

“(2) may receive service of process for the corporation;

“(3) must reside in the jurisdiction of the district court for the district in which a surety bond is to be provided; and

“(4) must be a domiciliary of the State, the District of Columbia, territory, or possession in which the court sits.”

Subsec. (b). Pub. L. 106-113, §1000(a)(9) [title V, §5007(2)], substituted “If the surety corporation meets the requirement of subsection (a) by appointing an individual under subsection (a)(2), the” for “The”.

§ 9307. Civil actions and judgments against surety corporations

(a)(1) A surety corporation providing a surety bond under section 9304 of this title may be sued in a court of the United States having jurisdiction of civil actions on surety bonds in—

(A) the judicial district in which the surety bond was provided; or

(B) the district in which the principal office of the corporation is located.

(2) Under sections 9304-9308 of this title, a surety bond is deemed to be provided in the district—

(A) in which the principal office of the surety corporation is located;

(B) to which the surety bond is returnable;

(C) in which the surety bond is filed; and

(D) in which the person required to provide a surety bond resided when the bond was provided.

(b) In a proceeding against a surety corporation providing a surety bond under section 9304 of this title, the corporation may not deny its power to provide a surety bond or to assume liability.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1049.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Rows for 9307(a) and 9307(b).

In subsection (a)(1), before clause (A), the words “corporation providing a surety bond” are substituted for “company doing business” for consistency. The words “in respect thereof” are omitted as surplus. The words “civil actions on surety bonds” are substituted for “actions or suits upon such recognizance, stipulation, bond, or undertaking” for consistency. In clause (A), the words “the surety bond was provided” are substituted for “such recognizance, stipulation, bond, or undertaking was made or guaranteed” for consistency.

In subsection (a)(2), before clause (A), the words “a surety bond is deemed to be provided” are substituted for “such recognizance, stipulation, bond, or undertaking shall be treated as made or guaranteed” for consistency. In clause (A), the words “principal office of the surety corporation” are substituted for “office” for clarity and consistency. In clause (D), the words “person required to provide a surety bond resided when the bond was provided” are substituted for “principal in such recognizance, stipulation, bond, or undertaking resided when it was made or guaranteed” for consistency.

Subsection (b) is substituted for 6:12 to eliminate unnecessary words and for consistency.

§ 9308. Civil penalty

A surety corporation is liable to the United States Government for a civil penalty of at least

\$500 but not more than \$5,000 for violating section 9304, 9305, or 9306 of this title. A civil action under this section may be brought in a judicial district in which a civil action may be brought against the corporation under section 9307 of this title. A penalty imposed under this section does not affect the validity of a contract made by the surety corporation.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1049.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row for 9308.

The section is substituted for 6:13 for clarity and consistency.

§ 9309. Priority of sureties

When a person required to provide a surety bond given to the United States Government is insolvent or dies having assets insufficient to pay debts, the surety, or the executor, administrator, or assignee of the surety paying the Government the amount due under the bond—

(1) has the same priority to amounts from the assets and estate of the person as are secured for the Government; and

(2) personally may bring a civil action under the bond to recover amounts paid under the bond.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1049.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row for 9309.

In the section, before clause (1), the words “person required to provide a surety bond” are substituted for “principal in any bond” for clarity and consistency. The words “dies having assets insufficient to pay debts” are substituted for “whenever, such principal being deceased, his estate and effects which come to the hands of his executor, administrator, or assignee, are insufficient for the payment of his debts” to eliminate unnecessary words. The words “and, in either of such cases”, “on the bond”, and “such surety, his executor, administrator, or assignee” are omitted as unnecessary. Clause (1) is substituted for “shall have the like priority for the recovery and receipt of the moneys out of the estate and effects of such insolvent or deceased principal as is secured to the United States” to eliminate unnecessary words and for clarity. In clause (2), the words “and maintain” are omitted as surplus. The words “civil action” are substituted for “suit” for consistency. The words “in law or equity” are omitted as surplus.

§ 9310. Individual sureties

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

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

(2) be submitted to the official of the Government required to approve or accept the bond, who shall deposit the obligations as described under section 9303(b).

(Added Pub. L. 114-92, div. A, title VIII, §874(a)(1), Nov. 25, 2015, 129 Stat. 940.)