NEWS RELEASE
FOR RELEASE ON MAY 9, 2013

Contact: Stephanie Robichaux
Phone: (202) 778-3629
E-mail: srobichaux@surety.org

SFAA MEMBERS DISCUSS IMPORTANT SURETY ISSUES WITH LAWMAKERS

MAY 9, 2013, WASHINGTON, D.C.—Today, nearly three dozen representatives from SFAA member companies, along with SFAA staff, met with almost 30 members of the House and Senate and their staffs as part of SFAA’s annual Congressional Action Day. The goal is for SFAA member company representatives to meet with their respective Congressional representatives on the Hill to reinforce the importance of Congress addressing surety legislation.

“With issues of spending, taxes, and the national debt dominating the Congressional agenda, it can be challenging to get leaders’ attention on surety issues. They are more likely, however, to pay more attention to the importance of surety issues when they hear from their constituents—in this case, SFAA member company representatives,” says Lenore Marema, SFAA’s vice president of government affairs, who organizes Congressional Action Day.

SFAA members addressed two key issues on all their Hill visits to increase the likelihood that our surety issues would have an impact. It is a top priority for SFAA to change the federal procurement law to exempt the Miller Act bonding threshold from the periodic reviews for inflation, which are now required for all procurement thresholds. The existing federal law contains exemptions for thresholds intended to provide some form of financial or other
protection, such as prevailing wages. The federal Miller Act bonding threshold should be exempted as well, as it protects workers, suppliers, and taxpayers on federal construction projects. It has little to do with increased costs in construction.

SFAA Congressional Action Day participants also addressed The Security in Bonding Act (H.R. 776), which would require that the security that stands behind every federal contractor’s obligations to the federal government should be governed by the same rules. There should be either a corporate surety bond in place from a company approved by the U.S. Treasury or assets with readily identifiable value pledged and relinquished to the federal government while the construction project is ongoing.

While these surety issues are not the biggest issues on the Congressional agenda, both of them are good government issues. They make the federal procurement process more effective, save taxpayer dollars, protect small businesses, and are issues that can move through Congress on a bipartisan basis.

##

The Surety & Fidelity Association of America (SFAA) is a trade association of more than 450 insurance companies that write the vast majority of surety and fidelity bonds in the U.S., is a licensed rating or advisory organization in all states, including the District of Columbia and Puerto Rico, and is designated by state insurance departments as a statistical agent for the reporting of surety and fidelity insurance.