NATIONAL ASSOCIATION OF SURETY BOND PRODUCERS



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February 22, 2010

Blakely Bruce, Project Architect c/o Rhonda Shaw Construction Administration Clemons Rutherford & Associates 2027 Thomasville Road Tallahassee, Florida 32308

Re: Bid Bond Requirements ("B-11 BID GUARANTEE") for Work Release Center Expansion, Hollywood Work Release Center, State Project No. GL-32 (WRC), CRA Project No. 08092

Dear Mr. Bruce:

On behalf of the National Association of Surety Bond Producers (NASBP), a national trade association representing professional surety bond producers and brokers, I am contacting you about the bid bond requirements contained in the bidding documents for the "Work Release Center Expansion, Hollywood Work Release Center, State Project No. GL-32 (WRC)," a project to be constructed for the Department of Corrections. It has come to my attention that section "B-11 BID GUARANTEE" contains a requirement for a bid bond signed by a "Florida Licensed Resident Agent." It is our belief that such a requirement runs counter to Florida law and the applicable statute, specifically F.S.A. § 624.425, a copy of which is attached.

You may not be aware that a prior version of F.S.A. § 624.425 was struck down in 2003 as unconstitutional by the U.S. District Court, Northern Florida, Tallahassee Division. That statute impermissibly favored licensed resident agents. I have attached for your reference a copy of that opinion along with a copy of Florida Informational Bulletin 2003-004 issued by the Florida Director of Insurance discussing the opinion. Simply put, requirements that discriminate against licensed non-resident agents in favor of licensed resident agents are unconstitutional and cannot stand.

For these reasons, NASBP respectfully requests that you immediately consult with legal counsel for the Department of Corrections to discern how to amend the bidding requirements so they are in keeping with and do not violate current Florida legal requirements.

Should you wish to talk further about this matter or if you have questions, please feel free to contact me at 202-686-3700.

Yours sincerely,

Mark H. McCallum Chief Executive Officer

cc: Martha Perkins, Esq., Whiteford, Taylor & Preston, LLP