

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 5299
OFFERED BY MR. MEEKS OF NEW YORK**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “DFC Modernization and Reauthorization Act of 2024”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Sense of Congress and statement of policy.

TITLE I—DEFINITIONS AND LESS DEVELOPED COUNTRY FOCUS

Sec. 101. Definitions.

TITLE II—MANAGEMENT OF CORPORATION

Sec. 201. Board of directors.

Sec. 202. Chief risk officer.

Sec. 203. Vice president for development policy.

Sec. 204. Pay comparability.

TITLE III—AUTHORITIES RELATING TO PROVISION OF SUPPORT

Sec. 301. Applicability of federal credit reform act of 1990.

Sec. 302. Subordination.

Sec. 303. Termination.

TITLE IV—OTHER MATTERS

Sec. 401. Corporate powers.

Sec. 402. Maximum contingent liability.

Sec. 403. Authority to use portion of corporation fees to update information
technology systems.

Sec. 404. Annual report.

Sec. 405. Publicly available project information.

Sec. 406. Notifications to be provided by the corporation.

Sec. 407. Repeal of european energy security and diversification act of 2019.

1 **SEC. 2. SENSE OF CONGRESS AND STATEMENT OF POLICY.**

2 (a) IN GENERAL.—It is the sense of Congress that
3 the United States International Development Finance
4 Corporation should—

5 (1) seek to responsibly increase its risk toler-
6 ance in investments to ensure that the Corporation
7 is maximizing the mobilization of private capital and
8 properly pursuing its statutory objectives of advanc-
9 ing developmental and national security goals, in-
10 cluding—

11 (A) by more frequent use of one or more
12 of a variety of tools to mitigate risk to the pri-
13 vate sector, including the use of equity, accept-
14 ing creditor status that is subordinate to that
15 of other creditors, using partial guarantees, em-
16 ploying first loss coverage, and using blended fi-
17 nance;

18 (B) by guaranteeing loans up to 100 per-
19 cent of the principal as part of projects struc-
20 tured in compliance with the Better Utilization
21 of Investments Leading to Development Act of
22 2018;

23 (C) by lending, investing, or offering insur-
24 ance in high-risk countries, regions, or sectors
25 as a means to achieve its mission as a develop-

1 ment agency to mobilize capital and build pri-
2 vate markets;

3 (D) assisting European countries in
4 achieving energy security through diversification
5 of their energy sources and supply routes which
6 is in the economic and national security of the
7 United States; and

8 (2) respond to current topics of national eco-
9 nomic and foreign policy concern, including
10 nearshoring, semiconductor supply chains, and crit-
11 ical mineral security.

12 (b) STATEMENT OF POLICY.—It is the policy of the
13 United States—

14 (1) to advance United States foreign policy and
15 development goals by assisting European countries
16 to reduce their dependence on resources from coun-
17 tries that use dependence for undue political influ-
18 ence, such as the Russian Federation and the Peo-
19 ple’s Republic of China, that have used natural gas,
20 energy, and other resources to coerce, intimidate,
21 and influence other countries;

22 (2) to promote the energy security of European
23 countries by encouraging the development of acces-
24 sible, transparent, and competitive energy markets

1 that provide diversified sources, types, and routes of
2 energy;

3 (3) to encourage United States public and pri-
4 vate sector investment in energy, telecommuni-
5 cations, and other infrastructure projects in Euro-
6 pean countries to bridge the gap between security
7 requirements and commercial demand in a way that
8 is consistent with the region's absorptive capacity;
9 and

10 (4) to help facilitate the export of United States
11 energy, telecommunications, other resources, tech-
12 nology, and expertise to global markets in a way
13 that benefits the national security of the United
14 States and European allies and partners.

15 **TITLE I—DEFINITIONS AND LESS** 16 **DEVELOPED COUNTRY FOCUS**

17 **SEC. 101. DEFINITIONS.**

18 Section 1402 of the Better Utilization of Investments
19 Leading to Development Act of 2018 (22 U.S.C. 9601)
20 is amended—

21 (1) by redesignating paragraphs (2), (3), and
22 (4) as paragraphs (3), (4), and (5), respectively;

23 (2) by inserting after paragraph (1) the fol-
24 lowing:

1 “(2) HIGH-INCOME COUNTRY.—The term ‘high-
2 income country’—

3 “(A) means a country with a high-income
4 economy, as defined by International Bank for
5 Reconstruction and Development and the Inter-
6 national Development Association (collectively
7 referred to as the ‘World Bank’); but

8 “(B) does not include a wealthy country.”;

9 (3) in paragraph (3) (as so redesignated) to
10 read as follows:

11 “(3) LESS DEVELOPED COUNTRY.—The term
12 less developed country means, with respect to a fis-
13 cal year for the Corporation, a country the per cap-
14 ita income of which at the start of such fiscal year
15 is equal to or less than the then-current World Bank
16 threshold for initiating the International Bank for
17 Reconstruction and Development graduation proc-
18 ess.”; and

19 (4) in paragraph (5) (as so redesignated)—

20 (A) in subparagraph (A), by striking “or”
21 at the end;

22 (B) in subparagraph (B), by striking the
23 period at the end and inserting “; or”; and

24 (C) by adding at the end the following:

1 “(C) any other similar institution that has
2 a purpose that is similar to the purpose of the
3 Corporation as described in section 1412(b).”;
4 and
5 (5) by adding at the end the following:

6 “(6) UPPER-MIDDLE-INCOME COUNTRY.—The
7 term ‘upper-middle-income country’ means, with re-
8 spect to a fiscal year for the Corporation, a country
9 the per capita income of which at the start of such
10 fiscal year is greater than the then-current World
11 Bank threshold for initiating the International Bank
12 for Reconstruction and Development graduation
13 process, and is equal to or less than the per capita
14 income threshold defined as a high-income economy
15 by the World Bank.

16 “(7) WEALTHY COUNTRY.—The term ‘wealthy
17 country’ means a country that is among the 40
18 economies with the highest gross domestic product
19 per capita at purchasing power parity as calculated
20 by the World Bank.”.

21 **TITLE II—MANAGEMENT OF** 22 **CORPORATION**

23 **SEC. 201. BOARD OF DIRECTORS.**

24 Section 1413(b)(2)(A)(iii) of the Better Utilization of
25 Investments Leading to Development Act of 2018 (22

1 U.S.C. 9613(b)(2)(A)(iii)) is amended by striking “5 indi-
2 viduals” each place it appears and inserting “3 individ-
3 uals”.

4 **SEC. 202. CHIEF RISK OFFICER.**

5 Section 1413(f)(1) of the Better Utilization of Invest-
6 ments Leading to Development Act of 2018 (22 U.S.C.
7 9613(f)(1)) is amended—

8 (1) in the matter preceding subparagraph (A),
9 by striking “who—” and inserting “who shall be re-
10 movable only by a majority vote of the Board.”; and

11 (2) by striking subparagraphs (A) and (B).

12 **SEC. 203. VICE PRESIDENT FOR DEVELOPMENT POLICY.**

13 Section 1413 of the Better Utilization of Investments
14 Leading to Development Act of 2018 (22 U.S.C. 9613)
15 is amended striking subsection (g) and inserting the fol-
16 lowing:

17 “(g) VICE PRESIDENT FOR DEVELOPMENT POL-
18 ICY.—

19 “(1) APPOINTMENT.—The Chief Executive Of-
20 ficer shall appoint a Vice President for Development
21 Policy, who shall also have the title of Chief Devel-
22 opment Officer, from among individuals with experi-
23 ence in international development policy matters.

24 “(2) DUTIES.—The Vice President shall—

1 “(A) advise the Chief Executive Officer
2 and Deputy Chief Executive Officer on inter-
3 national development policy matters;

4 “(B) in addition to the Chief Executive Of-
5 ficer and the Deputy Chief Executive Officer,
6 represent the Corporation in the interagency
7 international development policy planning proc-
8 ess;

9 “(C) work with other relevant Federal
10 agencies to identify projects that advance
11 United States international development policy
12 interests;

13 “(D) coordinate the Corporation’s develop-
14 ment policies and implementation efforts with
15 the United States Agency for International De-
16 velopment, the Millennium Challenge Corpora-
17 tion, and other relevant United States Govern-
18 ment departments and agencies, including di-
19 rectly liaising with missions of the United
20 States Agency for International Development,
21 to ensure that departments, agencies, and mis-
22 sions have training, awareness, and access to
23 the Corporation’s tools in relation to develop-
24 ment policy and projects in countries;

1 “(E) manage employees that are dedicated
2 to monitoring and assessing the development
3 impact of Corporation transactions, including
4 transactions co-designed with the United States
5 Agency for International Development and
6 other relevant United States Government de-
7 partments and agencies;

8 “(F) authorize and coordinate transfers of
9 funds or other resources to and from such
10 agencies, departments, or missions upon the
11 concurrence of those institutions in support of
12 the Corporation’s projects or activities;

13 “(G) manage the responsibilities of the
14 Corporation under paragraphs (1) and (4) of
15 section 1442(b) and paragraphs (1)(A) and
16 (3)(A) of section 1443(b);

17 “(H) coordinate and implement the activi-
18 ties of the Corporation under section 1445;

19 “(I) be an ex officio member of the Devel-
20 opment Advisory Council established under sub-
21 section (i) and participate in or send a rep-
22 resentative to each meeting of the Council;

23 “(J) oversee the implementation of the
24 Corporation’s development impact strategy and

1 work to ensure development impact at the level
2 of transaction and portfolio-wide;

3 “(K) foster and maintain relationships
4 within the Corporation and external to the Cor-
5 poration that increase the capacity of the Cor-
6 poration to achieve its mission to advance
7 United States international development policy
8 and international development interests; and

9 “(L) coordinate within the Corporation to
10 ensure United States international development
11 policy and international development interests
12 are considered together with the Corporation’s
13 foreign policy and national security goals.”.

14 **SEC. 204. PAY COMPARABILITY.**

15 Section 1413(h)(2) of the Better Utilization of In-
16 vestments Leading to Development Act of 2018 (22
17 U.S.C. 9613(h)(2)) is amended—

18 (1) in subparagraph (A), by striking “50” and
19 inserting “70”; and

20 (2) in subparagraph (D)—

21 (A) by inserting “not to exceed 20 percent
22 of its” before “officers and employees”; and

23 (B) by striking “appointed under subpara-
24 graph (A)”.

1 **TITLE III—AUTHORITIES RELAT-**
2 **ING TO PROVISION OF SUP-**
3 **PORT**

4 **SEC. 301. APPLICABILITY OF FEDERAL CREDIT REFORM**
5 **ACT OF 1990.**

6 Section 1421(c) of the Better Utilization of Invest-
7 ments Leading to Development Act of 2018 (22 U.S.C.
8 9621(c)) as amended by this title, is further amended by
9 adding at the end the following:

10 “(7) APPLICABILITY OF FEDERAL CREDIT RE-
11 FORM ACT OF 1990.—

12 “(A) IN GENERAL.—Subject to subpara-
13 graphs (B) and (C), support provided under
14 paragraph (1) with respect to a project shall be
15 subject to the Federal Credit Reform Act of
16 1990 (2 U.S.C. 661 et seq.) for purposes of ap-
17 plying the requirements of such Act to such
18 support.

19 “(B) DETERMINATION OF COST.—

20 “(i) IN GENERAL.—For purposes of
21 section 502(5) of the Federal Credit Re-
22 form Act of 1990 (2 U.S.C. 661a(5)) the
23 cost of support provided under paragraph
24 (1) with respect to a project shall be the
25 net present value, at the time when funds

1 are disbursed to provide the support, of the
2 following estimated cash flows:

3 “(I) The purchase price of the
4 support.

5 “(II) Dividends, redemptions,
6 and other shareholder distributions
7 during the term of the support.

8 “(III) Proceeds received upon a
9 sale, redemption, or other liquidation
10 of the support.

11 “(IV) Adjustments for risk of es-
12 timated losses, if any.

13 “(ii) CHANGES IN TERMS IN-
14 CLUDED.—The estimated cash flows de-
15 scribed in subclauses (I) through (IV) of
16 clause (i) shall include the effects of
17 changes in terms resulting from the exer-
18 cise of options included in the agreement
19 to provide the support.

20 “(C) REESTIMATE OF COST.—When the
21 estimated cost of support provided under para-
22 graph (1) with respect to a project made in a
23 single fiscal year is reestimated in a subsequent
24 year, the difference between the reestimated
25 cost and the previous cost estimate shall be

1 paid from, or transferred to, the balances avail-
2 able in the Corporate Capital Account estab-
3 lished under section 1434.”.

4 **SEC. 302. SUBORDINATION.**

5 Section 1421 of the Better Utilization of Investments
6 Leading to Development Act of 2018 (22 U.S.C. 9621)
7 is amended by adding at the end the following:

8 “(j) SUBORDINATION.—

9 “(1) IN GENERAL.—The Corporation may ac-
10 cept a creditor status that is subordinate to that of
11 other creditors, if the Corporation—

12 “(A) has determined that an acceptable
13 level of risk of non-payment or under-payment
14 has been established; and

15 “(B) provides to the appropriate congres-
16 sional committees, for all financial commit-
17 ments that are greater than \$10 million—

18 “(i) notice of the determination of an
19 acceptable level of risk of non-payment or
20 under-payment; and

21 “(ii) the information required by
22 paragraph (2).

23 “(2) INFORMATION REQUIRED.—The informa-
24 tion required by this paragraph includes—

1 “(A) the amount of each such financial
2 commitment;

3 “(B) an identification of the recipient or
4 beneficiary; and

5 “(C) a description of the project, activity,
6 or asset and the development goal or purpose to
7 be achieved by providing support by the Cor-
8 poration.”.

9 **SEC. 303. TERMINATION.**

10 Section 1424(a) of the Better Utilization of Invest-
11 ments Leading to Development Act of 2018 (22 U.S.C.
12 9624) is amended by striking “7 years after the date of
13 the enactment of this Act” and inserting “7 years after
14 the date of the enactment of the DFC Modernization and
15 Reauthorization Act of 2025”.

16 **TITLE IV—OTHER MATTERS**

17 **SEC. 401. CORPORATE POWERS.**

18 Section 1432(a) of the Better Utilization of Invest-
19 ments Leading to Development Act of 2018 (22 U.S.C.
20 9632(a)) is amended—

21 (1) in paragraph (2), by striking “division C of
22 subtitle I of”; and

23 (2) in paragraph (10), by striking “until the ex-
24 piration of the current lease under predecessor au-

1 thority, as of the day before the date of the enact-
2 ment of this Act”.

3 **SEC. 402. MAXIMUM CONTINGENT LIABILITY.**

4 Section 1433 of the Better Utilization of Investments
5 Leading to Development Act of 2018 (22 U.S.C. 9633)
6 is amended by striking “\$60,000,000,000” and inserting
7 “\$120,000,000,000”.

8 **SEC. 403. AUTHORITY TO USE PORTION OF CORPORATION**
9 **FEES TO UPDATE INFORMATION TECH-**
10 **NOLOGY SYSTEMS.**

11 Section 1434 of the Better Utilization of Investments
12 Leading to Development Act of 2018 (22 U.S.C. 9634)
13 is amended—

14 (1) in subsection (d)—

15 (A) in paragraph (1)—

16 (i) in subparagraph (B), by adding
17 “and” at the end;

18 (ii) in subparagraph (C), by striking
19 the semicolon at the end and inserting a
20 period; and

21 (iii) by striking subparagraph (D);
22 and

23 (B) in paragraph (2)—

24 (i) in subparagraph (B), by striking
25 “and” at the end;

1 (ii) in subparagraph (C), by striking
2 the period at the end and inserting a semi-
3 colon; and

4 (iii) by adding at the end the fol-
5 lowing:

6 “(D) project-specific transaction costs; and

7 “(E) transfers and additions to such other
8 accounts, funds, or reserves as the Corporation
9 may establish, at such time and in such
10 amounts as the Board may determine.”; and

11 (2) in subsection (k)—

12 (A) in paragraph (1), by inserting “other
13 direct costs associated with origination or moni-
14 toring services, including seminars, conferences,
15 and other preinvestment services,” after “legal
16 expenses,”; and

17 (B) in paragraph (2), by striking “does not
18 include” and inserting “includes”.

19 **SEC. 404. ANNUAL REPORT.**

20 Section 1443(b)(1) of the Better Utilization of In-
21 vestments Leading to Development Act of 2018 (22
22 U.S.C. 9653(b)(1)) is amended—

23 (1) in subparagraph (A), by striking “and” at
24 the end; and

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

1 “(C) the total private capital projected to
2 be mobilized throughout the year, including an
3 analysis of the lenders and investors involved
4 and investment instruments used;

5 “(D) a breakdown of—

6 “(i) the amount and percentage of
7 Corporation support provided to less devel-
8 oped countries, upper-middle-income coun-
9 tries, and high-income countries in the pre-
10 vious fiscal year; and

11 “(ii) the amount and percentage of
12 Corporation support provided to less devel-
13 oped countries, upper-middle-income coun-
14 tries, and high-income countries averaged
15 over the last 5 fiscal years; and

16 “(E) a breakdown of the aggregate
17 amounts and percentage of the maximum con-
18 tingent liability of the Corporation authorized
19 to be outstanding pursuant to section 1433 in
20 less developed countries, upper-middle-income
21 countries, and high-income countries;”.

22 **SEC. 405. PUBLICLY AVAILABLE PROJECT INFORMATION.**

23 Section 1444(1) of the Better Utilization of Invest-
24 ments Leading to Development Act of 2018 (22 U.S.C.
25 9654) is amended—

1 (1) by striking “including, to the extent fea-
2 sible,” and inserting “including—

3 “(A) to the extent feasible,”; and

4 (2) by inserting after “performance metrics;
5 and” the following:

6 “(B) a description of the development im-
7 pact of the project, including anticipated impact
8 prior to initiation of the project and assessed
9 impact during and after the completion of the
10 project; and”.

11 **SEC. 406. NOTIFICATIONS TO BE PROVIDED BY THE COR-**
12 **PORATION.**

13 Section 1446(b) of the Better Utilization of Invest-
14 ments Leading to Development Act of 2018 (22 U.S.C.
15 9656(b)) is amended—

16 (1) in paragraph (2), by striking “and” at the
17 end;

18 (2) in paragraph (3), by striking the period at
19 the end and inserting “; and”; and

20 (3) by adding at the end the following:

21 “(4)(A) information relating to whether the
22 Corporation has accepted a creditor status that is
23 subordinate to that of other creditors in the project,
24 activity, or asset; and

1 “(B) for all projects, activities, or assets
2 that the Corporation has accepted a creditor
3 status that is subordinate to that of other credi-
4 tors the Corporation shall include a description
5 of the substantive policy rationale required by
6 section 1422(b)(12) that influenced the decision
7 to accept such a creditor status.”.

8 **SEC. 407. REPEAL OF EUROPEAN ENERGY SECURITY AND**
9 **DIVERSIFICATION ACT OF 2019.**

10 The European Energy Security and Diversification
11 Act of 2019 (title XX of division P of Public Law 116–
12 94; 22 U.S.C. 9501 note) is hereby repealed.

