

For Immediate Release

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SFAA Strongly Supports Bill Providing Essential Protections on All Federally Financed Projects Receiving TIFIA Funds

*The Bill Will Ensure Payment and Performance Protections
for Taxpayers, Workers and Subcontractors*

March 10, 2021 (WASHINGTON, DC) – [The Surety & Fidelity Association of America \(SFAA\)](#) commends 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 (P3s).

“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.”

P3 projects have increased in popularity over the years, however the lack of clarity for requiring payment and performance protections on P3 projects can force taxpayers to absorb additional costs of rebidding a project, and subcontractors and workers are often left unpaid for extended periods of time if the contractor defaults. By ensuring a bond requirement, P3 projects will offer the same payment and performance protections that have been in place on public infrastructure projects, protecting our nation’s construction industry and taxpayers alike.

“Construction is a risky business, and for over 80 years, the federal and state Miller Acts have protected against the risk of loss by requiring payment and performance bonds,” continued Covington. “SFAA looks forward to working with Congress, on a bipartisan basis, for the passage of this essential bill.”

A list of supportive organizations and additional information can be found [here](#).

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