

AMENDMENTS

2008—Pub. L. 110-181, §3522(b), repealed Pub. L. 109-163, §3507(a)(1)(G). See 2006 Amendment note below.

Subsecs. (a), (b), (d). Pub. L. 110-181, §3522(a)(10)(B), incorporated the substance of the amendment by Pub. L. 109-163, §3507(a)(1)(G), into this section by inserting “or Administrator” after “Secretary” in section catchline and wherever appearing in text, except when followed by “of the Treasury”. See 2006 Amendment note below and section 18(a) of Pub. L. 109-304, set out as a Legislative Purpose and Construction note preceding section 101 of this title.

2006—Pub. L. 109-163, §3507(a)(1)(G), which directed the amendment of section 1275(d) of the former Appendix to this title from which this section was derived, was repealed by Pub. L. 110-181, §3522(b). See 2008 Amendment note for subsecs. (a), (b), (d) and Historical and Revision notes above.

§ 53724. Rights to secured property

(a) ACQUISITION OF SECURITY RIGHTS.—When the Secretary or Administrator makes a payment on, or assumes, an obligation under section 53721 or 53722 of this title, the Secretary or Administrator acquires the rights under the security agreement with the obligor in the security held by the Secretary or Administrator to guarantee the obligation.

(b) USE AND DISPOSITION OF SECURED PROPERTY.—Notwithstanding any other law relating to the acquisition, handling, or disposal of property by the United States Government, the Secretary or Administrator has the right, in the Secretary’s or Administrator’s discretion, to complete, reconstruct, recondition, renovate, repair, maintain, operate, charter, or sell any property acquired under a security agreement with an obligor, or to place a vessel so acquired in the National Defense Reserve Fleet. The terms of a sale under this subsection shall be as approved by the Secretary or Administrator.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1619; Pub. L. 109-163, div. C, title XXXV, §3507(a)(1)(F), Jan. 6, 2006, 119 Stat. 3555; Pub. L. 110-181, div. C, title XXXV, §3522(a)(10)(B), (11), (b), Jan. 28, 2008, 122 Stat. 598.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
53724	46 App.:1275(c).	June 29, 1936, ch. 858, title XI, §1105(c), as added June 23, 1938, ch. 600, §46, 52 Stat. 971; Aug. 15, 1953, ch. 513, §3, 67 Stat. 626; Sept. 3, 1954, ch. 1265, §5, 68 Stat. 1272; Aug. 7, 1956, ch. 1026, §1(e)-(g), 70 Stat. 1087; Pub. L. 85-520, July 15, 1958, 72 Stat. 358; Pub. L. 91-469, §33, Oct. 21, 1970, 84 Stat. 1035; restated Pub. L. 92-507, §3, Oct. 19, 1972, 86 Stat. 914; Pub. L. 97-31, §12(136), Aug. 6, 1981, 95 Stat. 166; Pub. L. 98-595, §1(10), Oct. 30, 1984, 98 Stat. 3131.

AMENDMENTS

2008—Pub. L. 110-181, §3522(b), repealed Pub. L. 109-163, §3507(a)(1)(F). See 2006 Amendment note below.

Pub. L. 110-181, §3522(a)(10)(B), (11), incorporated the substance of the amendment by Pub. L. 109-163, §3507(a)(1)(F), into this section by inserting “or Administrator” after “Secretary” wherever appearing and, in subsec. (b), “or Administrator’s” after “Secretary’s”. See 2006 Amendment note below and section 18(a) of

Pub. L. 109-304, set out as a Legislative Purpose and Construction note preceding section 101 of this title.

2006—Pub. L. 109-163, §3507(a)(1)(F), which directed the amendment of section 1275(c) of the former Appendix to this title from which this section was derived, was repealed by Pub. L. 110-181, §3522(b). See 2008 Amendment notes and Historical and Revision notes above.

§ 53725. Actions against obligor

(a) IN GENERAL.—For a default under a guaranteed obligation or related agreement, the Secretary or Administrator may take any action against the obligor or another liable party that the Secretary or Administrator considers necessary to protect the interests of the United States Government. A civil action may be brought in the name of the United States or the obligee. The obligee shall make available to the Government all records and evidence necessary to prosecute the action.

(b) TITLE, POSSESSION, AND PURCHASE.—

(1) IN GENERAL.—The Secretary or Administrator may—

(A) accept a conveyance of title to and possession of property from the obligor or another party liable to the Secretary or Administrator; and

(B) purchase the property for an amount not greater than the unpaid principal amount of the obligation and interest thereon.

(2) PAYMENT OF EXCESS.—If, through the sale of property, the Secretary or Administrator receives an amount of cash greater than the unpaid principal amount of the obligation, the unpaid interest on the obligation, and the expenses of collecting those amounts, the Secretary or Administrator shall pay the excess to the obligor.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1619; Pub. L. 109-163, div. C, title XXXV, §3507(a)(1)(F), Jan. 6, 2006, 119 Stat. 3555; Pub. L. 110-181, div. C, title XXXV, §3522(a)(10)(B), (b), Jan. 28, 2008, 122 Stat. 598.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
53725	46 App.:1275(e).	June 29, 1936, ch. 858, title XI, §1105(e), as added June 23, 1938, ch. 600, §46, 52 Stat. 971; Aug. 15, 1953, ch. 513, §3, 67 Stat. 626; Sept. 3, 1954, ch. 1265, §5, 68 Stat. 1272; Aug. 7, 1956, ch. 1026, §1(e)-(g), 70 Stat. 1087; Pub. L. 85-520, July 15, 1958, 72 Stat. 358; Pub. L. 91-469, §33, Oct. 21, 1970, 84 Stat. 1035; restated Pub. L. 92-507, §3, Oct. 19, 1972, 86 Stat. 915; Pub. L. 97-31, §12(136), Aug. 6, 1981, 95 Stat. 166; Pub. L. 98-595, §1(11), Oct. 30, 1984, 98 Stat. 3131.

In subsection (a), the words “may take any action” are substituted for “shall take such action . . . that, in his discretion, may be required” for clarity and to eliminate unnecessary words.

AMENDMENTS

2008—Pub. L. 110-181, §3522(b), repealed Pub. L. 109-163, §3507(a)(1)(F). See 2006 Amendment note below.

Pub. L. 110-181, §3522(a)(10)(B), incorporated the substance of the amendment by Pub. L. 109-163,