

ASACalifornia



American Subcontractors Association California, Inc.

NEW LEGISLATIVE SESSION BEGINS WITH BUDGET AS TOP PRIORITY

By Skip Daum, ASAC Legislative Advocate
Capitol Communications Group, Sacramento

The 2009 -- 2010 legislative session has begun, as you know. 28 out of 120 legislators are brand new and hundreds of new staff persons are now part of the "insiders game". Fortunately, we are on the inside too!

Of course, the only action in town now is the State Budget; nothing is moving except for that on-going battle... other than moving 60 legislators to new offices, complete with new fax, telephone and email hook ups... it's a nightmare! But, thus far, I've visited 60 legislators and staff.

We are again leading the way by convening the third "Construction Round Table" in the State Capitol January 23rd. Representatives from one dozen other lobbying entities will disclose what bills they are planning to introduce ... since no one in the Capitol likes surprises. This forum also allows us to share initial opinions about these proposals.



As you know, ASAC wishes to move forward on Prompt Pay, Retention Caps, and Indemnity clauses in commercial contracts. Other organizations are also planning action on the retention issue. This is not a new issue to you, nor to the legislature. ASAC succeeded in passing the retention measure, in various forms, three different times; each was vetoed by a Governor. However, the mere fact that we and others are still pressing forward on it again clearly demonstrates the need for a zero or low retention cap. Especially in this economy, cash needs to keep moving so we can buy supplies and pay employees and fund their retirement and benefit packages.

Consider retention reform to be part and parcel of a stimulus strategy... one that will keep projects on track, people employed and avoid budget increases. It's time for ALL contractors and subcontractors to agree on paying for and getting paid for the work they do.

Expect to see some "real news" soon about pending legislation as the deadline to introduce bills is February 28.

ASAC



L KING FOR EXAMPLES

Has Your Company Experienced Any Problem With

- | | |
|---|--|
| <input type="checkbox"/> Indemnification? | <input type="checkbox"/> Unlimited Change Orders |
| <input type="checkbox"/> Retention? | <input type="checkbox"/> Prompt Payment? |
| <input type="checkbox"/> Insurance Wraps? | |

ASAC Government Relations Committee would appreciate hearing from you!

Please do a brief write-up of your experiences with these issues and send it (them) in.

Phone: 888-310-2722 Fax: 530-662-2865 asac@asacalif.com (indicate ASAC GRC in subject line)

You can ask to remain anonymous. However we might need to contact you, so please provide your name, phone, etc.

INSIDE THIS ASACALIFORNIA

JANUARY - FEBRUARY 2009

*** GET A CLUE * ASA BUSINESS FORUM & CONVENTION 2009 INFORMATION ***
AB 2738 --NEW RULES FOR WRAP INSURANCE PROGRAMS
"THANK YOU" TO NCDCA AND URCA FOR GOVERNMENT RELATIONS GRANTS
SIGN UP AS A KEY CONTACT TO HELP ASAC ACHIEVE LEGISLATIVE SUCCESS

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Construction Industry Legislative Council & American Subcontractors Association California

Day at the Capitol

March 18, 2009

Sacramento Convention Center

Join with others from the industry to learn and lobby on behalf of subcontractors and suppliers.
Watch for more information coming soon.

THESE BOOKS WILL HELP YOU COLLECT YOUR MONEY!



① *Guide to the Small Claims Courts of California*: How to properly file, prepare, and present your case to get justice in the small claims courts of California. First Edition 1997

② *California Lien Law & Collection Procedures*: Contractors, Sub-contractors, Material Suppliers will benefit from this detailed guide to everything you should know about collection procedures, from Common Sense vs. Business System to Partial Release of Mechanic's Lien. 4th Edition.

To order, send your check payable to ASAC to:
PO Box 292867 Sacramento CA 95829-2867

Members: \$22.00
for each booklet

Non-Members: \$30.00 for each booklet

Be sure to indicate the book you are requesting,
and provide your complete address and phone number.

ASAC MISSION STATEMENT

ASA of California's mission is to present a united front for construction subcontractors and suppliers and to advocate before all branches of government on issues impacting the construction industry.



RETIREMENT PLAN: ASAC has established a retirement plan that every member can participate. The retirement plan is custom designed to meet your needs. 401K, Pension, SEP and Defined Benefit Plans are all available.

We offer most major no load funds in our pension and 401k plans. Whether you have an existing retirement plan or are considering

More info!

establishing a plan, ASAC can help. Please contact our Benefits Administrator David Hodges. 1-800/743-6975

IRS ANNOUNCES 2009 STANDARD MILEAGE RATES

WASHINGTON — The Internal Revenue Service issued the 2009 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning January 1, 2009, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) is:



- 55 cents per mile for business miles driven
- 24 cents per mile driven for medical or moving purposes
- 14 cents per mile driven in service of charitable organizations

The new rates for business, medical and moving purposes are slightly lower than rates for the second half of 2008 that were raised by a special adjustment mid-year in response to a spike in gasoline prices. The rate for charitable purposes is set by law and is unchanged from 2008.

The business mileage rate was 50.5 cents in the first half of 2008 and 58.5 cents in the second half. The medical and moving rate was 19 cents in the first half and 27 cents in the second half.

The mileage rates for 2009 reflect generally higher transportation costs compared to a year ago, but the rates also factor in the recent reversal of rising gasoline prices. While gasoline is a significant factor in the mileage rate, other fixed and variable costs, such as depreciation, enter the calculation.

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile. The rate for medical and moving purposes is based on the variable costs as determined by the same study. Independent contractor Runzheimer International conducted the study.

A taxpayer may not use the business standard mileage rate for a vehicle after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS) or after claiming a Section 179 deduction for that vehicle. In addition, the business standard mileage rate cannot be used for any vehicle used for hire or for more than four vehicles used simultaneously.

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.

[Revenue Procedure 2008-72](#) contains additional information on these standard mileage rates.

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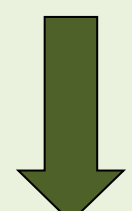
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ASA CALIFORNIA MEETINGS ARE OPEN TO MEMBERS!



April 23, 2009 - Annual Meeting	Sacramento CA
July 16, 2009	San Diego CA


Call 888-310-2722 for Details.



ASA Business Forum & Convention 2009

March 5-7, 2009

[Sheraton Nashville Downtown, Nashville, Tennessee](#)



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Event Registration

Securely online: www.asaonline.com

Member fee: \$775 (by Feb.1)

Nonmember fee: \$950 (by Feb.1)

By phone: (703) 684-3450 Ext. 1304

\$875 (after Feb.1)

\$1,050 (after Feb.1)

Special Offer! Once someone in your office registers, others from your office can benefit by registering for only \$700 (by Feb.1) or \$800 (after Feb.1)



Save on Your Accommodations!

Make your ASA room block reservation by February 1st at the ASA discount rate of \$165 per night at the Sheraton Downtown Nashville by calling (800) 447-9825 (be sure to mention you are with ASA).

ASAC Government Relations Committee Supported the Passage of AB 2738.
Approved by Governor Schwarzenegger September 27, 2008, Effective January 1, 2009, It brings you

NEW RULES FOR WRAP INSURANCE PROGRAMS

Article by Daniel McLennon, ASA California Government Relations Chair, 415/394-6688

New Civil Code section 2782.9

ANY Residential Construction Contract Entered after 1.1.09

- Applies to wrap insurance programs involving residential works of improvement (not just new construction or construction of units for sale) for CONTRACTS ENTERED after 1.1.09. NOT clear if this includes apartments—arguably it does
- Clauses requiring indemnity from one enrolled party to another are unenforceable:
 - If arise out of the project, and
 - If covered by the wrap,
 - Not clear if bar applies whether or not coverage is actually provided—arguably it does
- Equitable indemnity claims are still permitted unless there is coverage for the claim under the wrap—NOT clear whether equitable indemnity is allowed if coverage is not actually provided—arguably it is
- Builder or general may require subcontractor to contribute to SIR or deductible if:
 - If maximum amount and calculation method is disclosed in the parties' contract,
 - If contribution amount is proportionately allocated to subcontractor's scope of work relative to total claims,
 - Demand for contribution is set forth amount and basis for the contribution, and
 - Total amount of contributions does not exceed amount of obligation actually incurred by builder or general contractor,
- Builder or contractor may include in contract for recovery of costs and fees incurred in pursuing contribution
- Builder or general contractor may not require subcontractor to waive any of these provisions

New Civil Code section 2782.96

Public and Commercial Construction Put Out For Bid after 1.1.09

- Applies to wrap insurance programs in projects PUT OUT FOR BID after 1.1.09 involving construction work
 - Done under contract and paid for in whole or in part out of public funds, and
 - Any other project not including "original construction intended to be sold as an individual dwelling unit". Including:
 - commercial projects condominium conversions apartment buildings residential remodels
- Owner, builder or general must disclose in the bid documents total amount or method of calculation of any credit or compensation for premium enrolled parties must contribute
- Named insured must disclose in the contract documents to the extent known:
 - The policy limits,
 - Known exclusions, and
 - The length of time the policy is intended to stay in effect
- Upon written request, named insured must provide copy of policy to all covered by the policy when available
- Until the policy is available, the named insured may satisfy disclosure requirements by providing to covered persons a copy of the insurance binder or declarations page
- Parties receiving the binder or declarations page may not share with anyone other than broker or attorney unless required by law
- Disclosure requirements apply to base policy and to additional coverages if sponsor requires premium contribution from enrolled parties
- This section does NOT affect ability to require indemnity from one enrolled party to another (section 2782.9 does not apply), provide that it may not be waived, or state penalties for failure to comply

Continued next page

AB 2738: NEW RULES FOR WRAP INSURANCE PROGRAMS continued

New Civil Code section 2782.95

PRIVATE Residential Construction First Commencing after 1.1.09

Applies to wrap insurance programs involving "original construction intended to be sold as an individual dwelling unit" when CONSTRUCTION STARTS after 1.1.09. Not included: condominium conversions; apartment buildings; residential remodels.

- Does NOT affect ability to require indemnity from one enrolled party to another (but prohibition in AB 2738.9 applies)
- Owner, builder or general must disclose in the contract documents total amount or method of calculation of any credit or compensation for premium enrolled parties must contribute
 - Subcontractor not bound by bid if information not provided before bid, unless subcontractor is allowed to adjust bid to reflect required premium contribution
- Owner, builder or general must disclose in the contract documents if and to the extent known:
 - The policy limits,
 - The scope of policy coverage,
 - The policy term,
 - The trigger for deductible or occurrence under the policy,
 - The total number of units stated in the policy application, if the policy covers more than one project ("rolling" wraps), and
 - A good faith estimate of available limits as of a date stated in the disclosure
- The disclosure of the number of units is presumed to be in good faith if it reflects the number of units stated in the policy application
- The disclosure of available limits is presumed to be in good faith if it was obtained from the wrap-up insurer or broker
- The presumption of good faith may be overcome only by proof of intentional misrepresentation
- This section does not provide that it may not be waived, and no penalties are stated for failure to comply

THE APRIL ASAC PROFILE IN *CALIFORNIA CONSTRUCTION* OFFERS YOU AN EXCELLENT ADVERTISING OPPORTUNITY

And it helps ASAC at the same time!

McGraw-Hill Construction and *California Construction* (CAC) are strong advocates of ASAC, reporting on association news, events and legislative concerns throughout the years.

Each year they publish a profile of our organization to promote our membership and build awareness to their 33,000 readers, who are the major players in our industry. These readers are subcontractors, contractors, architects, developers, builders of commercial and residential projects throughout California - Your target audience.

This year, ASAC will be profiled in the April 2009 publication of CAC. This is one of the most widely read and highly anticipated issues of the year featuring the states "Top Contractors" along with the National Best of Awards. We hope to promote our chapters this time, and to redesign the profile to reflect more of our members and their activities. **Every page of advertising will grow this member, chapter focused profile, so we need your participation.**

You'll be called and asked to advertise in the issue. Please do so, promoting your company and supporting ASAC. Help us build our organization and get the word out about the value of using ASAC members and contractors on all California construction projects.



**California
Construction**

Use the enclosed profile advertising form and sign up for the profile now. We receive membership forms torn from the CAC each year in response to this annual membership profile. We know this profile is working for us, and we need this marketing effort to help our organization grow. Thank you in advance for your participation in this effort. If you have any questions, contact Maggie Hartley about advertising: Call (626) 932-6174.

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A SPECIAL PROFILE
in the April 2009 issue of

California
Construction



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California Construction magazine is read every month by decision-makers and buyers in California's multi-million dollar construction industry. Included in that monthly circulation mix are a strong combination of owners, developers and facility managers throughout the state.

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<input type="checkbox"/> QUARTER PAGE 3.375" w x 4.875" h	\$1,195	\$1,745	\$1,745

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***ASAC brings subcontractors and suppliers together,
because no company is in this industry alone.***

GOALS

- Fighting to reform retention practices
- Improving profitability of subcontractors and suppliers
- Creating a business environment that promotes quality construction
- The power of participating in group programs and networking

FEATURES

- Updated list of members
- Capitol legislative report
- Chapter reports and leadership list
- Membership application information
- A review of activities over the year

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NEW RULES FOR CONSTRUCTION DEFECT INDEMNITY CLAUSES

By Daniel McLennon, ASA California Government Relations Chair

AB 2738, Effective 1.1.09-- Indemnity and Defense – New Residential Construction For Sale

This law applies to construction of “original construction intended to be sold as an individual dwelling unit”. Not included: condominium conversions; apartment buildings; residential remodels.

Construction contracts May Not :

- Require subcontractor to indemnify owner, builder, or general contractor for negligence of or design provided by owner, builder, or general contractor (or persons for whom they are responsible)
- Require subcontractor to pay defense costs of owner, builder, or general contractor related to defense of negligence of or design provided by owner, builder, or general contractor (or persons for whom they are responsible)
- Require indemnity or defense from subcontractor for claims arising out of work outside of subcontractor's scope of work
- Require subcontractor to reimburse defense costs of owner, builder, or general contractor without prior tender by owner, builder, or general contractor
- Require subcontractor to pay indemnity or defense shares owed by but not collectible from another subcontractor
- Restrict rights of equitable indemnity by owner, developer, contractor, or subcontractor against each other or against supplier, design professional, or product manufacturer
- Change the requirements of the “Fix it Bill”—SB 800

Construction contracts Must :

- Allow, after tender by owner, developer, or general contractor providing specified information,
 - subcontractor to defend, using counsel of its choice,
 - OR by paying percentage share of defense costs, monthly, incurred by owner, developer, or general contractor in their own defense, to the extent caused by fault of subcontractor, subject to reallocation at the conclusion of the matter
- Allocate to owner, developer, or general contractor shares of damages and defense costs to the extent claims are alleged to be caused by its own work
- Allocate to all subcontractors shares of damages and defense costs to the extent claims are alleged to be caused by the subcontractor's work, whether or not the subcontractor is participating in the defense

Construction contracts May :

- Require the defense provided by subcontractor to include vicarious liability incurred by owner, developer, or general contractor, for the acts of subcontractor
- Provide for procedures for recovery of defense costs and damages to owner, developer, or general contractor for subcontractor's failure to provide defense
- Insert clauses not prohibited by the statute, such as requiring subcontractor to name general contractor as additional insured on subcontractor's general liability policy
-



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ASA-PAC PRIOR APPROVALS – A NECESSARY PART OF THE PROGRAM

Note: This article about ASA-PAC refers to the ASA National PAC. ASA California has a separate Political Action Committee and does its own solicitations, (including the \$50.00 voluntary line item on your membership invoice), under different rules.

The rules governing political action committees are extremely complicated. Who can be asked for contributions? Who can give? How much can one give? Add the differences between federal and state rules, and one's head begins to spin. But there is one simple thing that can be done to help further ASA's national political efforts — fill out a prior approval form for the ASA-Political Action Committee (ASA-PAC). Federal law requires ASA to obtain signed prior approvals from members prior to soliciting them for contributions to the ASA-PAC. The prior approval forms merely give the ASA-PAC

- A company may only give prior approval to one trade association PAC per year. A firm may alternate authorizations between trade associations, but may not allow solicitations from multiple trade associations in a given year. This does not preclude a firm from soliciting contributions for its own political action committee or a state-level political action committee.
- The individual signing the prior approval must have the authority to make such approvals on the company's behalf (i.e., president, CEO, COO, etc.).
- Prior approval must be given each year, but can be given for up to four years in advance. This means that the company's representative must sign the form four times in order to authorize ASA-PAC to solicit its employees for four years.
- Prior approvals expire on Dec. 31 of each year, so companies must sign new forms before that date in order to continue receiving solicitations from the ASA-PAC.

permission to request a contribution; they do not obligate the signators to make contributions. If the signators then decide to donate, the ASA-PAC uses donated funds to make contributions to candidates for federal office.

The Federal Election Commission has set a few simple rules to follow in collecting prior approval forms:

ASA-PAC's current prior approval form is printed below, as well as available in the "Government Advocacy" section of the Chapter Toolbox on the ASA Web site, as well as the [ASA-PAC page](#). For more information, contact GovernmentRelations@asa-hq.com



ASA-PAC AUTHORIZATION FORM

Please FAX completed form to: (703) 836-3482

Or MAIL:

ASA-PAC, 1004 Duke Street, Alexandria, Virginia 22314

Federal law requires that ASA and the ASA-PAC receive permission from ASA member companies before soliciting contributions from their stockholders, executive personnel, administrative personnel or family members of such stockholders or personnel.

Completing this form does not obligate anyone to actually make a contribution to ASA-PAC.

ASA members may only approve solicitations by a single trade association for any particular calendar year. However, your company's signature below will not restrict your company's right to solicit contributions for your company's own PAC.

Name: _____ Company: _____

Title: _____ Chapter: _____

AUTHORIZATION: My company authorizes the ASA-PAC to solicit contributions for the calendar years indicated below.

2009:	2010:
(Signature)	(Signature)
2011:	2012:
(Signature)	(Signature)

"THANK YOU", NCDCA AND URCA, FOR GOVERNMENT RELATIONS GRANTS

In addition to the funding the grants provide, ASAC also appreciates the groups for backing ASAC's efforts by writing letters, making phone calls, and spreading the word when the issues need support.

NCDCA (Northern California Drywall Contractors Association) has been a supporter of ASAC since 1990 when the group joined the Bay Area Chapter and donated funding to ASAC. Gwynda Downing of NCDCA member company James R. Downing Inc., stepped right in to the fray as she helped lead the successful effort to amend the Business and Professions Code relating to contractors and prompt payment laws. She and ASAC were also instrumental in getting Change of Venue laws on the books, making contractors who work in California file their suits in California instead of their home state.

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W.F. HAYWARD COMPANY
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YRUETA BROS DRYWALL & PAINTING INC.

For the third year in a row, the Union Roofing Contractors Association has made a sizable donation to ASAC, with the intent of supporting ASAC legislative efforts at Indemnification Reform and Retention Payment Reform. URCA has been a member of the ASA - LA-Orange County Chapter since 2005. Thanks to Ron Johnston, Ph.D., the association's Executive Director, and to the individual URCA members who encourage their Board of Directors to make this monetary gesture.

ALCAL ROOFING & INSULATION
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VANCE & ASSOCIATES ROOFING INC.
WESTWAY CONSTRUCTION INC.



YOU COULD BE KEY TO ASA LEGISLATIVE SUCCESS!! "KEY CONTACT" INFORMATION FORM

This sign-up sheet will ONLY be used to assist ASAC's Legislative Advocacy efforts. Our Key Contacts will be notified by our

lobbyist when they are needed to visit their own State Senator or Assembly Member in their local offices, probably once or twice during the year. Key Contacts play a pivotal role, as constituents, in helping to influence the outcome of important legislation.

Please fax the completed form to (916) 791-3781 or email it to ASACLobbyist@aol.com as soon as you can.

PLEASE PRINT CLEARLY

(* Required information to determine correct legislative districts.)

Your Name* _____ Your Business Name _____

Business Street Address _____ City _____ Zip _____

Home Street Address* _____ City* _____ 9 Digit Zip* _____ --

Business Phone () _____ Cell Phone* () _____ Fax Number () _____

ASAC Member Information (check one or more)

____ Subcontractor Licensee ____ CPA or Counsel to Subcontractors ____ Supplier ____ General Contractor Licensee
____ Company Owner ____ Company Manager ____ Other

Optional: ____ Registered Democrat ____ Registered Republican
____ Registered Independent ____ Registered Decline to State

Information concerning State Legislators (please answer all questions)

Members of the State Assembly:

Do you personally know a State Assembly Member? ____ Yes ____ No

State the name of that Assembly Member: _____

Does the Assembly Member's district represent the area in which your:

Business is located? ____ (Yes or No) Home is located? ____ (Yes or No)

How do you know the Assembly Member? (Check one or more)

____ Campaigned for him/her ____ Family Member ____ Close Friend
____ Acquaintance/Neighbor ____ Current or former business associate

Members of the State Senate:

Do you personally know a State Senator? ____ Yes ____ No

State the name of that Senator: _____

Does the Senator's district represent the area in which your:

Business is located? ____ (Yes or No) Home is located? ____ (Yes or No)

How do you know the Senator? (Check one or more)

____ Campaigned for him/her ____ Family Member ____ Close Friend ____
Acquaintance/Neighbor ____ Current or former business associate

Do you know other members of the state legislature or staff? If so, please list:

- 1. _____
- 2. _____

(Use of information is strictly confidential. ASAC will only use the information when it determines that your assistance is crucial on extremely important legislation. When we contact you, you will be asked to communicate with your State Assembly Member or Senator. You may make the difference influencing the outcome of that legislation. When we contact you, a synopsis of the legislation, "talking points", and a sample letter will be provided for your use.)

GET A CLUE!



ASA's Regular Legal Column By Michaelbrent Collings
Your Friendly Neighborhood Shark Bloodsucker Lawyer

Okay, here's your clue: **L***k (at the contract) BEFORE you Leap!**
"Woohoo!"

That's what the average (sub)contractor thinks upon getting the job, be it a public project or a private one. Or, more likely, he thinks, "All right, let's get down to brass tacks and build something." But no matter what the contract is – be it the prime contract on a major state public works job, or the smallest subcontract on a tiny private project – there is one thing that contractors as a group tend not to do:

READ THE CONTRACT.

They go over the specs or other pre-bid information with the precision of a medical laser, carving out scope of work and exceptions to it like my doctor did to that weird mole on my face.¹ And then, having gotten the job, many of said contractors might receive a notice to proceed and then (often quite a bit later), a written contract. And the contract is then gone over with the intensity and sharpness of... a pillow covered in marshmallows. The contract is, far too often, an afterthought in the mind of the contractor.

But that agreement contains numerous features that are now critical to the contractor's prospects for doing the job correctly and profitably.

Do I have you hooked? Good. Because in the coming issues, of Get a Clue, we're going to be looking at some of the most important parts of a typical contract... and some of the pitfalls that contractors fall into when reading (or not reading) them. Scope of Work, Contract Documents, Payment Clauses, Notice provisions, Extra Work clauses... all of it is more fun than you can shake a stick at. Or, if not that, at least they are things that you, as a businessperson who wants to stay in business, must pay attention to and understand.

For now, even though we're not going into specifics (but they will come, my young student... they will come²), listen to this: when you get a job, read the contract before you sign it. Understand everything before you sign it. If you don't understand something, talk to someone does... before you sign it.

Because after you sign it may be too late

Yes, that's how I got to look like this. Now you know.

² I'm like Mr. Miyagi. Wax on, wax off.

Get A Clue is a regular column brought to you by the fine folks at ASAC. It is written by Michaelbrent Collings, an attorney at Kamine Ungerer, P.C., and a member of the LA-Orange County chapter of ASA who focuses his practice on construction contract disputes. If you have any questions about this or any other area of law, feel free to contact him at mbrent@ku-law.com, or by calling 213-972-0119.

Few American workers have the recommended three months of personal savings to cover living expenses in case of a rainy day. Including Aflac's voluntary benefits, like Accident and Disability, as a part of your financial planning may help with those expenses that can be incurred from an unexpected health emergency.



Aflac's voluntary benefits can be used toward expenses like mortgage, groceries, and car payments while you are away from work recovering from an injury or illness. And the policies are portable, which means policyholders can take the same benefits at the same premium if they transfer employers.

Contact an AFLAC agent who belongs to ASAC:

Michael McVay 707-953-1328 michael_mcvay@us.aflac.com
Bob Dumas 707-578-5078 bobduma7995@msn.com

ASAC Members – F.Y.I. 2009 Wage Level Increases to Dual Wage Classifications

Abbreviated Classification Wording Classification		2009 Threshold
5027	Masonry — less than \$23.00	\$24.00
5028	Masonry — equals or exceeds \$23.00	\$24.00
5140	Electrical Wiring — equals or exceeds \$27.00	\$28.00
5183(1)	Plumbing — less than \$24.00	No Change
5183(2)	Refrigeration Equipment — less than \$24.00	No Change
5185	Automatic Sprinkler Installation — less than \$26.00	\$27.00
5186	Automatic Sprinkler Installation — within buildings — equals or exceeds \$26.00	\$27.00
5187(1)	Plumbing — equals or exceeds \$24.00	No Change
5187(2)	Refrigeration Equipment — equals or exceeds \$24.00	No Change
5190	Electrical Wiring — less than \$27.00	\$28.00
5201(1)	Concrete or Cement Work — sidewalks — less than \$23.00	\$24.00
5201(2)	Concrete or Cement Work — less than \$23.00	\$24.00
5205(1)	Concrete or Cement Work — sidewalks — equals or exceeds \$23.00	\$24.00
5205(2)	Concrete or Cement Work — equals or exceeds \$23.00	\$24.00
5403	Carpentry — less than \$25.00	\$26.00
5432	Carpentry — equals or exceeds \$25.00	\$26.00
5446	Wallboard Application — less than \$25.00	\$26.00
5447	Wallboard Application — equals or exceeds \$25.00	\$26.00
5467	Glaziers — less than \$25.00	\$26.00
5470	Glaziers — equals or exceeds \$25.00	\$26.00
5474(1)	Painting, Decorating or Paper Hanging — less than \$23.00	\$24.00
5474(2)	Waterproofing — less than \$23.00	\$24.00
5474(3)	Painting — oil or gasoline storage tanks — less than \$23.00	\$24.00
5482(1)	Painting, Decorating or Paper Hanging—equals or exceeds \$23.00	\$24.00
5482(2)	Waterproofing — equals or exceeds \$23.00	\$24.00
5482(3)	Painting — oil or gasoline storage tanks — equals or exceeds \$23.00	\$24.00
5484	Plastering or Stucco Work — less than \$24.00	\$25.00
5485	Plastering or Stucco Work — equals or exceeds \$24.00	\$25.00
5538	Sheet Metal Work — less than \$24.00	\$25.00
5542	Sheet Metal Work — equals or exceeds \$24.00	\$25.00
5552	Roofing — less than \$22.00	\$23.00
5553	Roofing — equals or exceeds \$22.00	\$23.00
5630	Steel Framing — light gauge — residential — less than \$25.00	\$26.00
5631	Steel Framing — light gauge — residential — equals or exceeds \$25.00	\$26.00
5632	Steel Framing — light gauge — commercial — less than \$25.00	\$26.00
5633	Steel Framing — light gauge — commercial — equals or exceeds \$25.00	\$26.00
5645(1)	Carpentry — detached private residences for 1 or 2 families — less than \$25.00	\$26.00
5645(2)	Carpentry — dwellings not exceeding 3 stories — less than \$25.00	\$26.00
5697(1)	Carpentry — detached private residences for 1 or 2 families — equals or exceeds \$25.00	\$26.00
5697(2)	Carpentry — dwellings not exceeding 3 stories — equals or exceeds \$25.00	\$26.00
6218(1)	Excavation — less than \$25.00	\$26.00
6218(2)	Grading Land — less than \$25.00	\$26.00
6218(3)	Land Leveling — farm lands — less than \$25.00	\$26.00
6220(1)	Excavation — equals or exceeds \$25.00	\$26.00
6220(2)	Grading Land — equals or exceeds \$25.00	\$26.00
6220(3)	Land Leveling — farm lands — equals or exceeds \$25.00	\$26.00
6307	Sewer Construction — less than \$25.00	\$26.00
6308	Sewer Construction — equals or exceeds \$25.00	\$26.00
6315(1)	Water Mains or Connections Construction — less than \$25.00	\$26.00
6315(2)	Gas Mains or Connections Construction — less than \$25.00	\$26.00
6316(1)	Water Mains or Connections Construction — equals or exceeds \$25.00	\$26.00
6316(2)	Gas Mains or Connections Construction — equals or exceeds \$25.00	\$26.00

The ASAC Insurance Committee suggested you might find this information valuable. You may have already received it from your broker, but just in case you haven't, here it is.

ASAC Insurance Committee Members are available for your questions:

Bill Olmo, FEDCO CONST.,
Committee Chair; 707-586-0500

Ken Wagner, IOA INSURANCE SERVICES; 916-361-6527

Gregg Wright, RPW INSURANCE BROKERS INC.; 562-861-5335

Anne Wright, SIOUX MUNYON INSURANCE SERVICES; 619-463-2773

DOWNLOAD FREE ASA/FASA PODCAST WITH ECONOMIC SURVIVAL TIPS

ALEXANDRIA, Va. — Facing the challenges of today's economy, construction subcontractors want to know what steps they can take to help their companies survive through and beyond the current recession. The American Subcontractors Association Inc. and the Foundation of the American Subcontractors Association Inc. have made available to all subcontractors a special, free audio podcast to help them survive lean economic times. The podcast is available for listening on the ASA home page at www.asaonline.com.



Presented by Donald Gregory, Esq., of the Columbus, Ohio-based law firm of Brown, Hill and Ritter, "10 Survival Tips for Subcontractors in Lean Times" is available for download in MP3 format to ASA members and non-members alike. In 15 minutes, Gregory offers pointers on cost-cutting, preserving lien rights, double-checking bids, holding current market share, and more. "The business environment is challenging, and with Don's survival tips, firms will be better-positioned to survive these uncertain times," said ASA Executive Vice President E. Colette Nelson.



Kegler,
In 15

Listening to the podcast does not require an iPod®. Subcontractors can download the MP3 file from the ASA Web site and listen to it on their computers with a headset or speakers, or listen on any MP3 player. The podcast is similar in format to the podcasts ASA and FASA offer through their [Essentials of Contract Evaluation](#) podcast series.

ASAC_{California}



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IF YOU FEEL STRONGLY ABOUT SOMETHING, SPEAK UP!

ASAC welcomes your comments on construction issues and items that effect the industry. Send your letters and articles to:

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PO Box 292867, Sacramento CA 95829-2867**

