

Union Calendar No. 322

112TH CONGRESS
2^D SESSION

H. R. 3534

[Report No. 112-460]

To amend title 31, United States Code, to revise requirements related to assets pledged by a surety, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 1, 2011

Mr. HANNA (for himself and Mr. MULVANEY) introduced the following bill;
which was referred to the Committee on the Judiciary

APRIL 27, 2012

Additional sponsors: Mr. GOWDY and Mr. POLIS

APRIL 27, 2012

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

A BILL

To amend title 31, United States Code, to revise requirements related to assets pledged by a surety, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Security in Bonding
5 Act of 2011”.

6 **SEC. 2. SURETY BOND REQUIREMENTS.**

7 Chapter 93 of subtitle VI of title 31, United States
8 Code, is amended—

9 (1) in section 9304(b)—

10 (A) by striking “may not require” and in-
11 sserting “may require”; and

12 (B) by striking “or through” and inserting
13 “, but not through”;

14 (2) by adding at the end the following:

15 **“§ 9310. Individual sureties**

16 “If another applicable law or regulation permits the
17 acceptance of a bond from a surety that is not subject
18 to sections 9305 and 9306 and is based on a pledge of
19 assets by the surety, the assets pledged by such surety
20 shall—

21 “(1) consist of eligible obligations described
22 under section 9303(a); and

23 “(2) be submitted to the official of the Govern-
24 ment required to approve or accept the bond, who

1 shall deposit the assets with a depository described
2 under section 9303(b).”; and

3 ~~(3) in the table of contents for such chapter, by~~
4 adding at the end the following:

“9310. Individual sureties.”.

5 **SECTION 1. SHORT TITLE.**

6 *This Act may be cited as the “Security in Bonding*
7 *Act of 2012”.*

8 **SEC. 2. SURETY BOND REQUIREMENTS.**

9 *Chapter 93 of subtitle VI of title 31, United States*
10 *Code, is amended—*

11 *(1) by adding at the end the following:*

12 **“§9310. Individual sureties**

13 *“If another applicable law or regulation permits the*
14 *acceptance of a bond from a surety that is not subject to*
15 *sections 9305 and 9306 and is based on a pledge of assets*
16 *by the surety, the assets pledged by such surety shall—*

17 *“(1) consist of eligible obligations described*
18 *under section 9303(a); and*

19 *“(2) be submitted to the official of the Govern-*
20 *ment required to approve or accept the bond, who*
21 *shall deposit the assets with a depository described*
22 *under section 9303(b).”; and*

23 *(2) in the table of contents for such chapter, by*
24 *adding at the end the following:*

“9310. Individual sureties.”.

1 **SEC. 3. GAO STUDY.**

2 (a) *STUDY.*—*The Comptroller General of the United*
3 *States shall carry out a study on the following:*

4 (1) *All instances during the 10-year period prior*
5 *to the date of the enactment of this Act in which a*
6 *surety bond proposed or issued by a surety in connec-*
7 *tion with a Federal project was—*

8 (A) *rejected by a Federal contracting officer;*

9 *or*

10 (B) *accepted by a Federal contracting offi-*
11 *cer, but was later found to have been backed by*
12 *insufficient collateral or to be otherwise deficient*
13 *or with respect to which the surety did not per-*
14 *form.*

15 (2) *The consequences to the Federal Government,*
16 *subcontractors, and suppliers of the instances de-*
17 *scribed under paragraph (1).*

18 (3) *The percentages of all Federal contracts that*
19 *were awarded to small disadvantaged businesses (as*
20 *defined under section 124.1002(b) of title 13, Code of*
21 *Federal Regulations) and disadvantaged business en-*
22 *terprises (as defined under section 26.5 of title 49,*
23 *Code of Federal Regulations) as prime contractors in*
24 *the 2-year period prior to and the 2-year period fol-*
25 *lowing the date of enactment of this Act, and an as-*

1 *assessment of the impact of this Act and the amend-*
2 *ments made by this Act upon such percentages.*

3 *(b) REPORT.—Not later than the end of the 3-year pe-*
4 *riod beginning on the date of the enactment of this Act,*
5 *the Comptroller General shall issue a report to the Com-*
6 *mittee on the Judiciary of the House of Representatives and*
7 *the Committee on Homeland Security and Government Af-*
8 *airs of the Senate containing all findings and determina-*
9 *tions made in carrying out the study required under sub-*
10 *section (a).*

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