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SFAA 111th Annual Meeting

There is still time!
Register today for the 111th Annual Meeting of the Surety & Fidelity Association of America

Rooms are being held at a rate of $359 a night and can be booked online.
The cut-off date for reservations is April 13, 2019.

The Watergate Hotel
2650 Virginia Avenue NW
Washington, DC 20037

Register Now
SFAA's P3 Bonding Bills On Track for Passage in Indiana & Colorado

The Indiana Senate is expected to vote on HB 1374 this week. The bill, introduced by SFAA, amends all three of the state's public-private partnership (P3) laws to require a 100 percent payment bond and a 50 percent performance bond. The bill recently passed out of committee in the Senate and passed the second reading without any amendments to the bill. If the bill passes its third reading, then it will go straight to the Governor's desk for signature.

Indiana also has P3 legislation moving related to two specific projects — the Gary trans-model compact and the regional jail facilities for political subdivisions. If HB 1374 is signed into law, the immediate impact would be that these two projects will have to be bonded.

Colorado SB 138 has been sent to the Governor. The bill would require bonding for public private partnerships (P3s) by amending the Little Miller Acts for state and local governments to specify that the bonding requirements would apply to construction projects that are situated or located on public real property using public or private money, public or private financing or public real property.

Payment Bond Discrepancies Arise After Brentwood Case in Missouri

SFAA and APCIA proposed legislation to clarify the Missouri State Supreme Court's decision that consultants (or other third-party contractors used to develop public property by arranging construction services and not performing construction services) do not have to be bonded. The local subcontractors added a new and unrelated provision to the bill that would require the payment bond to respond to claims from suppliers at any tier. This expands the liability of the payment bond. The local AGC and ASA support the bill so it is expected to be difficult to remove this provision. If the expansion of the payment bond cannot be removed, SFAA will seek a required notice to the general contractor that they have not been paid within 90 days of the time they last supplied materials on the project.
New Bonding Opportunities and Bills Before Governors

**Kentucky**
Consumer loan companies $100,000 bond

**Notaries**
$1,000 bond

**Utah**
Remote notaries
Additional $5,000 bond

**Awaiting Governors’ Signature**

**Hawaii**
Third party administrators for insurance plans
$100,000 bond

**Maryland**
Third party administrators for insurance plans
minimum $5,000 to maximum $500,000

**North Dakota**
Public adjusters
$25,000

**New Jersey**
Mortgage servicers
$100,000 per location

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The Surety & Fidelity Association of America
www.surety.org

*The Surety & Fidelity Association of America (SFAA) is a trade association of more than 425 insurance companies that write over 97 percent of surety and fidelity bonds in the U.S. SFAA is licensed as a rating or advisory organization in all states and it has been designated by state insurance departments as a statistical agent for the reporting of fidelity and surety experience.*

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