Rain Proof Roofing



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February 25, 2014

Senator Peter Micciche State Capitol Room 125 Juneau AK, 99801

Re: SB 193 Contractors License Bonds

Dear Senator Micciche,

My name is Pat Reilly and I am writing you in support of SB 193 regarding Contractor's License Bonds. I have been in the roofing and construction industry for over forty years and our company has offices in Anchorage, Wasilla and the Kenai Peninsula as well as having had an office in Fairbanks until 2000. Our company works statewide and the more stringent bond requirements in SB 193 provide greater protection not only to suppliers and subcontractors, but more importantly to the ultimate end user, Alaska property owners.

Over the years we have seen numerous instances where homeowners, subcontractors and suppliers have gone unpaid due to the bond amount being insufficient to cover claims. I understand there will always be cases where the bond amount will not pay all claims, but SB 193 moves in the right direction.

Though it may seem unusual that a business would ask to have required bonding amounts increased, I believe the amounts proposed in SB 193 are reasonable and necessary for several reasons:

Bonding requirements are set in place to provide financial protection for consumers, material suppliers, equipment rental companies, subcontractors and other contractors as well as provide an avenue of recourse in the event of negligent work, unpaid bills or breach of contract. The current bond amounts are insufficient to provide this protection.

Current bond levels were established over 30 years ago and the proposed amounts are even less than what they would be if the CPI were applied over the same time period.

The amounts established in the bill are supported by the construction industry for the purposes of providing greater protection to the public and maintaining the integrity of the thousands of reputable contractors operating in Alaska.

As this statute is an important component of Alaska's consumer protection laws, we appreciate and thank you for sponsoring this piece of legislation that I believe is vital to the consumer as well as to our industry.

Sincere Regards,

Pat Reiffy, President

RPR, Inc. dba Rain Proof Roofing