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April 2025

Governor Signs Chapter Amendment for Certified Payroll Requirements

As NESCA members may recall, last September Governor Hochul signed legislation imposing new payroll reporting requirements on contractors and subcontractors performing public work as well as for work on certain private "covered projects".

This law requires contractors and subcontractors to submit, on a monthly basis, certified payroll records directly to the NYS Department of Labor in an electronic format. The law also requires contractors and subcontractors to provide documentation of each fund, plan or program where any supplement has been paid or provided for, and for prime contractors to provide a copy of the payment bond required by Section 137 of the State Finance Law. Advocates of this new law maintain that it will provide a more streamlined system to collect certified payroll records, and will assist state agencies and municipalities who are responsible for ensuring contractors maintain these records.

Further the law requires the Labor Department to develop and implement an on-line database of certified payroll records submitted by contractors and subcontractors. This database will be publicly accessible but will not include personally identifiable information.

Failure by a contractor or subcontractor to furnish the required payroll records to the Labor Department will result in a penalty of one hundred dollars for each day the contractor or subcontractor is in violation.

The Governor signed the bill with the understanding that there would be a Chapter Amendment with some technical corrections to include: (1) delaying the effective date of the law until December 31, 2025; (2) clarifying that the submission of electronic certified payroll records to DOL will satisfy the current requirement to submit payroll records to state agencies and local public entities; and (3) allowing NYC to develop and maintain a separate certified payroll electronic database. On February 14, 2025, Governor Hochul signed the Chapter Amendment into law.

Members should be on the lookout for more information from NESCA after the Labor Department develops the electronic format for submitting certified payroll records and the on-line database that will be implemented next January.

Meet the Estimators/ Purchasing Team Event

Sponsored by Marshall & Sterling Upstate

Thirty-two of Northeastern New York's leading commercial general contractors will be represented at NESCA's April 10th "Meet the Estimators/Purchasing Team" event at the Century House in Latham. Each contractor will have its own well-identified table manned by several representatives for NESCA members to meet, visit with and learn more about the type of work they do, project delivery systems they use, current projects in the pipeline, and how they bid their work. This year's event will again include both the general contractors' estimators and the people responsible for "buying the project out". The event will be a fantastic networking opportunity for everyone involved and will provide NESCA members with a chance to "put a face to the name" of people you may periodically interact with but rarely see in person!

Food stations will be positioned in the main dining room with seating in both ballrooms. After a registration/reception period (6:00-6:30), the food stations will open at 6:30, so members may have a drink, help themselves to some food, and begin your visits with the contractor representatives. Members are encouraged to bring brochures and other information about your company along with business cards to leave with the general contractor representatives. Members are also encouraged to speak with the representatives from all 32 contractors. If possible, bring multiple people from your company to the event to "spread out" and visit with all the general contractors.

NESCA will be selling 50/50 tickets to benefit several scholarship funds including the Roger H. Jones NESCA Scholarship and two endowed scholarship funds NESCA maintains with Hudson Valley Community College.

Every year this event continues to grow in popularity, and last year total attendance was nearly 500. The feedback we consistently receive from the participating general contractors as well as from subcontractors and suppliers who attend is overwhelmingly positive. The food is great and it's a lot of fun, so mark your calendars and don't miss out on your opportunity to attend this year!



PRESIDENT'S MESSAGE

NESCA has one of its largest annual events this month with our Meet the Estimators/Purchasing Team event on April 10th. This event will be held at the Century House in Latham and will provide all NESCA members with the opportunity to meet and speak with many of our area's general contractors. This year, 32 general contractors will be participating, so it is advisable to make plans to attend. Consider bringing others from your company to ensure you connect with each of the participating contractors. If you have never attended this event, consider doing so this year.

NESCA's spring regional membership meetings have been scheduled. On April 17th, we will hold our Mid-Hudson membership meeting at Coppola's in Hyde Park, and on May 15th, we will be traveling to McGirk's Irish Pub for our Binghamton region membership meeting. All NESCA members are invited to attend these regional membership meetings.

During the last week of April, several NESCA Board members will be heading to Fort Worth, Texas for the National Subcontractors Alliance (NSA) annual conference. NSA gathers leading subcontractor associations from across the country and provides a forum to exchange ideas and solutions for common problems experienced by subcontractors. The new ideas obtained at this conference help NESCA to better serve our members. Previous conferences provided valuable information and experiences from different regions of the country. Networking and representing NESCA again this year is anticipated.

Be aware that update forms for the 2025-26 NESCA Membership Directory will be sent to members in mid-April. This will be an opportunity to make changes and update your company information in the directory. Additionally. purchasing an advertisement in the directory is encouraged, as ad revenue supports the printing and distribution of the directory to members, general contractors, and design professionals.

We look forward to the participation of our members in these events, which can be significant for business growth and These gatherings provide education. opportunities to form partnerships and expand networks. Business relationships are often established on familiarity and trust—people tend to do business with those they know. Members are encouraged to connect with fellow NESCA members they haven't spoken with before, exchange insights, and explore potential collaborations. This year, consider reaching out to a non-NESCA member and inviting them to one of our events. Mark your calendars and join us for a productive spring season with NESCA. Hope to see you there.

NESCA NEWSLETTER

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Mark Your Calendar

NESCA Day at the Races July 24, 2025 Saratoga Race Course

NESCA Annual Golf Outing September 8, 2025 Colonie Golf & Country Club



Bryan Berry, President



COUNSEL'S MESSAGE

This month's legal column will focus on the current status of the Broome County Supreme Court decision involving the piggyback cooperative purchasing procedure used by the Maine-Endwell School District for their capital construction program. The court determined that General Municipal Law § 103(16) authorizing procurement through piggybacking on another public entity contract was not intended to be applicable to capital construction of a municipalities infrastructure. It ruled the contract procedure cannot be utilized for building & infrastructure construction and stopped (enjoined) the school district from using the procurement procedure in the balance of the school districts remaining capital improvement.

Following the court's decision, several school districts and municipalities which had planned to use the cooperative piggyback procurement for their capital improvements reconsidered and either, only selectively used that procedure for some improvement, or switched to the familiar publicly competitive bid process for construction work.

On March 13, 2025 the contractor filed a Notice of Appeal of the Supreme Court decision to the Appellate Decision which represents the next highest judicial tribunal. The school District followed with their appeal on March 14, 2025.

There will be a period of approximately six months extended to the Appellant to complete its part of the Appeal procedure. The Contractor Appellees will be provided 60 additional days to respond to the Appeal. The court upon application may extend these time periods.

The final appeal documents will be filed with the Appellate court in Late Fall 2025. Oral argument will likely be scheduled for January-February 2026. A decision by the Appellate court should be issued around March-April 2026.

During the interim time pending hearing of the Appeal, the lower court injunctive relief will remain in place. School Districts and municipalities seeking to perform capital improvement construction work are required to follow the competitive bid requirements of the General Municipal Law.

Walter G. Breakell, NESCA Legal Counsel

Governor Signs Chapter Amendment for Workers' Compensation Stress Claims

As previously reported, in December Governor Kathy Hochul signed into law legislation that amends the New York State Workers' Compensation Law to allow workers to secure workers' compensation benefits for "mental injury premised upon extraordinary work-related stress incurred at work". Previously under the Workers' Compensation Law, stress-related claims were limited to first responders, including police officers, firefighters, and paramedics.

The new law significantly expands the reach of workers' compensation benefits to all employees who experience "extraordinary work-related stress" from their work. Unfortunately, what constitutes "extraordinary work-related stress" was not defined in the original legislation. Therefore, the Governor signed the bill with an agreement for a Chapter Amendment "to specify the categories of mental injury eligible for compensation". On February 14th the Governor signed the Chapter Amendment into law.

Under the Chapter Amendment, a claim for work-related post-traumatic stress disorder (PTSD), acute stress disorder, or major depressive disorder resulting from work-related stress arising out of extraordinary work-related stress due to either a distinct work-related event or events related to the employment may not be denied by the Board based upon a finding that the stress was not greater than that which usually occurs in the normal work environment. The medical evidence in support of such a claim must be based upon criteria contained in the Diagnostic and Statistical Manual of Mental Disorders (DSM) or based upon other criteria established by the Board.

The new law will likely lead to an increase in claims being filed allegedly due to extraordinary work-related stress and will transfer the cost of treatment and disability for psychological conditions (that are now considered work-related) to the workers' compensation system.



Welcome New Members

Country True Value

217 North Greenbush Road Troy, NY 12180 518-283-6246 <u>chrisb@countrytruevalue.com</u> Contact: Chris Bonaparte

Remodel Now Containers

850 Route 40 Melrose, NY 12121 518-308-5088 <u>rncontainers@yahoo.com</u> Contact: Paul Cruise

TBM Payroll 5 Southside Drive, Suite 201 Clifton Park, NY 12065 518-383-1448 <u>todd@tbmpayroll.com</u> Contact: Todd Bush

Calendar of Events

April 3, 2025 Board of Directors Meeting Century House, Latham, 6 pm

April 10, 2025 Meet the Estimators Event Century House, Latham, 6 pm

April 16, 2025 Webinar – NYS Workers' Compensation Updates Online Via Zoom, 9 am

April 17, 2025 Mid-Hudson Membership Meeting Coppola's, Hyde Park, 6 pm

May 8, 2025 NESCA Membership Meeting Century House, Latham, 6 pm

NESCA Membership Milestone Anniversaries

Milton CAT – 10 Years Rozell North, LLC – 10 Years Valley Paving and Construction, Inc. – 10 Years Smith Control Systems – 15 Years GlasSolutions Unlimited Corp. – 35 Years Eastern Heating & Cooling, Inc. – 45 Years Wm. Jacobs & Sons, Inc. – 45 Years

Last Call for Roger H. Jones Scholarship Applications

NESCA members are reminded that the NESCA Educational Foundation has several Roger H. Jones NESCA scholarships (\$1,000 - \$1,500) available for the 2025-26 academic year for students enrolled in or about to be enrolled in a construction-related program of study at an accredited two-year or four-year college or university. Applicants must have at least a 2.5 GPA, and priority will be given to applicants demonstrating a relationship to NESCA (son or daughter of a NESCA member or of a NESCA member's employee). Applicants demonstrating need will also receive priority. Scholarship applications will be reviewed by NESCA's Scholarship Committee and scholarship awards will be recommended by the Scholarship Committee to the NESCA Educational Foundation Board of Directors for final approval. It is expected that determinations for scholarship awards will be made by June 1, 2025. Application forms are available at the NESCA office.

If you are interested in contributing to the Roger H. Jones NESCA Scholarship Fund to help support future college scholarships, you may make a tax-deductible contribution to the NESCA Educational Foundation, Inc., 6 Airline Drive, Albany, New York 12205.

Be on the Lookout for Directory Update Forms

In April, NESCA will begin preparing the 2025-2026 reprint of the NESCA Membership Directory as well as updating member information on the NESCA website at <u>www.nesca.org</u>. The Directory is a valuable service provided to members of NESCA, and is mailed to regional general contractors, architectural/engineering firms, and local and state contracting agencies for their use and reference. NESCA members also utilize the Directory extensively when looking for particular construction products or services. In addition, the general contracting community routinely utilizes the Directory as well as the "Find a Sub" section on NESCA's website when searching for subcontractors and suppliers. To ensure that NESCA has the latest up-to-date information about your company, when you receive the update forms please complete and return them to the NESCA office promptly. Members are also encouraged to place or renew an advertisement in the Membership Directory. The ads are extremely visible, and the Directory is distributed to over 1,500 general contractors, subcontractors, architects, engineers, and public contracting agencies.

