

**Suspend the Rules and Pass the Bill, H.R. 1616, With an Amendment**

**(The amendment strikes all after the enacting clause and inserts a new text)**

116TH CONGRESS  
1ST SESSION

# H. R. 1616

To prioritize the efforts of and enhance coordination among United States agencies to encourage countries in Central and Eastern Europe to diversify their energy sources and supply routes, increase Europe's energy security, and help the United States reach its global energy security goals, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2019

Mr. KINZINGER (for himself, Mr. KEATING, Mr. FITZPATRICK, and Mr. GONZALEZ of Texas) introduced the following bill; which was referred to the Committee on Foreign Affairs

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## A BILL

To prioritize the efforts of and enhance coordination among United States agencies to encourage countries in Central and Eastern Europe to diversify their energy sources and supply routes, increase Europe's energy security, and help the United States reach its global energy security goals, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “European Energy Se-  
3 curity and Diversification Act of 2019”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act:

6 (1) **EARLY-STAGE PROJECT SUPPORT.**—The  
7 term “early-stage project support” includes the fol-  
8 lowing:

9 (A) Feasibility studies.

10 (B) Resource evaluations.

11 (C) Project appraisal and costing.

12 (D) Pilot projects.

13 (E) Commercial support, such as trade  
14 missions, reverse trade missions, technical  
15 workshops, international buyer programs, and  
16 international partner searchers to link suppliers  
17 to projects.

18 (F) Technical assistance and other guid-  
19 ance to improve the local regulatory environ-  
20 ment and market frameworks to encourage  
21 transparent competition and enhance energy se-  
22 curity.

23 (G) Long-term energy sector planning.

24 (2) **LATE-STAGE PROJECT SUPPORT.**—The term  
25 “late-stage project support” includes support de-  
26 scribed in section 1421 of the Better Utilization of

1 Investments Leading to Development Act of 2018  
2 (also referred to as the “BUILD Act of 2018”; en-  
3 acted as division F of the FAA Reauthorization Act  
4 of 2018 (Public Law 115–254)).

5 (3) INTERNATIONAL FINANCIAL INSTITU-  
6 TION.—The term “international financial institu-  
7 tion” has the meaning given such term in section  
8 1701(e) of the International Financial Institutions  
9 Act (22 U.S.C. 262r(e)).

10 **SEC. 3. SENSE OF CONGRESS; STATEMENT OF POLICY.**

11 (a) SENSE OF CONGRESS.—It is the sense of Con-  
12 gress that the United States has economic and national  
13 security interests in assisting European and Eurasian  
14 countries achieve energy security through diversification  
15 of their energy sources and supply routes.

16 (b) STATEMENT OF POLICY.—It is the policy of the  
17 United States to—

18 (1) advance United States foreign policy and  
19 development goals by assisting European and Eur-  
20 asian countries to reduce their dependence on energy  
21 resources from countries that use energy dependence  
22 for undue political influence, such as the Russian  
23 Federation, which has used natural gas to coerce, in-  
24 timidate, and influence other countries;



1 under the foreign policy guidance of the Secretary, shall,  
2 as appropriate, prioritize and expedite the efforts of the  
3 Department of State and such agencies in supporting the  
4 efforts of the European Commission and European and  
5 Eurasian countries to increase the energy security of such  
6 countries, including through—

7 (1) providing diplomatic and political support to  
8 the European Commission and such countries, as  
9 necessary to—

10 (A) facilitate international negotiations  
11 concerning cross-border infrastructure;

12 (B) enhance Europe's and Eurasia's regu-  
13 latory environment with respect to energy; and

14 (C) develop accessible, transparent, and  
15 competitive energy markets supplied by diverse  
16 sources, types, and routes of energy; and

17 (2) providing support to improve European and  
18 Eurasian energy markets, including early-stage  
19 project support and late-stage project support for  
20 the construction or improvement of energy infra-  
21 structure, as necessary, to—

22 (A) diversify the energy sources and supply  
23 routes of such countries;

24 (B) enhance energy market integration  
25 across the region; and

1 (C) increase competition within energy  
2 markets.

3 (b) PROJECT SELECTION.—

4 (1) IN GENERAL.—The Secretary of State, in  
5 consultation with the heads of agencies described in  
6 subsection (a), shall identify and, in accordance with  
7 paragraph (3), select energy infrastructure projects  
8 that would be appropriate for United States assist-  
9 ance under this section.

10 (2) PROJECT ELIGIBILITY.—A project is eligible  
11 for United States assistance under this section if  
12 such project is—

13 (A) related to—

14 (i) natural gas infrastructure, such as  
15 interconnectors, storage facilities, liquefied  
16 natural gas import facilities, or reverse  
17 flow capacity;

18 (ii) electricity transmission infrastruc-  
19 ture, electricity storage projects, or smart  
20 grid projects;

21 (iii) renewable energy projects in  
22 wind, solar, tidal, or other forms; or

23 (iv) the improvement, rehabilitation,  
24 or construction of electricity generation fa-

1                   cilities to increase the efficiency and reli-  
2                   ability of electricity production; and

3                   (B) located in a European or Eurasian  
4                   country.

5                   (3) PREFERENCE.—In selecting among projects  
6                   that are eligible under paragraph (2), the Secretary  
7                   of State and the heads of agencies described in sub-  
8                   section (a) shall give preference to projects that—

9                   (A) improve the capacity of energy systems  
10                  to efficiently transfer gas and electricity within  
11                  and between European or Eurasian countries;

12                  (B) have already been identified by the  
13                  European Commission as being integral for the  
14                  energy security of European or Eurasian coun-  
15                  tries;

16                  (C) are expected to enhance energy market  
17                  integration and transparency;

18                  (D) can attract funding from the private  
19                  sector, an international financial institution, the  
20                  government of the country in which the project  
21                  will be carried out, or the European Commis-  
22                  sion; or

23                  (E) have the potential to use United States  
24                  goods and services.

25                  (c) TYPES OF ASSISTANCE.—

1           (1) DIPLOMATIC AND POLITICAL SUPPORT.—

2           The Secretary of State, in coordination with the  
3           heads of agencies described in subsection (a), as ap-  
4           propriate, shall provide diplomatic and political sup-  
5           port to the European Commission and European or  
6           Eurasian countries, as necessary, including by using  
7           the diplomatic and political influence and expertise  
8           of the Department of State to build the capacity of  
9           such countries to resolve any impediments to the de-  
10          velopment of projects selected under subsection (b).

11          (2) EARLY-STAGE PROJECT SUPPORT.—The

12          Secretary of State, in coordination, as appropriate,  
13          with the heads of agencies described in subsection  
14          (a), including the Director of the Trade and Devel-  
15          opment Agency, shall provide early-stage project  
16          support to projects selected under subsection (b), as  
17          necessary and in accordance with section 661 of the  
18          Foreign Assistance Act of 1961 (22 U.S.C. 2421).

19          (3) LATE-STAGE PROJECT SUPPORT.—The Sec-

20          retary of State, in coordination, as appropriate, with  
21          the heads of agencies described in subsection (a),  
22          shall provide late-stage project support to projects  
23          selected under subsection (b), as necessary and in  
24          accordance with section 1412 of the Better Utiliza-  
25          tion of Investments Leading to Development Act (re-



1       lating to the establishment of the United States  
2       International Development Finance Corporation).

3       (d) FUNDING.—

4           (1) TRADE AND DEVELOPMENT AGENCY.—Sub-  
5       paragraph (A) of section 661(f)(1) of the Foreign  
6       Assistance Act of 1961 (22 U.S.C. 2421(f)(1)) is  
7       amended by striking “\$48,000,000 for fiscal year  
8       2000” and inserting “\$79,500,000 for fiscal year  
9       2020”.

10          (2) COUNTERING RUSSIAN INFLUENCE FUND.—  
11       Section 254 of the Countering Russian Influence in  
12       Europe and Eurasia Act of 2017 (enacted as title II  
13       of the Countering America’s Adversaries Through  
14       Sanctions Act; Public Law 115–44; 22 U.S.C. 9543)  
15       is amended—

16           (A) in subsection (a), by striking “fiscal  
17           years 2018 and 2019” and adding “fiscal years  
18           2020 and 2021”; and

19           (B) in subsection (b), by adding at the end  
20           the following new paragraph:

21           “(7) To assist United States agencies that op-  
22           erate under the foreign policy guidance of the Sec-  
23           retary of State in providing assistance under section  
24           4 of the European Energy Security and Diversifica-  
25           tion Act of 2019.”.

1 (e) EXCEPTION.—No United States assistance under  
2 this section may be provided to a European or Eurasian  
3 country that engages in a significant transaction described  
4 in subsection (a) of section 231 of the Countering Amer-  
5 ica’s Adversaries Through Sanctions Act (22 U.S.C.  
6 9525).

7 **SEC. 5. PROGRESS REPORTS.**

8 Not later than one year after the date of the enact-  
9 ment of this Act and annually thereafter for seven years,  
10 the President shall transmit to the Committee on Foreign  
11 Relations of the Senate and the Committee on Foreign  
12 Affairs of the House of Representatives a report on  
13 progress made in providing assistance for projects under  
14 section 4 that includes the following:

15 (1) A description of the energy infrastructure  
16 projects the United States has identified for such as-  
17 sistance.

18 (2) For each such project, the following:

19 (A) A description of the role of the United  
20 States in the project, including in early-stage  
21 project support and late-stage project support.

22 (B) The amount and form of any debt fi-  
23 nancing and insurance provided by the United  
24 States Government for the project.

1                   (C) The amount and form of any early-  
2                   stage project support.

3                   (D) An update on the progress made on  
4                   the project as of the date of the report.

Amend the title so as to read: “A bill to prioritize the efforts of and enhance coordination among United States agencies to encourage countries in Europe and Eurasia to diversify their energy sources and supply routes, increase energy security in the region, and help the United States reach its global energy security goals, and for other purposes.”.