 10% retainage - which is too much, held for too long. Our bill (S.2120) would cap retainage at 5% on projects over \$3 million, and set up a clear process that improves project close out and speeds release of retainage - to the benefit of all parties. This bill represents a historic compromise with the Associated General Contractors of Massachusetts, and the two associations are pleased to be working collaboratively to pass the legislation - which we believe is good for all parties to a project, and good for the Massachusetts economy.

Looking beyond July 31, legislative activity may come to an end, but that will only be the start of new activity at ASM - a full schedule of fall events (see partial calendar below), and other new initiatives to benefit Massachusetts subcontractors.

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