



# News Release

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## **New SBA E-application Process Helps Small And Emerging Businesses Gain Quick Access to Bonds**

**WASHINGTON** – The U.S. Small Business Administration is making it easier for small businesses to obtain surety bonds by offering a new, fast and easy online electronic application process on the agency's popular Web site.

Small construction, service and supply companies that need bonding can now apply for SBA surety bond guarantee assistance online on the SBA Web site 24 hours a day, seven days a week. The Surety Bond Guarantee (SBG) Program may help you obtain the bonds you need to bid or perform public and private contracts.

Under the program, the SBA works with participating surety companies to provide bid, payment, and performance bonds on contracts up to \$2 million in value for small contractors by guaranteeing a percentage of losses sustained in the event of a default. Corporate surety bonds protect the project owner against financial loss, and in the case of public construction projects, protect taxpayer dollars if the contractor defaults.

The new Surety Bond Guarantee E-application System, or E-app system, allows small businesses to quickly and easily submit their application for bonding assistance with surety companies that are registered to use the process. To learn more about the Surety Bond Guarantee (SBG) program and to access the E-app system click on <http://www.sba.gov/eapplication>.

Small businesses and surety companies participating in the SBA prior approval program will be able to transmit application forms electronically to help expedite review and approval processes. The new online e-application capability, coupled with recent rule changes, is combining to make bonding more available to small and emerging businesses, and enabling them to access these necessary bonds more quickly.

“Streamlined rules for small businesses and for surety companies alike, along with quick and easy online access, will make it easier for small and emerging contractors to gain access to surety bonds so they can bid on public construction projects,” said SBA Administrator Steve Preston. “These changes will support small businesses nationwide, particularly construction contractors in the devastated Gulf Coast region and other disaster stricken areas around the U.S.”

SBA assistance in locating a participating surety company or agent and completing application forms is available online. For more information on SBA's Surety Bond Guarantee Program, go online to <http://www.sba.gov/osg/> for a list of area office contacts and SBA offices near your business or call 1-800-U ASK SBA.

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