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Surety Industry Advances Federal Priorities in DC

Last week, over 30 surety industry advocates joined SFAA in Washington, DC for its 2020 Legislative Fly-in. SFAA and NASBP members met with 36 unique Congressional offices from over 20 different states in both the House and Senate. The Congressional meetings focused on advocating for clarifications to the payment and performance security requirements for federally financed private public partnerships (P3s) and combating further increases to the federal Miller Act bonding requirement threshold. The fly-in also included a reception with Congressman Stephen Lynch (D-MA) and a political update from Capitol Counsel on the 2020 elections. To learn more about SFAA’s top advocacy messages, please see the 2020 Legislative Fly-in advocacy page [here](#) and explore the members only advocacy landing page [here](#).
**SFAA Submits Testimony in Opposition to Maryland SB 801 on Bad Faith**

Maryland [Senate Bill 801](https://www.maryland.gov/legis/billsummary.cfm?Bill=801) would add surety to the state’s bad faith law. The bill is being supported by the Maryland AGC and ABC, both of which testified in support of the legislation at a hearing on March 4th. SFAA and APCIA submitted testimony in opposition to the bill and continue working to try to ensure that bad faith penalties are not legislatively imposed on surety writers in the state of Maryland. SFAA’s written testimony can be found [here](https://www.sfaa.org/caj/cf/1590). The bill would add surety to existing law authorizing the recovery of actual damages, expenses, litigation costs, attorney’s fees, and interest in first-party claims against an insurer, if the insurer failed to act in good faith. SFAA and APCIA have argued that bad faith is not applicable in the surety context and should, therefore, not be imposed legislatively.

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**Treasury Posts Industry Comments on Surety Related Request for Information**

Earlier this month the Bureau of the Fiscal Service (the Bureau) within U.S. Treasury uploaded the industry’s comment letters on the agency’s [Request for Information (RFI)](https://www.treasury.gov/about/organizational-structure/fiscal-service/government-entities/requests-for-information/rfi-surety-bond-program.cfm) on potential modernizations of the surety bond program. At the end of 2019, the Bureau issued its RFI for surety and (re)insurance stakeholders to help guide federal regulators as they consider potential regulatory changes to “modernize” Treasury’s rules for surety and reinsurance companies. The RFI included several broad questions on how the Bureau could improve its assessment of the financial condition of companies seeking to underwrite and/or reinsure surety bonds written for the benefit of the federal government, as well as how it evaluates acceptable foreign reinsurance.

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**Congress Continues to Deliberate Next Steps on Funding Infrastructure**

In late February, the Senate Banking Committee and the House Appropriations Subcommittee on Transportation, Housing and Urban Development held hearings to discuss next steps in advancing infrastructure reform. The House Appropriations Subcommittee hearing featuring Secretary Elaine Chao as its chief witness to discuss the Department of Transportation’s proposed FY 2021 budget. During the hearing, several Democrats highlighted the lack of details about policy, programs and, most importantly, funding measures to identify new revenue sources for infrastructure projects. The congressional tax-writing committees will need to weigh in on how to pay for a new surface transportation program before current funding expires at the end of September.

The Senate also held a hearing to discuss how it would address mass transit issues in its surface transportation bill. The hearing included several witnesses, including representatives from the Chamber of Commerce, American Association of State Highway and Transportation Officials, and labor unions. Testimony centered around the important role efficient mass transit serves, particularly for economically disadvantaged populations. Several Senators stressed the importance of quickly identifying bipartisan funding measures to ensure funding for transportation programs does not lapse after September 30, 2020.
Looking for Summer Interns?

Talented students should apply for *multiple* opportunities when searching for meaningful summer internship opportunities.

Consider exploring how The Surety Foundation’s *Industry Intern & Scholarship Program* can set your internship offer apart from others! Click [here](#) to find out how.

Many SFAA members have benefited from participating in the program and have hired interns as full-time industry professionals upon graduation. Please support The Surety Foundation through your participation and help us achieve the goal of increasing the number of talented under-represented students joining the industry. Make a difference – it’s a win for the student and a win for the industry.