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## PRESS OFFICE

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### SBA Announces Decrease in Surety Bond Guarantee Fees

**WASHINGTON** – The U.S. Small Business Administration announces the first fee decrease in Surety Bond Guarantees in 12 years. The fee decrease will be in effect for guaranteed bonds approved during fiscal year 2019, taking effect October 1, 2018 and ending September 30, 2019.

The Surety Bond Guarantee (SBG) program is reducing the Surety fee from 26 percent to 20 percent of the bond premium charged to the small businesses and reducing its contractor fee from \$7.29 per thousand dollars of the contract amount to \$6.00 per thousand dollars of the contract amount.

“Reducing the SBG program fees will not only directly help small businesses, but also will incentivize surety companies and their agents to increase support for small businesses in the marketplace,” said Peter C. Gibbs, Acting Director of the Office of Surety Guarantees.

Under its SBG program, the SBA guarantees bid, payment and performance bonds for small and emerging contractors who cannot obtain surety bonds through regular commercial channels. SBA guarantees contracts up to \$10 million, including the streamlined QuickApp application for those up to \$400,000.

The SBA's guarantee gives sureties an incentive to provide bonding for small businesses and, thereby, assists small businesses in obtaining greater access to contracting opportunities. Currently, there are 34 participating sureties and over 350 active agents in the SBG program. On average, completed surety bond applications are reviewed and processed in less than two days.

The program is currently outperforming its previous year results yielding 27,000 jobs supported, 3,000 final bonds, and \$1.7 billion in final bond contract amounts in fiscal year 2018.

For more information about this decrease or further assistance, contact Jerianne Perry, Senior Management Analyst, Office of Surety Guarantees, (202) 401-8275; [jerianne.perry@sba.gov](mailto:jerianne.perry@sba.gov), or your local [SBA District Office](#).

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**About the U.S. Small Business Administration**

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit [www.sba.gov](http://www.sba.gov).