



NATIONAL ASSOCIATION OF SURETY BOND PRODUCERS

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Paul W. Ryan
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Delivered via email to: paul.ryan@exec.ny.gov

RE: Strong opposition to S.5994-C (Ryan)/ A.1338-C (Magnarelli)

Dear Mr. Ryan:

On behalf of the National Association of Surety Bond Producers (NASBP), a national trade association of firms employing professional surety bond producers licensed and conducting business in New York and elsewhere in the United States, I am contacting you concerning S.5994-C (Ryan)/A.1338-C (Magnarelli), which passed the legislature. NASBP strongly requests that Governor Hochul veto this legislation, which we view as deleterious to the overall health of the construction industry in New York.

S.5994/A.1338 creates a duplicative, burdensome, unnecessary, impractical, and costly registration system for contractors and subcontractors bidding on state public work. What is the need for such a duplicative system, given the state's current online well-established Vendor Responsibility (VendRep) procurement bidding-system administered by the State Comptroller's Office? The contracting community considers VendRep as an effective, secure, and reliable system. Will contractors and subcontractors be required to register with VendRep and with a second system as contemplated in the legislation?

As the New York construction community is in the process of rebounding from the many disruptions and difficulties caused by the COVID 19 pandemic, this community does not need the introduction of further stressors, specifically by mandating a duplicative, unnecessary, and unfamiliar system. NASBP further is concerned that the system contemplated in the legislation would create an uncertain bidding environment for the construction industry, which likely would only be sorted out after years of contentious and expensive lawsuits. Such unknowns and inefficiencies neither aid in bolstering the health of the vital construction industry to the New York State economy nor provides procuring agencies with greater assurances or with better competition. Due consideration also should be afforded to the taxpayers of New York State, as a duplicative vendor registration system engenders additional administrative burdens and attendant costs, which will be passed onto the shoulders of state taxpayers.

For the reasons given above, NASBP respectfully requests Governor Hochul veto this legislation. Please feel free to contact me at 240-200-1272 or by email at lleclair@nasbp.org should you wish any further information.

Thank you for your consideration of our concerns,

Larry LeClair
Director, Government Relations