

the Network to Freedom to exist in perpetuity. It is time to take a stand for the future of our national parks and American history.

I urge my colleagues to support this bill and preserve a vital asset to the history of our Nation, the Underground Railroad.

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in strong support of H.R. 1239, the National Underground Railroad Network to Freedom Reauthorization Act. I introduced this legislation in February with my good friend Representative Castle of Delaware as one contribution to the celebration of Black History Month.

The widespread bi-partisan support this legislation has received with 67 cosponsors and endorsement by the National Parks Conservation Association has demonstrated that Black history is synonymous with American history as a life experience shared by all citizens of America.

I would like to thank Chairman RAHALL and Ranking Member YOUNG of the Natural Resources Committee for bringing this important legislation to the floor. I would also like to thank Subcommittee Chairman GRIJALVA and Representative ROB BISHOP for their support and minor adjustments to this legislation to meet the needs of the National Park Service administration. With passage of this legislation, I hope that the National Park Service will give the National Underground Railroad Network to Freedom its due priority with adequate staffing to maintain the growing network.

Mr. Speaker, when I joined my esteemed former colleague Representative Louis Stokes in 1998 to establish the National Underground Railroad Network to Freedom, I do not think we could have foreseen the emergence of the National Park Service as one of the largest stewards of black history in the United States. Nor could we have predicted the rapidly expanding support and interest for one of the most intriguing multicultural collaborations in the history of our Nation.

In this polarized historical moment of American politics, remembering the Underground Railroad as a unifying narrative in our history could not be timelier. The sacrifice at the risk of death made by conductors and travelers of the Underground Railroad was an unprecedented contribution to the abolition of slavery. The contributors to this network included the members of the Society of Religious Friends, commonly referred to as the Quakers, as well as other concerned individuals. Thus, the Underground Railroad was one of the first synergistic partnerships that fostered the development of the thriving multicultural society that is the United States of America.

Mr. Speaker, the Network to Freedom is a key feature that diversifies engagement in interpretive opportunities of our national park system. It has grown to 300 programs, sites, and partners in 28 states and the District of Columbia. This network is a national treasure of historic buildings, routes, programs, projects, and museums with thematic connections to the Underground Railroad.

The legislation before us today appropriately adjusts authorization levels for the Network to Freedom to reflect the growth of interest nationally and the resulting expansion of opportunities. As a part of a concerted movement to overcome the funding challenges that threaten all national parks, this legislation moderately

expands the operating funds of Network to Freedom to an authorization for appropriations up to \$2 million and establishes appropriate oversight for grant funds. These adjustments will help to resolve the financial challenges facing the Network to Freedom that include the lack of consistent development grants and administrative support for affiliates.

Mr. Speaker, this bill will protect the interpretive interests of our National Park System by providing the necessary support staff and oversight for the Network to Freedom to exist in perpetuity. It is time to take a stand for the future of our National Parks and American history.

I urge my colleagues to support this bill and join me in preserving a vital asset to the history of our Nation: the Underground Railroad.

Mr. GRIJALVA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. GRIJALVA) that the House suspend the rules and pass the bill, H.R. 1239, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the National Underground Railroad Network to Freedom Act of 1998 to authorize additional funding to carry out the Act, and for other purposes."

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE HON. MARK UDALL, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Hon. MARK UDALL, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 20, 2007.

Hon. NANCY PELOSI,
Speaker, House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: This is to notify you formally, pursuant to Rule VIII of the Rules of the House of Representatives, that I have received a subpoena, issued in the Municipal Court of the City of Westminster, Colorado, for testimony in a criminal case.

I do not appear to have any relevant or material testimony to offer. Accordingly, after consultation with the Office of General Counsel, I have determined that compliance with the subpoena is inconsistent with the precedents and privileges of the House.

Sincerely,

MARK UDALL,
Member of Congress.

OVERSEAS PRIVATE INVESTMENT CORPORATION REAUTHORIZATION ACT OF 2007

Mr. SHERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2798) to reauthorize the programs of the Overseas Private Investment Corporation, and for other purposes, as amended.

The Clerk read the title of the bill. The text of the bill is as follows:

H.R. 2798

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Overseas Private Investment Corporation Reauthorization Act of 2007".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Since its founding in 1971, the Overseas Private Investment Corporation (in this section referred to as "OPIC") has helped to mobilize and facilitate private capital by United States investors in developing and emerging market countries in support of United States foreign policy and development goals.

(2) OPIC assistance should not, in any way, support projects in countries that reject their obligations to support international peace, security, and basic human rights.

(3) OPIC assistance should not be provided to those who support enemies of the United States.

(4) OPIC assistance is a privilege and should be granted to persons that, along with their affiliated companies, demonstrate responsible and sustainable business practices, particularly with regard to the environment, international worker rights, and efforts against genocide and nuclear proliferation. Denial of OPIC assistance is not a penalty or sanction.

(5) Over OPIC's 35-year history, OPIC has supported \$177,000,000,000 in operating investments in more than 150 developing countries, helping to create more than 800,000 jobs and some \$13,000,000,000 in host-government revenues.

(6) OPIC projects have generated \$71,000,000,000 in United States exports and supported more than 271,000 United States jobs.

(7) Projects assisted by OPIC in fiscal year 2006 are projected to generate \$1,000,000,000 in United States exports, support more than 2,700 United States jobs, and have a positive impact on the United States balance of payments.

(8) In fiscal year 2006, 87 percent of all OPIC-supported projects supported small-and-medium-sized businesses in the United States.

(9) In an era of limited Federal budgetary resources, OPIC has consistently demonstrated an ability to operate on a self-sustaining basis to support United States companies, all at a net cost of zero to the United States taxpayer.

(10) OPIC has reserves totaling approximately \$5,300,000,000 and will make an estimated net budget contribution to the international affairs account of \$159,000,000 in fiscal year 2008.

SEC. 3. REAUTHORIZATION OF OPIC PROGRAMS.

Section 235(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(2)) is amended by striking "September 30, 2007" and inserting "September 30, 2011".

SEC. 4. PREFERENTIAL CONSIDERATION OF CERTAIN INVESTMENT PROJECTS.

Section 231(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2191(f)) is amended to read as follows:

"(f) to give preferential consideration to investment projects in less developed countries the governments of which are receptive to private enterprise, domestic and foreign, and to projects in countries the governments of which are willing and able to maintain conditions that enable private enterprise to make its full contribution to the development process;"

SEC. 5. REQUIREMENTS REGARDING INTERNATIONAL WORKER RIGHTS.

(a) **COUNTRY REQUIREMENTS.**—Subsection (a) of section 231A of the Foreign Assistance Act of 1961 (22 U.S.C. 2191a(a)) is amended—

(1) by amending the subsection heading to read as follows: “INTERNATIONAL WORKER RIGHTS”;

(2) in paragraph (4), by striking “(4) In” and inserting “(5) ADDITIONAL DETERMINATION.—In”;

(3) by striking paragraphs (1) through (3) and inserting the following:

“(1) **LIMITATION ON OPIC ACTIVITIES.**—(A) The Corporation may insure, reinsure, guarantee, or finance a project only if the country in which the project is to be undertaken has made or is making significant progress towards the recognition, adoption, and implementation of laws that substantially provide international worker rights, including in any designated zone, or special administrative region or area, in that country.

“(B) The Corporation shall also include the following language, in substantially the following form, in all contracts which the Corporation enters into with eligible investors to provide financial support under this title: “The investor agrees not to take any actions to obstruct or prevent employees of the foreign enterprise from exercising their international worker rights (as defined in section 238(h) of the Foreign Assistance Act of 1961), and agrees to adhere to the obligations regarding those international worker rights.”

“(2) **PREFERENCE TO CERTAIN COUNTRIES.**—To the degree possible and consistent with its development objectives, the Corporation shall give preferential consideration to projects in countries that have adopted, maintain, and enforce laws that substantially provide international worker rights.

“(3) **USE OF ANNUAL REPORTS ON INTERNATIONAL WORKER RIGHTS.**—The Corporation shall, in carrying out paragraph (1)(A), use, among other sources, the reports submitted to the Congress pursuant to section 504 of the Trade Act of 1974. Such other sources include the observations, reports, and recommendations of the International Labor Organization, and other relevant organizations.

“(4) **INAPPLICABILITY TO HUMANITARIAN ACTIVITIES.**—Paragraph (1) shall not prohibit the Corporation from providing any insurance, reinsurance, guaranty, financing, or other assistance for the provision of humanitarian assistance in a country.”

(b) **BOARD OF DIRECTORS.**—Section 233(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2193(b)) is amended by adding at the end the following: “The selection of the small business, organized labor, and cooperative directors should be made, respectively, in consultation with relevant representative organizations.”

(c) **DEFINITIONS.**—Section 238 of the Foreign Assistance Act of 1961 (22 U.S.C. 2198) is amended—

(1) in subsection (f), by striking “and” after the semicolon;

(2) in subsection (g), by striking the period at the end and inserting “; and”;

(3) by adding at the end the following: “(h) the term ‘international worker rights’ means—

“(1) internationally recognized worker rights, as defined in section 507(4) of the Trade Act of 1974 (19 U.S.C. 2467(4)); and

“(2) the elimination of discrimination with respect to employment and occupation.”

(d) **GENERAL PROVISIONS AND POWERS.**—Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199) is amended—

(1) in subsection (h), by adding at the end the following: “In addition, the Corporation

should consult with relevant stakeholders in developing such criteria.”; and

(2) in subsection (i), in the first sentence, by inserting “, including international worker rights,” after “fundamental freedoms”.

SEC. 6. ENVIRONMENTAL ASSESSMENTS.

Section 231A(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2191a(b)) is amended to read as follows:

“(b) **ENVIRONMENTAL IMPACT.**—The Board of Directors of the Corporation shall not vote in favor of any action proposed to be taken by the Corporation that is likely to have significant adverse environmental impacts, unless for at least 60 days before the date of the vote—

“(1) an environmental impact assessment, or initial environmental audit, analyzing the environmental impacts of the proposed action and of alternatives to the proposed action has been completed by the project applicant and made available to the Board of Directors; and

“(2) such assessment or audit has been made available to the public of the United States, locally affected groups in the host country, and host country nongovernmental organizations.”

SEC. 7. COMMUNITY SUPPORT.

Section 237 of the Foreign Assistance Act of 1961 (22 U.S.C. 2197) is amended by adding at the end the following:

“(p) **COMMUNITY SUPPORT.**—To the maximum extent practicable, the Corporation shall require the applicant for a project that is subject to section 231A(b) to obtain broad community support for the project.”

SEC. 8. CLIMATE CHANGE MITIGATION ACTION PLAN.

Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2291 et seq.) is amended by inserting after section 234A the following new section:

“SEC. 234B. CLIMATE CHANGE MITIGATION.

“(a) **MITIGATION ACTION PLAN.**—The Corporation shall, not later than 180 days after the date of the enactment of the Overseas Private Investment Corporation Reauthorization Act of 2007, institute a climate change mitigation action plan that includes the following:

“(1) **CLEAN AND EFFICIENT ENERGY TECHNOLOGY.**—

“(A) **INCREASING ASSISTANCE.**—The Corporation shall establish a goal of substantially increasing its support of projects that use, develop, or otherwise promote the use of clean energy technologies over the 4-year period beginning on the date of the enactment of the Overseas Private Investment Corporation Reauthorization Act of 2007.

“(B) **PREFERENTIAL TREATMENT TO PROJECTS.**—The Corporation shall give preferential treatment to the evaluation and awarding of assistance for and provide greater flexibility in supporting projects that use, develop, or otherwise promote the use of clean and efficient energy technologies.

“(2) **ENVIRONMENTAL IMPACT ASSESSMENTS.**—

“(A) **GREENHOUSE GAS EMISSIONS.**—The Corporation shall, in making an environmental impact assessment for a project under section 231A(b), take into account the degree to which the project contributes to the emission of greenhouse gases.

“(B) **OTHER DUTIES NOT AFFECTED.**—The requirement under subparagraph (A) is in addition to any other requirement, obligation, or duty that the Corporation has.

“(3) **REPORT TO CONGRESSIONAL COMMITTEES.**—The Corporation shall, within 180 days after the date of the enactment of the Overseas Private Investment Corporation Reauthorization Act of 2007, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on

Foreign Relations of the Senate a report on the plan developed to carry out paragraph (1)(A). Thereafter, the Corporation shall include in its annual report under section 240A a discussion of such plan and its implementation.

“(b) **EXTRACTION INVESTMENTS.**—

“(1) **PRIOR NOTIFICATION TO CONGRESSIONAL COMMITTEES.**—The Corporation may not approve any contract of insurance or reinsurance, or any guaranty, or enter into any agreement to provide financing for any project which significantly involves an extractive industry and in which assistance by the Corporation would be valued at \$10,000,000 or more (including contingent liability), until at least 30 days after the Corporation notifies the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate of such contract or agreement.

“(2) **COMMITMENT TO EITI PRINCIPLES.**—The Corporation may approve a contract of insurance or reinsurance, or any guaranty, or enter into an agreement to provide financing to an eligible investor for a project that significantly involves an extractive industry only if—

“(A) the eligible investor has agreed to implement the Extractive Industries Transparency Initiative principles and criteria, or substantially similar principles and criteria; or

“(B) the host country where the project is to be carried out has committed to the Extractive Industries Transparency Initiative principles and criteria, or substantially similar principles and criteria.

“(3) **PREFERENCE FOR CERTAIN PROJECTS.**—With respect to all projects that significantly involve an extractive industry, the Corporation, to the degree possible and consistent with its development objectives, shall give preference to a project in which both the eligible investor has agreed to implement the Extractive Industries Transparency Initiative principles and criteria, and the host country where the project is to be carried out has committed to the Extractive Industries Transparency Initiative principles and criteria, or substantially similar principles and criteria.

“(4) **DEFINITIONS.**—In this subsection:

“(A) **EXTRACTIVE INDUSTRY.**—The term ‘extractive industry’ refers to an enterprise engaged in the exploration, development, or extraction of oil and gas reserves, metal ores, gemstones, industrial minerals, or coal.

“(B) **EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE PRINCIPLES AND CRITERIA.**—The term ‘Extractive Industries Transparency Initiative principles and criteria’ means the principles and criteria of the Extractive Industries Transparency Initiative, as set forth in Annex A to the Anti-Corruption Policies and Strategies Handbook of the Corporation, as published in September 2006.

“(5) **REPORTING REQUIREMENT.**—The Corporation shall include in its annual report required under section 240A a description of its activities to carry out this subsection.

“(c) **DEFINITIONS.**—In this section:

“(1) **CLEAN AND EFFICIENT ENERGY TECHNOLOGY.**—The term ‘clean and efficient energy technology’ means an energy supply or end-use technology—

“(A) such as—

“(i) solar technology;

“(ii) wind technology;

“(iii) geothermal technology;

“(iv) hydroelectric technology; and

“(v) carbon capture technology; and

“(B) that, over its life cycle and compared to a similar technology already in commercial use—

“(i) is reliable, affordable, economically viable, socially acceptable, and compatible

with the needs and norms of the country involved;

“(ii) results in—

“(I) reduced emissions of greenhouse gases; or
“(II) increased geological sequestration; and

“(iii) may—

“(I) substantially lower emissions of air pollutants; or

“(II) generate substantially smaller and less hazardous quantities of solid or liquid waste.

“(2) GREENHOUSE GAS.—The term ‘greenhouse gas’ means—

“(A) carbon dioxide;

“(B) methane;

“(C) nitrous oxide;

“(D) hydrofluorocarbons;

“(E) perfluorocarbons; or

“(F) sulfur hexafluoride.”

SEC. 9. PROHIBITION ON ASSISTANCE TO DEVELOP OR PROMOTE CERTAIN RAILWAY CONNECTIONS AND RAILWAY-RELATED CONNECTIONS.

Section 237 of the of the Foreign Assistance Act of 1961 (22 U.S.C. 2197) is further amended by adding at the end the following:

“(q) PROHIBITION ON ASSISTANCE FOR CERTAIN RAILWAY PROJECTS.—The Corporation may not provide insurance, reinsurance, a guaranty, financing, or other assistance to support the development or promotion of any railway connection or railway-related connection that does not traverse or connect with Armenia and does connect Azerbaijan and Turkey.”

SEC. 10. INELIGIBILITY OF PERSONS DOING CERTAIN BUSINESS WITH STATE SPONSORS OF TERRORISM.

(a) IN GENERAL.—Section 237 of the Foreign Assistance Act of 1961 (22 U.S.C. 2197) is further amended by adding at the end the following:

“(r) INELIGIBLE PROJECTS.—

“(1) IN GENERAL.—A project will not be eligible to receive support provided by the Corporation under this title if either of the following applies:

“(A)(i) An applicant for insurance, reinsurance, financing, or other support for a project provided to the government of a state sponsor of terrorism a loan, or an extension of credit, that remains outstanding.

“(ii) For purposes of this subparagraph, the sale of goods, other than food or medicine, on any terms other than a cash basis shall be considered to be an extension of credit.

“(B) An applicant for insurance, reinsurance, financing, or other support for a project has an investment commitment valued at \$20,000,000 or more for the energy sector in a country that is a state sponsor of terrorism.

“(2) DEFINITIONS.—In this subsection:

“(A) CASH BASIS.—The term ‘cash basis’ refers to a sale in which the purchaser of goods or services is required to make payment in full within 45 days after receiving the goods or services.

“(B) ENERGY SECTOR.—The term ‘energy sector’ refers to activities to develop or transport petroleum or natural gas resources.

“(C) INVESTMENT COMMITMENT.—The term ‘investment commitment’ means any of the following activities if such activity is undertaken pursuant to a commitment, or pursuant to the exercise of rights under a commitment, that was entered into with the government of a state sponsor of terrorism or a nongovernmental entity in a country that is a state sponsor of terrorism:

“(i) The entry into a contract that includes responsibility for the development of petroleum resources located in a country that is a state sponsor of terrorism, or the entry into a contract providing for the gen-

eral supervision and guarantee of another person’s performance of such a contract.

“(ii) The purchase of a share of ownership, including an equity interest, in that development.

“(iii) The entry into a contract providing for the participation in royalties, earnings, or profits in that development, without regard to the form of the participation.

“(D) STATE SPONSOR OF TERRORISM.—The term ‘state sponsor of terrorism’ means a country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979, section 620A of the Foreign Assistance Act of 1961, section 40 of the Arms Export Control Act, or any other provision of law, to be a government that has repeatedly provided support for acts of international terrorism.

“(3) CERTIFICATION.—

“(A) BY APPLICANTS.—A person or entity applying for insurance, reinsurance, a guaranty, financing, or other assistance under this title may not receive such support unless its chief executive officer certifies to the Corporation, under penalty of perjury, that the person or entity and its majority-owned subsidiaries are not engaged in any activity described in subparagraph (A) or (B) of paragraph (1).

“(B) BY ULTIMATE PARENT ENTITIES.—In the case of an applicant that is a majority-owned entity of another entity, in addition to the certification under subparagraph (A), the chief executive officer of the ultimate parent entity of the applicant must certify, under penalty of perjury, that it and its majority-owned subsidiaries are not engaged in any activity described in subparagraph (A) or (B) of paragraph (1).

“(C) APPLICATION TO STRAW MAN TRANSACTIONS.—In any case in which—

“(i) an applicant for insurance, reinsurance, financing, or other assistance under this title is providing goods and services to a project,

“(ii) more than 50 percent of such goods and services are acquired from an unaffiliated entity, and

“(iii) the unaffiliated entity is receiving \$20,000,000 or more, or sums greater than 50 percent of the amount of the assistance provided by the Corporation for the project (including contingent liability), for such goods or services,

then the chief executive officer of the unaffiliated entity must make a certification under subparagraph (A), and any ultimate parent entity must make a certification required by subparagraph (B).

“(D) DILIGENT INQUIRY.—A certification required by subparagraph (A), (B), or (C) may be made to the best knowledge and belief of the certifying officer if that officer states that he or she has made diligent inquiry into the matter certified.

“(E) EXCEPTION.—(i) A chief executive officer of an applicant or other entity may provide a certification required by subparagraph (A), (B), or (C) with respect to the activity of a majority-owned subsidiary or entity notwithstanding activity by such majority-owned subsidiary or entity that would cause a project to be ineligible for support under subparagraph (A) or (B) of paragraph (1) if such activity is carried out under a contract or other obligation of such majority-owned subsidiary or entity that was entered into or incurred before the acquisition of such majority-owned subsidiary or entity by the applicant or ultimate parent entity.

“(ii) Clause (i) shall not apply if the terms of such contract or other obligation are expanded or extended after such acquisition.

“(F) DEFINITION.—For purposes of this paragraph, a person is an ultimate parent of

an entity if the person owns directly, or through majority ownership of other entities, greater than 50 percent of the equity of the entity.

“(4) EXCEPTION.—The prohibition in paragraph (1) shall not—

“(A) apply to a loan, extension of credit, or investment commitment by an applicant, or other entity covered by a certification under subparagraph (A), (B), or (C) of paragraph (3), in Southern Sudan, Southern Kordofan/Nuba Mountains State, Blue Nile State, or Abyei, Darfur, if the Corporation, with the concurrence of the Secretary of State, determines that such loan, extension of credit, or investment commitment will provide emergency relief, promote economic self-sufficiency, or implement a nonmilitary program in support of a viable peace agreement in Sudan, including the Comprehensive Peace Agreement for Sudan and the Darfur Peace Agreement; or

“(B) prohibit the Corporation from providing support for projects in Southern Sudan, Southern Kordofan/Nuba Mountains State, Blue Nile State, and Abyei, Darfur, if the Corporation, with the concurrence of the Secretary of State, determines that such projects will provide emergency relief, promote economic self-sufficiency, or implement a nonmilitary program in support of a viable peace agreement in Sudan, including the Comprehensive Peace Agreement for Sudan and the Darfur Peace Agreement.

“(5) PROSPECTIVE APPLICATION OF SUBSECTION.—This subsection shall not be applied to limit support by the Corporation under this title because an applicant, or other entity covered by a certification under subparagraph (A), (B), or (C) of paragraph (3) engaged in commercial activity specifically licensed by the Office of Foreign Assets Control of the Department of the Treasury.”

(b) TERMINATION.—

(1) IN GENERAL.—The amendment made by this section shall cease to be effective with respect to a country that is a state sponsor of terrorism 30 days after the President certifies to the appropriate congressional committees that—

(A) the country has ceased providing support for acts of international terrorism and no longer satisfies the requirements for designation as a state sponsor of terrorism;

(B) the country does not possess nuclear weapons or a significant program to develop nuclear weapons; and

(C) the country is not committing genocide or conducting a program of ethnic cleansing against a civilian population that approaches genocide.

(2) DEFINITIONS.—In this subsection:

(A) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

(B) STATE SPONSOR OF TERRORISM.—The term ‘state sponsor of terrorism’ has the meaning given that term in section 237(r)(2)(D) of the Foreign Assistance Act of 1961, as added by subsection (a) of this section.

SEC. 11. INCREASED TRANSPARENCY.

(a) IN GENERAL.—Section 237 of the Foreign Assistance Act of 1961 (22 U.S.C. 2197) is further amended by adding at the end the following new subsections:

“(s) AVAILABILITY OF PROJECT INFORMATION.—Beginning 90 days after the date of the enactment of the Overseas Private Investment Corporation Reauthorization Act of 2007, the Corporation shall make public, and post on its Internet website, summaries of all new projects supported by the Corporation, and other relevant information, except

that the Corporation shall not include any confidential business information in the summaries and information made available under this subsection.

“(t) REVIEW OF METHODOLOGY.—Not later than 180 days after the date of the enactment of the Overseas Private Investment Corporation Reauthorization Act of 2007, the Corporation shall publish in the Federal Register and periodically revise, subject to a period of public comment, the detailed methodology, including relevant regulations, used to assess and monitor the impact of projects supported by the Corporation on the development and environment of, and international worker rights in, host countries, and on United States employment.

“(u) PUBLIC NOTICE PRIOR TO PROJECT APPROVAL.—

“(1) PUBLIC NOTICE.—The Board of Directors of the Corporation may not vote in favor of any action proposed to be taken by the Corporation on any Category A project until at least 60 days after the Corporation—

“(A) makes available for public comment a summary of the project and relevant information about the project; and

“(B) makes the summary and information described in paragraph (1) available to locally affected groups in the area of impact of the proposed project, and to host country nongovernmental organizations.

The Corporation shall not include any business confidential information in the summary and information made available under subparagraphs (A) and (B).

“(2) PUBLISHED RESPONSE.—To the extent practicable, the Corporation shall publish responses to the comments received under paragraph (1) with respect to a Category A project and submit the responses to the Board not later than 7 days before a vote is to be taken on any action proposed by the Corporation on the project.

“(3) DEFINITIONS.—In this subsection, the term ‘Category A project’ means any project or other activity for which the Corporation proposes to provide insurance, reinsurance, financing, or other support under this title and which is likely to have significant adverse environmental impacts.”

(b) OFFICE OF ACCOUNTABILITY.—Section 237 of the Foreign Assistance Act of 1961 (22 U.S.C. 2197) is further amended by adding at the end the following new subsection:

“(v) OFFICE OF ACCOUNTABILITY.—The Corporation shall maintain an Office of Accountability to provide problem-solving services for projects supported by the Corporation and to review the Corporation’s compliance with its environmental, social, worker rights, human rights, and transparency policies and procedures, to the maximum extent practicable. The Office of Accountability shall operate in a manner that is fair, objective and transparent.”

SEC. 12. FRAUD AND OTHER BREACHES OF CONTRACT.

Section 237(n) of the Foreign Assistance Act of 1961 (22 U.S.C. 2197(n)) is amended—

(1) by striking “Whoever” and inserting:

“(1) IN GENERAL.—Whoever”; and

(2) by adding at the end the following:

“(2) DEFERRALS TO DEPARTMENT OF JUSTICE.—(A) The President of the Corporation shall refer to the Department of Justice for appropriate action information known to the Corporation concerning any substantial evidence of—

“(i) a violation of this title;

“(ii) a material breach of contract entered into with the Corporation by an eligible investor; or

“(iii) a material false representation made by an investor to the Corporation.

“(B) Subparagraph (A) does not apply if the President of the Corporation concludes

that the matter described in clause (i), (ii), or (iii), as the case may be, of subparagraph (A)—

“(i) is not evidence of a possible violation of criminal law; and

“(ii) is not evidence that the Federal Government is entitled to civil remedy or to impose a civil penalty.”

SEC. 13. TRANSPARENCY AND ACCOUNTABILITY OF INVESTMENT FUNDS.

(a) IN GENERAL.—Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199) is amended by adding at the end the following:

“(1) TRANSPARENCY AND ACCOUNTABILITY OF INVESTMENT FUNDS.—

“(1) COMPETITIVE SELECTION OF INVESTMENT FUND MANAGEMENT.—With respect to any investment fund that the Corporation creates on or after the date of the enactment of the Overseas Private Investment Corporation Reauthorization Act of 2007, the Corporation may select persons to manage the fund only by contract using full and open competitive procedures.

“(2) CRITERIA FOR SELECTION.—In assessing proposals for investment fund management proposals, the Corporation shall consider, in addition to other factors, the following:

“(A) The prospective fund management’s experience, depth, and cohesiveness.

“(B) The prospective fund management’s track record in investing risk capital in emerging markets.

“(C) The prospective fund management’s experience, management record, and monitoring capabilities in its target countries, including details of local presence (directly or through local alliances).

“(D) The prospective fund management’s experience as a fiduciary in managing institutional capital, meeting reporting requirements, and administration.

“(E) The prospective fund management’s record in avoiding investments in companies that would be disqualified under section 237(r).

“(3) ANNUAL REPORT.—The Corporation shall include in each annual report under section 240A an analysis of the investment fund portfolio of the Corporation, including the following:

“(A) FUND PERFORMANCE.—An analysis of the aggregate financial performance of the investment fund portfolio grouped by region and maturity.

“(B) STATUS OF LOAN GUARANTIES.—The amount of guaranties committed by the Corporation to support investment funds, including the percentage of such amount that has been disbursed to the investment funds.

“(C) RISK RATINGS.—The definition of risk ratings, and the current aggregate risk ratings for the investment fund portfolio, including the number of investment funds in each of the Corporation’s rating categories.

“(D) COMPETITIVE SELECTION OF INVESTMENT FUND MANAGEMENT.—The number of proposals received and evaluated for each newly established investment fund.”

(b) GAO AUDIT.—Not later than 1 year after the submission of the first report to Congress under section 240A of the Foreign Assistance Act of 1961 that includes the information required by section 239(1)(3) of that Act (as added by subsection (a) of this section), the Comptroller General of the United States shall prepare and submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate an independent assessment of the investment fund portfolio of the Overseas Private Investment Corporation, covering the items required to be addressed under such section 239(1)(3).

SEC. 14. EXTENSION OF AUTHORITY TO OPERATE IN IRAQ.

Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199) is amended by adding at the end the following:

“(m) OPERATIONS IN IRAQ.—Notwithstanding subsections (a) and (b) of section 237, the Corporation is authorized to undertake in Iraq any program authorized by this title.”

SEC. 15. CONSISTENCY WITH EXISTING LAW.

Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199) is further amended by adding at the end the following:

“(n) CONSISTENCY WITH OTHER LAW.—Section 620L of this Act shall apply to any insurance, reinsurance, guaranty, or other financing issued by the Corporation for projects in the West Bank and Gaza to the same extent as such section applies to other assistance under this Act.

“(o) LIMITATION ON ASSISTANCE TO GAZA AND THE WEST BANK.—The Corporation may not provide insurance, reinsurance, a guaranty, financing, or other assistance to support a project in any part of Gaza or the West Bank unless the Secretary of State determines that the location for the project is not under the effective control of Hamas or any other foreign terrorist organization designated under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189).”

SEC. 16. CONGRESSIONAL NOTIFICATION REGARDING MAXIMUM CONTINGENT LIABILITY.

Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199) is further amended by adding at the end the following:

“(p) CONGRESSIONAL NOTIFICATION OF INCREASE IN MAXIMUM CONTINGENT LIABILITY.—The Corporation shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate not later than 15 days after the date on which the Corporation’s maximum contingent liability outstanding at any one time pursuant to insurance issued under section 234(a), and the amount of financing issued under sections 234(b) and (c), exceeds the previous fiscal year’s maximum contingent liability by 25 percent.”

SEC. 17. ASSISTANCE FOR SMALL BUSINESSES AND ENTITIES.

Section 240 of the Foreign Assistance Act of 1961 (22 U.S.C. 2200) is amended by adding at the end the following:

“(c) RESOURCES DEDICATED TO SMALL BUSINESSES, COOPERATIVES, AND OTHER SMALL UNITED STATES INVESTORS.—The Corporation shall ensure that adequate personnel and resources, including senior officers, are dedicated to assist United States small businesses, cooperatives, and other small United States investors in obtaining insurance, reinsurance, financing, and other support under this title. The Corporation shall include, in each annual report under section 240A, the following information with respect to the period covered by the report:

“(1) A description of such personnel and resources.

“(2) The number of small businesses, cooperatives, and other small United States investors that received such insurance, reinsurance, financing, and other support, and the dollar value of such insurance, reinsurance, financing and other support.

“(3) A description of the projects for which such insurance, reinsurance, financing, and other support was provided.”

SEC. 18. TECHNICAL CORRECTIONS.

(a) PILOT EQUITY FINANCE PROGRAM.—Section 234 of the Foreign Assistance Act of 1961 (22 U.S.C. 2194) is amended—

(1) by striking subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

(b) TRANSFER AUTHORITY.—Section 235 of the Foreign Assistance Act of 1961 (22 U.S.C. 2195) is amended—

(1) by striking subsection (e); and
(2) by redesignating subsection (f) as subsection (e).

(c) GUARANTY CONTRACT.—Section 237(j) of the Foreign Assistance Act of 1961 (22 U.S.C. 2197(j)) is amended by inserting “insurance, reinsurance, and” after “Each”.

(d) TRANSFER OF PREDECESSOR PROGRAMS AND AUTHORITIES.—

(1) TRANSFER.—Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199), as amended by the preceding provisions of this Act, is amended—

(A) by striking subsection (b); and
(B) by redesignating the subsections (c) through (p) as subsections (b) through (o), respectively.

(2) CONFORMING AMENDMENTS.—(A) Section 237(m)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2197(m)(1)) is amended by striking “239(g)” and inserting “239(f)”.

(B) Section 240A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2200A(a)) is amended—

(i) in paragraph (1), by striking “239(h)” and inserting “239(g)”; and

(ii) in paragraph (2)(A), by striking “239(i)” and inserting “239(h)”.

(C) Section 209(e)(16) of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (as enacted into law by section 1000(a)(7) of Public Law 106–113; 31 U.S.C. 1113 note) is amended by striking “239(c)” and “2199(c)” and inserting “239(b)” and “2199(b)”, respectively.

(e) ADDITIONAL CLERICAL AMENDMENTS.—Section 234(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2194(b)) is amended by striking “235(a)(2)” and inserting “235(a)(1)”.

SEC. 19. EFFECTIVE DATE.

(a) NEW APPLICATIONS.—This Act and the amendments made by this Act shall apply with respect to any application for insurance, reinsurance, a guaranty, financing, or other support under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 if the application is received by the Overseas Private Investment Corporation on or after July 1, 2007, and the application is approved by the Corporation on or after the date of the enactment of this Act.

(b) EXTENSIONS AND RENEWALS.—

(1) IN GENERAL.—Subject to paragraph (2), this Act and the amendments made by this Act shall apply with respect to any extension or renewal of a contract or agreement for any such insurance, reinsurance, guaranty, financing, or support that was entered into by the Corporation before the date of the enactment of this Act if the extension or renewal is approved by the Corporation on or after such date of enactment.

(2) EXCEPTION.—This Act and the amendments made by this Act shall not apply to any extension or renewal which is substantially identical to an extension or renewal formally requested in a detailed writing filed with the Corporation before July 1, 2007.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. SHERMAN) and the gentleman from Indiana (Mr. PENCE) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. SHERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill now

under consideration, and on the next three resolutions that the House will consider, H. Res. 521, H. Res. 380, and H. Con. Res. 139.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHERMAN. Mr. Speaker, I rise in strong support of this bill, and I yield myself such time as I may consume.

I would like to thank the many colleagues who have been involved in crafting this legislation, including Chairman LANTOS, Ranking Member ROS-LEHTINEN, Ranking Member ROYCE, Mr. MANZULLO, Ambassador Watson and others. Their assistance was critical in the bipartisan effort of making the Overseas Private Investment Corporation even more effective.

As I proceed, I will point out that the Overseas Private Investment Corporation is saddled with the most unfortunate acronym in Washington, OPIC. Let us hope it is not confused with that other, nefarious organization, OPEC.

OPIC's mission is “to mobilize and facilitate the participation of United States private capital and skills in the economic and social development of less developed countries and areas.”

Since its creation in 1971, the Overseas Private Investment Corporation has generated \$71 billion in U.S. exports, supported over 271,000 U.S. jobs, and supported projects in over 150 developing countries.

OPIC uses a nimble, private-sector model to accomplish its important public-sector goals, to further development in poor countries, including unstable countries, and to support the goals of American foreign policy. It supports targeted investments in some of the world's poorest countries, many of which would otherwise not benefit from American private-sector projects because the private sector would be otherwise unwilling to take the risks involved.

OPIC, being part of the Federal Government, is uniquely qualified to carry out this mission. There are private sector organizations which will sell on rare occasions expropriation insurance, but they often refuse to sell such insurance or refuse to finance projects in difficult and problematic countries because if expropriation did occur, they would only have their private-sector contacts to persuade the foreign government to relent. In the case of OPIC, it is able to rely on the United States State Department to convince foreign countries not to expropriate projects and assets funded by or guaranteed by the United States agency.

OPIC has a sophisticated system that reviews applications and funds projects in some of the places where companies are least likely to get the very kind of insurance they are most likely to need; namely, insurance for political risk. In fact, OPIC requires applicants for assistance to seek insurance in the private market and certify that it was unavailable before OPIC will offer its services.

OPIC operates at no net cost to the United States taxpayer. Amazingly, it has turned a profit in every single year of its operations and now has reserves of \$5.3 billion on deposit in the U.S. Treasury. Despite working in some of the least developed countries of the world, it has amassed this \$5.3 billion in reserves. If all of our government agencies ran this way, perhaps even those on the other side of the aisle would be more favorably disposed to Federal programs.

□ 1300

Today's bill not only reauthorizes OPIC but improves both its strategy and oversight to make it the most responsible investor it can be.

With this bill, the new and improved OPIC will work in countries and with companies, private sector companies, in a manner which provides greater protection for international worker rights.

The new and improved OPIC will take additional steps to guarantee that its projects do not damage the environment and, in fact, move toward a greener economy.

The new and improved OPIC will be as transparent as possible and more transparent than any Federal agency I am aware of.

I want to especially focus on section 10 of the bill because it contains a provision that is unique as to bills that have come to this floor, but which is being talked about in a wide variety of our other bills, designed to focus on using the economic power of the United States to deal with terrorist countries, particularly those who are committing genocide, such as Sudan, or developing nuclear weapons, such as Iran and North Korea.

If this bill is enacted, this provision would be the only statute requiring a screen for companies doing business with a U.S. government agency that requires the private sector companies to certify that neither they nor any entity, as part of their affiliated group of corporations, is engaging in an enterprise which is helping terrorist states as defined in the bill.

Now, one of the toughest issues for anyone trying to use the economic power of the United States to achieve our foreign policy objectives must ask is, what types of investments are we trying to discourage? The broader the definition of what we're trying to discourage, the less focused the pressure that we put on private sector entities.

In this bill, and this is a bill that I hope will form a template for the divestiture movement in the United States, for procurement laws that come before this Congress, et cetera, we focus rather narrowly the economic pressure of the United States. We tell these multinational corporations that we're not going to bar you from dealing with OPIC if you sell a candy bar to a private store in Tehran or you sell paper clips to a stationery store in Khartoum.

Rather, you must certify that your corporation and all its affiliates have abstained from two very important actions: first, that you have made no loan to the terrorist government; and, second, that you are not investing significant assets in the oil and energy sector of a terrorist State, particularly no more than \$20 million.

This builds on what used to be called the Iran-Libya Sanctions Act, now the Iran Sanctions Act, which draws the line and finds the pressure point for both Iran and Sudan, and probably Syria as well, in stating that our goal is to prevent investments of more than \$20 million in the terrorist states' oil sector.

Also, OPIC would not be able to approve an application if the applicant company has an outstanding loan or extension of credit to one of the state sponsors of terrorist governments. Sales of goods other than food and medicine on anything other than a cash basis would constitute U.N. extension of credit for these purposes.

Now, section 10 of the bill would apply these prohibitions, as I've pointed out, to foreign subsidiaries of the applicant. In order to benefit from partnering with OPIC, the entire group of affiliated corporations would have to make the certification.

Section 10 of the bill would require the CEOs of any applicant and the CEO of the applicant's ultimate parent corporation to certify that none of the affiliated groups have engaged in the prohibited activities.

Section 10 is also narrowly targeted with regard to the geography of the Sudan in that it does not prohibit activities in those regions of Sudan not under the power of the Khartoum government.

For 35 years, OPIC has funded and ensured the type of infrastructure-building that no one else would do in some countries where no private corporation would otherwise go. OPIC has paved the way for roads and bridges, buildings and energy facilities in countries marked by conflict and war.

For these reasons, we should reauthorize OPIC.

Mr. Speaker, I reserve the balance of my time.

Mr. PENCE. Mr. Speaker, I yield myself such time as I may consume.

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, at the outset I'd like to express my admiration to our distinguished chairman; our ranking member, Ms. ROS-LEHTINEN, as well as Mr. SHERMAN, for crafting this important legislation and for bringing it to the careful thought and consideration that colleagues and those looking on today would see easily in evidence in the gentleman from California's remarks, and I am grateful for his leadership.

Mr. Speaker, we all understand that from time to time the Overseas Private Investment Corporation has been the

subject of controversy. On the other hand, it is accurate to say that it is significant that every President since 1971 has believed that OPIC is an important tool for advancing international development in U.S. foreign policy by stimulating private capital investment.

In recent years, OPIC appears to have better focused its resources and efforts, bringing economic development to underserved markets in Central America, Africa, Afghanistan, and now in Iraq.

OPIC has also reached out to U.S. small businesses and minority- and women-owned enterprises. For example, more than 80 percent of all OPIC projects approved in fiscal year 2006 involved U.S. small- and medium-sized enterprises.

OPIC has also sought to enhance transparency and fight corruption, thereby leveling the playing field for U.S. businesses as they compete in international markets.

It's also worth noting that OPIC is embarking on new efforts to encourage investments that reduce greenhouse gas emissions and promote the use of clean energy; and by charging market-based fees for its products, OPIC continues to operate as a self-sustaining agency, which I applaud, effectively operating at no net cost to taxpayers and returning net income every year of operation, with reserves now totaling more than \$5 billion.

On balance, then, despite controversy, I believe OPIC continues to serve foreign policy interests of the United States, and I urge support of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SHERMAN. Mr. Speaker, I have no requests for time. Let me yield myself just a couple of minutes and reemphasize, this is an agency that has conducted its activities at no cost to the Federal Treasury and, in fact, made a profit. It is appropriate that we reauthorize OPIC.

Second, this bill is, I believe, the first to come before this House which defines what precisely it is that we want international corporations to stop doing, and that is, investing in the oil sector of terrorist states, and, second, making loans to terrorist states. That is why I think that this bill may be an important template for other legislation, and I hope it will become a guide for what we expect of companies in procurement legislation, Ex-Im Bank, et cetera.

Mr. MANZULLO. Mr. Speaker, it's a privilege and honor for me to be closely associated again with the effort to reauthorize the Overseas Private Investment Corporation. Along with now Senator BOB MENENDEZ, former OPIC President George Munoz, and me—the 3Ms—we were able to rescue OPIC from oblivion with a resounding vote of confidence of 357 to 71 to reauthorize OPIC in 1999. OPIC represents the best of both worlds—the agency doesn't cost the U.S. taxpayer any money and it creates jobs and aids in economic development both here and

abroad as evidenced by the Congressional findings section in this bill.

I also want to commend Mr. SHERMAN for working with the minority in a bipartisan way in order to produce a bill that can receive overwhelming support. The bill before us today wouldn't be the one I would have written from scratch. However, I am pleased that as the bill has moved through the legislation process, the majority has been sensitive to the concern as to the practical effects of certain provisions in order to insure that OPIC can remain open for business in various markets. I also appreciate the willingness of the majority to continue to keep the lines of communication open.

I also want to commend Mr. Sherman for including my suggestion in Section 17 to make sure that OPIC will always continue to have sufficient staff and resources to support small businesses. I also want to thank the majority for their willingness to add in report language a statement that the climate change initiative in Section 8 should not take away from other environmental remediation efforts by OPIC.

However, I would be remiss in my duties if I didn't raise a couple of concerns that I hope will get addressed through the rest of the legislative process. First, I believe that the language dealing with enhanced worker rights in Section 5 will have the counterproductive effect of taking OPIC out of some of the most challenging markets in the world where we have a significant foreign policy interest to see success such as Afghanistan. In my opinion, it would be much better to strengthen OPIC's oversight workforce to make sure that companies live up to the agreements they sign rather than remove OPIC totally from nations that are not making "significant progress" towards worker rights. You can't positively influence a nation in this sensitive area of internal domestic policy if you disengage from the country. A good example is better than speaking a thousands words.

Second, as evidenced by the difficulty to clarify the direction and intent of the language in Section 10, it's hard to narrowly target unilateral sanctions without it either harming other U.S. national interests or the people we are supposedly trying to help. This section could cause big problems down the line, particularly as more and more deals at OPIC are also co-financed or co-insured with foreign investment insurance agencies. This will only lead to the designing out American goods and services from a particular deal and will not produce the desired results.

Mr. Speaker, I commend the majority for their willingness to work together on this bill and I look forward to supporting final passage and eventually seeing an OPIC reauthorization bill signed into law by the President.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in strong support of H.R. 2798, the Overseas Private Investment Corporation Act of 2007. I would like to thank my colleague Mr. SHERMAN for introducing this important bipartisan legislation.

The Overseas Private Investment Corporation (OPIC) has led by example in improving the social and economic conditions in some of the world's poorest countries. Today's bill not only reauthorizes OPIC but it improves upon both its strategy and oversight to make it the most responsible investor it can be.

OPIC has, since its inception in 1971, applied a private-sector model to a number of

important public-sector goals. By supporting targeted investments in a number of the world's poorest countries, OPIC extends the benefits of American projects to areas where a high level of risk might preclude investment by private companies. In this way, OPIC fills an important void left by the private financial sector. OPIC is essential and vital to the development of many countries, providing political risk insurance against the risks of convertibility, political violence, and expropriation allowing business to invest overseas and promote economic development in new and emerging markets.

For the past 35 years, OPIC has funded and insured the type of infrastructure building that no private company would do in some of the countries in which no company would otherwise go. OPIC has paved the way for roads, bridges, buildings, and energy facilities in war-torn and impoverished developing nations, and has accomplished all this while turning a profit and building billions in reserves.

Remarkably, OPIC has itself turned a profit in every single year of its operations. It currently has reserves of over \$5.3 billion, despite working in many of the world's least developed nations.

OPIC's sophisticated system involves reviewing applications and funding projects in countries where companies are least likely to get insurance coverage for the risk they are taking. In addition OPIC also provides financing through direct loans and loan guaranties.

With H.R. 2798, OPIC will become a new and improved agency. We live in a world that requires all of us to work together to fight terrorism, hunger and poverty, and for fundamental freedom and rights of every individual. This bill will allow OPIC to work in countries and with companies that provide greater protection for international workers rights.

This legislation has a number of vital safeguards, preventing funds from being used for destructive purposes. It strictly prevents funding for any project that damages the environment, and it ensures that it is not funding projects in nations with the most dangerous regimes in the world, including Iran. This bill prohibits investment in any state sponsor of terrorism, and charges OPIC with researching the subsidiaries of every company it funds to enforce that prohibition. Under the provisions of this bill, OPIC will be as transparent as possible.

I was happy to work with Congressman SHERMAN to include language in the Committee Report to ensure that Iraq is not given a blank check. Given the violent and chaotic situation in Iraq, and due to difficulties in dealing with an unstable Iraqi government, it is necessary to waive certain requirements normally mandatory for OPIC involvement in a country. While I believe that OPIC investment has the potential to be extremely valuable and beneficial for Iraqi reconstruction, I also believe it to be necessary for Iraq to demonstrate that it is making definitive and substantial steps toward the benchmarks set by the United States, including achieving political and national reconciliation.

For 35 years, OPIC has funded and insured infrastructure-building activities that would not otherwise be undertaken by the private sector. This legislation ensures that OPIC can continue its valuable work, building on its legacy of constructive involvement and further refining its strategies and oversight. I believe that

OPIC deserves our support, and I strongly support this legislation.

Mr. ROYCE. Mr. Speaker, I want to recognize Subcommittee Chairman SHERMAN for his work on this legislation. He worked this bill thoroughly, and while we disagree on OPIC's merits, he supported my text to reform its investment funds.

OPIC's investment funds, as some may remember, have a troubled history. In the 1990s, then-OPIC president Ruth Harkin said, "If you're an investor in an OPIC-supported fund, the worst you can do is get your money back at the need of 10 years." That's not the free market OPIC professes to support and not surprisingly, these funds were subject to political cronyism.

There have been reforms to the funds of late, including competitively selecting fund managers, but we should mandate them. My language does this.

Fundamentally though, I remain unconvinced that OPIC is doing something worthwhile that the private sector wouldn't do. The burden of proof should be on OPIC, especially in times of accelerating change in financial markets. Several companies have jumped into the political risk insurance business, for example, offering increasingly sophisticated products, . . . so why are we reauthorizing government-backed OPIC to continue competing against them?

We have heard much on the floor trumpeting OPIC's supposed benefits. However, most economists believe that subsidizing investment—which is what OPIC does—merely shifts it around, often to lesser productive locations and uses. The Congressional Research Service has reported, "From the point of view of the U.S. economy as a whole, there is little theoretical support or empirical evidence that supports claims that subsidizing exports or overseas investment offers a positive net gain in jobs to the U.S. economy." That's persuasive evidence against OPIC's claims, and its case for reauthorization.

OPIC makes much of the fact that it returns money to the U.S. Treasury. OK. But let's consider that this money is held against potential liabilities stemming from OPIC's activities. And give most anybody U.S. government-backing to trade on, and they'd turn a profit in financial markets.

One OPIC critic gave a useful description. Investment is like a rope. Less developed countries can only pull it in with good policies; efforts to push in investment, which is OPIC's mandate, are bound to be inefficient.

Mr. Speaker, these are some of the reasons I oppose this legislation reauthorizing OPIC.

Mr. DINGELL. Mr. Speaker, I rise in support of H.R. 2798, the "Overseas Private Investment Corporation Reauthorization Act of 2007". Since its establishment in 1971, OPIC has offered investment financing and political risk insurance to American businesses and lenders, which are willing to direct private capital to developing countries.

While OPIC has proven to be a valuable tool for U.S. foreign and commercial policy, it is in need of some improvement. I am pleased that H.R. 2798 establishes requirements that projects be approved only in countries that are making progress toward adopting international labor and environmental standards. H.R. 2798 also embraces the necessity of promoting peace and stability in the international system by prohibiting OPIC from participating in

projects in countries that are sponsors of terrorism, possess or have programs to develop nuclear weapons, or commit genocide.

I would object, however, to one provision in this bill. H.R. 2798 requires OPIC to implement a climate change mitigation action plan, which would include increased support for projects that use and develop clean energy technologies. The bill further stipulates that OPIC submit a report on this plan, as well as annual environmental impact assessments of the projects that it supports, to the House Committee on Foreign Affairs and Senate Committee on Foreign Relations. I respectfully suggest that these reports also be submitted to the House Committee on Energy and Commerce, not only because of the committee's jurisdiction and expertise in policy matters related to energy and foreign commerce, but also because this would augment Congressional oversight of OPIC in order to ensure that its plans for environmentally responsible development receive careful and thorough consideration. It is my sincere hope that the Committee on Foreign Affairs will work with the Committee on Energy and Commerce to address this concern when H.R. 2798 is considered again during conference.

I would urge that the House approve H.R. 2798 and thank my colleagues on the Committee on Foreign Affairs for their work on this bill.

Mr. SHERMAN. Mr. Speaker, I yield back the balance of my time, and I move that we adopt the bill.

Mr. PENCE. Mr. Speaker, I urge adoption of the bill as well, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. SHERMAN) that the House suspend the rules and pass the bill, H.R. 2798, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

RESOLUTION COMMENDING IDAHO ON WINNING THE BID TO HOST THE 2009 SPECIAL OLYMPICS WORLD WINTER GAMES

Mr. SHERMAN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 380) commending Idaho on winning the bid to host the 2009 Special Olympics World Winter Games.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 380

Whereas Special Olympics is an international nonprofit organization that promotes personal development through sports training and competition;

Whereas Special Olympics advances the understanding of intellectual disabilities through participation and fellowship in the Nation and around the World;

Whereas Special Olympics serves more than 2,500,000 individuals with intellectual disabilities around the globe;

Whereas Special Olympics offers more than 205 programs in over 165 countries;