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111th Annual Meeting
This Week

The staff of The Surety & Fidelity Association of America is in the final stages of prep work for the 111th Annual Meeting.

We have a great program planned for you - filled with dynamic panels and speakers.

If you are unable to attend the event, make sure to follow us on social media. We will be living posting throughout the day.

Follow us on social media for regular updates during the 111th Annual Meeting.
SFAA Bill to Clarify Bonding Requirements in Missouri Heads to Governor's Desk

SFAA's bill to clarify that bonding is required for public works projects to address the Brentwood case is heading to the Governor's desk. The Missouri Supreme Court held that the bonding requirements of the Little Miller Act are not applicable when a public owner hires a consultant or other third party to help develop public property on its behalf, since the consultant did not “provide” construction services, but merely “arranged” for them.

As SB 167 moved through the legislature, the local ASA and AGC had an amendment included to expand the payment bond to suppliers at all tiers. SFAA and APCIA had a 90-day written notice requirement included as a compromise. The bill was further amended to include a provision that when bonds are in place, there is no mechanics lien. Any mechanic's lien filed in violation shall be void and unenforceable and shall be summarily discharged by a judge. The House and Senate agreed to all the changes to the bill, clearing the way for passage.

Ohio Turnpike Authority Seeks $500,000 Bond Threshold

The Ohio budget bill as passed in the House would increase the bond threshold for the Ohio Turnpike Commission (Commission) projects from $150,000 to $500,000. The bill also would allow the Commission to waive the competitive bidding process when the Commission determines it is not practical or advantageous to the Commission. The Commission oversees three major interstate highways and is funded by revenue from the tolls collected and any revenue bond issued. The Commission claims that there are no tax dollars involved in its activities.

SFAA is working with the Ohio Insurance Institute to learn the reason for the bond threshold increase. The Commission receives state tax dollars from the state gas tax, and it is under the exclusive control of the State of Ohio. Its Board is composed of political appointments that are confirmed by Ohio Senate and the DOT. The Commission plans to make considerable improvements to its highways in the future, and SFAA believes that the provisions in the budget erode both the payment and performance protections of the bonds and the level of transparency in the process from competitive bidding.

House Majority Leader Kicks Off Infrastructure
Week in DC

Representative Steny H. Hoyer (D-MD) delivered a keynote speech to begin National Infrastructure Week this morning, asserting the need for robust public investment in infrastructure, particularly in rural areas and on projects that don’t promise to yield profits for the private sector. Lawmakers and industry groups will be beating the drums for a new public works package all week throughout the nation while awaiting the next meeting between the White House and Congressional leadership on a path forward to fund a potential $2 trillion infrastructure package.