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## GETTING PAID: The Number One Problem In Our Industry

**The number one problem in our industry is getting paid for the material and labor we provide on projects. If you do not agree with me just take a look at copies of the STA's "StayAlert" for the last few months and see the increase in the number of liens being filed and the amount of monies owed to subcontractors and suppliers.**

**» This problem is of our own making and can be avoided, as there are a number of tools available to the subcontractor to help eliminate this problem:**

**Knowledge & Information**

First before signing a contract or accepting a purchase order from a GC, CM, Agency or Owner check your last three months of STA's "StayAlert" and determine the number and amount of liens outstanding against the entity offering the contract or order. Then call STA and ask for some BPI (Business Practice Interchange) contacts who have had experience working with the entity offering the

business. Remember being forewarned is being forearmed.

**Prompt Payment Law**

There are a number of laws that allow subcontractors or suppliers certain rights when they are not paid. For example: under the new Prompt Payment Law for private construction projects in New York State over \$250,000. 00 in total value and entered in to contract after January 13, 2003, (excluding

*Continued on page 2*

### How much simpler can it get?

**YOU NEED TO KNOW HOW** a particular general contractor or an agency conducts business; to decide whether you wish to do business with them. Where can you get this information?

**One place!**

The Business Practice Interchange, or BPI for short, is a referral service exclusive to STA members wherein members exchange information with fellow members regarding payment practices and job conduct of general contractors, construction managers, developers, builders or agencies.

**How does it work?**

Before dealing with a contractor or agency, a member calls the STA for information on that particular company. We check our BPI listing and give the inquiring

*Continued on page 8*

SAVE THE DATE

Monday, August 2nd

2004

STA GOLF OUTING

# President's Message: Challenges and Opportunities



GREGORY FRICKE, JR.

IT HAS BEEN SAID that there are no such things as "problems". There are only "challenges and opportunities".

We continue to endure the challenges of a general lack of work, the general slowness of payments associated with the work we do have, the extraordinary pressure on our operations forced by the surreal insurance premiums almost arbitrarily imposed in a take it or leave it fashion, the always new again, never quite fair, NYC contracts, the apparent lack of consensus among the leaders regarding the

status of our state budget and its wide reaching ramifications for our NYC construction outlook.

I suppose one could go on and on...

But enough about the challenges let's remind ourselves of the opportunities.

Mr. Silverstein is building.

Number 7 is out of the ground and we have the governors promise on a ground breaking for the Freedom Tower.

Yes, the litigation with the insurance companies is not reportedly going Mr. Silverstein's way, but with so much political capital invested in this, it would seem virtually impossible to prevent this construction from happening.

The Hudson yards, the Jets, and the Convention Center. The West Side Re-Zoning & Development with the extension of the #7 line. The Queens West housing project and more... These projects all have merit in their own

right but are further supported by the NYC bid for the 2012 Olympics.

Rather than most political footballs, this one has an absolute time line.

For us to succeed in our bid, we must demonstrate to the I.O.C. that construction is in progress.

And then there is Mr. Ratner and his ambitious plans for the Nets, as well as his office building development with the NY Times. Both seem to have momentum now.

Con Ed recently received PSC approval to sell their property on the east side, clearing the way for yet another ambitious development opportunity.

Mr. Goldstein of the SCA has assured that he will have a budget in the 6-10 Billion dollar range.

And the list goes on...

We are on the verge of perhaps one of the greatest periods of construction any of us have seen in recent history.

I assure you whether public or private sector, whether City, State or Federal the STA will be there to continue our advocacy for subcontractors.

The question remains; will world politics, Iraq, the presidential election and the threat of terrorism prevent us from realizing these opportunities. There are no guarantees, but the prospects are ever so bright.

Keep the Faith. ■

## GETTING PAID: The Number One Problem In Our Industry

*continued from page 1*  
residential tract development of 150 units or less, residential projects of 9,000 square feet or less, one, two or three family dwellings and residential projects of fewer than 150 units that get public financing from HUD). The owner or his agent must approve or disapprove payment within 12 business days. The owner cannot unreasonably withhold its approval. If an owner doesn't approve an invoice or requisition, he must give the contractor or supplier a written statement describing the items in the invoice or requisition that was not approved. Payment from the owner to the contractor is due within 30 days after the owner approves the invoice or requisition.

Contractors' or suppliers remedies: 1-Interest; if the owner pays the contractor after the payments due date, the owner must pay the contractor interest beginning on the next day at a rate of one percent per month or fraction of a month on the unpaid balance. However, if the owner and con-

tractor negotiated a higher interest rate on late payments, the contractor is entitled to the interest rate set by the contract. 2-Suspension of work: If the owner doesn't pay the contractor an undisputed invoice by the payments due date, the contractor can suspend work on the project without violating the contract. (Even if the contract states that it bars suspension of work, the contractor can still suspend work for nonpayment.) But first the contractor must give the owner 10 days written notice saying that it hasn't received payment for an undisputed invoice amount and that it intends to suspend performance if it doesn't get paid by the 10th day.

If the contractor suspends work for nonpayment, he need not furnish further labor, materials or services until he is paid. Also, all of the time frames for completing work established by the contract are automatically extended for the length of time performance is suspended. The contractor can also seek payment for any

remobilization costs it incurs. If the contractor suspends work for nonpayment, all material, equipment, tools and machinery located at the job site becomes the contractor's exclusive property and the contractor has the right to remove them from the job site.

### Mechanic's Lien

You can file a Mechanic's Lien:

#### Residential Project

» 4 mos. From last labor/material delivered to job site.

#### Commercial Project

» 8 mos. From last labor/material delivered to job site.

### Trust Fund Provisions

You may not be aware that under the trust fund provisions of Article 3-A of the New York State Lien Law, the monies received by a GC or a Subcontractor for payment for work performed or material delivered, belong to the subs or vendors and must be paid to them in a timely manner. The GC or Subcontractor is a trustee

under Article 3-A, and is obligated to keep records of all funds paid to him for work performed by his subs or material supplied by their vendors. You, as a creditor, are provided the right under the law to examine his records after 30 days from the date your payment was due. If he is paid for any work performed, or material you delivered, and he uses those funds for any purpose other than paying project related expenses, he is in violation of the law and has personal liability for the funds.

As you can see there are many tools available to help you control the problem of nonpayment, so use them wisely and always consult with your attorney before taking any legal action. ■

## LEGAL LOG

**TRUST FUND PROVISIONS OF THE LIEN LAW***By Jay Kushner, Esq. — Goldberg & Connolly, STA Legal Counsel*

JAY KUSHNER, ESQ.

**An interesting opportunity under the Trust Fund provisions of the Lien Law**

**ARTICLE 3-A OF THE NEW YORK** Lien Law, better known as the “Trust Fund Provisions of the Lien Law”, provides a potent if somewhat complicated statutory scheme designed to aid construction contractors, subcontractors and material suppliers on private real property and public improvements to secure their payments for labor and materials performed and furnished for such projects.

Generally speaking, the Trust Fund provisions of the Lien Law designate building loan money received by the owner of a project, and most significantly, money paid by the owner to a contractor as well as money paid by the contractor to a subcontractor as trust assets that must not be diverted from the statutory purposes of paying the companies, firms or persons who construct (or rehabilitate) real property and public projects.

This writer was privileged to successfully bring one of the early trust fund cases up to the New York Court of Appeals against a lender who repaid itself interest from loan proceeds before paying down the funds that were intended for payment to contractors and subcontractors at the project.

Short of bringing a class action under the Trust Fund provisions of the Lien law, it is worthwhile to consider two provisions of the Trust Fund statute which may promote a faster and less complicated opportunity for a subcontractor to collect its money.

Sections 75 and 76 of Article 3-A of the Lien Law have been used successfully to encourage payment to subcontractors.

Section 75 of Article 3-A of the Lien Law requires the Lien Law “trustee”, i.e., either the owner, contractor or subcontractor, as the case may be, to keep detailed books and records of the trust funds each receives (i.e., the money received by the owners under a building loan and in the case of contractors and subcontractors, the money due or to become due to either for their respective work performed and/or materials furnished for or at the project site).

Section 76 of Article 3-A of the Lien Law provides that a trust beneficiary (e.g., a contractor, subcontractor or materialman)

A court proceeding may be brought to require compliance with a demand for a verified statement of the money received by a contractor or owner and the money paid out by the contractor or owner. Compliance on a substantial project is a formidable task and may reveal that the contractor or owner has diverted trust assets making the contractor or owner, as the case may be, and the responsible officers personally liable for such diversions.

Frequently, the relatively simple demand for a verified statement under the Trust Fund provisions of the Lien Law has encouraged settlement and payment of a subcon-

**Compliance on a substantial project is a formidable task and may reveal that the contractor or owner has diverted trust assets making the contractor or owner, as the case may be, and the responsible officers personally liable for such diversions.**

may examine the books and records of an owner or the contractor pertaining to the project. A less expensive procedure, but frequently effective procedure, is also available under Section 76. Under that provision, a contractor or subcontractor may demand that a contractor or owner furnish a verified statement setting forth the entries contained in the books and records required to be kept by owners and contractors under Section 75. This is usually a formidable task which may unveil diversions of Lien Law Trust Funds which will make not only the erring company liable but also the responsible officers liable. It must be remembered that the statute makes money received by an owner or by a contractor at a construction project trust funds to be used first and foremost for payment to those performing work or supplying materials for the project. Any other use which may leave the next lower tier (contractor, subcontractor or materialman) unpaid may result in civil and criminal penalties.

tractor’s claims for money it has earned in the construction of a private or public project.

It should also be seriously noted by subcontractors that they have the same obligations with respect to money received on a construction project with respect to persons who have furnished work, labor, services or materials to a subcontractor at and for a construction project.

Owners, contractors and subcontractors are designated as “trustees” under Section 71 of Article 3-A of the Trust Fund provisions of the Lien Law with respect to money received on a construction project in the State of New York. The statute applies to both private and public projects and provides considerable protection to subcontractors and others in the construction industry. ■

## PEOPLE V. CARL LARRY BRICKLEY

by Robert A. Rubin



ROBERT A. RUBIN

### Criminal Conviction for Diversion of Lien Law Article 3A Trust Funds

IN AUGUST 2000, CARL LARRY Brickley was convicted for grand larceny in connection with his diversion of trust funds under Article 3A of the New York Lien Law. Brickley appealed the conviction on various technical grounds, which was affirmed in *People v. Brickley*, 760 N.Y.S.2d (3rd Dep't); leave to appeal denied, 769 N.Y.S.2d 206 (2003). Because this is one of the very few reported criminal convictions for trust fund diversion, it is a good reminder that along with the very severe civil liability for trust fund diversion, there are real criminal sanctions, as well.

Brickley contracted to construct a home for Riaz Mirza in the Town of Colonie, New York. He opened a business checking account at Key Bank in the name of his company, Sierra-Co Signature Builders, to be used in connection with the project. Mirza issued checks totaling \$276,075 to Sierra-Co for construction related costs. Nevertheless, Brickley failed to fully pay many of the subcontractors for their work, despite their demands for payment. Instead, Brickley told the subcontractors that he could not pay them because Mirza had not paid him. Brickley then used the money in the Key Bank checking account for personal expenses. At trial, the jury convicted Brickley on 18 counts of a 53 count indictment for grand larceny. Brickley was sentenced to an aggregate prison term of 4 to 14 years. The conviction was upheld on appeal.

### Postner & Rubin Note

Article 3A of the New York Lien Law contains the trust fund provisions. These provisions are not related to mechanics' liens, sometimes creating confusion as to the intent and interpretation of the provisions. The provisions might more appropriately have been placed in the General Obligations Law or the Real Property Law. Nonetheless, they stand on their own, separate and apart from the remaining provisions of the Lien Law. The trust fund provisions of the Lien Law provide that all funds paid to an owner, a contractor or a subcontractor for the improvement of private or public real property constitute trust funds that are held by the party receiving them, as trustee, on behalf of the parties who provided labor and materials to the trustee. The trustee has no property interest in, and does not have the right to use, the funds for any other purposes until all claims of all trust beneficiaries have been paid. Thus, for example, a contractor such as Brickley cannot take the money he received to build Mirza's house and pay his secretary's salary or his office rent. The money Brickley received from Mirza must first be used to pay all subcontractors and laborers who built Mirza's house, materialmen who furnished materials for the house, and various taxes and insurance costs directly related to building the house. Brickley may not use a cent of that money to pay his general overhead expenses, or to pay himself a salary, or for any other purpose, until all the trust beneficiaries on Mirza's project have been paid in full. As a consequence, therefore, a contractor may not "pay Paul with Peter's money." The proceeds from one project cannot be used to satisfy obligations incurred on another project until all trust beneficiaries on the first project have been fully paid.

Some of the other provisions of Article 3A are as follows. (1) The trustee need not set up separate bank accounts, but must maintain separate books and accounting records for each project, showing the allocation of income and expenses to each project. These

books and records must be made available to any trust beneficiary on request. (2) A transferee who knowingly accepts, or a trustee who knowingly applies, trust funds in payment of nontrust purposes, is liable to trust beneficiaries for the amount of the transfer, plus interest. Where the transferee or trustee is a corporation, the officers, directors, shareholders, and agents of the corporation have personal liability if they had knowledge and actively participated in the diversion. Thus, if

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**The trust fund provisions of the Lien Law provide that all funds paid to an owner, a contractor or a subcontractor for the improvement of private or public real property constitute trust funds that are held by the party receiving them, as trustee, on behalf of the parties who provided labor and materials to the trustee.**

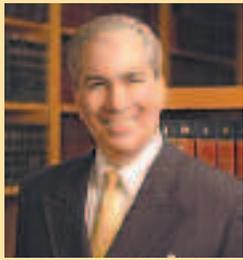
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Brickley had written to a supplier on another job that he would be paid as soon as he received a check from Mr. Mirza, and if Brickley's bookkeeper, with knowledge of the diversion, wrote a check to that supplier out of the proceeds from Mr. Mirza, an unpaid subcontractor or other trust beneficiary on the Mirza project could sue and recover from the supplier, Brickley and Brickley's bookkeeper. If the unpaid trust beneficiaries on the Mirza project complained to the local district attorney, the district attorney could pursue criminal charges for larceny against Brickley and Brickley's bookkeeper, as well.

Unpaid subcontractors and suppliers do not often go to prosecutors, and prosecutors rarely have any interest in prosecuting diverters of trust funds. Nevertheless, those engaged in construction are well advised to bear in mind Brickley's fate as a reminder of the powerful remedies of Article 3A of the Lien Law. ■

## N.Y. COURT OF APPEALS ADDRESS “NOTICES OF LENDING”

By Henry L. Goldberg, Esq.



HENRY L. GOLDBERG, ESQ.

### Lenders Beware — Claimants & Sureties Take Notice

THE RELATIVE RIGHTS OF LENDING institutions, sureties, owners/developers and lien law trust fund beneficiaries (subcontractors and suppliers) is of critical importance when jobs go bad. Sorting out these rights determine who receives whatever limited funds remain. New York's highest court has just issued a definitive decision, which should remove any doubt as to the absolute need for strict compliance with the “notice of lending” provisions of New York's Lien Law.

The court's decision made clear that it will strictly enforce these provisions, even where other “notice” provisions had been recorded. As will be discussed below, the court's finding was unequivocal. No Notice of lending - no protection. Recorded construction loan mortgages - even with the requisite Lien Law § 13 covenants for mortgages stating they are subject to the trust fund provisions of the Lien Law - do not provide adequate notice. Worse still, it is now clearly established that the absence of the filing of a notice of lending leaves a lending institution liable for a claim of trust fund “diversion” when it “pays itself back” with trust fund assets its own construction loan had created.

The notice of lending filing provisions in New York's Lien Law promotes the legislative intent of providing public notice of any transaction by the owner, contractor, subcontractor or any other party that may lead to depletion of funds available for future trust claims. Such record notice provides persons who furnish materials or services in reliance on the trust assets receivable by the

trustee at later stages of the improvement, notice that those assets have been anticipated for a current expense.

The case before the Court of Appeals involved a construction loan utilized on a New York City Housing Authority (NYCHA) project in Brooklyn for the renovation of residential buildings. The plaintiffs alleged in their complaint that they were owed monies on their subcontracts and that the construction loan lending institution had diverted trust funds by repaying itself prior to paying plaintiff's claims for work performed and material provided. The bank countered in its answer that it was “not a statutory trustee and the funds paid to itself did not constitute trust assets” and, furthermore, that plaintiff's claims were barred by virtue of the banks “superior mortgage interest.” The bank maintained, its repayment was permissible because it used the money to pay its properly recorded, secured loans, which were superior to plaintiff's claims pursuant to the Lien Law's statutory priority provisions.

However, it's well established that the primary purpose of Article 3-A of the Lien Law is designed “to ensure that those who would directly expend labor and materials to improve real property (private or public) at the direction of the owner or general contractor receive payment for the work actually performed.” Funds that are received by the owner under building loan contracts and building loan mortgages are unquestionably trust assets. Trust assets require owner-trustees to apply trust assets to payment of the cost of improvement including “expenditures in paying the claims of a contractor, architect, engineer, surveyor, subcontractor, laborer, materialmen... and sums paid to discharge building loan mortgages whenever recorded.” The use of trust assets for a non-trust purpose is deemed a “diversion” of trust assets, whether or not there are trust claims in existence at the time of the transaction.

The Lien Law incorporates a mechanism for trustees to alert beneficiaries to the distribution of trust assets in repayment of

advances made by lenders. Trustees or lender-transferees must file a “notice of lending” to protect the lender's right to repayment from trust funds.

The court also pointed out, significantly, that a proper filing of a “notice of lending” is an affirmative defense to any lawsuit charging a trustee with a diversion of trust assets or an action to recover diverted assets from a

ing of a notice of lending, the bank, as a trustee, would be “guilty” of self-dealing since it was both a trustee as a recipient of funds and a trust fund beneficiary as an entity with a claim against the trust funds for repayment of its loan. Conversely, if it had filed a proper notice of lending, the bank would have eliminated any taint of self-dealing in repaying its own loan and the beneficiaries would have

**The notice of lending filing provisions in New York's Lien Law promotes the legislative intent of providing public notice of any transaction by the owner, contractor, subcontractor or any other party that may lead to depletion of funds available for future trust claims.**

transferee (such as a bank receiving repayment of its loan). In any action against a trustee-bank, the notice of lending evidences that the alleged diversion was properly made in repayment of advances made by the bank as trustee and that such advances were actually applied for a legitimate trust purpose, repayment of a recorded building loan mortgage.

As a statutory trustee, the bank was obligated to “act as a fiduciary manager” over funds. The bank owed the beneficiaries a duty of loyalty as a trustee and was required to administer the trust solely in the interest of the beneficiaries. The court held that, without a notice of lending, the bank's use of trust assets to repay its own loans on the project - without acknowledging its status as trustee or providing notice to trust beneficiaries of the transfer - constituted a breach of its fiduciary duty. The court specifically observed that the bank's recorded filing of its loan agreement and construction loan mortgages were to no avail. Although its recorded construction loan mortgage gave potential trust beneficiaries notice of the bank's claim priority as a secured mortgage lender, nothing in the mortgage documents identified the bank as a trustee of Article 3-A assets. Thus, without a proper fil-

been properly appraised of the fact that, (1) the trust assets were being depleted in order to repay the recorded loan documents, and (2) the bank was a trustee acting as both transferor and transferee of those funds.

### G&C Commentary

The message of this decision is clear - CAVEAT LENDER. The court's interpretation was as strict as its wording clear. One of the first things properly advised Lien Law claimants should look for on jobs that have gone bad is a recorded notice of lending for each construction loan advance on the project on which they are making a claim.

One final point B the Court of Appeals declined to address the damages caused by the bank's breach of its fiduciary obligation since there was an agreement among the parties on this issue. However, it pointed out that the lower court had ruled that the bank's repayment to itself invalidated its statutory priority as a secured mortgage lender and rendered the bank liable to plaintiffs for the full amount of any transferred trust assets or “diversion.” The bank had to disgorge any trust assets made in repayment to itself and to first make such funds available to trust fund beneficiaries. ■

# WOMEN IN CONSTRUCTION

by Diane Ivanovic



DIANE IVANOVIC

## Gaining Ground for Women in Construction

FOR THE LAST 25 YEARS, women have represented less than 3 percent of the workforce in the building and construction trades. This low percentage is a problem for both the industry and for women in the field. For the industry trades, the low percentage illustrates one of the difficulties they have in meeting their diversity goals. For women on the job, it means few or no female colleagues with whom to form support networks. This also poses a problem for women who lose out opportunities to work in a financially rewarding and enjoyable job.

Nontraditional Employment for Women (NEW), a nonprofit community-based organization, was formed to substantially increase this percentage by training qualified women to work in trades positions, thereby helping industry achieve its diversity objectives.

To help remedy the low percentage of women in construction, NEW has developed a twofold



strategy. First, NEW is developing the Incubator to facilitate the hiring and retention of women in the unions. Second, NEW is launching a program to find temporary jobs for women as they ready themselves to enter the union apprenticeship programs.

### The Incubator

As we all know incubators are a controlled environment that facilitates growth. Given the industry wants to grow the percentage of women in skilled trades, NEW and the Building and Construction Trades Council (BCTC), are developing "Incuba-

tor" sites on major construction projects. The Incubator sites are locations where contractors agree to work with NEW to hire women apprentices and journey workers. Large projects that have an Incubator will provide the tangible and intangible supports necessary for women to succeed on the job and move forward in their careers. For example, providing a separate changing shed becomes more compelling when there is more than one woman on a job site.

These multi-year union construction sites will allow a significant number of women in several trades and at various levels of experience to work on major projects for at least four to six months at a time. The projects will facilitate more women entering the trades as first-year apprentices; increase retention by providing those already in the trades with extended job opportunities; and encourage mentoring of apprentices by journey level tradeswomen.

NEW's first incubator project will be the Bronx Criminal Court Complex, a project of the Dormitory Authority of New York State with the contractor, Cauldwell Wingate as the General Contractor. NEW is also in discussions

with a major media company and a university to implement this concept on their construction projects and are working with the Lower Manhattan Development Corporation to develop similar programs on projects planned for Lower Manhattan.

### Creating the Pipeline

In concert with union leadership, NEW has launched a multi-year, three-tier program to create a pipeline of job-ready women. The first tier involves recruiting and training women who are interested in nontraditional employment. The second tier is

providing "bridge" or temporary jobs in the industry while women await apprenticeship openings, thus creating a pipeline of job-ready women. The third tier is feeding the pipeline as openings occur. The objective is available women to enter union apprenticeship programs.

An example of how the three-tier program works is a recent NEW graduate was hired as a plan clerk by a Manhattan subcontractor while she awaited acceptance into the carpenter's apprentice program. After six months, she was called by the carpenters. Because she was hired as a temporary worker, her employer was able to work with her to transition quickly into the apprenticeship program. She is now a union member as a millwright. ■

*If you can support this program, NEW asks that you contact Diane Ivanovic, Director of Job Development at 212-627-6252 x226 or [divanovic@new-nyc.org](mailto:divanovic@new-nyc.org)*

**NEW (Nontraditional Employment for Women) is launching a program to find temporary jobs for women as they ready themselves to enter the union apprenticeship programs.**

**JOSEPH MORELLE (D-ROCHESTER) HAS PROMPTED THE ASSEMBLY LABOR COMMITTEE TO CONSIDER HIS BILL TO REFORM LABOR LAW 240/241. HE WAS FORCING THE VOTE "BECAUSE THAT'S WHAT YOU GET ELECTED TO DO."**

## **"SCAFFOLD LAW REFORM"**



### **LABOR LAW 240/241**

AS REPORTED IN THE INSURANCE Journal Newsletter East News issue of May 21, 2004. Assemblyman Joseph Morelle (D-Rochester) has made a procedural move that will prompt the Assembly Labor Committee to consider his bill to reform Labor Law 240/241.

Assemblyman Morelle asked the Labor Committee to consider his bill, a procedural move that will prompt the Assembly Labor Committee to consider his bill, a move that essentially forces the committee to vote on it before the end of the legislative session.

The chair of the assembly Labor Committee, Susan John (D-Rochester), asked Morelle to withdraw his motion, but he declined, Assemblyman Morelle told the New York Sun.

He was forcing the vote "because that's what you get elected to do." He added: "I think it's important enough.... In the Rochester area in particular, literally hundreds of jobs are at risk."

Employers and the insurance industry back the bill, which is sponsored in the Senate by Senator Dale Volker (D-Eric County).

**The law has been interpreted to pertain to any "gravity-related" work site injury. No other state imposes such an absolute-liability standard in these cases.**

The bill would reform sections 240 and 241 of the state's Labor Law, the notorious "Scaffold Law". This law makes owners, contractors, and subcontractors absolutely liable for worksite injuries regardless of worksite safety programs, employee negligence, or any other factors in the injury. The law has been interpreted to pertain to any "gravity-related" work site injury. No other state imposes such an absolute-liability standard in these cases.

Morelle's bill (A.7213/S..1710) would change the absolute liability standard to one of contributory negligence for employers that provide appropriate safety training and equipment.

The Business Council and its affiliate, the Construction Industry Council, have long sought such a reform.

"This bill would introduce a simple element of fairness into these cases: It would permit defendants to defend themselves." Said Business Council President: Daniel B. Walsh.

Contractors and insurers say the law in the last five years has driven insurance costs up, in some cases by a factor of 10. In fact, some contractors, have reported being unable to get general liability insurance at any cost because of this law, Walsh added.

We will continue to report on the developments of this bill in coming issues of *Subcontractor News*. ■

# STA Committees

## STA Committee Listings with their respective chairman:

Business Practice Interchange (BPI) & Networking:	Robert Samela	201-939-6866
Insurance & Bonding:	Robert Spadaccia	914-769-2220
Dinner Dance & Journal:	Fred Levinson	718-961-9600
Membership Committee:	Greg Fricke	212-244-8878
Legislative:	Arthur Rubinstein	718-417-0600
Public Agencies:	Larry Roman	914-776-8000
Program & Education:	Monet Milad	917-767-8057
School Construction Authority (SCA):	Fred Levinson	718-961-9600
Architects & Engineers:	Ron Berger	212-398-6220
Business Development:	Jerry Liss	718-728-0600

# Upcoming Officers

## Nominating Committee

The Nominating Committee recommended the following slate of officers and board members for consideration. The slate was accepted and approved by the board for election at our General Membership meeting of June 30, 2004. In accordance with our by-laws nomination will also be accepted from the floor at this meeting:

President	Fred Levinson
Vice President	Alan Nathanson
Vice President	Robert Samela
Treasurer	Gary Segal
Secretary	W. Scott Rives

## Board of Directors Terms

### Board of Directors Three-Year Term:

Joseph Azara  
 Jerry Liss  
 Monet Milad  
 Randy Rifelli  
 John Solano

### Board of Directors Two-Year Term:

David Harron

## HOW MUCH SIMPLER

*continued from page 1*

member the name and telephone number of two or three members listed as having done business with the contractor or agency. The member seeking the information then contacts the person in charge of that company for one-on-one discussion concerning their experience dealing with that contractor or agency.

### Where else can you get such first hand information?

The STA is not interested in your comments or experience about anyone; only that you have had an experience with them- be it good or bad or indifferent. The system is entirely dependent on your advising us whom you have done business with. The process is a simple one. When you get the BPI form in the next two weeks, just fill out the form and return it to the STA office. Use the BPI once, and you stand a good chance of saving yourself thousands of dollars in legal fees.

How much simpler can it get?  
**REMEMBER KNOWLEDGE IS POWER! ■**

Get  
 committed,  
 support  
 the STA!

\*\*\*\*\*

## SPECIAL THANKS

to David Marino President of Allied North America for picking up the cost of the bus rental for our trip to Albany to attend the Lobby Day Rally.

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**UPCOMING EVENTS**

**Executive Committee Meeting**

June 3, 2004

**Board of Directors Meeting**

June 8, 2004 — 5:30PM

**General Membership Meeting &  
Elections of Officers & Board Members**

June 30, 2004 — 5:30PM

**Golf Outing**

August 2, 2004

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