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116TH CONGRESS
2D SESSION

H. R. 7570

To amend the Better Utilization of Investments Leading to Development Act of 2018 to facilitate increased equity investments under that Act.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2020

Mr. YOHO (for himself and Mr. SMITH of Washington) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To amend the Better Utilization of Investments Leading to Development Act of 2018 to facilitate increased equity investments under that Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FACILITATION OF INCREASED EQUITY INVESTMENTS UNDER THE BETTER UTILIZATION OF INVESTMENTS LEADING TO DEVELOPMENT ACT OF 2018.

(a) APPLICABILITY OF FEDERAL CREDIT REFORM ACT OF 1990.—Section 1421(c) of the Better Utilization of Investments Leading to Development Act of 2018 (22

U.S.C. 9621(c)) is amended by adding at the end the following:

"(7) APPLICABILITY OF FEDERAL CREDIT REFORM ACT OF 1990.—

"(A) IN GENERAL.—Subject to subparagraphs (B) and (C), support provided under paragraph (1) with respect to a project shall be considered to be a Federal credit program that is subject to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.) for purposes of applying the requirements of such Act to such support.

"(B) DETERMINATION OF COST.—

"(i) IN GENERAL.—For purposes of section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5) et seq.) the cost of support provided under paragraph (1) with respect to a project shall be the net present value, at the time when funds are disbursed to provide the support, of the following estimated cash flows:

"(I) The purchase price of the support.

"(II) Dividends, redemptions, and other shareholder distributions during the term of the support.

"(III) Proceeds received upon a sale, redemption, or other liquidation of the support.

"(IV) Adjustments for risk of estimated losses, if any.

"(ii) CHANGES IN TERMS INCLUDED.—The estimated cash flows described in subclauses (I) through (IV) of clause (i) shall include the effects of changes in terms resulting from the exercise of options included in the agreement to provide the support.

"(C) REESTIMATE OF COST.—When the estimated cost of support provided under paragraph (1) with respect to a project made in a single fiscal year is reestimated in a subsequent year, the difference between the reestimated cost and the previous cost estimate shall be paid from the balances available in the Corporate Capital Account established under section 1434.".

(b) FUNDING FOR CORPORATE CAPITAL ACCOUNT.—Section 1434(b) of the Better Utilization of Investments Leading to Development Act of 2018 (22 U.S.C. 9634(b)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) the following:

"(7) receipts of reestimated costs received pursuant to section 1421(c).".

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