

Surety & Fidelity WEEKLY



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Transportation Construction Coalition Submits Infrastructure Priorities



This week, the Transportation Construction Coalition sent a letter to Congressional leadership highlighting its top priorities for long-term infrastructure investment legislation. The coalition, led by the Associated General Contractors and the American Road & Transportation Builders Association, has played an influential role in past highway bill reauthorization and continues to be one of the leading voices in the construction advocacy arena. SFAA serves as one of the fifteen Executive Committee members on the coalition and fully supports its mission to advance significant infrastructure investment in Congress.

The letter encourages lawmakers to approve:

- At least a five-year reauthorization to allow for long-term planning and investment;
- Significant funding increases over current levels to meet America's transportation needs and improve the safe and efficient movement of people and goods; and
- Build on the project delivery and regulatory approval process enhancements made in the previous two surface transportation laws to ensure the timely delivery of projects and benefits.

Click [here](#) to read the full letter.



SFAA Testifies Opposing Maryland Bad Faith Bill

Last week in a hearing with the Senate Finance Committee, SFAA testified and encouraged policymakers to oppose MD SB 372, a legislation bill that would apply bad faith standards to writers of surety bonds. During the

hearing, SFAA contended that bad faith actions are inappropriate for surety claims, as the factors that lead many states to impose bad faith damages on insurers do not apply to surety bonds - which is why most states with bad faith liability on insurers exempt surety bonds.

In a letter to the Senate Finance Committee, SFAA specified that: "Legislation that does not recognize that the bond principal is a party to the bond and primarily obligated to pay anything owed under the bond won't benefit the bond holders or the public. The bond principal-- most commonly a construction contractor -- will pay the costs and damages. The surety will be liable as a guarantor if the principal is unable to pay, but the primary obligation is the principal's. That is one of the fundamental differences between bonds and insurance policies-- and one of the many reasons why such legislation is ill-advised."

SFAA thanks APCIA for their help on this initiative.

Watch the hearing [here](#) (begins at 54:45).

Register Today: Surety Lab Workshop on Powers of Attorneys



Last week, SFAA joined a newly-formed blockchain working group created by [The Institutes RiskStream Collaborative™](#), the risk management and insurance industry's largest enterprise-level blockchain consortium. The working group is focused on streamlining the power of attorney registration and verification process within the surety industry. All SFAA members are invited to join the [Surety Lab](#), a 3-part virtual program held over three months, where participants will reimagine and discuss how current processes can be improved using blockchain technology. The kick-off session for the Surety Lab is Wednesday, February 17 from 9:30-11:00 a.m. ET. Representatives at all levels from sureties, agencies/brokerages, reinsurers, industry trade associations and technology solution providers are welcome to attend.

View this [informational flier](#) for more information and then [register today](#).



Apply for the 2020 Surety Industry Awards

SFAA and NASBP invite all local surety associations to submit nominations for the 2020 Surety Industry Awards for Excellence in Surety Bond Promotion and Advocacy. These awards honor local surety associations for their

achievements in promoting the value of contract surety bonds in construction and for advocating on behalf of the surety industry to owners and legislatures.

Award categories are:

Silver, Gold and Platinum Awards
Advocacy Award
Tiger Trust Award

The deadline for awards submissions is **Friday, March 5, 2021**. Visit the [Surety Awards website](#) for criteria information, details on how to enter, and advice on making your award submission as successful as possible.

Please contact Jenn Coolidge at jcoolidge@surety.org with any questions.

Register for the Virtual Legislative

Fly-In with SFAA & NASBP

Please register for the first-ever joint SFAA & NASBP Virtual Legislative Fly-In on March 25, 2021. The SFAA & NASBP Virtual Legislative Fly-In will enable members to engage in policy discussions with U.S. Congressional offices. Your participation as a surety advocate is critically important to ensure policymakers on Capitol Hill understand the significant role bonds play in advancing public works infrastructure projects. The new Congress will include a large freshman class, so it is imperative for SFAA and NASBP to become acquainted with the newly elected officials. All meetings will be scheduled virtually, and no travel is required to participate.



Complete the [registration form](#) now.

Updated Resources Available to Members



The **Law Library (Case Summary Database)** can be found [here](#).



The **2020 Fidelity Loss Cost Review** can be found [here](#).



The **AIA Document A313-2020** has been updated and is available to download from the [Surety Bond Form Index](#).

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The Surety & Fidelity Association of America

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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.
