

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3042
OFFERED BY MR. CASTRO OF TEXAS**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Millennium Challenge
3 Corporation Candidate Country Reform Act”.

**4 SEC. 2. MODIFICATIONS OF REQUIREMENTS TO BECOME A
5 CANDIDATE COUNTRY.**

6 Section 606 of the Millennium Challenge Act of 2003
7 (22 U.S.C. 7705) is amended to read as follows:

8 “SEC. 606. CANDIDATE COUNTRIES.

9 “(a) IN GENERAL.—A country shall be a candidate
10 country for purposes of eligibility to receive assistance
11 under section 605 if—

12 “(1) the per capita income of the country in a
13 fiscal year is equal to or less than the World Bank
14 threshold for initiating the International Bank for
15 Reconstruction and Development graduation process
16 for the fiscal year; and

17 “(2) subject to subsection (b), the country is
18 not ineligible to receive United States economic as-

1 sistance under part I of the Foreign Assistance Act
2 of 1961 (22 U.S.C. 2151 et seq.) by reason of the
3 application of any provision of the Foreign Assist-
4 ance Act of 1961 or any other provision of law.

5 “(b) RULE OF CONSTRUCTION.—For the purposes of
6 determining whether a country is eligible, pursuant to sub-
7 section (a)(2), to receive assistance under section 605, the
8 exercise by the President, the Secretary of State, or any
9 other officer or employee of the United States Government
10 of any waiver or suspension of any provision of law re-
11 ferred to in subsection (a)(2), and notification to the ap-
12 propriate congressional committees in accordance with
13 such provision of law, shall be construed as satisfying the
14 requirements under subsection (a).

15 “(c) DETERMINATION BY THE BOARD.—The Board
16 shall determine whether a country is a candidate country
17 for purposes of this section.”.

18 **SEC. 3. CONFORMING AMENDMENTS.**

19 (a) AMENDMENT TO REPORT IDENTIFYING CAN-
20 DIDATE COUNTRIES.—Section 608(a)(1) of the Millen-
21 nium Challenge Act of 2003 (22 U.S.C. 7707(a)(1)) is
22 amended by striking “section 606(a)(1)(B)” and inserting
23 “section 606(a)(2)”.

1 (b) AMENDMENT TO MILLENNIUM CHALLENGE COM-
2 PACT AUTHORITY.—Section 609(b)(2) of such Act (22
3 U.S.C. 7708(b)(2)) is amended—

4 (1) by amending the paragraph heading to read
5 as follows: “COUNTRY CONTRIBUTIONS”; and

6 (2) by striking “with respect to a lower middle
7 income country described in section 606(b),”.

8 (c) AMENDMENT TO AUTHORIZATION TO PROVIDE
9 ASSISTANCE FOR CANDIDATE COUNTRIES.—Section
10 616(b)(1) of such Act (22 U.S.C. 7715(b)(1)) is amended
11 by striking “subsection (a) or (b) of section 606” and in-
12 serting “section 606(a)”.

13 **SEC. 4. MODIFICATION TO FACTORS IN DETERMINING ELI-**
14 **GIBILITY.**

15 Section 607(c)(2) of the Millennium Challenge Act of
16 2003 (22 U.S.C. 7706(c)(2)) is amended in the matter
17 preceding subparagraph (A) by striking “consider” and
18 inserting “prioritize need and impact by considering”.

19 **SEC. 5. REPORT ON EFFORTS TO UNDERMINE PROGRAMS**
20 **OF THE MILLENNIUM CHALLENGE CORPORA-**
21 **TION.**

22 Not later than 180 days after the date of the enact-
23 ment of this Act, the Chief Executive Officer of the Millen-
24 nium Challenge Corporation shall submit to the Com-
25 mittee on Foreign Affairs of the House of Representatives

1 and the Committee on Foreign Relations of the Senate
2 a report that details any efforts targeted towards under-
3 mining Corporation programs, particularly efforts con-
4 ducted by the People’s Republic of China. Such report
5 shall be submitted in unclassified form but may include
6 a classified annex.

7 **SEC. 6. ALIGNMENT OF ANNUAL REPORT.**

8 Section 613 of the Millennium Challenge Act of 2003
9 (22 U.S.C. 7712) is amended by striking subsection (a)
10 and inserting the following:

11 “(a) REPORT.—Not later than the third Friday in
12 December of each year, the Chief Executive Officer shall
13 submit to Congress a report on the assistance provided
14 under section 605 during the prior fiscal year.”.

