

Surety & Fidelity WEEKLY



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RiskStream Surety Lab Workshop on Powers of Attorneys on March 24, 2021. [Registration Link.](#)

Joint Legislative Fly-In with SFAA and NASBP on March 25, 2021.



Congress to Hold Hearings on Biden Administration's Infrastructure Priorities

The Biden administration's extensive infrastructure plan will be in discussion on Capitol Hill this week, with lawmakers set to hold multiple hearings on the priorities for transportation and water infrastructure. The U.S. Transportation Secretary Pete Buttigieg will appear at the House

Transportation & Infrastructure Committee meeting on Thursday to unveil the forthcoming plan. "Secretary Buttigieg's appearance before the Transportation and Infrastructure Committee couldn't come at a more consequential time," said Chairman DeFazio (D-OR) in a statement announcing the hearing (Bloomberg). "Right now, our Committee is working on the details of transformational surface transportation reauthorization legislation that I intend to move through our Committee later this spring as part of the broader infrastructure push."



The House Energy and Commerce Committee will also hold a hearing to discuss the \$312 billion infrastructure package investing in climate, broadband, and public health. The Leading Infrastructure For Tomorrow's America (LIFT) Act would provide nearly \$70 billion

for clean energy and energy efficient projects, with \$3.5 billion for electric grid infrastructure and \$17.5 billion for energy efficiency and conservation grants (Bloomberg).



SFAA and NASBP to Hold Virtual Legislative Fly-In This Week

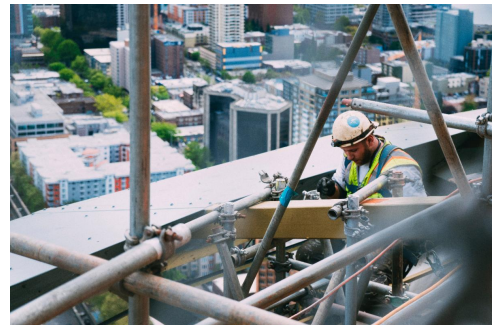
The Surety & Fidelity Association of America (SFAA) and the National Association of Surety Bond Producers (NASBP) will hold their first-ever Virtual Joint Legislative “Fly-In” on Thursday, March 25, 2021. The SFAA and NASBP Joint Legislative Fly-In will enable surety professionals from across the country to educate members of Congress and staff about the value of construction surety bonds and advocate for their legislative priorities.

“The virtual meetings will allow our members to show their strong support for new legislation introduced by Senator Chris Van Hollen (D-MD), Senator Mike Rounds (R-SD), Congressman Stephen Lynch (D-MA) and Congressman Troy Balderson (R-OH) to clarify the bonding requirements under the Transportation Infrastructure Finance and Innovation Act (TIFIA), as well as legislation continuing bonding protections at current levels for federal projects,” said Dalton DeFendis, Director of Federal Affairs for SFAA.

Larry LeClair, Director of Government Relations of NASBP added, “With delivering an infrastructure package a key legislative goal of the new White House and of Congress, having surety professionals explain the critical role surety bonding requirements play in protecting federal funding resources and in delivering quality construction of infrastructure projects has never been more timely or important.” “The virtual fly-in will connect congressional offices with subject matter experts on surety to help them make key policy decisions as they formulate legislative solutions to address the need for transportation, broadband, and other types of infrastructure,” LeClair emphasized.

SFAA Leads Effort to Introduce Bill Providing Essential Protections on All Federally Financed Projects Receiving TIFIA Funds

SFAA leads the effort to introduce a bill requiring payment and performance security on all federally financed projects receiving TIFIA funds. We commend Senator Chris Van Hollen (D-MD), Senator Mike Rounds (R-SD), Congressman Stephen Lynch (D-MA) and Congressman Troy Balderson (R-OH) for the introduction of the “Promoting Infrastructure by Protecting Our Subcontractors and Taxpayers Act.” This legislation provides essential protections for workers, suppliers and contractors by requiring payment protection on federally financed infrastructure projects receiving Transportation Infrastructure Finance and Innovation Act (TIFIA) loans, including public-private projects.



“Bonding TIFIA-financed P3 projects will protect taxpayers’ dollars, ensure project completion, protect local small business contractors and workers, and promote economic growth,” said Lee Covington, president and CEO of the Surety and Fidelity Association of America. “TIFIA should be modernized to include the same payment and performance requirements that protect all other federally funded infrastructure projects.”

Read the [full press release](#).

The Scollick Case - SFAA’s Amicus Curiae Brief

On March 11th, the US District Court in the Scollick



case entered an order accepting SFAA's Motion to file an Amicus Curiae Brief. The Amicus Brief was officially entered on March 12, 2021 and can be found at the following [link](#).

SFAA filed its Motion for Leave to file an Amicus Curiae Brief along with the brief in the Narula vs. Scollick litigation on February 24, 2021. The suit alleges False Claims Act violations by the contractor

based on misrepresentations in qualifying as a service-disabled veteran owned small business (SDVOSB) on federal set aside contracts and by the two sureties arguing the sureties knew or should have known of the misrepresentations through their underwriting.

SFAA submitted an amicus curiae brief focusing on the following four topics:

1. "The government's responsibility for policing its set aside eligibility standards;
2. Surety obligations in connection with the issuance of Miller Act bonds;
3. The purpose of surety underwriting; and
4. Financial and market implications to the federal government and construction industry if there is an extension of False Claims Act liability to sureties for set aside violations by their bonded contractors."

Register Today: Surety Lab Workshop on Powers of Attorneys



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. Participants will help improve the current processes by using blockchain technology. Carriers, agencies/brokers, reinsurers, industry trade associations and technology solution providers are welcome to attend.

Register for the upcoming sessions:

Surety Power of Attorney Lab - Session 2 of 3
When: **Mar 24, 2021** 09:30 AM Eastern Time (US and Canada)
[Registration Link for Session 2](#)

Surety Power of Attorney Lab - Session 3 of 3
When: **Apr 28, 2021** 09:30 AM Eastern Time (US and Canada)
[Registration Link for Session 3](#)

After registering, you will receive a confirmation email containing information about joining the meeting.

Updated Resources Available to Members



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

End-of-Session Reports can be found [here](#).



Proposed & Adopted Regulations can be found [here](#).



New Bonding Opportunities can be found [here](#).

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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.