



For Immediate Release

NASBP Contact: Kathy Hoffman, Director of Communications
Phone: (240) 200-1278 | E-mail: khoffman@nasbp.org

SFAA Contact: Peter Roth, Vice President – Communications, Marketing & Research
Phone: (703) 401-0676 | E-mail: proth@surety.org

NASBP and SFAA Host Successful 2024 Legislative “Fly-In”

*Garner Support for Common-Sense Surety Bonding Requirements
on WIFIA-Funded and Broadband Infrastructure*

March 4, 2024 (WASHINGTON, DC) – The National Association of Bond Producers (NASBP) and The Surety & Fidelity Association of America (SFAA), hosted a Legislative Fly-in on February 29, 2024. The Fly-in enabled 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. Their meetings focused on expanding support for H.R. 1740 and S.2928, which would strengthen the Water Infrastructure Finance and Innovation Act (WIFIA) program by ensuring all projects financed with WIFIA assistance have appropriate bonding, regardless of delivery method. In addition, Fly-in participants discussed adding common-sense surety protection in the form of bonding requirements to the principal federal funding programs for broadband infrastructure projects.

The meetings allowed NASBP and SFAA members to demonstrate their strong support for H.R. 1740 and S.2928, clarifying the bonding requirements under WIFIA, including Public-Private Partnership (P3) projects. “This legislation ensures the economic value that surety bonds provide through reduced contractor pricing, reduced default rates, and increased project performance are realized and would maintain parity with the Transportation Infrastructure Finance and Innovation Act (TIFIA) amendment, which passed the Senate with a unanimous 97-0 vote,” said Patrick Russell, SFAA Director of Government Affairs. Mark McCallum, NASBP CEO, stated, “WIFIA is a key financing vehicle for undertaking the water infrastructure projects so badly needed throughout the United States, and making certain that U.S. taxpayer investments in the form of WIFIA loans and grants are protected through performance and payment bond guarantees is vital to realizing that these long overdue projects will be completed and that those supplying labor and materials will be paid.”

NASBP and SFAA members also discussed the need for Congress to safeguard federal infrastructure investments in broadband projects. The Infrastructure Investment & Jobs Act (IIJA) allocated \$42.5 billion to broadband expansion through the National Telecommunications and Information Administration’s (NTIA) Broadband Equity, Access, and Deployment (BEAD) Program. Originally calling for a Letter of Credit, NTIA recently released a waiver to the BEAD program, allowing surety as an alternative security option. NASBP and SFAA members used their time on Capitol Hill to update policymakers on the critical shift and inform them of the need for other federal agencies involved in broadband infrastructure, including programs administered by the U.S. Department of Agriculture and the FCC, to adopt similar practices.

-- more --

In over 100 meetings, construction bonding experts met with their elected representatives and their staff to educate them on surety bonds' significant role in advancing and protecting public infrastructure projects. These vital safeguards on construction projects for public entities include protecting taxpayers' dollars, ensuring project completion, protecting local small business contractors and workers, preserving construction jobs, and promoting economic growth. A recent study by Ernst & Young (EY), *The Economic Benefits of Surety Bonds*, quantifies these vital protections and concludes bonded projects outperform unbonded projects because of lower default rates, cost and time savings, and other risk mitigation benefits.

###

Founded in 1942, the **National Association of Surety Bond Producers (NASBP)** 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. www.nasbp.org

The Surety & Fidelity Association of America (SFAA) is a trade association of more than 425 insurance companies that write 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. www.surety.org