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**FOR IMMEDIATE RELEASE: July 1, 2022**

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**NASBP COMMENDS CONSTRUCTION CAUCUS FOR INTRODUCING  
SMALL BUSINESS PAYMENT FOR PERFORMANCE ACT**

**Bethesda, MD**—Today the [National Association of Surety Bond Producers \(NASBP\)](http://www.nasbp.org) commended Construction Procurement Caucus (CPC) Co-Chairs, U.S. House of Representatives Pete Stauber (R-MN) and Scott Peters (D-CA) as well as Marc Veasey (D-TX) and Brian Fitzpatrick (R-PA) for the introduction of the "[Small Business Payment for Performance Act of 2022](#)."

This important legislation requires federal procuring agencies to make interim partial payments to their small construction prime contractors for unilateral changes in construction contracts. These procurement reforms will ensure that small construction businesses do not have to shoulder the substantial financial burden of owner-directed changes to a contract.

NASBP Director of Government Relations Larry LeClair said, "The [Construction Industry Procurement Coalition](#) (CIPC), of which NASBP is a founding member, has made the 'Small Business Payment for Performance Act' a legislative priority for the past several years." "CIPC will continue to raise awareness in the halls of Congress on the need to enact this crucial legislation to adequately protect small business contractors, so their businesses remain viable, especially during these times of economic uncertainty," LeClair added.

NASBP's statement, included in Rep. Stauber's [press release](#), on the legislative introduction is:

"The National Association of Surety Bond Producers (NASBP) commends Construction Procurement Caucus (CPC) Co-Chairs, Pete Stauber (R-MN) and Scott Peters (D-CA) as well as Representatives Marc Veasey (D-TX) and Brian Fitzpatrick (R-PA) for the introduction of the Small Business Payment for Performance Act of 2022. This critical legislation lessens the considerable financing burden placed on small construction businesses when federal project owners make unilateral changes to construction contracts. By requiring federal project owners to make interim partial payments on owner-directed change orders, small construction businesses receive necessary and timely cash flow for performance. As the construction industry continues to

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face uncertain and variable market conditions, including supply disruptions and increasing materials prices, all construction businesses, but particularly small construction businesses, need federal payment practices that are not unfairly burdensome. Passage of this legislation will ensure that small construction businesses performing on federal contracts have confidence that equitable payment practices exist for owner-directed change orders. Thank you CPC Co-Chairs Stauber and Peters and Rep. Veasey and Rep. Fitzpatrick for recognizing this significant issue and introducing this important procurement reform."

NASBP CEO Mark McCallum added, "Especially in this economic environment, most small contractors cannot afford the financial strain of unagreed change orders being added to their scope of responsibilities and the attendant long wait times to be paid for such work."

NASBP is joined by a number of national construction industry organizations supporting the legislative introduction, including the Associated General Contractors of America, the American Subcontractors Association, the National Electrical Contractors Association, and the Sheet Metal and Air Conditioning Contractors' National Association.

*Founded in 1942, the [National Association of Surety Bond Producers \(NASBP\)](https://www.nasbp.org/home), <https://www.nasbp.org/home>, is the association of and resource for surety bond producers and allied professionals. NASBP members specialize in providing surety bonds for construction contracts and other purposes to companies and individuals needing the assurance offered by surety bonds.*

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