



Los Angeles Painting & Finishing Contractors Association

February/March 2012

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**LAP&FCA
Membership Meeting**

**FEDERAL OSHA
Update**

**March 13, 2012
11:30 A.M. to 1:00 P.M.**

**Beckham Grill in
Pasadena**

DAY AT THE RACES ON APRIL 7, 2012

When Spring arrives in Southern California it can mean only one thing to LAP&FCA members, family and guests - DAY AT THE RACES! Saturday April 7 is the date for this highly popular event which has sold out most years since moving to the reserved Club Plaza area over ten years ago.

The Special LAP&FCA price of \$40 per person includes valet parking, admission, program, private wagering windows, a mouth-watering buffet, live view of the track, and a raffle sponsored by the Associates

Committee with many wonderful gifts donated by chapter members.

Of course April 7 is also "Derby Day" which has a storied history as an important preparation for the Kentucky Derby. The distance run is 1 1/8 miles and the purse is \$750,000. All attendees will also receive a free Derby Day T-Shirt.

We encourage you to make your reservations early to ensure that you will be a part of another memorable LAP&FCA Day At The Races.

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President's Corner

Goals, Teamwork and Leadership by Terry Osburn

President Painting & Decorating Contractors of California Presented at the 2012 PDCC Expo in Valencia, CA on January 27

I want to take a few moments to talk about the spirit that brought this organization together - and the basic principles that have helped it survive and grow over so many years. I believe there are three important points that will keep us on the right track: Goals, Teamwork and Leadership

(1) Goals

Many if not all of us have goals in life. Maybe it's the goal to be a better businessperson, a better father or the goal to retire and so on. But those goals begin with a vision of what we would like to accomplish.

Theodore M. Hesberg (President of the University of Notre Dame 1952-1987) said:

"The very essence of leadership is that you have to have vision. You can't blow an uncertain trumpet."

I, along with your team of leaders have a vision for PDCC. With that vision - sometimes comes change.

- We need more people talking about ideas for improving upon what we already do
- We need more people talking about plans to reinvigorate our chapters

- We need more people talking about ways we can take this organization into the next 100 years

To be blunt, most of these new ideas may be too difficult, too problematic, or too complicated to make them a reality as quickly as we desire. But I am convinced that we will find at least a few good ideas that can actually be accomplished, and could make a great impact towards our vision.

All of your ideas are welcome and I pledge to you that I along with your Executive Committee are here to listen and to consider your ideas. We want to know what you believe will help promote and build this industry and help PDCA grow. I can assure you that the group of individuals you have elected have the utmost interest in promoting this industry in the best way possible. And we won't quit!

My vision is to find some way of helping the California Council become financially stronger, grow membership and maintain unity. But I need your help which brings me to my next point:

(2) Teamwork

Teamwork is defined in the Webster Dictionary as "A joint action by a group of people, in which each person subordinates his or her individual interests and opinions to the unity and efficiency of the group."

Most of us are familiar with the precision flight team - the Blue Angels. The Blue Angels are considered one of the world's best performance teams. To say they are above average is an understatement; better put, they are abnormal.



Six blue aircrafts aligned in perfect formation, flashing over the crowd of thousands of up-turned faces, people gasping in astonishment. They are a sight to see.

The "Boss" has the responsibility of maintaining situational awareness for the rest of the team and flies the Number one aircraft. He is the leader that all the other team members rely on for their safety. While in tight formation, if the "boss" turns right, they all turn right because this is who is leading them. The Blue Angels are all about leadership and teamwork. If one pilot decides to do things on his own, it puts all of the team at risk.

We are struggling in this economic climate as an association, and we need the leadership and teamwork of all members to help pull us through these tough times. Henry Ford said: "Coming together is a beginning. Keeping together is progress. Working together is success"

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CALENDAR

WHEN

WHAT

WHERE

March 13 11:30 a.m.	Chapter Membership Meeting	Beckham Grill Pasadena
March 13 10:45 a.m.	Associates Meeting	Beckham Grill
March 13 1:30 p.m.	Board of Directors Meeting	Chapter Office
April 7	Day At The Races Derby Day	Santa Anita Park Club Plaza
To Be Determined	Day At The Capitol	Sacramento
May 2-4	National Issues Conference	Capital Hilton Washington DC
May 3-5	PDCA Western Conference of Councils	Palm Springs Hilton
May 15-19	FCA Annual Council	Hilton Hawaiian Village Hawaii
June 21-23	PDCC Mid-Year Board	Bahia Resort San Diego



LEGISLATIVE NEWS



STATE

CILC Day At The Capitol - Date to be announced

Every spring, the Construction Industry Legislative Council holds a "Day At The Capitol" conference in Sacramento that includes networking, breakfast, panel discussions, guest speakers, and lunch with a keynote speaker. After lunch, attendees head to the State Capitol for afternoon appointments with their respective home district Senate and Assembly Legislators. CILC actively participates in Contractor State License Board activities to promote guidance and opinion to the CSLB and CILC members. CILC serves construction associations as an "information hub" and a forum for bill analysis and political situations. LAP&FCA has been a strong supporter and active participant in voicing positions of support or opposition to bills that have a direct impact on the construction trades employer and his/her employees.

California is Latest State to Join With DOL To Battle Practice of Misclassifying Workers

The U.S. Department of Labor and the California Labor Commissioner on February 9, announced a formal agreement to coordinate federal and state efforts to combat what they both consider a growing problem: the intentional misclassification of workers by employers seeking to reduce

The Road to Success is Always Under Construction

Lily Tomlin

their costs.

DOL Wage and Hour Division Deputy Administrator Nancy Leppink and California Labor Commissioner Julie Su told reporters during a teleconference that the memorandum of understanding (MOU) would streamline information sharing between the federal and state agencies, particularly in the area of enforcement.

Both Leppink and Su said unscrupulous employers' use of third-party contracts and staffing companies, and the application of the labels of subcontractors or independent contractors to those who are, in reality, employees has spread in recent years, beyond the traditional troubled industries, like residential construction and janitorial services, to other sectors.

Su mentioned agriculture, car washes and hospitality industry as areas where the practice of misclassifying employees has spread. She also noted that her agency has targeted areas that used to think they were operating "under radar," such as warehouse operators.

Both agencies act on complaints from workers and from honest employers that find themselves unable to compete with rivals that do not pay minimum

wage, payroll taxes, or payments to the state workers' compensation and unemployment insurance funds, because they have classified employees as independent contractors or something other than a formal employee.

Leppink estimated that dishonest employers can save 20 - 30 percent of what honest businesses pay workers through such misclassifications. But both the DOL's Wage and Hour Division and California's Labor Commissioner have the authority to carry out proactive investigations targeting industries they believe are involved in widespread misclassification of workers, so they are not dependent only on complaints for enforcement actions, Su and Leppink noted. Part of the reason for the MOU is to coordinate such investigations, using better intelligence, to make better use of limited resources, they said.

California was already cooperating with DOL on efforts to combat misclassification, but the MOU is a formal recognition of that cooperation, Su said. Leppink said the agreement would allow the two agencies to streamline information sharing, particularly in the enforcement area. Su noted that Governor Brown last autumn signed legislation (SB 459) that took effect January 1, 2012 that imposes stiff penalties on companies that willfully misclassify workers.

Source: Bloomberg BNA Construction Labor Report, 2/14/12

New DIR Unit to Monitor Labor Standards On Public Works Projects

The Department of Industrial Relations is preparing to begin operations of its new Compliance Monitoring Unit (CMU) to ensure that pay, overtime, record-keeping and hours limitations are properly enforced on public works projects.

The new CMU began operations on January 1, 2012. The new unit is the result of the Building Trades sponsored legislation passed and signed into law by Governor Brown in the early part of 2011 and is being set up and promoted by the Governor's newly appointed DIR Director, Christine Baker. She, along with Labor Commissioner Julie Su, have pledged vigorous enforcement to ensure that public entities and contractors meet their obligations to workers.

Source: *Building Trades Bulletin*, 12-14-11

FEDERAL

Construction Takes the Spotlight in Washington

Leaders on both ends of Pennsylvania Avenue turned their attention to the nation's infrastructure and other construction needs this week, as President Obama on February 13 released a \$3.6 trillion FT 2013 budget containing \$476 billion for a six-year surface transportation plan, and members of Congress offered amendments to competing long-term reauthorization bills in the U.S. House of Representatives and the U.S. Senate. The administration's budget would provide an immediate investment of \$50 billion for border crossings, runways, roadways and railways and \$30 billion to modernize school facilities and authorize \$305 billion for roads and bridges. \$108 billion for transit projects and \$47 billion for high-speed rail projects over the six years starting October 1, 2012. It would also establish an independent, non-partisan National infrastructure Bank to provide up to half of the financing of selected large-scale transportation; water and energy infrastructure projects. At the other end of Pennsylvania Avenue, mem-

bers of the House of Representatives offered hundreds of amendments to the five-year \$260-billion American Energy and Infrastructure Jobs Act of 2012 (H.R. 7) delaying a House vote on the legislation until after February 21.

Source: *asatoday* February 16, 2012

House to Vote on Payroll Tax Cut

On February 15, House Speaker Boehner and other top Republicans proceeded with a vote on a payroll-tax-holiday extension without offsets. This procedural vote would require two-thirds of the House to approve it, which means a good chunk of House Democrats would need to support it and many of them are saying they want to continue linking the payroll-tax extension with extension of federal jobless benefits and a measure to reimburse Medicare physicians.

Senate Likely to Add to Payroll Tax Cut if Passed by House

If the House passed only the payroll tax holiday legislation, it is likely that Senate Democrats would add unemployment insurance and the Medicare fix with noncontroversial offsets that the Republicans would have a hard time opposing.

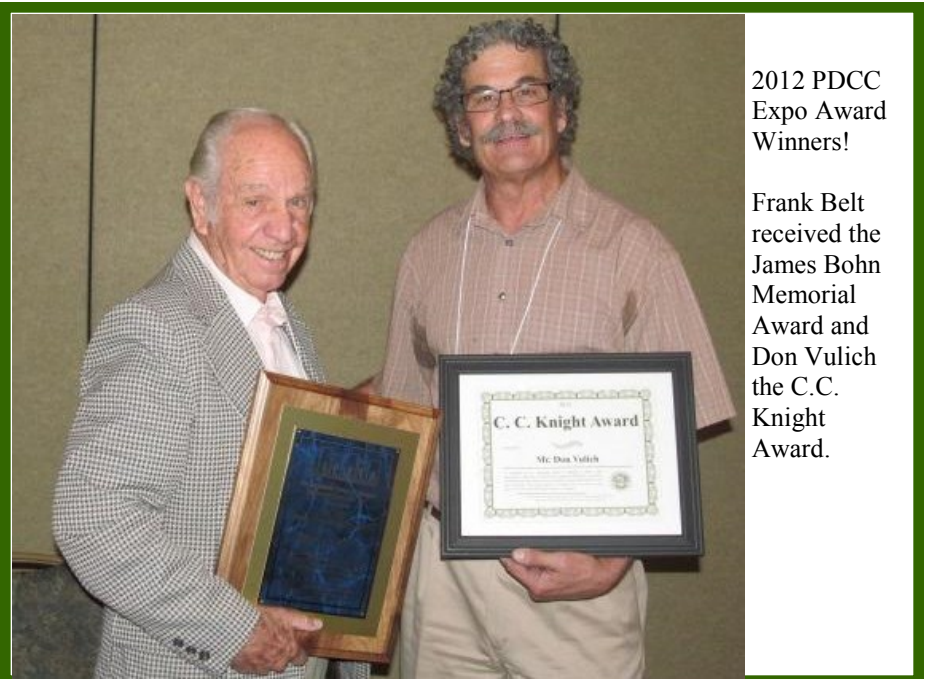
Source: *FCA Legislative Update*, February 17, 2012

OSHA to Begin Small Business Review Of Injury, Illness Program Rule in March

The Labor Department's Occupational safety and Health Administration's long-delayed injury and illness prevention program rule-making will advance to the small business review stage in late March. This will give at least some members of the public a first glimpse into what and how the agency intends to regulate with the standards, according to a January 11 e-mail from the Small Business Administration's (SBA) Office of Advocacy. Long flagged in the Obama administration as OSHA's highest regulatory priority, the so-called program rule likely will require employers to proactively find and fix safety hazards in their own workplaces.

The review panels, mandated by the Small Business Regulatory Enforcement Fairness Act (SBREFA), are required only when OSHA determines that a proposed rule may have a significant

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2012 PDCC Expo Award Winners!

Frank Belt received the James Bohn Memorial Award and Don Vulich the C.C. Knight Award.

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economic impact on a substantial number of small businesses, meaning those with fewer than 500 employees and/or less than \$750,000 in annual revenue.

Chamber Questions Economic Effects

Marc Freedman, executive director of labor law policy at the U.S. Chamber of Commerce said that his group will look to see how OSHA defines a significant risk, how it plans to address companies that already have injury prevention programs, and whether the agency makes good on its promises not to cite employers twice for the same violation - once for violating a specific standard, and again for violating the program rule.

In Freedman's view, "a regulation which is going to create a massive opportunity for OSHA enforcement and citations, which this will, will not be any aid to employers who are trying to create new jobs. And to the extent that they're seen as moving forward on this regulation, it will be seen as another example of this administration not understanding how employers in the private sector work, and not understanding the connection between regulation and job creation."

Opportunity for Small Entities to Comment.

During the SBREFA review, small entities will be able to comment on how the proposed rule will affect their operations. Officials from OSHA, SBA, and OIRA will site on the panel.

Source: Bloomberg BNA Construction Labor Report, January 22, 2012



Kim Quinn receives award for the Ladies of Host Chapter, LAP&FCA, for helping make the 2012 PDCC Expo an overwhelming success.



Allie Corey receives "Associate Member of the Year Award"

Editorial Committee

Executive Director: Greg Quinn
Chapter President: Steve Edgar
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This is not a time for mediocrity, this is not a time for strife or bickering, this is a time for leadership, teamwork and unity. When we waste all of our time on strife, we don't have time to accomplish our vision. I'm asking that you go back to your chapters and team up with other members to unify in a common vision, whatever that vision is, and work to accomplish your goals.

Lastly, I want to talk about the need to build Leadership on top of goals and teamwork.

(3) Leadership

"Leadership is a process whereby an individual organizes and influences a group of individuals to achieve a common goal, to go in a determined direction."

At any given point in time we are either a leader or a follower. You can't be both at the same time. We may lead or rely on leadership everyday of our lives:

- Orchestra and choir conductors are leaders
- The Captain of a ship is a leader
- Generals are leaders
- Teachers are leaders
- Coaches are leaders
- The foreman on our jobsite is a leader

- We as business people are leaders in our industry
- We as volunteers in PDCA are leaders

Leadership is not easy. Legendary Coach of the Green Bay Packers, Vince Lombardi, one of the greatest football coaches of all time who was inducted into the NFL Pro Football Hall of Fame in 1971, said: "Leaders are made, they are not born. They are made by hard effort, which is the place which all of us must pay to achieve any goal that is worthwhile."

We are the leaders in one of the world's biggest markets - California! The question is, are we actually leading the way? With leadership there comes responsibility. I want to ask you a question. Are you a thermometer or a thermostat?

A thermometer changes with circumstances - it reacts to its environment. It gives a reading of the current atmospheric conditions. Its reaction is always influenced by what is going on around it. A thermometer is in a constant state of fluctuation. It can be either "up or down" within hours. **Continued on Page 8**

INFOLINE

Apprenticeship Graduation

The DC#36 Apprenticeship School held its' mid-year graduation ceremonies at Luminaria's Restaurant in Monterey Park on Friday evening January 13. 58 Painter and 34 Drywall Apprentices received their certificate of completion for completing the rigorous 7,200 State Certified Program. Jared Hanson was honored as Apprentice of the Year.

LAP&FCA Membership Meeting - March 13

Jason Vogel, Training Director for Federal OSHA Training Institute California State University Dominguez Hills, will be our guest speaker on March 13 at the Beckham Grill in Pasadena.

Catholic Charities Thanks LAP&FCA

In a letter of appreciation to LAP&FCA, El Santo Nino Community Center Site Coordinator Veona Gibson wrote:

"I would like to take the chance to thank you for the wonderful Christmas Dinner. The food was spectacular as always as the same for entertainment. Over all, it was a fantastic evening.

Everyone at our facility as well as everyone in the community would also like to thank you for all the toys you donated to us the night of the dinner. These toys certainly brought a little joy to the children of our surrounding community. We will provide pictures of the children receiving the toys as soon as we start to distribute them. El Santo Nino Community Center would like to wish you and your loved ones a Happy New Year.



Apprentice Of The Year! Jesus Fernandez (DC#36 Apprenticeship School Director), Jared Hanson (award winner), Harry Cook (Executive Assistant DC#36) at Apprenticeship Graduation on January 13.

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A thermometer is a reactionary instrument. It is informational, relaying valuable information to the reader, but **lacking the ability to change the information and environment**. It is always influenced by the circumstances around it.

A **thermostat**, on the other hand, establishes and maintains a desired temperature automatically. A thermostat changes the circumstances - it regulates. The thermostat is an influencer. It cannot function alone. The thermostat is set to a determined temperature regardless of room environment. It is in partnership with a furnace that can cause real change.

We can be the AGENTS OF THAT CHANGE. Think of the difference between a thermometer and a thermostat! A thermometer just tells you what the temperature is; it is a static reality; it reflects only what the environment is; it tells you if it's hot, or if

it's cold, or if it's warm. That's all it does, it tells, tells, tells.

We know we have some problems. Everyone has told us and told us and told us. But what are we doing about it? Anyone can describe a situation, or complain about a problem. It's not hard to be a thermometer. However, as Leaders we are called to make a difference.

We can get caught up in complaining about all the obstacles and forget what our objective is. Regardless of what has happened in the past, what will you be from this time forward? Will you be an influencer? Will you make a difference? I hope we are fulfilling our responsibility and our natural role as the true leaders in our industry and in PDCA.

We've had many leaders of this fine organization go before us, mentor us and lead us. Now it is time for us to take on our responsibility. We need to find the young men and women who

want to be the next generation in this fine organization.

We need to lead them, mentor them., teach them, mold them. We need to instill in them traits that have made and will continue to make this industry and our organizations so strong.

Because if we do, they will insure that PDCA not only survives - but thrives - years to come.

I'm making it my goal to lead, mentor and mold several new members to PDCA within the next year. I challenge you to make the same goals and take up your responsibility as a leader for PDCA.

Who knows... One of those young leaders could even grow up to earn the privilege of serving as President of this great organization, the Painting and Decorating Contractors of California.



Fun aboard the Train! 2012 PDCC Expo attendees enjoying the Fillmore Train and Wild West show.