

# Surety & Fidelity

Weekly



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### Congress Advances Additional Funding for SBA Paycheck Protection Program

Last week, Congress passed the Paycheck Protection Program and Health Care Enhancement Act that adds \$310B in funding for the Small Business Administration's (SBA) Paycheck Protection Program (PPP), in addition to other provisions. The bill is designed to supplement the CARES Act that was passed in March, and included approximately \$350B in funding for the creation of the SBA program to support U.S. companies with fewer than 500 employees that have been significantly impacted by the COVID-19 pandemic. The Treasury Department received an overwhelming number of submissions when it first began accepting applications on April 3rd and quickly reached its original lending limit on April 16th.



SFAA updated its Paycheck Protection Program (PPP) [guidance](#) to provide your small

business contractor clients step-by-step guidance on how to access the PPP loans. The Treasury Department and the SBA [announced](#) that the SBA will resume accepting PPP loan applications today, Monday, April 27 at 10:30 am EST. Please contact Dalton DeFendis, [ddefendis@surety.org](mailto:ddefendis@surety.org), if you have any questions regarding the PPP program.

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## AGC and AIA Provide Updates on Economic Impact of COVID-19 to the Construction Sector

The Associated General Contractors of America (AGC) and the American Institute of Architects (AIA) provided important market updates on how the COVID-19 pandemic is impacting their business. Notably, the AIA released a [report](#) which detailed the significant decline in billings at architectural firms within the month of March. The Architecture Billings Index, which serves as a key economic indicator for nonresidential construction activity, fell by 20.1 points to 33.3. The decrease far surpasses the decline seen at the start of the 2001 recession and at the start of the recession in 2008.

Additionally, the AGC released the [5th edition](#) of its coronavirus survey. The survey reports that 50% of respondents indicated that clients have ordered a halt to projects underway and more than 25% report clients have canceled projects that were expected to begin. The survey did show signs that the federal Paycheck Protection Program loans are helping firms retain, and in certain circumstances, add new staff.

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## SFAA Requests Chief Acquisition Officers Council to Provide Flexibility on Electronic Bonds



Last week, SFAA, NASPB and the APCIA submitted a written [request](#) to the Chief Acquisition Officers Counsel (CAOC) urging them to take action to encourage agencies to accept electronically executed bonds. The CAOC is the principal inter-agency forum for monitoring and improving the federal acquisition system and promoting the President's specific acquisition-related initiatives and policies. As a reminder, the GSA [took action](#), in response to the surety industry's request, to expand the use of electronic bonds while companies adjust to the pandemic; however, the GSA's action does not impact procurement requirements for other agencies that do procurement related work on behalf of the federal government. SFAA continues to encourage federal agencies to adopt similar guidelines as the GSA to ensure federal procurement work, for both commercial and contract bonds, remains uninterrupted during the pandemic. If you or your clients have any issues executing bonds with federal agencies due to the COVID-19 pandemic, please email them to Dalton DeFendis, [ddefendis@surety.org](mailto:ddefendis@surety.org).

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## Looking to Find Relevant Compensation Data?

The annual industry Compensation Survey is underway! Members interested in participating may contact Allan Fitzgerald at [afitzgerald@ccs-consultants.com](mailto:afitzgerald@ccs-consultants.com). The Survey has been conducted for several years and has served as a very useful tool for collecting important trend data on industry salaries and benefits. Data collection will run through mid-May. Please contact Barbara Reiff for more information: [breiff@surety.org](mailto:breiff@surety.org).



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