

## ASAC PRESIDENT'S MESSAGE



**Monday, March 15, 2021**

Monday morning, March 15 and it looks and feels like Colorado this morning. Snowfall always slows things down and brings a hush to our busy lives. A weekend of watching the snow fall and the snow pile up is good for the soul.

If you live in Colorado, you need to know a few snow facts. Types of snow, there are four: snowflakes, hoarfrost, graupel and polycrystals. And there are five types of snow fall: blizzard, snow squall, blowing snow, winter storm and snow flurry. There you have it, enough information that you can keep up with any meteorologist.

This week is a big work at ASAC, HB21-1167, Private Construction Payments, reducing private retainage to 5% takes a first step in becoming law. We will be testifying before the House Business Affairs and Labor Committee Thursday, March 18 in the morning. Watch your inbox. You will be receiving a call to action asking you to contact members of the House Business Affairs and Labor Committee asking for their support of HB21-1167. We have made it easy for you to participate. We use a program called Voter Voice, a couple of clicks and your message has been sent.

Why is it important to reduce private retainage to five percent? Did you know that businesses are required to pay taxes based on the percentage of their completed work, regardless of whether they have been fully compensated due to retainage withholding; effectively paying taxes on money they have not yet been paid. Are you aware that banks and annuities do not count retainage as an asset when calculating receivable assets which results in subcontractors being unable to access alternative cash flow to make up for funds held up in retainage? So much about retainage that makes the practice obsolete. Read more in the HB21-1167 Fact Sheet included with this issue of the President's Message and watch your inbox for the CALL TO ACTION.

Opening today, the SUBStrong Virtual Library at [www.SUBStrong.com](http://www.SUBStrong.com). The shelves are beginning to fill up and available today you will find the keynote presentations and resources, roundtable discussions, business tips and workshops. We continue to build the SUBStrong Virtual Library with new releases each week. Simply visit, [www.SUBStrong.com](http://www.SUBStrong.com) and click on the Library tab at the top of the page. The library will host over 40 hours of recordings and resources covering 33 topics that address all aspects of business operations and management, focusing on building your bottom line. SUBStrong virtual conference and expo has concluded but the information and resources will continue to be delivered to the library and the blog. Stay tuned, I will keep you posted.

In closing, on behalf of ASA Colorado I want to congratulate Rusty Plowman, Vice President with Delta Drywall. Rusty was elected Vice President of the National American Subcontractors Association, he takes office July 2021. Rusty currently serves as Treasurer and following his 2021-2022 term as vice president, Rusty will take the helm at ASA National as president of our national organization. Delta Drywall is a founding member of ASA Colorado with Rusty's Dad, Ross Plowman signing the ASA Colorado articles of incorporation in 1966, 55 years ago this coming June. We are in good hands with Rusty's leadership! Thank you for your leadership and commitment to Colorado subcontractors Rusty.