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Voters Turn In Mixed Results on Infrastructure Ballot Measures
In addition to governors and state legislatures, transportation and infrastructure spending were on the ballot across the U.S. last week. Voters turned in mixed results, which will have consequences for spending in the coming year.

**Colorado**

Voters rejected increased taxes for transportation spending for the third time in two consecutive elections. *Proposition CC* lost 53% to 46%, and would have diverted excess revenue to transportation and other areas instead of being sent back to taxpayers. With Colorado facing a $9 billion infrastructure backlog, the Colorado Contractors Association, AGC, and many business interests backed the proposal.

**Maine**

Voters in Maine approved the purchase of $105 million in bonds for transportation infrastructure projects, with the measure getting nearly 76% of the vote. $85 million will be used for bridge and road construction, and $15 million is earmarked for ports, harbors and public transit. Maine plans to use the funds to match $137 million in federal funds received for infrastructure improvements.

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**SFAA Attends Customs Bonds Implementation Meeting**

Last week, SFAA staff attended a Customs Surety Executive Committee meeting hosted by U.S. Customs and Border Protection (CBP). The meeting focused on the status of implementation on two critical Customs' initiatives:

- Availability of real-time cargo entry and release data pertinent to surety; and
- Risk-based customs bonds required by the implementation of the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA).

The committee discussed real-time data availability, which when executed, will help carriers in the customs bond market immediately identify issues with entries as they occur, which will help identify and address issues that impact their bonds in a more timely manner. Risk-based bonding was also addressed. This type of bonding framework adds a new dimension to customs bonds and will apply to entries containing merchandise subject to anti-dumping and countervailing duties (AD/CVD).

It is the aim of Customs and Congress that these bonds will serve to enhance the revenue protection currently provided to the federal government by customs bonds. SFAA will continue to monitor this issue.

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**Did You Work with a Private Owner on a Bonded Project? Apply for the Tiger Trust Award!**

As part of SFAA's increased efforts to encourage more private owners and
lenders to require bonding on projects, the Association encourages more people to apply for the Tiger Trust Award. This award recognizes individuals who owners to require surety bonds.

Along with NASBP, SFAA wants to highlight more examples of the great work LSAs, underwriters, and producers do with private owners.

Last year’s winner, Joshua Etemadi, had a client on a project where the private owner wanted to ensure that a replacement contractor could be found if necessary for the $1.2 renovation. After talking with Mr. Etemadi, they elected to require performance and payment bonds, which they had not done previously.

The nomination must demonstrate that the owner or lender of a specific construction project was persuaded to require surety bonds due to the candidate’s personal efforts or influence. The applicant must include details of how he or she convinced the owner or lender to require a bond along with documentation from the owner or lender on official letterhead verifying the candidate’s role in persuading the owner or lender.

Nominations are due by **February 17, 2020**. For more information, please contact Seth Johnson.

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**SFAA Releases Fidelity Bonds Whitepaper on History and Current Trends**

Bill Heinbokel, Director of Fidelity and Regulatory Compliance at SFAA, co-authored a new paper on recent fidelity history and participated in a panel as part of the Fidelity Law Associations’s Annual Conference last week in Boston. The discussion was titled, "Evolution of Fidelity Law and Practice Over the Course of the Past 25 Years," and focused on how the industry has changed since 1995. Panelists also covered new trends and challenges like cyber coverage, social engineering, computer crime, and the consequences each
During the conference, the SFAA Fidelity and Fidelity Claims Advisory Committees held a joint meeting, with 45 industry representatives participating. The Association was encouraged by the strong attendance, and is hopeful that the number of strong fidelity advocates will continue to grow.

Apply for the Surety Industry Awards!

SFAA and NASBP invite all Local Surety Associations to submit applications for the Surety Industry Awards in recognition of their work promoting surety bonding.

Award categories are:

- Silver Award
- Gold Award
- Platinum Award
- Advocacy Award
- Tiger Trust

Please email Seth Johnson with any questions. The deadline to apply is February 17, 2020.