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STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

December 1, 1978

1978-15

TO: THE PRESIDENT OF EACH COMPANY LICENSED TO WRITE
SURETY INSURANCE IN VIRGINIA

RE: SURETY BOND GUARANTEE PROGRAM
SMALL BUSINESS ADMINISTRATION (SBA)

The Bureau of Insurance wrote to you in a memorandum dated November 14, 1977, identified as 1977-16, concerning Public Law 95-28 (specifically, the 10% set-Aside Clause of the Local Public Works Act of 1977). That memorandum stated that your Company and its Virginia Surety Bond Agents were expected and urged to diligently assist applicants for bonding under Public Law 95-28.

In its 1978 Session, the General Assembly of Virginia directed that "...the Virginia State Office of Minority Business Enterprise and the appropriate unit of the State Corporation Commission monitor the Small Business Administration's activities in Virginia to determine whether or not the Small Business Administration is improving its services to Virginia businesses...and...are...requested to encourage those agents licensed in Virginia to procure surety bonds to participate in the Small Business Administration's surety bond program and encourage them to assist those businesses in the Commonwealth which seek the program's services".

There are indications that some Virginia businesses seeking to take advantage of the Surety Bond Guarantee Program have experienced difficulty in receiving aid from Virginia licensed Bonding Agents.

Therefore, I am advising you again that your Company and your Virginia Surety Bond Agents are urged and expected to participate in the SBA Surety Bond Program and to diligently assist applicants for bonding in this regard.