

116TH CONGRESS  
1ST SESSION

# H. R. 3407

To strengthen the competitiveness of the United States, to modernize and reform the United States Export Finance Agency, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 21, 2019

Ms. WATERS (for herself and Mr. MCHENRY) introduced the following bill;  
which was referred to the Committee on Financial Services

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## A BILL

To strengthen the competitiveness of the United States, to modernize and reform the United States Export Finance Agency, 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 “United States Export  
5       Finance Agency Act of 2019”.

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

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

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. Findings.

Sec. 4. Renaming of the Export-Import Bank of the United States.

TITLE I—PROMOTING UNITED STATES LEADERSHIP AND  
INNOVATION

- Sec. 101. Authorization period.
- Sec. 102. Aggregate loan, guarantee, and insurance authority.
- Sec. 103. Program on China and transformational exports.
- Sec. 104. Strengthening support for U.S. small businesses.
- Sec. 105. Office of Minority and Women Inclusion.
- Sec. 106. Support for United States territories.
- Sec. 107. Promoting renewable energy exports.
- Sec. 108. Alternative procedures during quorum lapse.
- Sec. 109. Information technology systems.
- Sec. 110. Administratively determined pay.
- Sec. 111. Survey on blockchain use in the operations of United States exporters.

TITLE II—IMPROVING AGENCY OPERATIONS AND ENHANCING  
TRANSPARENCY AND ACCOUNTABILITY

- Sec. 201. Annual testimony.
- Sec. 202. Independent audit of regional export finance centers.
- Sec. 203. Risk Management Committee.
- Sec. 204. Ensuring Agency compliance with additionality requirements.
- Sec. 205. Reinsurance program.
- Sec. 206. Report on new Agency policies, procedures, and bylaws.
- Sec. 207. Report on travel practices of Agency employees.
- Sec. 208. Report on steps taken to correct deficiencies related to information security.
- Sec. 209. Additional requirements involving certain transactions.
- Sec. 210. Anti-fraud reforms.

TITLE III—FOREIGN POLICY CONSIDERATIONS

- Sec. 301. Chinese government-owned enterprises.
- Sec. 302. International negotiations on export subsidies.
- Sec. 303. Prohibition on financing for exports involving state sponsors of terrorism.

TITLE IV—MISCELLANEOUS PROVISIONS

- Sec. 401. Miscellaneous updates relating to the United States Export Finance Agency.
- Sec. 402. Prohibition on financing for certain aviation-related vehicles.

**1 SEC. 3. FINDINGS.**

**2       The Congress finds as follows:**

**3               (1) The Export-Import Bank of the United**  
**4       States (EXIM)—the official export credit agency of**  
**5       the United States—is designed to help create and**  
**6       support U.S. jobs by providing American exporters**

1 with the financing tools necessary to compete in the  
2 global markets.

3 (2) Over its 85-year history, under both Repub-  
4 lican and Democratic administrations, the Export-  
5 Import Bank of the United States has been reau-  
6 thorized 17 times with large bipartisan majorities in  
7 Congress.

8 (3) Over the last 10 years, the Export-Import  
9 Bank of the United States has financed more than  
10 \$186,000,000,000 in authorizations supporting more  
11 than \$255,000,000,000 in United States exports  
12 and supported 1,600,000 United States jobs in all  
13 50 states; in fiscal year 2018, EXIM authorized  
14 \$3,300,000,000 in financing and supported an esti-  
15 mated 33,000 United States jobs.

16 (4) By its charter, it is the policy of the United  
17 States that the Export-Import Bank of the United  
18 States should not compete with the private sector,  
19 but rather to fill export financing gaps through its  
20 insurance, loan guarantee, and direct lending pro-  
21 grams when the private sector is unable or unwilling  
22 to do so.

23 (5) With more than 100 export credit agencies  
24 globally, the Export-Import Bank of the United  
25 States, if appropriately utilized, can level the playing

1 field to ensure that United States companies will not  
2 lose out on a sale of United States exports because  
3 of financing terms offered by foreign governments.

4 (6) In fiscal year 2018, 90.5 percent of the Ex-  
5 port-Import Bank of the United States' authoriza-  
6 tions directly supported small businesses, including  
7 315 small businesses that used the Export-Import  
8 Bank of the United States for the first time.

9 (7) In fiscal year 2014, when the Export-Im-  
10 port Bank of the United States was last fully oper-  
11 ational, EXIM authorized \$751,000,000 to support  
12 minority- and women-owned business exports.

13 (8) In fiscal year 2018, the Export-Import  
14 Bank of the United States approved \$451,400,000  
15 in support of minority- or woman-owned businesses,  
16 which accounted for 21 percent of total small busi-  
17 ness authorizations.

18 (9) The charter of the Export-Import Bank of  
19 the United States requires the Bank to lend only if  
20 there exists reasonable assurance that it will be re-  
21 paid, and Congress subjects EXIM to statutory re-  
22 strictions and oversight to safeguard its fiscal sound-  
23 ness, limit mismanagement, and prevent corruption.

24 (10) EXIM was last reauthorized in December  
25 2015, and its charter expires September 30, 2019.

1           (11) Despite bicameral support for the Bank’s  
2        reauthorization in 2015, the Senate did not confirm  
3        the directors of EXIM until May 2019. As a result,  
4        the Bank did not have a quorum and could not ap-  
5        prove transactions over \$10,000,000.

6   **SEC. 4. RENAMING OF THE EXPORT-IMPORT BANK OF THE**  
7                           **UNITED STATES.**

8        (a) IN GENERAL.—The Export-Import Bank of the  
9        United States is hereby redesignated as the United States  
10       Export Finance Agency.

11       (b) REFERENCES.—Any reference to the Export-Im-  
12       port Bank of the United States in any law, rule, regula-  
13       tion, certificate, directive, instruction, or other official  
14       paper in force on the date of the enactment of this Act  
15       shall be considered to refer and apply to the United States  
16       Export Finance Agency.

17   **TITLE I—PROMOTING UNITED**  
18           **STATES LEADERSHIP AND IN-**  
19           **NOVATION**

20   **SEC. 101. AUTHORIZATION PERIOD.**

21        Section 7 of the Export-Import Bank Act of 1945  
22        (12 U.S.C. 635f) is amended by striking “2019” and in-  
23        serting “2026”.

1 **SEC. 102. AGGREGATE LOAN, GUARANTEE, AND INSURANCE**

2 **AUTHORITY.**

3 Section 6(a)(2) of the Export-Import Bank Act of  
4 1945 (12 U.S.C. 635e(a)(2)) is amended to read as fol-  
5 lows:

6 “(2) APPLICABLE AMOUNT DEFINED.—In this  
7 subsection, the term ‘applicable amount’ means—

8 “(A) \$145,000,000,000 for fiscal year  
9 2020;

10 “(B) \$150,000,000,000 for fiscal year  
11 2021;

12 “(C) \$155,000,000,000 for fiscal year  
13 2022;

14 “(D) \$160,000,000,000 for fiscal year  
15 2023;

16 “(E) \$165,000,000,000 for fiscal year  
17 2024;

18 “(F) \$170,000,000,000 for fiscal year  
19 2025; and

20 “(G) \$175,000,000,000 for fiscal year  
21 2026.”.

22 **SEC. 103. PROGRAM ON CHINA AND TRANSFORMATIONAL**  
23 **EXPORTS.**

24 (a) IN GENERAL.—Section 2 of the Export-Import  
25 Bank Act of 1945 (12 U.S.C. 635) is amended by adding  
26 at the end the following:

1       “(l) PROGRAM ON CHINA AND TRANSFORMATIONAL  
2 EXPORTS.—

3               “(1) IN GENERAL.—The Agency shall establish  
4 a Program on China and Transformational Exports  
5 to support the extension of loans, guarantees, and  
6 insurance, at rates and on terms and other condi-  
7 tions, to the extent practicable, that are fully com-  
8 petitive with rates, terms, and other conditions es-  
9 tablished by the People’s Republic of China or by a  
10 covered country, that aim to—

11               “(A) directly neutralize export subsidies  
12 for competing goods and services financed by  
13 official export credit, tied aid, or blended fi-  
14 nancing provided by the People’s Republic of  
15 China or by a covered country; or

16               “(B) advance the comparative leadership  
17 of the United States with respect to the Peo-  
18 ple’s Republic of China, or support United  
19 States innovation, employment, and techno-  
20 logical standards, through direct exports in any  
21 of the following areas:

22                       “(i) Artificial intelligence.

23                       “(ii) Biotechnology.

24                       “(iii) Biomedical sciences.

1 “(iv) Wireless communications equip-  
2 ment (including 5G or subsequent wireless  
3 technologies).

4 “(v) Quantum computing.

5 “(vi) Renewable energy, energy effi-  
6 ciency, and energy storage.

7 “(vii) Semiconductor and semicon-  
8 ductor machinery manufacturing.

9 “(viii) Emerging financial tech-  
10 nologies, including technologies that facili-  
11 tate—

12 “(I) financial inclusion through  
13 increased access to capital and finan-  
14 cial services;

15 “(II) data security and privacy;

16 “(III) payments, the transfer of  
17 funds, and associated messaging serv-  
18 ices; and

19 “(IV) efforts to combat money  
20 laundering and the financing of ter-  
21 rorism.

22 “(ix) Associated services necessary for  
23 use of any of the foregoing exports.



1           “(2) COVERED COUNTRIES.—In this subsection,  
2       the term ‘covered country’ means any country  
3       that—

4           “(A) the Secretary of the Treasury des-  
5       ignates as a covered country in a report to the  
6       Committee on Financial Services of the House  
7       of Representatives and the Committee on Bank-  
8       ing, Housing, and Urban Development of the  
9       Senate; and

10          “(B) is not a participant in the Arrange-  
11       ment on Officially Supported Export Credits of  
12       the Organization for Economic Cooperation and  
13       Development (in this subsection referred to as  
14       the ‘Arrangement’); and

15          “(C) is not in substantial compliance with  
16       the financial terms and conditions of the Ar-  
17       rangement.

18       “(3) FINANCING.—

19          “(A) IN GENERAL.—It shall be a goal of  
20       the Agency to reserve not less than 20 percent  
21       of the applicable amount (as defined in section  
22       6(a)(2)) for support made pursuant to the Pro-  
23       gram on China and Transformational Exports.

24          “(B) EXCEPTION.—The Secretary of the  
25       Treasury may reduce or eliminate the 20 per-

1 cent goal in subparagraph (A), on reporting to  
2 the Committee on Financial Services of the  
3 House of Representatives and the Committee  
4 on Banking, Housing, and Urban Affairs of the  
5 Senate that the People’s Republic of China is in  
6 substantial compliance with—

7 “(i) the financial terms and conditions  
8 of the Arrangement; and

9 “(ii) the rules and principles of the  
10 Paris Club.

11 “(C) SUNSET AND REPORT.—The program  
12 established under paragraph (1) shall expire on  
13 September 30, 2026. Not later than 4 years  
14 after enactment of this subsection, the Presi-  
15 dent of the Agency shall submit a report to the  
16 Committee on Financial Services of the House  
17 of Representatives and the Committee on Bank-  
18 ing, Housing, and Urban Affairs of the Senate  
19 assessing the following:

20 “(i) The capacity and demand of  
21 United States entities to export goods and  
22 services in the areas described in para-  
23 graph (1)(B) in consultation with the Sec-  
24 retary of Commerce.

1 “(ii) The availability of private-sector  
2 financing for exports in the areas.

3 “(iii) The feasibility and advisability  
4 of continuing the goal of subparagraph (A)  
5 of this paragraph with respect to para-  
6 graph (1)(B) after September 30, 2026.

7 “(D) NATIONAL ADVISORY COUNCIL ON  
8 INTERNATIONAL FINANCIAL AND MONETARY  
9 PROBLEMS.—The National Advisory Council on  
10 International Financial and Monetary Problems  
11 shall ensure that Agency authorizations pursu-  
12 ant to the Program on China and Trans-  
13 formational Exports are considered or reviewed  
14 expeditiously, consistent with the other credit  
15 standards required by law.”.

16 (b) REQUIRED REPORTING.—Section 8 of such Act  
17 (12 U.S.C. 635g) is amended by adding at the end the  
18 following:

19 “(l) REPORT ON AUTHORIZATIONS UNDER THE PRO-  
20 GRAM ON CHINA AND TRANSFORMATIONAL EXPORTS.—  
21 The Agency shall include in its annual report to Congress  
22 under subsection (a) a narrative and financial summary  
23 of the authorizations made under the Program on China  
24 and Transformational Exports.”.

1 (c) RULE OF CONSTRUCTION.—Nothing in section  
 2 2(l)(1)(B) of the Export-Import Bank Act of 1945 shall  
 3 be construed to weaken any export controls affecting crit-  
 4 ical technologies (as defined in section 721(a)(6)(A) of the  
 5 Defense Production Act of 1950 (50 U.S.C.  
 6 4565(a)(6)(A))).

7 **SEC. 104. STRENGTHENING SUPPORT FOR U.S. SMALL BUSI-**  
 8 **NESSES.**

9 (a) INCREASING SMALL BUSINESS THRESHOLD.—  
 10 Section 2(b)(1)(E)(v) of the Export-Import Bank Act of  
 11 1945 (12 U.S.C. 635(b)(1)(E)(v)) is amended—

12 (1) by striking “25 percent of such authority  
 13 for each fiscal year” and inserting “25 percent of  
 14 such authority for each of fiscal years 2020, 2021,  
 15 and 2022, and 30 percent of such authority for each  
 16 fiscal year thereafter”; and

17 (2) by adding at the end the following: “For the  
 18 purpose of calculating the amounts of authority re-  
 19 quired under this clause, the Agency shall, with re-  
 20 spect to insurance, exclude unutilized authorizations  
 21 that terminated during the fiscal year.”.

22 (b) SMALL BUSINESS POLICY.—Section  
 23 2(b)(1)(E)(i)(I) of such Act (12 U.S.C.  
 24 635(b)(1)(E)(i)(I)) is amended to read as follows:

1       “(I) It is further the policy of the United States to  
2 encourage the participation of small business (including  
3 women-owned businesses, minority- owned businesses, vet-  
4 eran-owned businesses, businesses owned by persons with  
5 disabilities, and businesses in rural areas) and start-up  
6 businesses in international commerce, and to educate the  
7 public about how to export goods using the United States  
8 Export Finance Agency.”.

9   **SEC. 105. OFFICE OF MINORITY AND WOMEN INCLUSION.**

10       (a) IN GENERAL.—Section 3(i) of the Export-Import  
11 Bank Act of 1945 (12 U.S.C. 635a(i)) is amended to read  
12 as follows:

13       “(i) OFFICE OF MINORITY AND WOMEN INCLU-  
14 SION.—

15               “(1) ESTABLISHMENT.—The Agency shall es-  
16 tablish an Office of Minority and Women Inclusion  
17 which shall be responsible for carrying out this sub-  
18 section and all matters relating to diversity in man-  
19 agement, employment, and business activities in ac-  
20 cordance with such standards and requirements as  
21 the Director of the Office shall establish.

22               “(2) TRANSFER OF RESPONSIBILITIES.—The  
23 Agency shall ensure that, to the extent that the re-  
24 sponsibilities described in paragraph (1) (or com-  
25 parable responsibilities) were, as of the date of the

1 enactment of this subsection, performed by another  
2 office of the Agency, the responsibilities shall be  
3 transferred to the Office.

4 “(3) DUTIES WITH RESPECT TO CIVIL RIGHTS  
5 LAWS.—The responsibilities described in paragraph  
6 (1) shall not include enforcement of statutes, regula-  
7 tions, or executive orders pertaining to civil rights,  
8 except that the Director of the Office shall coordi-  
9 nate with the President of the Agency, or the des-  
10 ignee of the President of the Agency, regarding the  
11 design and implementation of any remedies resulting  
12 from violations of the statutes, regulations, or execu-  
13 tive orders.

14 “(4) DIRECTOR.—

15 “(A) IN GENERAL.—The Director of the  
16 Office shall be appointed by, and shall report  
17 directly to, the President of the Agency. The  
18 position of Director of the Office shall be a ca-  
19 reer reserved position in the Senior Executive  
20 Service, as that position is defined in section  
21 3132 of title 5, United States Code, or an  
22 equivalent designation.

23 “(B) DUTIES.—The Director shall—

24 “(i) develop standards for equal em-  
25 ployment opportunity and the racial, eth-

1           nic, and gender diversity of the workforce  
2           and senior management of the Agency;

3           “(ii) develop standards for increased  
4           participation of minority-owned and  
5           women-owned businesses in the programs  
6           and contracts of the Agency, including  
7           standards for coordinating technical assist-  
8           ance to the businesses; and

9           “(iii) enhance the outreach activities  
10          of the Agency with respect to, and increase  
11          the total amount of loans, guarantees, and  
12          insurance provided by the Agency to sup-  
13          port exports by socially and economically  
14          disadvantaged small business concerns (as  
15          defined in section 8(a)(4) of the Small  
16          Business Act) and small business concerns  
17          owned by women.

18          “(C) OTHER DUTIES.—The Director shall  
19          advise the President of the Agency on the im-  
20          pact of the policies of the Agency on minority-  
21          owned and women-owned businesses.

22          “(5) INCLUSION IN ALL LEVELS OF BUSINESS  
23          ACTIVITIES.—

24          “(A) CONTRACTS.—The Director of the  
25          Office shall develop and implement standards

1 and procedures to ensure, to the maximum ex-  
2 tent possible, the inclusion and utilization of  
3 minorities (as defined in section 1204(c) of the  
4 Financial Institutions Reform, Recovery, and  
5 Enforcement Act of 1989 (12 U.S.C. 1811  
6 note)) and women, and minority- and women-  
7 owned businesses (as such terms are defined in  
8 section 21A(r)(4) of the Federal Home Loan  
9 Bank Act (12 U.S.C. 1441a(r)(4)) in all busi-  
10 ness and activities of the Agency at all levels,  
11 including in procurement, insurance, and all  
12 types of contracts. The processes established by  
13 the Agency for review and evaluation for con-  
14 tract proposals and to hire service providers  
15 shall include a component that gives consider-  
16 ation to the diversity of the applicant.

17 “(B) APPLICABILITY.—This subsection  
18 shall apply to all contracts for services of any  
19 kind, including all contracts for all business and  
20 activities of the Agency, at all levels.

21 “(C) OUTREACH.—The Agency shall estab-  
22 lish a minority outreach program to ensure the  
23 inclusion (to the maximum extent possible) in  
24 contracts entered into by the enterprises of mi-  
25 norities and women and businesses owned by



1 minorities and women, including financial insti-  
2 tutions, investment banking firms, under-  
3 writers, accountants, brokers, and providers of  
4 legal services.

5 “(6) DIVERSITY IN AGENCY WORKFORCE.—The  
6 Agency shall take affirmative steps to seek diversity  
7 in its workforce at all levels of the Agency consistent  
8 with the demographic diversity of the United States,  
9 in a manner consistent with applicable law, includ-  
10 ing—

11 “(A) to the extent the Agency engages in  
12 recruitment efforts to fill vacancies—

13 “(i) recruiting at historically Black  
14 colleges and universities, Hispanic-serving  
15 institutions, women’s colleges, and colleges  
16 that typically serve majority minority pop-  
17 ulations; and

18 “(ii) recruiting at job fairs in urban  
19 communities, and placing employment ad-  
20 vertisements in newspapers and magazines  
21 oriented toward women and people of  
22 color;

23 “(B) partnering with organizations that  
24 are focused on developing opportunities for mi-  
25 norities and women to place talented young mi-

1           norities and women in industry internships,  
2           summer employment, and full-time positions;  
3           and

4                   “(C) by use of any other mass media com-  
5           munications that the Director of the Office de-  
6           termines necessary.”.

7           (b) INCLUSION IN ANNUAL REPORT.—Section 8 of  
8   such Act (12 U.S.C. 635g), as amended by section 103(b)  
9   of this Act, is amended by adding at the end the following:

10          “(m) OFFICE OF MINORITY AND WOMEN INCLU-  
11   SION.—The Agency shall include in its annual report to  
12   the Congress under subsection (a) a report from the Office  
13   of Minority and Women Inclusion regarding the actions  
14   taken by the Agency and the Office pursuant to section  
15   3(i), which shall include—

16                  “(1) a statement of the total amounts paid by  
17   the Agency to contractors since the most recent re-  
18   port under this subsection;

19                  “(2) the percentage of the amounts described in  
20   paragraph (1) that were paid to contractors as de-  
21   scribed in section 3(i)(5)(A);

22                  “(3) the successes achieved and challenges  
23   faced by the Agency in operating minority and  
24   women outreach programs;

1           “(4) the challenges the Agency may face in hir-  
2       ing qualified minority and women employees and  
3       contracting with qualified minority-owned and  
4       women-owned businesses; and

5           “(5) any other information, findings, conclu-  
6       sions, and recommendations for legislative or Agency  
7       action, as the Director of the Office deems appro-  
8       priate.”.

9   **SEC. 106. SUPPORT FOR UNITED STATES TERRITORIES.**

10       (a) CREATION OF THE OFFICE OF TERRITORIAL EX-  
11   PORTING.—Section 3 of the Export-Import Bank Act of  
12   1945 (12 U.S.C. 635a) is amended by adding at the end  
13   the following:

14       “(n) OFFICE OF TERRITORIAL EXPORTING.—The  
15   President of the Agency shall establish an Office of Terri-  
16   torial Exporting, and shall hire such staff as may be nec-  
17   essary, including at least 1 staffer responsible for liaising  
18   with Puerto Rico, to perform the functions of the Office,  
19   which shall be to promote the export of goods and services  
20   from the territories, conduct outreach, education, and dis-  
21   seminate information concerning export opportunities and  
22   the availability of Agency support for such activities, and  
23   to increase the total amount of loans, guarantees, and in-  
24   surance provided by the Agency benefitting the territories.  
25   In this Act, the term ‘territory’ means the Commonwealth

1 of Puerto Rico, the United States Virgin Islands, Guam,  
 2 the Commonwealth of the Northern Mariana Islands, and  
 3 American Samoa.”.

4 (b) ANNUAL REPORT.—Section 8 of such Act (12  
 5 U.S.C. 635g), as amended by sections 103(b) and 105(b)  
 6 of this Act, is amended by adding at the end the following:

7 “(n) REPORT ON ACTIVITIES IN THE TERRI-  
 8 TORIES.—The Agency shall include in its annual report  
 9 to Congress under subsection (a) a report on the steps  
 10 taken by the Agency in the period covered by the report  
 11 to increase—

12 “(1) awareness of the Agency and its services  
 13 in the territories; and

14 “(2) the provision of Agency support to export  
 15 businesses in the territories.”.

16 **SEC. 107. PROMOTING RENEWABLE ENERGY EXPORTS.**

17 (a) OFFICE OF FINANCING FOR RENEWABLE EN-  
 18 ERGY, ENERGY EFFICIENCY AND ENERGY STORAGE EX-  
 19 PORTS.—Section 2(b)(1)(C) of the Export-Import Bank  
 20 Act of 1945 (12 U.S.C. 635(b)(1)(C)) is amended to read  
 21 as follows:

22 “(C) OFFICE OF FINANCING FOR RENEWABLE EN-  
 23 ERGY, ENERGY EFFICIENCY AND ENERGY STORAGE.—  
 24 The President of the Agency shall establish an office  
 25 whose functions shall be to promote the export of goods

1 and services to be used in the development, production,  
2 and distribution of renewable energy resources, and energy  
3 efficiency and energy storage technologies, and dissemi-  
4 nate information concerning export opportunities and the  
5 availability of Agency support for such activities, to in-  
6 crease the total amount of loans, guarantees, and insur-  
7 ance provided by the Agency to support exports related  
8 to renewable energy, energy efficiency, and energy stor-  
9 age.”.

10 (b) FINANCING FOR RENEWABLE ENERGY, ENERGY  
11 EFFICIENCY, AND ENERGY STORAGE TECHNOLOGIES.—  
12 Section 2(b)(1)(K) of such Act (12 U.S.C. 635(b)(1)(K))  
13 is amended by inserting “, energy efficiency and energy  
14 storage. It shall be a goal of the Agency to ensure that  
15 not less than 5 percent of the applicable amount (as de-  
16 fined in section 6(a)(2)) is made available each fiscal year  
17 for the financing of renewable energy, energy efficiency  
18 and energy storage technology exports” before the period.

19 (c) ANNUAL REPORT.—Section 8 of such Act (12  
20 U.S.C. 635g), as amended by sections 103(b), 105(b), and  
21 106(b) of this Act, is amended by adding at the end the  
22 following:

23 “(o) EFFORTS OF AGENCY TO PROMOTE EXPORT OF  
24 GOODS AND SERVICES RELATED TO RENEWABLE EN-  
25 ERGY SOURCES, ENERGY EFFICIENCY, AND ENERGY

1 STORAGE.—A description of the activities of the Agency  
2 with respect to enhancing outreach and financing renew-  
3 able energy, energy efficiency, and energy storage projects  
4 undertaken under section 2(b)(1)(K); an assessment of its  
5 success and failure in meeting the goal set out in section  
6 2(b)(1)(K); where applicable, the specific measures the  
7 Agency will take in the upcoming year to make progress  
8 towards meeting the goal outlined in section 2(b)(1)(K),  
9 including expanded outreach, product improvements, and  
10 related actions; and an analysis comparing the level of  
11 support extended by the Agency for renewable energy, en-  
12 ergy efficiency and energy storage projects with the level  
13 of support so extended for the preceding fiscal year.”.

14 (d) SENSE OF THE CONGRESS REGARDING AGENCY  
15 ACCOUNTABILITY.—It is the sense of the Congress that—

16 (1) the Board of Directors of the United States  
17 Export Finance Agency (in this section referred to  
18 as the “Agency”) should, after a public consultation  
19 process, establish a formal, transparent, and inde-  
20 pendent accountability mechanism to review, inves-  
21 tigate, offer independent dispute resolution to re-  
22 solve, and publicly report on allegations by affected  
23 parties of any failure of the Agency to follow its own  
24 policies and procedures with regard to the environ-  
25 mental and social effects of projects, and on situa-

1        tions where the Agency is alleged to have failed in  
2        ensuring the borrower is fulfilling its obligations in  
3        financing agreements with respect to the policies and  
4        procedures;

5            (2) the accountability mechanism should be able  
6        to provide advice to management on policies, proce-  
7        dures, guidelines, resources, and systems established  
8        to ensure adequate review and monitoring of the en-  
9        vironmental and social effects of projects;

10           (3) in carrying out its mandate, the confiden-  
11        tiality of sensitive business information should be re-  
12        spected, as appropriate, and, in consultation with af-  
13        fected parties, project sponsors, Agency manage-  
14        ment, and other relevant parties, a flexible process  
15        should be followed aimed primarily at correcting  
16        project failures and achieving better results on the  
17        ground;

18           (4) the accountability mechanism should be  
19        independent of the line operations of management,  
20        and report its findings and recommendations directly  
21        to the Board of Directors of the Agency and annu-  
22        ally to the Congress;

23           (5) the annual report of the Agency should in-  
24        clude a detailed accounting of the activities of the  
25        accountability mechanism for the year covered by

1 the report and the remedial actions taken by the  
2 Agency in response to the findings of the account-  
3 ability mechanism;

4 (6) in coordination with the accountability  
5 mechanism, the Agency and relevant parties should  
6 engage in proactive outreach to communities af-  
7 fected or potentially affected by Agency financing  
8 and activities to provide information on the existence  
9 and availability of the accountability mechanism;

10 (7) the President of the Agency should, subject  
11 to the approval of the Board of Directors of the  
12 Agency, through an open and competitive process,  
13 including solicitation of input from relevant stake-  
14 holders, appoint a director of the accountability  
15 mechanism, who would be responsible for the day-to-  
16 day operations of the mechanism, and a panel of not  
17 less than 3 experts, including the director, who  
18 would also serve as chair of the panel; and

19 (8) Agency employees should be ineligible to  
20 serve as the accountability mechanism chair or on  
21 the panel of experts until at least 5 years have  
22 elapsed from their time of employment at the Agen-  
23 cy, and should be barred from future employment at  
24 the Agency after their tenure with the accountability  
25 mechanism.



1 **SEC. 108. ALTERNATIVE PROCEDURES DURING QUORUM**  
2 **LAPSE.**

3 (a) IN GENERAL.—Section 3(c)(6) of the Export-Im-  
4 port Bank Act of 1945 (12 U.S.C. 635a(c)(6)) is amend-  
5 ed—

6 (1) by inserting “(A)” after “(6)”; and

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

8 “(B)(i) If a quorum of the Board of Directors has  
9 not been in place for 90 consecutive days during the term  
10 of a President, a temporary Board, consisting of the fol-  
11 lowing members, shall act in the stead of the Board of  
12 Directors:

13 “(I) The United States Trade Representative,  
14 who shall serve as Chairperson of the Temporary  
15 Board.

16 “(II) The Secretary of the Treasury.

17 “(III) The Secretary of Commerce.

18 “(IV) The members of the Board of Directors.

19 “(ii) A member described in subclause (I), (II), or  
20 (III) of clause (i) may delegate the authority of the mem-  
21 ber to vote on whether to authorize a transaction, whose  
22 value does not exceed \$100,000,000, to—

23 “(I) if the member is in United States Trade  
24 Representative, the Deputy United States Trade  
25 Representative; or

1           “(II) if the member is referred to in such sub-  
2           clause (II) or (III), the Deputy Secretary of the de-  
3           partment referred to in the subclause.

4           “(iii) If the temporary Board consists only of mem-  
5           bers of 1 political party, the President of the United  
6           States shall, to the extent practicable, appoint to the tem-  
7           porary Board a qualified member of a different political  
8           party who occupies a position requiring nomination by the  
9           President, by and with the advice and consent of the Sen-  
10          ate.

11          “(iv) The temporary Board may approve transactions  
12          over \$25,000,000 only by a unanimous vote of the tem-  
13          porary Board, and may not change or amend Agency poli-  
14          cies, procedures, bylaws, or guidelines.

15          “(v) The temporary Board shall expire at the end of  
16          the term of the President in office at the time the tem-  
17          porary Board was constituted.

18          “(vi) With respect to a transaction that equals or ex-  
19          ceeds \$100,000,000, the Chairperson of the Temporary  
20          Board shall ensure that the Agency complies with section  
21          2(b)(3).”.

22          (b) SUNSET.—The amendments made by subsection  
23          (a) shall have no force or effect after the 7-year period  
24          that begins with the date of the enactment of this Act.

1 **SEC. 109. INFORMATION TECHNOLOGY SYSTEMS.**

2 Section 3(j) of the Export-Import Bank Act of 1945  
3 (12 U.S.C. 635a(j)) is amended—

4 (1) in paragraph (1), by striking all that pre-  
5 cedes subparagraph (A) and inserting the following:

6 “(1) IN GENERAL.—Subject to paragraphs (3)  
7 and (4), the Agency may use an amount equal to  
8 1.25 percent of the surplus of the Agency during fis-  
9 cal years 2020 through 2026 to—”; and

10 (2) by striking paragraph (3) and inserting the  
11 following:

12 “(3) LIMITATION.—The aggregate of the  
13 amounts used in accordance with paragraph (1) for  
14 fiscal years 2020 through 2026 shall not exceed  
15 \$28,000,000.”.

16 **SEC. 110. ADMINISTRATIVELY DETERMINED PAY.**

17 Section 3 of the Export-Import Bank Act of 1945  
18 (12 U.S.C. 635a), as amended by the preceding provisions  
19 of this Act, is amended by adding at the end the following:

20 “(o) COMPENSATION OF EMPLOYEES.—

21 “(1) RATES OF PAY.—Subject to paragraph  
22 (2), the Board of Directors of the Agency, consistent  
23 with standards established by the Director of the Of-  
24 fice of Minority and Women Inclusion, may set and  
25 adjust rates of basic pay for employees and new  
26 hires of the Agency without regard to the provisions

1 of chapter 51 and subchapter III of chapter 53 of  
2 title 5, United States Code, except that no employee  
3 of the Agency may receive a rate of basic pay that  
4 exceeds the rate for level III of the Executive Sched-  
5 ule under section 5313 of such title.

6 “(2) LIMITATIONS.—The Board of Directors of  
7 the Agency may not apply paragraph (1) to more  
8 than 35 employees at any point in time. Nothing in  
9 paragraph (1) may be construed to apply to any po-  
10 sition of a confidential or policy-determining char-  
11 acter that is excepted from the competitive service  
12 under section 3302 of title 5, United States Code,  
13 (pursuant to section C of subpart C of part 213 of  
14 title 5 of the Code of Federal Regulations) or to any  
15 position that would otherwise be subject to section  
16 5311 or 5376 of title 5, United States Code.”.

17 **SEC. 111. SURVEY ON BLOCKCHAIN USE IN THE OPER-**  
18 **ATIONS OF UNITED STATES EXPORTERS.**

19 Within 360 days after the date of the enactment of  
20 this Act, and annually thereafter for the succeeding 5  
21 years, the President of the United States Export Finance  
22 Agency shall submit to the Committee on Financial Serv-  
23 ices of the House of Representatives and the Committee  
24 on Banking, Housing, and Urban Affairs of the Senate  
25 a written report that includes the following:

1 (1) A survey of United States exporters benefit-  
2 ting from Agency support regarding the use of  
3 blockchain in their operations, including their man-  
4 agement of supply chains, contracts, and payments.

5 (2) An assessment of the effects of blockchain  
6 on reliability, transparency, and security in the oper-  
7 ations.

8 (3) Any policy recommendations to improve the  
9 development, use, and security of blockchain in the  
10 operations of United States exporters.

11 **TITLE II—IMPROVING AGENCY**  
12 **OPERATIONS AND ENHANC-**  
13 **ING TRANSPARENCY AND AC-**  
14 **COUNTABILITY**

15 **SEC. 201. ANNUAL TESTIMONY.**

16 The Export-Import Bank Act of 1945 (12 U.S.C.  
17 635–635i–9) is amended by inserting after section 8A the  
18 following:

19 **“SEC. 8B. ANNUAL TESTIMONY.**

20 “For each fiscal year through fiscal year 2026, after  
21 submitting the annual report to Congress under section  
22 8(a) for the fiscal year, the President of the United States  
23 Export Finance Agency shall, on request, appear before  
24 the Committee on Financial Services of the House of Rep-

1 representatives and the Committee on Banking, Housing, and  
2 Urban Affairs of the Senate to present testimony on—

3 “(1) the activities of the Agency in the fiscal  
4 year covered by the report, particularly activities  
5 pursuant to the Project on China and Trans-  
6 formational Exports;

7 “(2) the actions taken by Agency management  
8 to strengthen the ability of the Agency to comply  
9 with all statutory requirements, and with Agency  
10 policies and procedures, including policies and proce-  
11 dures relating to anti-fraud controls, underwriting  
12 standards, and additionality;

13 “(3) the results of the most recent Federal Em-  
14 ployee Viewpoint Survey or other comparable re-  
15 search on staff perspectives at the Agency;

16 “(4) the status of Agency efforts in the pre-  
17 ceding fiscal year to meaningfully address rec-  
18 ommendations proposed by the Inspector General,  
19 United States Export Finance Agency; and

20 “(5) outreach efforts to increase small business  
21 awareness and use of the Agency, including efforts  
22 undertaken pursuant to section 3(i).”.

1 **SEC. 202. INDEPENDENT AUDIT OF REGIONAL EXPORT FI-**  
2 **NANCE CENTERS.**

3 (a) AUDIT.—The Inspector General of the United  
4 States Export Finance Agency shall conduct an audit of  
5 the operation of the Regional Export Finance Centers of  
6 the Agency, including a review of—

7 (1) whether the metrics used by the Office of  
8 Small Business to evaluate regional office employees  
9 adhere to guidance issued by the United States Of-  
10 fice of Personnel Management and the Civil Service  
11 Reform Act;

12 (2) whether metrics used by the Office of Small  
13 Business to evaluate regional office employees are  
14 sufficiently tailored to performance requirements;

15 (3) whether metrics have unintended con-  
16 sequences in the use of Agency programs; and

17 (4) metrics are aligned with the requirements of  
18 section 2(b)(1)(E)(v) of the Export-Import Bank  
19 Act of 1945.

20 (b) REPORT.—Not later than 180 days after the  
21 audit required by subsection (a) is completed, the Agency  
22 shall submit to the Committee on Banking, Housing, and  
23 Urban Affairs of the Senate and the Committee on Finan-  
24 cial Services of the House of Representatives a written re-  
25 port detailing the Agency’s plan to address deficiencies  
26 outlined in the audit.

1 **SEC. 203. RISK MANAGEMENT COMMITTEE.**

2 (a) IN GENERAL.—Section 3(m) of the Export-Im-  
3 port Bank Act of 1945 (12 U.S.C. 635a(m)) is amended  
4 to read as follows:

5 “(m) RISK MANAGEMENT COMMITTEE.—

6 “(1) MEMBERSHIP; CHAIR.—There shall be a  
7 Risk Management Committee consisting of the Di-  
8 rectors of the Agency other than the Chairman or  
9 the Vice Chairman. The Chairman of the Board of  
10 Directors of the Agency shall designate a member of  
11 the Risk Management Committee to serve as chair  
12 of the Risk Management Committee. If, because of  
13 1 or more vacancies in the offices of the Directors  
14 other than the Chairman or the Vice Chairman, the  
15 Risk Management Committee would have only 1 or  
16 2 members, the General Counsel shall also serve as  
17 a member of the Risk Management Committee, but  
18 shall not serve as chair. If the Chairman and the  
19 Vice Chairman are the only Directors in office, the  
20 Risk Management Committee shall consist of the  
21 Chairman and the General Counsel, and the General  
22 Counsel shall serve as chair.

23 “(2) DUTIES.—The Risk Management Com-  
24 mittee shall report to the Board of Directors, and  
25 shall be responsible for providing assistance to the  
26 Board in—



1           “(A) fulfilling the accounting and report-  
2           ing responsibilities of the Board;

3           “(B) determining that the Agency has ade-  
4           quate administrative and financial controls;

5           “(C) reviewing the financial statements  
6           prepared by management for distribution to the  
7           Congress and the public;

8           “(D) providing direction over the internal  
9           audit function and the independent account-  
10          ants;

11          “(E) overseeing, in conjunction with the  
12          Office of the Chief Financial Officer of the  
13          Agency—

14               “(i) periodic stress testing on the en-  
15               tire Agency portfolio, reflecting different  
16               market, industry, and macroeconomic sce-  
17               narios, and consistent with best practices  
18               of commercial and multilateral develop-  
19               ment banks; and

20               “(ii) the monitoring of industry, geo-  
21               graphic, and obligor exposure levels; and

22          “(F) reviewing all required reports on the  
23          default rate of the Agency before submission to  
24          Congress under section 8(g).

1           “(3) QUORUM.—2 members of the Risk Man-  
2           agement Committee shall constitute a quorum.”.

3           (b) CONFORMING REPEAL.—Section 51006 of the  
4           Fixing America’s Surface Transportation Act (129 Stat.  
5           1766; Public Law 104–94) is hereby repealed.

6   **SEC. 204. ENSURING AGENCY COMPLIANCE WITH**  
7           **ADDITIONALITY REQUIREMENTS.**

8           (a) WRITTEN DOCUMENTATION REQUIREMENTS.—  
9           Not later than 180 days after the date of the enactment  
10          of this Act, the Board of Directors of the United States  
11          Export Finance Agency shall, with respect to an author-  
12          ization in connection with a transaction equal to or in ex-  
13          cess of \$25,000,000—

14               (1) adopt and implement policies and proce-  
15               dures to ensure that the Agency includes written  
16               documentation of the determination and verification  
17               of additionality in its records, including—

18                       (A) a description of attempts by relevant  
19                       parties to a transaction to obtain private-sector  
20                       financing;

21                       (B) an explanation of how the level of  
22                       Agency financing responds to limitations in the  
23                       availability or terms of private capital; and

24                       (C) an assessment, to the extent prac-  
25                       ticable, of the availability and terms of com-

1           peting financing by a foreign export credit  
2           agency;

3           (2) consult with the Chief Information Officer  
4           and the Inspector General of the Agency to imple-  
5           ment appropriate recordkeeping practices for the  
6           written documentation, as well as for any other doc-  
7           umentation required by Agency policies and proce-  
8           dures; and

9           (3) submit to the Committee on Financial Serv-  
10          ices of the House of Representatives and the Com-  
11          mittee on Banking, Housing, and Urban Affairs of  
12          the Senate a written report that includes a copy of  
13          the policies and procedures of the Agency regarding  
14          additionality, and an explanation of how the Agency  
15          uses the determination and verification of  
16          additionality to evaluate applications for support. as-  
17          sistance.

18          (b) GAO REVIEWS OF AGENCY POLICIES AND PRO-  
19          CEDURES FOR ADDITIONALITY DETERMINATION AND  
20          VERIFICATION.—In each of calendar years 2020, 2022,  
21          and 2024, and 2026, the Comptroller General of the  
22          United States shall review the policies and procedures of  
23          the United States Export Finance Agency relating to how  
24          the Agency makes a judgment that a transaction is un-  
25          likely to proceed without support from the Agency, and

1 the documentation supporting such a judgment, and sub-  
 2 mit the result of the review to the Committee on Financial  
 3 Services of the House of Representatives and the Com-  
 4 mittee on Banking, Housing, and Urban Affairs of the  
 5 Senate, along with any recommendations to strengthen  
 6 Agency policies and processes to determine additionality  
 7 and prevent the Agency from competing with private cap-  
 8 ital, as described in section 2(b)(1)(B) of the Export-Im-  
 9 port Bank Act of 1945.

10 (c) ADDITIONAL INFORMATION REQUIRED TO BE  
 11 PROVIDED TO CONGRESS BEFORE APPROVING CERTAIN  
 12 SUPPORT.—Section 2(b)(3)(B) of the Export-Import  
 13 Bank Act of 1945 (12 U.S.C. 635(b)(3)(B)) is amended  
 14 by inserting “, a determination by the Agency as to wheth-  
 15 er financing by the Agency fully meets the additionality  
 16 policies of the Agency, and a non-confidential summary  
 17 of the facts and conclusions reached in a detailed economic  
 18 impact analysis or similar study conducted pursuant to  
 19 subsection (e)(7)” before the period.

20 **SEC. 205. REINSURANCE PROGRAM.**

21 Section 51008 of the Fixing America’s Surface  
 22 Transportation Act (12 U.S.C. 635 note) is amended—

23 (1) in the section heading, by striking  
 24 “**PILOT**”;

25 (2) in subsection (a), by striking “pilot”; and

1           (3) by striking subsections (c) through (e) and  
2       inserting the following:

3       “(c) FACTORS FOR CONSIDERATION IN REINSUR-  
4 ANCE POOLS.—In implementing this section, the Agency  
5 shall, with respect to a reinsurance pool, pursue appro-  
6 priate objectives to reduce risk and costs to the Agency,  
7 including by the following, to the extent practicable:

8           “(1) Ensuring a reasonable diversification of  
9       risks.

10          “(2) Including larger exposures where the pos-  
11 sibility of default raises overall portfolio risk for the  
12 Agency.

13          “(3) Excluding transactions from the pool that  
14 are covered by first-loss protection.

15          “(4) Excluding transactions from the pool that  
16 are collateralized at a rate greater than standard  
17 market practice.

18          “(5) Diversifying reinsurance pools by industry  
19 and other appropriate factors.

20          “(6) Exploring different time periods of cov-  
21 erage.

22          “(7) Exploring both excess of loss structures on  
23 a per-borrower as well as an aggregate basis.

24       “(d) BIENNIAL REPORTS.—Not later than 1 year  
25 after the date of the enactment of this subsection, and

1 every 2 years thereafter through 2026, the Agency shall  
2 submit to the Committee on Financial Services of the  
3 House of Representatives and the Committee on Banking,  
4 Housing, and Urban Affairs of the Senate a written report  
5 that contains an assessment of the use of the program  
6 carried out under subsection (a) since the most recent re-  
7 port under this subsection.

8 “(e) RULE OF CONSTRUCTION.—Nothing in this sec-  
9 tion shall be construed to limit any authority of the Agen-  
10 cy described in section 2(a)(1) of the Export-Import Bank  
11 Act of 1945.”.

12 **SEC. 206. REPORT ON NEW AGENCY POLICIES, PROCE-**  
13 **DURES, AND BYLAWS.**

14 Not later than 90 days after the date of the enact-  
15 ment of this Act, the President of the United States Ex-  
16 port Finance Agency shall transmit to the Committee on  
17 Financial Services of the House of Representatives and  
18 the Committee on Banking, Housing, and Urban Affairs  
19 of the Senate a copy of all policies, procedures, and bylaws  
20 of the Agency approved by the Board of Directors of the  
21 Agency that are in effect on such date of enactment. With-  
22 in 30 days after the Board of Directors of the United  
23 States Export Finance Agency adopts or amends such a  
24 policy, procedure, or bylaw, the President of the Agency  
25 shall transmit a copy of the adopted or amended policy,

1 procedure, or bylaw to the Committee on Financial Serv-  
2 ices of the House of Representatives and the Committee  
3 on Banking, Housing, and Urban Affairs of the Senate.

4 **SEC. 207. REPORT ON TRAVEL PRACTICES OF AGENCY EM-**  
5 **PLOYEES.**

6 Not later than 180 days after the date of the enact-  
7 ment of this Act, and annually thereafter for the suc-  
8 ceeding 7 years, the President of the United States Export  
9 Finance Agency shall submit to the Committee on Finan-  
10 cial Services of the House of Representatives and the  
11 Committee on Banking, Housing, and Urban Affairs of  
12 the Senate a written report that provides details on au-  
13 thorized travel by Agency officers and employees in the  
14 preceding year, including the following:

- 15 (1) Travel start date and end date.
- 16 (2) Destination or destinations.
- 17 (3) The department and division employing the  
18 traveler.
- 19 (4) Obligated travel costs.
- 20 (5) Class of travel.
- 21 (6) The amount of any reimbursed travel costs  
22 or other forms of sponsorship.

1 **SEC. 208. REPORT ON STEPS TAKEN TO CORRECT DEFICI-**  
2 **ENCIES RELATED TO INFORMATION SECURITY.**  
3 **RITY.**

4 Not later than 180 days after the date of the enact-  
5 ment of this Act, the President of the United States Ex-  
6 port Finance Agency shall submit to the Committee on  
7 Financial Services of the House of Representatives and  
8 the Committee on Banking, Housing, and Urban Affairs  
9 of the Senate a written report on the steps the Agency  
10 is taking to correct the deficiencies in policies, procedures,  
11 and programs identified in the Independent Audit of the  
12 United States Export Finance Agency's Information Secu-  
13 rity Program Effectiveness for Fiscal Year 2018 (OIG-  
14 AR-19-03).

15 **SEC. 209. ADDITIONAL REQUIREMENTS INVOLVING CER-**  
16 **TAIN TRANSACTIONS.**

17 (a) IN GENERAL.—Section 2(b) of the Export-Import  
18 Bank Act of 1945 (12 U.S.C. 635(b)) is amended by add-  
19 ing at the end the following:

20 “(14)(A) If the outstanding loans, guarantees, and  
21 insurance authorized by the Agency in association with a  
22 United States exporter or a United States lender equals  
23 or exceeds the prescribed amount at any point in a fiscal  
24 year, the President of the Agency shall transmit to the  
25 Committee on Financial Services of the House of Rep-  
26 resentatives and the Committee on Banking, Housing, and



1 Urban Affairs of the Senate a detailed description of poli-  
2 cies and practices by the United States exporter or United  
3 States lender, as the case may be, regarding—

4 “(i) diversity in management, employment, and  
5 business activities, including data pertaining to—

6 “(I) equal employment opportunity and the  
7 racial, ethnic, and gender diversity of the work-  
8 force and senior management;

9 “(II) outreach programs to hire qualified  
10 women and minority employees and contract  
11 with qualified minority-owned and women-  
12 owned businesses;

13 “(III) the participation of women-owned  
14 and minority-owned businesses in procurement  
15 and contracting, including as suppliers and sub-  
16 contractors; and

17 “(IV) developments with respect to this  
18 clause, including job creation for women and  
19 minority employees, suppliers, and contractors,  
20 resulting from the policies and practices de-  
21 scribed in this subparagraph during the pre-  
22 ceding year; and

23 “(ii) outreach efforts to small businesses during  
24 the preceding year, including efforts that—

1           “(I) raise awareness of small business pro-  
2           curement and contracting opportunities;

3           “(II) educate small businesses involved in  
4           procurement and contracting on the objectives  
5           and activities of the Agency, with the purpose  
6           of expanding direct small business exports fi-  
7           nanced by the Agency; and

8           “(III) developments resulting from the out-  
9           reach efforts described in this clause during the  
10          preceding year, including the number of small  
11          businesses contracted with and the number of  
12          jobs created, as well as any other benefits to  
13          the communities of the exporter, lender, or re-  
14          lated small businesses, as the case may be.

15          “(B) On authorization of financing that equals or ex-  
16          ceeds \$100,000,000 during the fiscal year involving the  
17          exporter or lender described in subparagraph (A), the  
18          President of the Agency shall transmit to the Committee  
19          on Financial Services of the House of Representatives and  
20          the Committee on Banking, Housing, and Urban Affairs  
21          of the Senate a report that includes—

22               “(i) an economic impact analysis or similar  
23          study of the transaction performed by the Agency, in  
24          a manner consistent with the procedures described  
25          in subsection (e)(7), which shall include consider-

1       ation of the views of the public and interested par-  
2       ties and an assessment of adverse effects on United  
3       States employment, if any, that may result from  
4       Agency financing involving a foreign competitor of a  
5       United States entity; and

6               “(ii) an assessment of how the Agency deter-  
7       mined the need for financing of the transaction, in-  
8       cluding—

9               “(I) a description of attempts by relevant  
10       parties to the transaction to obtain private-sec-  
11       tor financing, including a description of the  
12       written documentation of the attempts, or an  
13       explanation for the lack of any such attempt;  
14       and

15              “(II)(aa) an explanation of why private-  
16       sector financing is not available or not economi-  
17       cally viable for the transaction; or

18              “(bb) a certification that the Agency re-  
19       ceived sufficient information to conclude that fi-  
20       nancing is necessary to counter official export  
21       credit provided by a foreign government for a  
22       similar transaction involving the same foreign  
23       obligor.

24       “(C) In this paragraph, the term ‘prescribed amount’  
25       means an amount equal to 20 percent of the outstanding

1 loans, guarantees, and insurance of the Agency, as cal-  
 2 culated on the 1st day of the fiscal year.”.

3 (b) Section 8 of such Act (12 U.S.C. 635g), as  
 4 amended by title I of this Act, is amended by adding at  
 5 the end the following:

6 “(p) ADDITION TO ANNUAL REPORT.—The Agency  
 7 shall include in its annual report to the Congress under  
 8 subsection (a) information on the 10 United States export-  
 9 ers benefitting from the highest level of Agency support  
 10 and 10 foreign obligors utilizing the highest level of Agen-  
 11 cy support during the reporting period, including the share  
 12 of total authorizations by value, and the industry or indus-  
 13 trial sector, connected with each such exporter and obli-  
 14 gor.”.

15 **SEC. 210. ANTI-FRAUD REFORMS.**

16 Section 2 of the Export-Import Bank Act of 1945  
 17 (12 U.S.C. 635) is amended—

18 (1) in subsection (f), by striking the period and  
 19 inserting: “, and shall deny an application for assist-  
 20 ance if—

21 “(1) the Agency has substantial credible evi-  
 22 dence that the end user, borrower, lender, or ex-  
 23 porter has committed an act of fraud or corruption  
 24 in connection with the application; or

1           “(2) the end user, borrower, lender, or exporter  
 2           has been convicted of an act of fraud or corruption  
 3           in connection with an application for support from  
 4           the Agency made in the preceding 5 years.

5   The Agency may proceed with an application described  
 6   under paragraph (1) or (2) of this subsection only if an  
 7   end user, borrower, lender, or exporter can be fully ex-  
 8   cluded from the transaction.”; and

9           (2) in subsection (i), by striking “should re-  
 10          quire” and inserting “shall require”.

## 11           **TITLE III—FOREIGN POLICY** 12           **CONSIDERATIONS**

### 13   **SEC. 301. CHINESE GOVERNMENT-OWNED ENTERPRISES.**

14          (a) IN GENERAL.—Section 2 of the Export-Import  
 15   Bank Act of 1945 (12 U.S.C. 635), as amended by section  
 16   103(a) of this Act, is amended by adding at the end the  
 17   following:

18          “(m) RESTRICTION ON FINANCING FOR ENTITIES  
 19   OWNED OR CONTROLLED BY THE CHINESE GOVERN-  
 20   MENT.—

21          “(1) IN GENERAL.—An authorization approved  
 22   by the Board of Directors after the effective date of  
 23   this subsection may not take effect if a loan, guar-  
 24   antee, or insurance is approved for the benefit of  
 25   any foreign entity that is at least 25 percent owned,

1 directly or indirectly, by the government of the Peo-  
2 ple's Republic of China, unless the United States  
3 Trade Representative, in consultation with appro-  
4 priate Federal agencies, completes a due diligence  
5 review and certifies the financing, in accordance with  
6 paragraph (3), in a report to the Committee on Fi-  
7 nancial Services of the House of Representatives and  
8 the Committee on Banking, Housing, and Urban Af-  
9 fairs of the Senate. For the purposes of identifying  
10 whether a foreign entity is at least 25 percent  
11 owned, directly or indirectly, by the government of  
12 the People's Republic of China, the Board of Direc-  
13 tors may rely on any of the following:

14           “(A) Information required of or provided  
15           by a party to the transaction.

16           “(B) Any information provided to the  
17           Agency by a Federal department or agency.

18           “(2) LIMITATION ON FINANCING OF LOCAL  
19           COSTS.—The Agency may not approve financing for  
20           a transaction if more than 15 percent of local costs  
21           with respect to the transaction that are incurred in  
22           the People's Republic of China would be covered by  
23           the financing.

24           “(3) DUE DILIGENCE REVIEW AND REPORT.—  
25           For the purposes of the report described in para-

graph (1), the United States Trade Representative shall present the findings of the due diligence review, but may not provide the certification referred to in paragraph (1), if—

“(A) the foreign entity provides goods, services, or other material or financial support in connection with any of the following policies and operations of the government of the People’s Republic of China:

“(i) Any military or intelligence operations;

“(ii) Activities pursuant to the Belt and Road Initiative (or any successor or comparable activity of that government);

“(iii) The abuse of human rights, including the restriction of freedom of expression and the mistreatment of ethnic or religious minorities in China;

“(iv) Any other policy or operation that, in the determination of the President, may threaten the national interest of the United States;

“(B) the United States Trade Representative finds that the transaction would not pro-

1           vide a meaningful net economic benefit for the  
2           United States;

3           “(C) the foreign entity knowingly engages  
4           in the theft of United States intellectual prop-  
5           erty or the illicit transfer of technology from a  
6           United States person;

7           “(D) the transaction described in para-  
8           graph (1) involves the export of critical tech-  
9           nologies (as defined under section 721(a)(6) of  
10          the Defense Production Act of 1950) to the for-  
11          eign entity; or

12          “(E) the leadership of the foreign entity  
13          engages in a significant act or acts of corrup-  
14          tion or money laundering, or has committed a  
15          violation of the Foreign Corrupt Practices Act  
16          of 1977, the Arms Export Control Act, the  
17          International Emergency Economic Powers Act,  
18          or the Export Administration Act of 1979.

19          “(4) TIMING AND FORM OF REPORT.—The re-  
20          port described in paragraph (3) shall be submitted  
21          not later than 45 days after approval by the Board  
22          of Directors, except that the United States Trade  
23          Representative may extend the required time in  
24          which to submit the report by one 15-day period on  
25          notifying the Committee on Financial Services of the



1 House of Representatives and the Committee on  
2 Banking, Housing, and Urban Affairs of the Senate  
3 that the extension is necessary. The report described  
4 in paragraph (3) shall be submitted in unclassified  
5 form but may contain a classified annex.

6 “(5) PROCEDURES FOR CHINESE GOVERNMENT-  
7 CONTROLLED ENTITIES.—The requirements of para-  
8 graph (1) shall apply to any foreign entity, notwith-  
9 standing the level of ownership by the government of  
10 the People’s Republic of China, if the Agency has  
11 reason to believe that the foreign entity is controlled  
12 by the government of the People’s Republic of  
13 China.

14 “(6) EXEMPTION.—Paragraphs (1) and (2)  
15 shall not apply to the following if—

16 “(A) financing would enable exports di-  
17 rectly by United States small business concerns;  
18 or

19 “(B) financing is required for the export of  
20 humanitarian goods or services, including life-  
21 saving, rescue, and medical equipment (such as  
22 ambulances, firefighting vehicles, hospital sup-  
23 plies, and medical devices).

24 “(7) PRESIDENTIAL WAIVER.—The President  
25 may waive any requirement of paragraph (1) or (2)

1 for up to 1 year at a time, on reporting in writing  
2 to the Committee on Financial Services of the House  
3 of Representative and the Committee on Banking,  
4 Housing, and Urban Affairs of the Senate that the  
5 waiver is essential to the national interest of the  
6 United States, with a detailed explanation of the  
7 reasons therefor.”.

8 (b) SUNSET.—The amendment made by subsection  
9 (a) shall have no force or effect on and after the earlier  
10 of—

11 (1) the date that is 30 days after the Secretary  
12 of the Treasury submits a report to the Committee  
13 on Financial Services of the House of Representa-  
14 tives and the Committee on Banking, Housing, and  
15 Urban Affairs of the Senate certifying that the Peo-  
16 ple’s Republic of China is in substantial compliance  
17 with—

18 (A) the financial terms and conditions of  
19 the Arrangement on Officially Supported Ex-  
20 port Credits of the Organization for Economic  
21 Cooperation and Development; and

22 (B) the rules and principles of the Paris  
23 Club; or

24 (2) the date that is 30 days after the President  
25 of the United States Export Finance Agency reports

1 to the Committee on Financial Services of the House  
2 of Representatives and the Committee on Banking,  
3 Housing, and Urban Affairs of the Senate that the  
4 Board of Directors of the Agency has voted in favor  
5 of terminating the requirement for a certification in  
6 section 2(m)(1) of the Export-Import Bank Act of  
7 1945, except that the Board of Directors may not  
8 hold such a vote before the date that is 5 years after  
9 the date of the enactment of this Act.

10 **SEC. 302. INTERNATIONAL NEGOTIATIONS ON EXPORT SUB-**  
11 **SIDIES.**

12 (a) IN GENERAL.—Section 11(a)(1) of the Export-  
13 Import Bank Reauthorization Act of 2012 (12 U.S.C.  
14 635a–5(a)(1)) is amended by striking “with possible goal  
15 of eliminating, before the date that is 10 years after De-  
16 cember 4, 2015,” and inserting “with the goal of elimi-  
17 nating, before the date that is 10 years after the date of  
18 the enactment of the United States Export Finance Agen-  
19 cy Act of 2019”.

20 (b) PROGRESS REPORT.—Section 11(e) of such Act  
21 (12 U.S.C. 635a–5(e)) is amended by striking “2019” and  
22 inserting “2026”.

23 (c) CONDUCT OF NEGOTIATIONS.—Section 11 of  
24 such Act (12 U.S.C. 635a–5) is amended—

1 (1) in each of subsections (a) and (d), by strik-  
 2 ing “The President” and inserting “Not less fre-  
 3 quently than twice per calendar year, the Secretary  
 4 of the Treasury, in consultation with the President  
 5 of the United States Export Finance Agency and the  
 6 United States Trade Representative,”; and

7 (2) in each of subsections (b), (c), and (e), by  
 8 striking “President” each place it appears and in-  
 9 serting “Secretary of the Treasury”.

10 **SEC. 303. PROHIBITION ON FINANCING FOR EXPORTS IN-**  
 11 **VOLVING STATE SPONSORS OF TERRORISM.**

12 Section 2(b)(2) of the Export-Import Bank Act of  
 13 1945 (12 U.S.C. 635(b)(2)) is amended—

14 (1) in the paragraph heading, by inserting after  
 15 “MARXIST-LENINIST COUNTRIES” the following:  
 16 “AND STATE SPONSORS OF TERRORISM”; and

17 (2) in subparagraph (A), by inserting after  
 18 “Marxist-Leninist country” each place it appears  
 19 “or a state sponsor of terrorism”.

20 **TITLE IV—MISCELLANEOUS**  
 21 **PROVISIONS**

22 **SEC. 401. MISCELLANEOUS UPDATES RELATING TO THE**  
 23 **UNITED STATES EXPORT FINANCE AGENCY.**

24 (a) Section 2(a)(3) of the Export-Import Bank Act  
 25 of 1945 (12 U.S.C. 635(a)(3)) is amended—

1           (1) by adding “and” at the end of subpara-  
2       graph (B);

3           (2) by striking “; and” at the end of subpara-  
4       graph (C) and inserting a period; and

5           (3) by striking subparagraph (D).

6       (b) Section 2(b)(1)(H) of such Act (12 U.S.C.  
7       635(b)(1)(H)) is amended in each of clauses (ii) and (iii)  
8       by striking “including” and all that follows and inserting  
9       “including United States allies and partners eligible for  
10      assistance from the International Bank for Reconstruction  
11      and Development and the International Development As-  
12      sociation.”.

13      (c) Section 2(b)(1)(I) of such Act (12 U.S.C.  
14      635(b)(1)(I)) is amended by striking the 2nd sentence.

15      (d) Section 2(b)(3)(A)(iii) of such Act (12 U.S.C.  
16      635(b)(3)(A)(iii)) is amended by inserting “, the United  
17      States exporter,” before “and”.

18      (e) Section 2(b)(3)(B) of such Act (12 U.S.C.  
19      635(b)(3)(B)) is amended by inserting “a description, to  
20      the extent practicable, of any private financing, used or  
21      unused, available for the transaction, to the extent  
22      known,” before “the amount”.

23      (f) Section 3(d)(1)(B) of such Act (12 U.S.C.  
24      635a(d)(1)(B)) is amended by inserting “high tech-  
25      nology,” before “and”.

1 (g) Section 3(j)(2)(B)(ii) of such Act (12 U.S.C.  
2 635a(j)(2)(B)(ii)) is amended—

3 (1) by inserting “, interest, and claim” before  
4 “expenses”; and

5 (2) by inserting “including broker commissions”  
6 before the period.

7 (h) Section 8(b)(3) of such Act (12 U.S.C.  
8 635g(b)(3)) is amended—

9 (1) by striking “Committee on Small Business”  
10 the 1st place it appears and inserting “Committees  
11 on Banking, Housing, and Urban Affairs and on  
12 Small Business”; and

13 (2) by striking “Committee on Small Business”  
14 the 2nd place it appears and inserting “Committees  
15 on Financial Services and on Small Business”.

16 (i)(1) Section 8 of such Act (12 U.S.C. 635g), as  
17 amended by the preceding provisions of this Act, is amend-  
18 ed—

19 (A) by striking subsection (c) and redesignating  
20 subsections (d) through (o) as subsections (c)  
21 through (p), respectively; and

22 (B) in paragraph (2) of subsection (e) (as so  
23 redesignated by subparagraph (A) of this para-  
24 graph), by striking “(e)” and inserting “(d)”.

1       (2) Section 6(a)(3) of such Act (12 U.S.C.  
2 635e(a)(3)) is amended by striking “8(g)(1)” each place  
3 it appears and inserting “8(f)(1)”.

4       (j) Section 10(b)(4) of such Act (12 U.S.C. 635i-  
5 3(b)(4)) is amended by striking “may” and inserting  
6 “shall, on request”.

7 **SEC. 402. PROHIBITION ON FINANCING FOR CERTAIN AVIA-**  
8 **TION-RELATED VEHICLES.**

9       Section 2(b) of the Export-Import Bank Act of 1945  
10 (12 U.S.C. 635(b)), as amended by section 209(a) of this  
11 Act, is amended by adding at the end the following:

12       “(15) PROHIBITION ON FINANCING FOR CERTAIN  
13 AVIATION-RELATED VEHICLES.—The Board of Directors  
14 of the Agency may not give approval to a transaction in-  
15 volving an aviation-related vehicle during any period in  
16 which the Federal Government has prohibited its oper-  
17 ation.”.

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