

119TH CONGRESS
1ST SESSION

H. R. 5299

To modify and reauthorize the Better Utilization of Investments Leading
to Development Act of 2018, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 2025

Mr. MAST introduced the following bill; which was referred to the Committee
on Foreign Affairs

A BILL

To modify and reauthorize the Better Utilization of Invest-
ments Leading to Development Act of 2018, and for
other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “DFC Modernization
5 Act of 2025”.

6 **SEC. 2. SENSE OF CONGRESS; STATEMENT OF POLICY.**

7 (a) IN GENERAL.—It is the sense of Congress that
8 the United States International Development Finance
9 Corporation should seek to responsibly increase its risk
10 tolerance in investments to ensure that the Corporation

1 is maximizing the mobilization of private capital and prop-
2 erly pursuing its statutory objectives of advancing United
3 States foreign policy, economic development, and national
4 security goals to make America safer, stronger, and more
5 prosperous, including—

6 (1) by more frequent use of one or more of a
7 variety of tools to mitigate risk to the private sector,
8 including the use of equity, hybrid securities, mez-
9 zanine debt, accepting creditor status that is subor-
10 dinate to that of other creditors, using partial guar-
11 antees, employing first loss coverage, insurance, and
12 using blended finance;

13 (2) by lending, investing, or offering insurance
14 in high-risk countries, regions, or sectors as a means
15 to achieve its mission as a United States foreign pol-
16 icy and development agency of economic statecraft
17 to mobilize capital, secure strategic needs, and build
18 private markets;

19 (3) by preventing strategic competitor inroads
20 and dominance of key sectors such as infrastructure,
21 critical and rare earth minerals, and critical supply
22 chains and industries, which is in the economic and
23 national security interests of the United States; and

24 (4) by assisting allied and partner countries in
25 achieving energy security through diversification of

1 their energy sources and supply routes which is in
2 the economic and national security interests of the
3 United States.

4 (b) STATEMENT OF POLICY.—It is the policy of the
5 United States—

6 (1) to advance United States foreign policy, na-
7 tional security, and economic development goals by
8 facilitating market-based private sector development
9 in countries to make America safer, stronger, and
10 more prosperous;

11 (2) to counter or limit strategic competitor in-
12 roads and dominance of key sectors such as infra-
13 structure, critical and rare earth minerals, and crit-
14 ical supply chains and industries through support of
15 diversified private sector options and by providing a
16 robust alternative to and reducing reliance on state-
17 directed, unsustainable financing by strategic com-
18 petitors of the United States;

19 (3) to advance United States foreign policy, na-
20 tional security, and economic development goals by
21 assisting countries to reduce their dependence on re-
22 sources from countries that use dependence for
23 undue malign influence and that have used natural
24 gas, nuclear energy, oil, rare earths, critical and

1 strategic materials, and other resources to coerce,
2 intimidate, and influence other countries;

3 (4) to promote the energy security of allied and
4 partner countries by encouraging the development of
5 accessible, transparent, and competitive energy mar-
6 kets that provide diversified sources, energy types,
7 and diversified energy transport and distribution
8 methods and routes, which are in the economic and
9 national security interests of the United States;

10 (5) to encourage United States public and pri-
11 vate sector investment in energy, telecommuni-
12 cations, and other infrastructure projects in allied
13 and partner countries to bridge the gap between se-
14 curity requirements and commercial demand con-
15 sistent with the country's absorptive capacity;

16 (6) to facilitate the export of United States en-
17 ergy, telecommunications, technology, expertise, and
18 other resources to global markets in a way that ben-
19 efits the economic and national security interests of
20 the United States;

21 (7) to support private sector development in
22 countries that promote economic prosperity in a
23 manner that can help to curb illegal migration and
24 secure the borders of the United States;

1 (8) to facilitate procurement of necessary re-
2 sources and supply chains for the benefit of the
3 United States and its citizens; and

4 (9) to facilitate market-based private sector de-
5 velopment and economic growth through the provi-
6 sion of credit, capital, and other financial support by
7 taking on substantial financial risk, and when nec-
8 essary financial losses, to unlock new, significant
9 private capital investments or achieve or advance
10 major United States foreign policy objectives. Losses
11 may be expected, in certain instances, at the indi-
12 vidual investment level and financial performance
13 may be measured at the overall portfolio level.

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

16 **SEC. 101. DEFINITIONS.**

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

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

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

24 “(2) HIGH-INCOME COUNTRY.—The term ‘high-
25 income country’ means a country with a high-income

1 economy, as defined by International Bank for Re-
2 construction and Development and the International
3 Development Association (collectively referred to as
4 the ‘World Bank’).’;

5 (3) in paragraph (5), as so redesignated—

6 (A) in subparagraph (A), by striking “or”
7 at the end;

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

10 (C) by adding at the end, the following:

11 “(C) any other similar institution that has
12 a purpose that is similar to the purposes of the
13 Corporation as described in section 1412(b) of
14 this title.”; and

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

16 “(6) COUNTRY OF CONCERN.—The term ‘coun-
17 try of concern’ means any of the following countries:

18 “(A) The Bolivarian Republic of Ven-
19 ezuela.

20 “(B) The Republic of Cuba.

21 “(C) The Democratic People’s Republican
22 of Korea.

23 “(D) The Islamic Republic of Iran.

24 “(E) The People’s Republic of China.

25 “(F) The Russian Federation.

1 “(G) Belarus.”.

2 **SEC. 102. LESS DEVELOPED COUNTRY FOCUS.**

3 Section 1412 of the Better Utilization of Investments
4 Leading to Development Act of 2018 (22 U.S.C. 9612)
5 is amended—

6 (1) by inserting “and high income countries
7 and areas, as appropriate,” after “less developed
8 countries”; and

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

10 “(3) SUPPORT IN HIGH-INCOME COUNTRIES
11 AND AREAS.—The Corporation shall restrict the pro-
12 vision of support under title II in high-income coun-
13 tries and areas unless the President certifies to the
14 appropriate congressional committees that such sup-
15 port furthers the national economic or foreign policy
16 interests of the United States.”.

17 **TITLE II—MANAGEMENT OF**
18 **CORPORATION**

19 **SEC. 201. BOARD OF DIRECTORS.**

20 Section 1413(b) of the Better Utilization of Invest-
21 ments Leading to Development Act of 2018 (22 U.S.C.
22 9613(b)) is amended—

23 (1) in subparagraph (2)(A)(iii), by striking “5
24 individuals” each place it appears and inserting “3
25 individuals”;

(2) in subparagraph (2)(B)(i), by striking subclause III and inserting the following:

“(III) One other principal officer from an executive Department designated by the President.”; and

(3) by striking subparagraph (4) and inserting the following:

“(4) VICE CHAIRPERSON.—The President shall appoint a member of the Board to serve as the Vice Chairperson of the Board.”.

SEC. 202. CHIEF RISK OFFICER.

Section 1413(f) of the Better Utilization of Investments Leading to Development Act of 2018 (22 U.S.C. 9613(f)) is amended—

(1) in the matter preceding subparagraph (A), by striking “, who—” and inserting a period;

(2) in paragraph (1), by striking subparagraphs (A) and (B); and

(3) in paragraph (2), by striking “audit” and inserting “risk”.

SEC. 203. CHIEF DEVELOPMENT OFFICER.

(a) IN GENERAL.—Section 1413 of the Better Utilization of Investments Leading to Development Act of 2018 (22 U.S.C. 9613) is amended—

1 (1) in subsection (a), by striking “a Chief De-
2 velopment Officer,”;

3 (2) by striking subsection (g) and redesignating
4 subsections (h) and (i) as subsections (g) and (h),
5 respectively;

6 (3) in subsection (g) as so redesignated, by
7 striking paragraph (1) and inserting the following:

8 “(1) IN GENERAL.—Except as otherwise pro-
9 vided in this section, officers, employees, and agents
10 shall be selected and appointed by or under the au-
11 thority of the Chief Executive Officer, and shall be
12 vested with such powers and duties as the Chief Ex-
13 ecutive Officer or the designee of the Chief Execu-
14 tive Officer may determine.”; and

15 (4) in subsection (h), as so redesignated, by
16 striking “and the Chief Development Officer,”.

17 (b) CHIEF EXECUTIVE OFFICER.—Section 1445 of
18 the Better Utilization of Investments Leading to Develop-
19 ment Act of 2018 (22 U.S.C. 9655) is amended—

20 (1) by striking subsection (a) and inserting the
21 following:

22 “(a) IN GENERAL.—The Chief Executive Officer
23 shall—

1 “(1) develop a strategic relationship with pri-
2 vate sector entities focused at the nexus of business
3 opportunities and development priorities;

4 “(2) engage such entities and reduce business
5 risks primarily through direct transaction support
6 and facilitating investment partnerships;

7 “(3) develop and support tools, approaches, and
8 intermediaries that can mobilize private finance at
9 scale in the developing world; and

10 “(4) pursue highly developmental projects of all
11 sizes, especially those that are small but designed for
12 work in the most underdeveloped areas, including
13 countries with chronic suffering as a result of ex-
14 treme poverty, fragile institutions, or a history of vi-
15 olence.”; and

16 (2) in subsection (c), by striking “the United
17 States Agency for International Development and”.

18 **SEC. 204. ADMINISTRATIVELY DETERMINED POSITIONS.**

19 Section 1413(g)(2) of the Better Utilization of In-
20 vestments Leading to Development Act of 2018 (22
21 U.S.C. 9613(g)(2)), as so redesignated, is amended in
22 subparagraph (A) by striking “50” and inserting “100”.

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

4 **SEC. 301. EQUITY LIMITATION.**

5 Section 1421(c)(4)(A) of the Better Utilization of In-
6 vestments Leading to Development Act of 2018 (22
7 U.S.C. 9621(c)(4)(A)) is amended by striking “30” and
8 inserting “49”.

9 **SEC. 302. REVOLVING EQUITY INVESTMENT ACCOUNT.**

10 (a) **EQUITY INVESTMENTS ACCOUNT.**—Section
11 1421(c) of the Better Utilization of Investments Leading
12 to Development Act of 2018 (22 U.S.C. 9621(c)) is
13 amended by adding at the end the following:

14 “(7) **EQUITY INVESTMENTS ACCOUNT.**—

15 “(A) **ESTABLISHMENT.**—There is estab-
16 lished in the Treasury of the United States an
17 Equity Investments Account of the United
18 States International Development Finance Cor-
19 poration (referred to in this subsection as the
20 ‘Equity Investments Account’).

21 “(B) **RETENTION OF COLLECTIONS.**—Col-
22 lections derived from the earnings, fees, credits,
23 and other collections from the equity invest-
24 ments made using amounts in the Equity In-
25 vestments Account shall be deposited into the

1 Equity Investments Account, and shall be avail-
2 able to the Corporation without further appro-
3 priation or fiscal year limitation for carrying
4 out the purposes of this section.”.

5 (b) COLLECTIONS.—Section 1434(h) of the Better
6 Utilization of Investments Leading to Development Act of
7 2018 (22 U.S.C. 9634(h)) is amended by adding “except
8 earnings, fees, credits, and other collections related to eq-
9 uity investments from the Equity Investments Account,”
10 after “earnings collected related to equity investments,”.

11 **SEC. 303. ENTERPRISE FUNDS.**

12 Section 1421(g) of the Better Utilization of Invest-
13 ments Leading to Development Act of 2018 (22 U.S.C.
14 9621(g)) is amended—

15 (1) in paragraph (1), by striking “the Adminis-
16 trator of the United States Agency for International
17 Development,”; and

18 (2) in paragraph (3)(E), by striking “Agency
19 for International Development”.

20 **SEC. 304. TERMINATION.**

21 Section 1424(a) of the Better Utilization of invest-
22 ments Leading to Development Act of 2018 (22 U.S.C.
23 9624(a)) is amended by striking “the date that is 7 years
24 after the date of the enactment of this Act” and inserting
25 “December 31, 2031”.

1 **TITLE IV—OTHER MATTERS**

2 **SEC. 401. CORPORATE POWERS.**

3 Section 1432(a) of the Better Utilization of Invest-
4 ments Leading to Development Act of 2018 (22 U.S.C.
5 9632(a)) is amended—

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

8 (2) in paragraph (10), by striking “until the ex-
9 piration of the current lease under predecessor au-
10 thority, as of the day before the date of the enact-
11 ment of this Act”.

12 **SEC. 402. MAXIMUM CONTINGENT LIABILITY.**

13 Section 1433 of the Better Utilization of Investments
14 Leading to Development Act of 2018 (22 U.S.C. 9633)
15 is amended by striking “\$60,000,000,000” and inserting
16 “\$250,000,000,000”.

17 **SEC. 403. AUTHORITY TO USE PORTION OF CORPORATION**
18 **FEES TO UPDATE INFORMATION TECH-**
19 **NOLOGY SYSTEMS; TRANSFER OF FUNDS.**

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

23 (1) in subsection (d)—

24 (A) in paragraph (1)—

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

3 (ii) in subparagraph (C), by striking
4 the semicolon at the end and inserting a
5 period; and

6 (iii) by striking subparagraph (D);
7 and
8 (B) in paragraph (2)—

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

11 (ii) in subparagraph (C), by striking
12 the period at the end and inserting a semi-
13 colon; and

14 (iii) by adding at the end the fol-
15 lowing:

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

17 “(E) transfers and additions to such other
18 accounts, funds, or reserves as the Corporation
19 may establish, at such time and in such
20 amounts as the Board may determine.”;

21 (2) in subsection (j), by inserting “(i) title 10,
22 United States Code, (ii) the Strategic and Critical
23 Materials Stock Piling Act (50 U.S.C. 98 et seq.),
24 or (iii)” after “funds authorized to be appropriated
25 to carry out”; and

1 (3) in subsection (k)—

2 (A) in paragraph (1), by inserting “other
3 direct costs associated with origination or moni-
4 toring services, including seminars, conferences,
5 and other pre-investment services,” after “legal
6 expenses,”; and

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

9 **SEC. 404. NOTIFICATIONS TO BE PROVIDED BY THE COR-**
10 **PORATION.**

11 Section 1446(a) of the Better Utilization of Invest-
12 ments Leading to Development Act of 2018 (22 U.S.C.
13 9656(a)) is amended by striking “\$10,000,000” and in-
14 serting “\$100,000,000”.

15 **SEC. 405. MILLENNIUM CHALLENGE CORPORATION.**

16 (a) **COORDINATION WITH OTHER DEVELOPMENT**
17 **AGENCIES.**—Section 1435 of the Better Utilization of In-
18 vestments Leading to Development Act of 2018 (22
19 U.S.C. 9635) is amended by striking “the United States
20 Agency for International Development”.

21 (b) **SOURCES OF INFORMATION.**—Section 1451(g)(2)
22 of the Better Utilization of Investments Leading to Devel-
23 opment Act of 2018 (22 U.S.C. 9671(g)(2)) is amended
24 by striking “the Department of Commerce’s Country
25 Commercial Guides, or the Millennium Challenge Corpora-

tion’s Constraints Analysis,” and inserting “or the Department of Commerce’s Country Commercial Guides,”.

SEC. 406. STATE-OWNED ENTERPRISES.

Section 1451 of the Better Utilization of Investments Leading to Development Act of 2018 (22 U.S.C. 9671) is amended by adding at the end the following:

“(j) POLICIES WITH RESPECT TO STATE-OWNED ENTERPRISES, ANTICOMPETITIVE PRACTICES, AND COUNTRIES OF CONCERN.—

“(1) POLICY.—The Corporation shall develop appropriate policies and guidelines for support provided under title II for a project involving a state-owned enterprise, sovereign wealth fund, or a parastatal entity to ensure such support is provided consistent with appropriate principles and practices of competitive neutrality.

“(2) PROHIBITIONS.—

“(A) ANTICOMPETITIVE PRACTICES.—The Corporation may not provide support under title II for a project that involves a private sector entity engaged in anticompetitive practices.

“(B) COUNTRIES OF CONCERN.—The Corporation may not provide support under title II for projects—

1 “(i) that involve partnerships with the
2 government of a country of concern or a
3 state-owned enterprise that belongs to or is
4 under the control of a foreign country of
5 concern; or

6 “(ii) that would be operated, man-
7 aged, or controlled by the government of a
8 country of concern or a state-owned enter-
9 prise that belongs to or is under the con-
10 trol of a foreign country of concern.

11 “(3) DEFINITIONS.—In this subsection:

12 “(A) STATE-OWNED ENTERPRISE.—The
13 term ‘state-owned enterprise’ means any enter-
14 prise established for a commercial or business
15 purpose that is directly owned or controlled by
16 one or more governments, including any agency,
17 instrumentality, subdivision, or other unit of
18 government at any level of jurisdiction.

19 “(B) CONTROL.—The term ‘control’, with
20 respect to an enterprise, means the power by
21 any means to control the enterprise regardless
22 of—

23 “(i) the level of ownership; and

24 “(ii) whether or not the power is exer-
25 cised.

1 “(C) OWNED.—The term ‘owned’, with re-
 2 spect to an enterprise, means a majority or con-
 3 trolling interest, whether by value or voting in-
 4 terest, of the shares of that enterprise, includ-
 5 ing through fiduciaries, agents, or other means.

6 “(4) QUALIFYING SOVEREIGN ENTITY.—State-
 7 owned enterprises, sovereign wealth funds, or
 8 parastatal entities that the Corporation supports,
 9 pursuant to the policy and prohibitions in section
 10 407 (1) and (2), shall be considered as a ‘qualifying
 11 sovereign entity’ as defined in section 1402.”.

12 **SEC. 407. REPEAL OF REDUNDANT PROVISIONS OF THE EU-**
 13 **ROPEAN ENERGY SECURITY AND DIVER-**
 14 **SIFICATION ACT OF 2019.**

15 The European Energy Security and Diversification
 16 Act of 2019 (title XX of division P of Public Law 116–
 17 94; 22 U.S.C. 9501 note) is hereby repealed.

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