



NATIONAL ASSOCIATION OF SURETY BOND PRODUCERS

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June 14, 2022

The Honorable Omer Osman
Secretary
Illinois Department of Transportation (IDOT)
2300 S. Dirksen Parkway
Springfield, IL 62764

RE: Construction Industry Task Force (House Bill 4600)

Delivered via email to Omer.osman@illinois.gov

Dear Secretary Osman:

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 Illinois, I am contacting you concerning House Bill (HB) 4600, which requires the Illinois Department of Transportation (IDOT) to study the use of surety bonds and public construction project insurance. On June 10, Governor Pritzker signed HB 4600 into law as Public Act Number 1065.

Specifically, HB 4600 establishes a Task Force, which includes seven members appointed by the Governor from the construction industry to “study innovative ways to reduce the cost of insurance in the private and public construction industry while protecting owners from risk of nonperformance.” Furthermore, the Task Force “shall consider options that include, but are not limited to, owner-financed insurance instead of contractor-financed insurance and alternative ways to manage risk other than bonds or other insurance products.”

For your consideration, NASBP suggests an Illinois producer member for appointment to the Construction Industry Task Force. NASBP bond producers function as informal—and highly valued—business partners to their contractor clients. NASBP bond producers play a vital role in public construction as they act as a bridge between the construction firm and the surety company, while working closely with the construction business as an advisor, educator, and matchmaker to position construction businesses to meet underwriting requirements to qualify for surety credit. The objective of the producer is not only to assist the contractor with obtaining surety credit for each contract requiring surety credit, but to ensure that the contractor’s business remains viable and thrives for years to come.

Furthermore, NASBP bond producers have expert knowledge with mentoring nascent construction businesses interested in qualifying for surety credit and frequently offer their expert knowledge as volunteer instructors at various bond education programs throughout the country. Last year, NASBP and The Surety & Fidelity Association of America (SFAA) unveiled the [Contractor Bonding Education & Mentoring Program](#). This free Program helps small, new, emerging, minority-owned and other disadvantaged contractors learn how to qualify for construction surety bonds, thereby expanding their business opportunities and providing the services and benefits of these bonds. The Contractor Bonding Education & Mentoring Program includes two components: a set of eLearning modules available online 24/7, which can be taken on demand at the learner’s pace, and an optional mentor program with industry professionals who can provide practical advice and recommendations for the mentee to follow in their efforts to achieve bonding.

Those mentoring relationships often benefit minority-, veteran-, disabled veteran-, and woman-owned construction firms, as well as new and emerging construction firms.

It is for these reasons that NASBP strongly believes that an Illinois bond producer would be a valuable asset as a representative to the Construction Industry Task Force. I am happy to answer any questions you might have so please feel free to contact me at 240-200-1272 or by email at lleclair@nasbp.org.

Thank you for your consideration,

A handwritten signature in black ink, reading "Larry LeClair". The signature is written in a cursive, flowing style.

Larry LeClair
Director, Government Relations