

AMENDMENT TO RULES COMMITTEE PRINT 113-

44

OFFERED BY MR. HANNA OF NEW YORK

Page 218, strike lines 17 through 20 and insert the following (and conform the table the contents accordingly):

1 SEC. 816. IMPROVING FEDERAL SURETY BONDS.

2 (a) SURETY BOND REQUIREMENTS.—Chapter 93 of
3 subtitle VI of title 31, United States Code, is amended—

4 (1) by adding at the end the following:

5 “SEC. 9310. INDIVIDUAL SURETIES.

6 “If another applicable law or regulation permits the
7 acceptance of a bond from a surety that is not subject
8 to sections 9305 and 9306 and is based on a pledge of
9 assets by the surety, the assets pledged by such surety
10 shall—

11 “(1) consist of eligible obligations described
12 under section 9303(a); and

13 “(2) be submitted to the official of the Govern-
14 ment required to approve or accept the bond, who
15 shall deposit the assets with a depository described
16 under section 9303(b).”; and

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

“9310. Individual sureties”.

3 (b) SBA SURETY BOND GUARANTEE.—Section
4 411(c)(1) of the Small Business Investment Act of 1958
5 (15 U.S.C. 694b(c)(1)) is amended by striking “70” and
6 inserting “90”.

7 (c) GAO STUDY.—

8 (1) STUDY.—The Comptroller General of the
9 United States shall carry out a study on the fol-
10 lowing:

11 (A) All instances during the 10-year period
12 prior to the date of enactment of the Act in
13 which a surety bond proposed or issued by a
14 surety in connection with a Federal project
15 was—

16 (i) rejected by a Federal contracting
17 officer; or

18 (ii) accepted by a Federal contracting
19 officer, but was later found to have been
20 backed by insufficient collateral or to be
21 otherwise deficient or with respect to which
22 the surety did not perform.

23 (B) The consequences to the Federal Gov-
24 ernment, subcontractors, and suppliers of the
25 instances described under paragraph (1).

1 (C) The percentages of all Federal con-
2 tracts that were awarded to new startup busi-
3 nesses (including new startup businesses that
4 are small disadvantaged businesses or disadvan-
5 taged business enterprises), small disadvan-
6 taged businesses, and disadvantaged business
7 enterprises as prime contractors in the 2-year
8 period prior to and the 2-year period following
9 the date of enactment of this Act, and an as-
10 sessment of the impact of this Act and the
11 amendments made by this Act upon such per-
12 centages.

13 (2) REPORT.—Not later than the end of the 3-
14 year period beginning on the date of the enactment
15 of this Act, the Comptroller General shall issue a re-
16 port to the Committee on the Judiciary of the House
17 of Representatives and the Committee on Homeland
18 Security and Government Affairs of the Senate con-
19 taining all findings and determinations made in car-
20 rying out the study required under subsection (a).

21 (3) DEFINITIONS.—For purposes of this sec-
22 tion:

23 (A) DISADVANTAGED BUSINESS ENTER-
24 PRISE.—The term “disadvantaged business en-
25 terprise” has the meaning given that term

1 under section 26.5 of title 49, Code of Federal
2 Regulations.

3 (B) NEW STARTUP BUSINESS.—The term
4 “new startup business” means a business that
5 was formed in the 2-year period ending on the
6 date on which the business bids on a Federal
7 contract that requires giving a surety bond.

8 (C) SMALL DISADVANTAGED BUSINESS.—
9 The term “small disadvantaged business” has
10 the meaning given that term under section
11 124.1002(b) of title 13, Code of Federal Regu-
12 lations.

