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House of Representatives Passes Phase 4 COVID-19 Relief Bill

Last week, the U.S. House narrowly passed its Phase 4 COVID-19 relief legislation, H.R. 6800, known as the HEROES Act. The $3T, 1,815-page bill includes a broad range of policy initiatives including a proposal for a second round of direct payments to Americans, assistance to state and local governments, hazard pay for frontline health care workers, student debt forgiveness, among other provisions. Notably, the bill also includes several favorable provisions for the construction sector, including $15B in stopgap funds for state, territorial and tribal departments of transportation and protections for contractors working on federal projects to mitigate certain risks caused by the pandemic. However, the funding provisions in the bill are well below the nearly $50B the state DOTs have requested to continue planned projects as many transportation agencies face drastic revenue shortfalls caused by decreasing gas tax and toll revenue.

Republican Senate leadership has expressed significant opposition to the House HEROES Act, stating that it is “dead on arrival” in the Senate. However, the Senate and White House have indicated that they remain interested in passing further relief legislation that...
New Report Highlights Rural Infrastructure Needs

The national transportation research nonprofit, TRIP, released a new report stating that America’s rural transportation faces a $211B backlog in repairs that contributes to high fatality rates. According to the report’s findings, 13% of America’s rural roads are rated in poor condition, while another 21% are listed as being in mediocre condition. The report also found that 8% of the nation’s rural bridges are in a poor or structurally deficient condition, and that another 47% were only in fair condition. Depleting revenues from state and local departments of transportation have left significant concerns on whether public officials will be able to advance much needed improvements for rural roads in the coming year.

SFAA Pushes Back Against Small Business Trucking Coalition Request for Bond Exemption

Last week, SFAA urged the Federal Motor Carrier Safety Administration to reject a follow up request from the Small Business in Transportation Coalition (SBTC) to be exempt from a $75,000 bond requirement for property brokers and freight forwarders. In 2014, the required federal bond amount was increased from $10,000 to $75,000 as many trucking organizations found that the $10,000 was grossly inadequate to cover the obligation included in the bond. Several other trucking organizations, including the Transportation Intermediaries of America, joined SFAA in raising concerns about exempting the SBTC from this bond requirement.

SFAA Updates Loan Forgiveness Guidance on SBA Loan Program

Today, SFAA updated its Small Business Loan Step by Step Guidance to include new updates from the Small Business Administration (SBA) and U.S. Treasury. Importantly, the document contains new information on the SBA’s Paycheck Protection Loan Forgiveness Application and an updated FAQ resource that provides information on how the SBA intends to validate loan applicants “good faith” certification for borrowers who received loans under $2M. Additionally, the SBA issued a second update to extend the “safe harbor” period for businesses to return funds received under the PPP and be deemed by the SBA to have submitted their prior certification of necessity in good faith to today, Monday, May 18.
The Surety & Fidelity Association of America (SFAA) is a trade association of more than 425 insurance companies that write over 98 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.