

115TH CONGRESS
2D SESSION

S. 2551

To modernize United States international food assistance programs made available through the Food for Peace Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 14, 2018

Mr. CORKER (for himself and Mr. COONS) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To modernize United States international food assistance programs made available through the Food for Peace Act, 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 “Food for Peace Mod-
5 ernization Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. United States policies.

TITLE I—EMERGENCY AND NONEMERGENCY INTERNATIONAL
FOOD ASSISTANCE PROGRAMS

Sec. 101. Food for Peace Program.

TITLE II—GENERAL AUTHORITIES AND REQUIREMENTS

Sec. 201. Definitions.

Sec. 202. General provisions.

Sec. 203. Agreements.

Sec. 204. Administrative provisions.

Sec. 205. Expiration date.

Sec. 206. Minimum level of nonemergency food assistance.

Sec. 207. Micronutrient fortification programs.

Sec. 208. John Ogonowski and Doug Bereuter Farmer-to-Farmer Program.

1 SEC. 3. UNITED STATES POLICIES.

2 The Food for Peace Act (7 U.S.C. 1691 et seq.) is
3 amended by striking sections 2 and 3 (7 U.S.C. 1691 and
4 1691a) and inserting the following:

5 “SEC. 2. UNITED STATES POLICIES.

6 “(a) IN GENERAL.—It is the policy of the United
7 States to advance the security, economic, and humani-
8 tarian interests of the United States overseas by sup-
9 porting the growth of healthier, more stable societies and
10 creating opportunities for expanded United States invest-
11 ment and trade through the provision of United States
12 foreign assistance, including agricultural commodities, au-
13 thorized under this Act to—

14 “(1) reduce global poverty, hunger, malnutri-
15 tion, and their attendant causes;

16 “(2) respond to, mitigate, and prevent famines
17 and food crises arising from natural and man-made
18 disasters;

1 “(3) improve food and nutrition security while
2 building resilience to shocks, particularly among vul-
3 nerable groups;

4 “(4) advance democracy and free market prin-
5 ciples, facilitate trade, and catalyze inclusive, agri-
6 culture-led economic growth in developing countries;
7 and

8 “(5) reduce long-term reliance upon United
9 States foreign assistance.

10 “(b) EFFICIENCY AND EFFECTIVENESS OF UNITED
11 STATES INTERNATIONAL FOOD ASSISTANCE.—It is the
12 policy of the United States to enhance the efficiency and
13 effectiveness of United States international food assist-
14 ance activities by—

15 “(1) coordinating with, and seeking commit-
16 ments of appropriate levels of food assistance by, do-
17 nors to meet the legitimate needs of developing
18 countries and countries experiencing food crises;

19 “(2) ensuring that food assistance continues to
20 be provided through appropriate channels, including
21 through—

22 “(A) intergovernmental and multilateral
23 organizations;

1 “(B) international, national, and local pri-
2 vate voluntary, nongovernmental, faith-based,
3 and civil society organizations; and

4 “(C) national and local governments and
5 institutions; and

6 “(3) ensuring, to the maximum extent prac-
7 ticable, that options for providing food assistance for
8 emergency and nonemergency purposes, including
9 through the provision of in-kind agricultural com-
10 modities or other forms of United States foreign as-
11 sistance, are not subject to limitation, provided
12 that—

13 “(A) decisions about to whom, when,
14 where, and how to provide assistance are based
15 on thorough assessments of need, timeliness,
16 appropriateness, cost-effectiveness, and risk of
17 diversion and waste; and

18 “(B) such assistance is provided in a man-
19 ner that—

20 “(i) avoids disincentives to local agri-
21 cultural production and marketing; and

22 “(ii) minimizes commercial market
23 disruptions; and

24 “(C) rigorously monitoring and evaluating
25 food assistance programs and activities, identi-

1 fying best practices, sharing learning, and
 2 adapting such programs and activities as nec-
 3 essary and appropriate.”.

4 **TITLE I—EMERGENCY AND NON-**
 5 **EMERGENCY INTERNATIONAL**
 6 **FOOD ASSISTANCE PRO-**
 7 **GRAMS**

8 **SEC. 101. FOOD FOR PEACE PROGRAM.**

9 Title II of the Food for Peace Act (7 U.S.C. 1721
 10 et seq.) is amended to read as follows:

11 **“TITLE II—EMERGENCY AND**
 12 **NONEMERGENCY INTER-**
 13 **NATIONAL FOOD ASSISTANCE**
 14 **PROGRAMS**

15 **“SEC. 201. ESTABLISHMENT OF FOOD FOR PEACE PRO-**
 16 **GRAM.**

17 “The President, working through the Administrator
 18 of the United States Agency for International Develop-
 19 ment (referred to in this title as the ‘Administrator’) shall
 20 establish a program (to be known as the ‘Food for Peace
 21 Program’) to provide assistance, including agricultural
 22 commodities, in foreign countries on behalf of the people
 23 of the United States in furtherance of the policies set forth
 24 in section 2.

1 **“SEC. 202. PROVISION OF ASSISTANCE.**

2 “(a) EMERGENCY ASSISTANCE.—Notwithstanding
3 any other provision of law, the Administrator may provide
4 assistance, including agricultural commodities, under this
5 title to meet emergency food security needs through gov-
6 ernments and public or private entities, including intergov-
7 ernmental organizations such as the World Food Program
8 and other multilateral organizations, in such manner, in-
9 cluding through grants, contracts, and other transactions,
10 and on such terms and conditions as the Administrator
11 determines appropriate.

12 “(b) NONEMERGENCY FOOD ASSISTANCE.—

13 “(1) IN GENERAL.—The Administrator may
14 provide assistance, including agricultural commod-
15 ities, under this title to meet nonemergency food se-
16 curity needs through eligible organizations described
17 in subsection (d) in such manner, including through
18 grants, contracts, and other transactions, and on
19 such terms and conditions as the Administrator de-
20 termines appropriate.

21 “(2) PROGRAM DIVERSITY.—The Administrator
22 may—

23 “(A) encourage eligible organizations to
24 propose and implement program plans to ad-
25 dress one or more of the policies set forth in
26 section 2; and

1 “(B) consider proposals that incorporate a
2 variety of program objectives and strategic
3 plans based on the identification by eligible or-
4 ganizations of appropriate activities, consistent
5 with section 2, to promote economic develop-
6 ment in foreign countries.

7 “(3) COORDINATION.—Nonemergency assist-
8 ance provided under this title shall be coordinated,
9 to the greatest extent practicable and appropriate,
10 with complementary food and nutrition security as-
11 sistance made available pursuant to chapter 1 of
12 part I of the Foreign Assistance Act of 1961 (22
13 U.S.C. 2151 et seq.).

14 “(c) USES OF AGRICULTURAL COMMODITIES.—Agri-
15 cultural commodities provided under this title may be
16 made available for direct distribution, sale, barter, or
17 other appropriate disposition.

18 “(d) ELIGIBLE ORGANIZATIONS.—To be eligible to
19 receive assistance under subsection (b), an organization
20 shall be—

21 “(1) a private voluntary organization or cooper-
22 ative that is, to the extent practicable, registered
23 with the Administrator; or

24 “(2) an intergovernmental organization, such as
25 the World Food Program.

1 “(e) INVESTMENT AUTHORITY.—An eligible organi-
2 zation that receives financial assistance under this title
3 may invest such funds pending use for project purposes.
4 Any interest earned on such investment shall be used for
5 the purposes for which the assistance was provided to the
6 eligible organization without further appropriation by
7 Congress.

8 “(f) EFFECTIVE USE OF ASSISTANCE.—Organiza-
9 tions and cooperatives receiving assistance, including agri-
10 cultural commodities, under this title shall ensure that
11 such assistance is used effectively and in the areas of
12 greatest need by—

13 “(1) working with indigenous institutions and
14 employing indigenous workers, to the extent feasible;

15 “(2) assessing and taking into account nutri-
16 tional and other needs of beneficiary groups;

17 “(3) helping such beneficiary groups to design
18 and carry out mutually acceptable projects;

19 “(4) recommending to the Administrator meth-
20 ods of making assistance available that are the most
21 appropriate for each local setting;

22 “(5) supervising the provision of assistance, in-
23 cluding the distribution of agricultural commodities,
24 and the implementation of the projects for which as-

1 sistance, including agricultural commodities, was
2 provided under this title; and

3 “(6) regularly monitoring and evaluating the ef-
4 fectiveness of projects for which assistance, including
5 agricultural commodities, was provided under this
6 title, including activities related to program integ-
7 rity.

8 “(g) LABELING.—Assistance, including agricultural
9 commodities provided under this title, shall, to the great-
10 est extent practicable, be clearly identified with appro-
11 priate markings in the language of the locality in which
12 such assistance is provided, as being furnished by the peo-
13 ple of the United States of America.

14 **“SEC. 203. SECURING THE ROLE OF AMERICAN FARMERS IN**
15 **THE FOOD FOR PEACE PROGRAM.**

16 “(a) FINDINGS.—Congress finds the following:

17 “(1) American farmers have played a critical
18 role in the Food for Peace program since Congress
19 established such program in 1954 to reduce hunger
20 and poverty overseas through the donation of sur-
21 plus government-held agricultural commodities that
22 had accumulated under Department of Agriculture
23 commodity price support programs.

24 “(2) Through the generosity of the American
25 people, and with the help of American farmers—

1 “(A) more than 4,000,000,000 people have
2 received life-saving food assistance; and

3 “(B) more than 150 countries have bene-
4 fited from United States supported food secu-
5 rity programs.

6 “(3) Despite the cessation of the commodity
7 price support programs and the drawdown of sur-
8 plus stocks that occasioned the creation of the Food
9 for Peace program in 1954, American farmers con-
10 tinue to play a critical role in United States inter-
11 national food assistance programs, particularly as a
12 result of their innovation, expertise, and unmatched
13 capacity to produce high quality agricultural com-
14 modities that are critical to meeting growing global
15 food needs.

16 “(b) SENSE OF CONGRESS.—It is the sense of Con-
17 gress that modernizing the Food for Peace program, in-
18 cluding through the introduction of more flexible ap-
19 proaches to meeting food needs overseas, does not negate
20 the need and desire for American farmers to continue to
21 play an integral role in United States international food
22 assistance and agricultural development programs over-
23 seas.

1 **“SEC. 204. MINIMUM LEVELS.**

2 “(a) AGRICULTURAL COMMODITIES.—Not less than
3 25 percent of the amounts made available to provide as-
4 sistance, including agricultural commodities, under section
5 202 shall be made available for the purchase and distribu-
6 tion of United States agricultural commodities, including
7 associated costs for the provision of agricultural commod-
8 ities, in accordance with this title.

9 “(b) NONEMERGENCY FOOD ASSISTANCE.—

10 “(1) IN GENERAL.—Of the amounts made
11 available to carry out this title, not less than
12 \$350,000,000 shall be expended for nonemergency
13 food assistance authorized under section 202(b).

14 “(2) NONDUPLICATION.—In order to avoid du-
15 plication and ensure the availability of resources to
16 meet emergency needs, funds made available under
17 chapter 1 of part I of the Foreign Assistance Act of
18 1961 (22 U.S.C. 2151 et seq.) through grants or co-
19 operative agreements to strengthen food security in
20 developing countries that are consistent with the
21 goals of this title may be deemed to be expended on
22 nonemergency food assistance for the purposes of
23 this subsection.

24 “(3) LIMITATION.—The amount made available
25 pursuant to paragraph (1) may not exceed 30 per-

1 cent of the total amount made available in any fiscal
2 year to carry out this title.

3 “(c) USE OF VALUE-ADDED COMMODITIES.—In
4 making agricultural commodities available under this title,
5 the Administrator should seek to ensure that—

6 “(1) not less than 75 percent of the quantity of
7 such commodities required to be distributed during
8 each fiscal year under subsection (a) be in the form
9 of processed, fortified, or bagged commodities; and

10 “(2) not less than 50 percent of the quantity of
11 the bagged, whole grain commodities be bagged in
12 the United States.

13 **“SEC. 205. GENERATION AND USE OF CURRENCIES BY PRI-**
14 **VATE VOLUNTARY ORGANIZATIONS AND CO-**
15 **OPERATIVES.**

16 “(a) LOCAL SALE AND BARTER OF COMMODITIES.—
17 An agreement entered into between the Administrator and
18 a private voluntary organization or cooperative to provide
19 food assistance through such organization or cooperative
20 under this title may provide for the sale or barter in one
21 or more recipient countries, or one or more countries in
22 the same region, of the commodities to be provided under
23 such agreement.

24 “(b) LEVEL OF LOCAL SALES.—In carrying out
25 agreements of the type referred to in subsection (a), the

1 Administrator may permit private voluntary organizations
2 and cooperatives to sell, in one or more recipient countries,
3 or one or more countries in the same region, an amount
4 of commodities equal to not more than 15 percent of the
5 aggregate amounts of all commodities distributed under
6 section 202(b).

7 “(c) DESCRIPTION OF INTENDED USES.—A private
8 voluntary organization or cooperative submitting a pro-
9 posal to enter into a nonemergency food assistance agree-
10 ment under this title shall include, in such proposal, a de-
11 scription of the intended uses of any proceeds that may
12 be generated through the sale, in one or more recipient
13 countries, or in one or more countries in the same region,
14 of any commodities provided under an agreement de-
15 scribed in subsection (a).

16 “(d) USE.—Proceeds generated from any partial or
17 full sale or barter of commodities by a private voluntary
18 organization or cooperative under a nonemergency food
19 assistance agreement under this title may—

20 “(1) be used for associated costs;

21 “(2) be used to implement income-generating,
22 community development, health, nutrition, coopera-
23 tive development, agricultural, and other develop-
24 mental activities within one or more recipient coun-

1 tries or within one or more countries in the same re-
2 gion; or

3 “(3) be invested, and any interest earned on
4 such investment shall be used for the purposes for
5 which the assistance was provided to that organiza-
6 tion without further appropriation by Congress.

7 **“SEC. 206. FOOD ASSISTANCE CONSULTATIVE GROUP.**

8 “(a) ESTABLISHMENT.—There is established a Food
9 Assistance Consultative Group (referred to in this section
10 as the ‘Group’), that shall meet regularly to review and
11 address issues concerning the effectiveness of the regula-
12 tions and procedures that govern food assistance programs
13 established and implemented under this title and the im-
14 plementation of other provisions of this title that may in-
15 volve eligible organizations described in section 202(d)(1).

16 “(b) MEMBERSHIP.—The Group shall be composed
17 of—

18 “(1) the Administrator;

19 “(2) the Under Secretary of Agriculture for
20 Farm and Foreign Agricultural Services;

21 “(3) the Inspector General of the United States
22 Agency for International Development;

23 “(4) a representative of each private voluntary
24 organization and cooperative participating in a pro-
25 gram under this title, or receiving planning assist-

1 ance funds from the United States Agency for Inter-
2 national Development to establish programs under
3 this title;

4 “(5) representatives from African, Asian, and
5 Latin American indigenous nongovernmental organi-
6 zations determined appropriate by the Adminis-
7 trator;

8 “(6) representatives from agricultural producer
9 groups in the United States;

10 “(7) representatives from the United States ag-
11 ricultural processing sector involved in providing ag-
12 ricultural commodities for programs under this Act;
13 and

14 “(8) representatives from the maritime trans-
15 portation sector involved in transporting agricultural
16 commodities overseas for programs under this Act.

17 “(c) CHAIRPERSON.—The Administrator shall be the
18 chairperson of the Group.

19 “(d) CONSULTATIONS.—

20 “(1) CONSULTATION IN ADVANCE OF ISSUANCE
21 OF IMPLEMENTATION REGULATIONS, HANDBOOKS,
22 AND GUIDELINES.—Not later than 30 days before a
23 proposed regulation, handbook, or guideline imple-
24 menting a provision of this title, or a proposed sig-
25 nificant revision to a regulation, handbook, or guide-

1 line implementing a provision of this title, becomes
2 final, the Administrator shall submit the proposal to
3 the Group for review and comment. The Adminis-
4 trator shall consult with and, not less frequently
5 than twice per year, meet with the Group regarding
6 such proposed regulations, handbooks, guidelines, or
7 revisions before they are issued in final form.

8 “(2) CONSULTATION REGARDING FOOD AID
9 QUALITY EFFORTS.—The Administrator shall seek
10 input from, and consult with, the Group on the im-
11 plementation of section 207(d)(4).

12 “(e) FEDERAL ADVISORY COMMITTEE ACT.—The
13 Federal Advisory Committee Act (5 U.S.C. App.) shall not
14 apply to the Group.

15 “(f) TERMINATION.—The Group shall terminate on
16 December 31, 2023.

17 **“SEC. 207. ADMINISTRATION.**

18 “(a) REGULATIONS AND GUIDANCE.—

19 “(1) IN GENERAL.—The Administrator shall
20 promptly issue all necessary regulations and make
21 revisions to agency guidelines with respect to
22 changes in the operation or implementation of the
23 programs established under this title. Not later than
24 270 days after the date of the enactment of the
25 Food for Peace Modernization Act, the Adminis-

1 trator shall issue all regulations and revisions to
2 agency guidance necessary to implement the amend-
3 ments made to this title by such Act.

4 “(2) REQUIREMENTS.—The Administrator shall
5 develop the regulations and guidance with the intent
6 of—

7 “(A) simplifying procedures for participa-
8 tion in the programs established under this
9 title;

10 “(B) reducing paperwork requirements
11 under such programs; and

12 “(C) establishing reasonable and realistic
13 accountability standards to be applied to eligible
14 organizations participating in the programs es-
15 tablished under this title, taking into consider-
16 ation the problems associated with carrying out
17 programs in developing countries.

18 “(b) TIMELY PROVISION OF UNITED STATES AGRI-
19 CULTURAL COMMODITIES.—The Administrator, in con-
20 sultation with the Secretary, shall develop procedures that
21 ensure the expedited processing of agricultural commodity
22 call forwards to provide agricultural commodities overseas
23 in a timely manner and to the extent feasible, according
24 to planned delivery schedules.

1 “(c) **TIMELY APPROVAL.**—The Administrator is en-
2 couraged to finalize program agreements and resource re-
3 quests for programs under this title before the beginning
4 of each fiscal year.

5 “(d) **PROGRAM OVERSIGHT, MONITORING, AND**
6 **EVALUATION.**—

7 “(1) **DUTIES OF ADMINISTRATOR.**—The Admin-
8 istrator, in consultation with the Secretary, shall es-
9 tablish systems and carry out activities—

10 “(A) to determine the need for assistance
11 provided under this title; and

12 “(B) to monitor, evaluate, and improve the
13 efficiency, effectiveness, and impact of the as-
14 sistance provided under this title.

15 “(2) **REQUIREMENTS OF SYSTEMS AND ACTIVI-**
16 **TIES.**—The systems and activities described in para-
17 graph (1) shall include—

18 “(A) program monitors in countries that
19 receive assistance under this title;

20 “(B) country and regional food assistance
21 impact evaluations;

22 “(C) the identification and implementation
23 of best practices for food assistance programs;

24 “(D) the evaluation of monetization pro-
25 grams;

1 “(E) early warning assessments and sys-
2 tems to help prevent famines; and

3 “(F) maintenance of information tech-
4 nology systems.

5 “(3) CONTRACT AUTHORITY.—

6 “(A) IN GENERAL.—Subject to subpara-
7 graphs (B) and (C), in carrying out administra-
8 tive and management activities relating to each
9 activity under paragraph (1), the Administrator
10 may enter into contracts with one or more indi-
11 viduals for personal service to be performed in
12 recipient countries or neighboring countries.

13 “(B) PROHIBITION.—An individual who
14 enters into a contract with the Administrator
15 under subparagraph (A) shall not be considered
16 to be an employee of the Federal Government
17 for the purpose of any law (including regula-
18 tions) administered by the Office of Personnel
19 Management.

20 “(C) PERSONAL SERVICE.—Subparagraph
21 (A) does not limit the ability of the Adminis-
22 trator to enter into a contract with any indi-
23 vidual for personal service under section 202(a).

24 “(4) FOOD ASSISTANCE QUALITY.—

1 “(A) IN GENERAL.—The Administrator
2 shall use amounts made available to carry out
3 this title—

4 “(i) to assess the types and quality of
5 agricultural commodities and products for
6 food assistance;

7 “(ii) to adjust products and formula-
8 tions, including potential introduction of
9 new fortificants and products, as nec-
10 essary, to cost effectively meet nutrient
11 needs of target populations;

12 “(iii) to test prototypes;

13 “(iv) to adopt new specifications or
14 improve existing specifications for micro-
15 nutrient fortified food assistance products,
16 based on the latest developments in food
17 and nutrition science, and in coordination
18 with other international partners;

19 “(v) to develop new program guidance
20 to facilitate improved matching of products
21 to purposes having nutritional intent, in
22 coordination with other international part-
23 ners;

24 “(vi) to develop improved guidance for
25 implementing partners on how to address

1 nutritional deficiencies that emerge among
2 recipients for whom food assistance is the
3 sole source of diet in emergency programs
4 that extend beyond 1 year, in coordination
5 with other international partners; and

6 “(vii) to evaluate, in appropriate set-
7 tings and as necessary, the performance
8 and cost-effectiveness of new or modified
9 specialized food products and program ap-
10 proaches designed to meet the nutritional
11 needs of the most vulnerable groups, such
12 as pregnant and lactating mothers, and
13 children under the age of five.

14 “(B) ADMINISTRATION.—The Adminis-
15 trator—

16 “(i) shall carry out this paragraph in
17 consultation with independent entities with
18 proven expertise in food assistance com-
19 modity quality enhancements;

20 “(ii) may enter into contracts or
21 grants to obtain the expertise of such enti-
22 ties; and

23 “(iii) shall consult with the Food As-
24 sistance Consultative Group on how to
25 carry out this paragraph.

1 “(C) FUNDING LIMITATION.—Of the
2 amounts made available under paragraph (5),
3 for fiscal years 2019 through 2023, not more
4 than \$4,500,000 may be used to carry out this
5 paragraph.

6 “(5) FUNDING.—

7 “(A) IN GENERAL.—Subject to paragraph
8 (4)(C), in addition to other funds made avail-
9 able to the Administrator to carry out the mon-
10 itoring of emergency food assistance, the Ad-
11 ministrator may use up to 5 percent of the
12 amounts made available under this Act for each
13 of the fiscal years 2019 through 2023 to imple-
14 ment this subsection.

15 “(B) LIMITATIONS.—

16 “(i) IN GENERAL.—Subject to clause
17 (ii), of the amounts made available under
18 subparagraph (A), for each of the fiscal
19 years 2019 through 2023, not more than
20 \$8,000,000 may be used by the Adminis-
21 trator to carry out paragraph (2)(E).

22 “(ii) CONDITION.—No funds shall be
23 made available for a fiscal year under sub-
24 paragraph (A), in accordance with clause
25 (i), unless not less than an equal value is

1 made available under the Foreign Assist-
2 ance Act of 1961 (22 U.S.C. 2151 et seq.)
3 for such purposes for such fiscal year.

4 “(e) PROJECT REPORTING.—

5 “(1) IN GENERAL.—In submitting project re-
6 ports to the Administrator, a private voluntary orga-
7 nization or cooperative shall provide a copy of the
8 reports in such form as is necessary for the reports
9 to be displayed for public use on the website of the
10 United States Agency for International Develop-
11 ment.

12 “(2) CONFIDENTIAL INFORMATION.—An orga-
13 nization or cooperative described in paragraph (1)
14 may omit any confidential information from the copy
15 of the report submitted for public display under that
16 paragraph.

17 **“SEC. 208. INTERNATIONAL FOOD RELIEF PARTNERSHIP.**

18 “(a) IN GENERAL.—The Administrator may provide
19 grants to—

20 “(1) United States nonprofit organizations (as
21 described in subsection (c)(3) of section 501 of the
22 Internal Revenue Code of 1986 and exempt from tax
23 under subsection (a) of such section) for the prepa-
24 ration of shelf-stable, prepackaged foods requested
25 by eligible organizations and the establishment and

1 maintenance of stockpiles of the foods in the United
2 States; and

3 “(2) private voluntary organizations and inter-
4 national organizations for the rapid transportation,
5 delivery, and distribution of shelf-stable, pre-
6 packaged foods described in paragraph (1) to needy
7 individuals in foreign countries.

8 “(b) GRANTS FOR ESTABLISHMENT OF STOCK-
9 PILES.—

10 “(1) IN GENERAL.—Not more than 70 percent
11 of the amount made available to carry out this sec-
12 tion may be used to provide grants under subsection
13 (a)(1).

14 “(2) PRIORITY.—In providing grants under
15 subsection (a)(1), the Administrator shall provide a
16 preference to any United States nonprofit organiza-
17 tion that agrees to dedicate, for the preparation of
18 shelf-stable prepackaged foods and the establishment
19 and maintenance of stockpiles of such foods in the
20 United States in accordance with subsection
21 (a)(1)—

22 “(A) non-Federal funds equal to 50 per-
23 cent of the amount of grant funds received
24 under subsection (a)(1);

1 “(B) in-kind contributions valued at 50
2 percent of the amount of grant funds received
3 under subsection (a)(1); or

4 “(C) a combination of such funds and in-
5 kind contributions with a combined value of 50
6 percent of the amount of grant funds received
7 under subsection (a)(1).

8 “(c) GRANTS FOR RAPID TRANSPORTATION, DELIV-
9 ERY, AND DISTRIBUTION.—Not less than 20 percent of
10 the amount made available to carry out this section shall
11 be used to provide grants under subsection (a)(2).

12 “(d) ADMINISTRATIVE COSTS.—Not more than 10
13 percent of the amount made available to carry out this
14 section may be used by the Administrator for the adminis-
15 tration of grants under subsection (a).

16 “(e) REGULATIONS OR GUIDELINES.—Not later than
17 180 days after the date of the enactment of the Food for
18 Peace Modernization Act, the Administrator shall issue
19 such regulations or guidelines as the Administrator deter-
20 mines to be necessary to carry out this section, including
21 regulations or guidelines that provide to United States
22 nonprofit organizations eligible to receive grants under
23 subsection (a)(1) guidance with respect to the require-
24 ments for qualified, shelf-stable prepackaged foods and the
25 quantity of the foods to be stockpiled by the organizations.

1 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
 2 is authorized to be appropriated to the Administrator to
 3 carry out this section, in addition to amounts otherwise
 4 available to carry out this section, \$10,000,000 for each
 5 of the fiscal years 2019 through 2023, to remain available
 6 until expended.”.

7 **TITLE II—GENERAL AUTHORI-**
 8 **TIES AND REQUIREMENTS**

9 **SEC. 201. DEFINITIONS.**

10 Section 402 of the Food for Peace Act (7 U.S.C.
 11 1732) is amended—

12 (1) by amending paragraph (3) to read as fol-
 13 lows:

14 “(3) APPROPRIATE COMMITTEES OF CON-
 15 GRESS.—The term ‘appropriate committee of Con-
 16 gress’ means—

17 “(A) the Committee on Agriculture, Nutri-
 18 tion, and Forestry of the Senate;

19 “(B) the Committee on Appropriations of
 20 the Senate;

21 “(C) the Committee on Foreign Relations
 22 of the Senate;

23 “(D) the Committee on Agriculture of the
 24 House of Representatives;

1 “(E) the Committee on Appropriations of
2 the House of Representatives; and

3 “(F) the Committee on Foreign Affairs of
4 the House of Representatives.”;

5 (2) by redesignating paragraphs (4), (5), (6),
6 (7), (8), and (9) as paragraphs (5), (6), (7), (8),
7 (9), and (10), respectively; and

8 (3) by inserting after paragraph (3) the fol-
9 lowing:

10 “(4) ASSOCIATED COSTS.—The term ‘associated
11 costs’ means funds made available under this Act to
12 eligible organizations described in section 202(d)—

13 “(A) to establish programs under this Act;

14 “(B) to meet specific administrative, man-
15 agement, personnel, transportation, storage,
16 distribution, and implementation costs for car-
17 rying out programs and providing commodities
18 in foreign countries under this Act;

19 “(C) in the case of commodities for urgent
20 and extraordinary relief requirements (including
21 prepositioned commodities), to meet the trans-
22 portation costs incurred in moving such com-
23 modities from designated points of entry or
24 ports of entry abroad to storage and distribu-

1 tion sites and associated storage and distribu-
2 tion costs; and

3 “(D) to improve and implement methodolo-
4 gies for food assistance programs, including
5 needs assessments (upon the request of the Ad-
6 ministrators), monitoring, and evaluation.”.

7 **SEC. 202. GENERAL PROVISIONS.**

8 Section 403 of the Food for Peace Act (7 U.S.C.
9 1733) is amended—

10 (1) in subsection (a)—

11 (A) in paragraphs (1) and (2), by inserting
12 “agricultural” before “commodity” each place
13 such term appears; and

14 (B) in paragraph (2) by striking “that
15 country” and inserting “the recipient country”;

16 (2) in subsection (c), by striking “donated or
17 purchased” and inserting “provided”;

18 (3) in subsection (e)(1), by striking “assure”
19 and inserting “ensure”;

20 (4) in subsection (i)—

21 (A) in paragraph (1), by striking “as ap-
22 propriate,” and inserting “as appropriate and
23 in consultation with the Secretary of State,”;

24 (B) in paragraph (2)(B), by striking “as
25 appropriate,” and inserting “as appropriate and

1 in consultation with the Secretary of State,”;
2 and

3 (C) in paragraph (3), by striking “as ap-
4 propriate,” and inserting “as appropriate and
5 in consultation with the Secretary of State,”;
6 and

7 (5) by amending subsection (m) to read as fol-
8 lows:

9 “(m) MONITORING REQUIREMENT.—Funds made
10 available under this Act may only be used to provide as-
11 sistance to recipients if adequate monitoring and controls,
12 as determined by the Administrator, are in place to ensure
13 that emergency food assistance is received by the intended
14 beneficiaries in areas affected by food shortages and not
15 diverted for unauthorized or inappropriate purposes.”.

16 **SEC. 203. AGREEMENTS.**

17 Section 404 of the Food for Peace Act (7 U.S.C.
18 1734) is amended—

19 (a) in subsection (c)—

20 (1) in paragraph (1), by striking “to recipient
21 countries” and inserting “in recipient countries”;
22 and

23 (2) in paragraph (2)(B), by striking “aid” and
24 inserting “assistance”; and

25 (b) by amending subsection (d) to read as follows:

1 “(d) REVIEW OF AGREEMENTS.—The Administrator
2 may terminate, or refuse to enter into, a multi-year agree-
3 ment with an eligible organization in a country if the Sec-
4 retary or the Administrator determines that such country
5 is not fulfilling the objectives or requirements under this
6 Act, after considering the extent to which the country is—

7 “(1) making significant economic development
8 reforms;

9 “(2) promoting free and open markets for food
10 and agricultural producers; and

11 “(3) fostering increased food security.”.

12 **SEC. 204. ADMINISTRATIVE PROVISIONS.**

13 Section 407 of the Food for Peace Act (7 U.S.C.
14 1736a) is amended—

15 (1) in subsection (c)(4)(A), by striking “2018”
16 both places such term appears and inserting
17 “2023”; and

18 (2) by amending subsection (f) to read as fol-
19 lows:

20 “(f) ANNUAL REPORT.—

21 “(1) IN GENERAL.—Not later than April 1 of
22 each fiscal year, the Administrator and the Sec-
23 retary shall jointly prepare and submit to the appro-
24 priate committees of Congress a report regarding

1 each program and activity carried out under this Act
2 during the prior fiscal year.

3 “(2) CONTENTS.—An annual report described
4 in paragraph (1) shall include, with respect to the
5 prior fiscal year—

6 “(A) a list that contains a description of
7 each country and organization that receives
8 food and other assistance under this Act (in-
9 cluding the quantity of food and assistance pro-
10 vided to each country and organization);

11 “(B) a general description of each project
12 and activity implemented under this Act (in-
13 cluding each activity funded through the use of
14 local currencies) and the total number of bene-
15 ficiaries of the project and the activities carried
16 out through such project;

17 “(C) a statement describing the quantity
18 of agricultural commodities made available to,
19 and the total number of beneficiaries in, each
20 country pursuant to—

21 “(i) section 416(b) of the Agricultural
22 Act of 1949 (7 U.S.C. 1431(b));

23 “(ii) the Food for Progress Act of
24 1985 (7 U.S.C. 1736o); and

1 “(iii) the McGovern-Dole Inter-
2 national Food for Education and Child
3 Nutrition Program established by section
4 3107 of the Farm Security and Rural In-
5 vestment Act of 2002 (7 U.S.C. 1736o–1);

6 “(D) an assessment of the progress made
7 through programs under this Act towards re-
8 ducing food insecurity in the populations receiv-
9 ing food assistance from the United States;

10 “(E) a description of efforts undertaken by
11 the Food Assistance Consultative Group under
12 section 206 to achieve an integrated and effec-
13 tive food assistance program;

14 “(F) an assessment of—

15 “(i) each program oversight, moni-
16 toring, and evaluation system implemented
17 under section 207(d); and

18 “(ii) the impact of each program over-
19 sight, monitoring, and evaluation system
20 on the effectiveness and efficiency of as-
21 sistance provided under this title;

22 “(G) an assessment of the progress made
23 by the Administrator in addressing issues relat-
24 ing to quality with respect to the provision of
25 food assistance;

1 “(H) the amount of funds (including funds
2 for administrative costs, indirect cost recovery,
3 internal transportation, storage and handling,
4 and associated distribution costs) provided to
5 each eligible organization that received assist-
6 ance under this Act in the applicable fiscal
7 year;

8 “(I) a description of how the funds de-
9 scribed in subparagraph (H) were used by the
10 eligible organization;

11 “(J) a description of the actual rate of re-
12 turn for each agricultural commodity made
13 available under this Act, including—

14 “(i) factors that influenced the rate of
15 return; and

16 “(ii) for each agricultural commodity,
17 the cost of bagging or further processing,
18 ocean transportation, inland transportation
19 in the recipient country, storage costs, and
20 any other information that the Adminis-
21 trator determines to be necessary;

22 “(K) for each instance in which an agricul-
23 tural commodity was made available under this
24 Act at a rate of return less than 70 percent, a

1 description of the reasons for the rate of return
2 realized; and

3 “(L) a description of how funds provided
4 under section 207 were utilized.

5 “(3) RATE OF RETURN DESCRIBED.—For the
6 purposes of paragraph (2)(J), the rate of return for
7 an agricultural commodity shall be equal to the pro-
8 portion that—

9 “(A) the proceeds the implementing part-
10 ners generate through monetization; bears to

11 “(B) the cost to the Federal Government
12 to procure and ship the agricultural commodity
13 to a recipient country for monetization.”.

14 **SEC. 205. EXPIRATION DATE.**

15 Section 408 of the Food for Peace Act (7 U.S.C.
16 1736b) is amended by striking “2018” and inserting
17 “2023”.

18 **SEC. 206. MINIMUM LEVEL OF NONEMERGENCY FOOD AS-**
19 **SISTANCE.**

20 Section 412 of the Food for Peace Act (7 U.S.C.
21 1736f) is amended by striking subsection (e).

22 **SEC. 207. MICRONUTRIENT FORTIFICATION PROGRAMS.**

23 Section 415(c) of the Food for Peace Act (7 U.S.C.
24 1736g–2(c)) is amended by striking “September 30,
25 2018” and inserting “December 31, 2023”.

1 **SEC. 208. JOHN OGWONSKI AND DOUG BEREUTER FARM-**
2 **ER-TO-FARMER PROGRAM.**

3 Section 501 of the Food for Peace Act (7 U.S.C.
4 1737) is amended—

5 (1) in subsection (d), in the matter preceding
6 paragraph (1), by striking “2018, to carry out this
7 Act” and inserting “2023, to carry out section
8 202(b)”; and

9 (2) in subsection (e)(1), by striking “2018” and
10 inserting “2023”.

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