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### Educating Hill Staffers on Surety Bonding

As a part of the Construction Industry Procurement Coalition (CIPC) briefing on the construction industry, SFAA and NASBP educated Hill staffers on surety bonds and the value of bonding on infrastructure projects. With 111 new members in the House, education on SFAA's issues is needed. The Coalition also gave attendees a list of questions that staff in Congressional offices are frequently asked. The leave-behind materials include resources that contractors can use for help in contracting with the federal government, including the SBA Surety Bond Guarantee Program.



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### House Committee Marks Up Marijuana Safe Harbor Bill

In a promising first step, the House Financial Services Committee marked up legislation to give banks and insurers safe harbors to do

business with marijuana related businesses in states where cannabis has been legalized. The bill does not address all instances and other services that insurers are required to provide under the state laws. Work on the legislation will shift to the Senate.

Most Republicans on the Committee believe that the potential impact on existing federal laws and law enforcement has not been fully considered and that Congress should address the broader issue of legalizing marijuana. The House bill had 152 co-sponsors and will go to a vote in the full House in May or June. The path to enactment in the Senate is unclear.



## Privatized Military Housing Woes Continue

In 1998, Congress passed the Military Privatization Initiative giving all military branches the authority to enter into agreements with the private sector for the construction and maintenance of military housing through long-term contracts—up to 50 years. While privatization was considered a success, there have been unreliable



contractors that did not perform as expected or failed to handle required repairs and maintenance. In the FY 2009 National Defense Authorization Act, Congress addressed issues in the construction of military housing by requiring bonding at not less than 50% of the contract price.

The Army, Air Force, and Navy recently appeared before the Senate Armed Services Committee to address new problems with the maintenance of military housing. The lack of staff on bases to monitor the quality of maintenance crews and to oversee housing operations in general, as well as military personnel being unsure of their rights, were all cited as issues. There are also unqualified and underperforming contractors on these jobs.

Each of the military witnesses told Congress that they want to renegotiate these contracts to include a Tenants Bill of Rights, as well as ways to hold contractors accountable for their performance. SFAA and NASBP will meet with the Committee staff to promote bonding contractors on military housing projects.

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