

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3407
OFFERED BY MS. WATERS OF CALIFORNIA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “United States Export
3 Finance Agency Act of 2019”.

4 SEC. 2. TABLE OF CONTENTS.

5 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
7 with the financing tools necessary to compete in the
8 global markets.

9 (2) Over its 85-year history, under both Repub-
10 lican and Democratic administrations, the Export-
11 Import Bank of the United States has been reau-
12 thorized 17 times with large bipartisan majorities in
13 Congress.

14 (3) Over the last 10 years, the Export-Import
15 Bank of the United States has financed more than
16 \$186,000,000,000 in authorizations supporting more
17 than \$255,000,000,000 in United States exports

1 and supported 1,600,000 United States jobs in all
2 50 states; in fiscal year 2018, EXIM authorized
3 \$3,300,000,000 in financing and supported an esti-
4 mated 33,000 United States jobs.

5 (4) According to the EXIM charter, it is the
6 policy of the United States that the Export-Import
7 Bank of the United States should not compete with
8 the private sector, but rather fill export financing
9 gaps through its insurance, loan guarantee, and di-
10 rect lending programs when the private sector is un-
11 able or unwilling to do so.

12 (5) With more than 100 export credit agencies
13 globally, the Export-Import Bank of the United
14 States, if appropriately utilized, can level the playing
15 field to ensure that United States companies will not
16 lose out on a sale of United States exports because
17 of financing terms offered by foreign governments.

18 (6) In fiscal year 2018, 90.5 percent of the Ex-
19 port-Import Bank of the United States' authoriza-
20 tions directly supported small businesses, including
21 315 small businesses that used the Export-Import
22 Bank of the United States for the first time.

23 (7) In fiscal year 2014, when the Export-Im-
24 port Bank of the United States was last fully oper-

1 ational, EXIM authorized \$751,000,000 to support
2 minority- and women-owned business exports.

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

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

14 (10) EXIM was last reauthorized in December
15 2015, and its charter expires September 30, 2019.

16 (11) Despite bicameral support for the Bank's
17 reauthorization in 2015, the Senate did not confirm
18 the directors of EXIM until May 2019. As a result,
19 the Bank did not have a quorum and could not ap-
20 prove transactions over \$10,000,000.

21 **SEC. 4. RENAMING OF THE EXPORT-IMPORT BANK OF THE**
22 **UNITED STATES.**

23 (a) IN GENERAL.—The Export-Import Bank of the
24 United States is hereby redesignated as the United States
25 Export Finance Agency.

1 (b) REFERENCES.—Any reference to the Export-Im-
2 port Bank of the United States in any law, rule, regula-
3 tion, certificate, directive, instruction, or other official
4 paper in force on the date of the enactment of this Act
5 is deemed a reference to the United States Export Finance
6 Agency.

7 **TITLE I—PROMOTING UNITED**
8 **STATES LEADERSHIP AND IN-**
9 **NOVATION**

10 **SEC. 101. AUTHORIZATION PERIOD.**

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

14 **SEC. 102. AGGREGATE LOAN, GUARANTEE, AND INSURANCE**
15 **AUTHORITY.**

16 Section 6(a)(2) of the Export-Import Bank Act of
17 1945 (12 U.S.C. 635e(a)(2)) is amended to read as fol-
18 lows:

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

21 “(A) \$145,000,000,000 for fiscal year
22 2020;

23 “(B) \$150,000,000,000 for fiscal year
24 2021;

1 “(C) \$155,000,000,000 for fiscal year
2 2022;

3 “(D) \$160,000,000,000 for fiscal year
4 2023;

5 “(E) \$165,000,000,000 for fiscal year
6 2024;

7 “(F) \$170,000,000,000 for fiscal year
8 2025; and

9 “(G) \$175,000,000,000 for fiscal year
10 2026.”.

11 **SEC. 103. PROGRAM ON CHINA AND TRANSFORMATIONAL**
12 **EXPORTS.**

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

16 “(1) PROGRAM ON CHINA AND TRANSFORMATIONAL
17 EXPORTS.—

18 “(1) IN GENERAL.—The Agency shall establish
19 a Program on China and Transformational Exports
20 to support the extension of loans, guarantees, and
21 insurance, at rates and on terms and other condi-
22 tions, to the extent practicable, that are fully com-
23 petitive with rates, terms, and other conditions es-
24 tablished by the People’s Republic of China or by a
25 covered country, that aim to—

1 “(A) directly neutralize export subsidies
2 for competing goods and services financed by
3 official export credit, tied aid, or blended fi-
4 nancing provided by the People’s Republic of
5 China or by a covered country; or

6 “(B) advance the comparative leadership
7 of the United States with respect to the Peo-
8 ple’s Republic of China, or support United
9 States innovation, employment, and techno-
10 logical standards, through direct exports in any
11 of the following areas:

12 “(i) Artificial intelligence.

13 “(ii) Biotechnology.

14 “(iii) Biomedical sciences.

15 “(iv) Wireless communications equip-
16 ment (including 5G or subsequent wireless
17 technologies).

18 “(v) Quantum computing.

19 “(vi) Renewable energy, energy effi-
20 ciency, and energy storage.

21 “(vii) Semiconductor and semicon-
22 ductor machinery manufacturing.

23 “(viii) Emerging financial tech-
24 nologies, including technologies that facili-
25 tate—

1 “(I) financial inclusion through
2 increased access to capital and finan-
3 cial services;

4 “(II) data security and privacy;

5 “(III) payments, the transfer of
6 funds, and associated messaging serv-
7 ices; and

8 “(IV) efforts to combat money
9 laundering and the financing of ter-
10 rorism.

11 “(ix) Associated services necessary for
12 use of any of the foregoing exports.

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

16 “(A) the Secretary of the Treasury des-
17 ignates as a covered country in a report to the
18 Committee on Financial Services of the House
19 of Representatives and the Committee on Bank-
20 ing, Housing, and Urban Development of the
21 Senate; and

22 “(B) is not a participant in the Arrange-
23 ment on Officially Supported Export Credits of
24 the Organization for Economic Cooperation and

1 Development (in this subsection referred to as
2 the ‘Arrangement’); and

3 “(C) is not in substantial compliance with
4 the financial terms and conditions of the Ar-
5 rangement.

6 “(3) FINANCING.—

7 “(A) IN GENERAL.—It shall be a goal of
8 the Agency to reserve not less than 20 percent
9 of the applicable amount (as defined in section
10 6(a)(2)) for support made pursuant to the Pro-
11 gram on China and Transformational Exports.

12 “(B) EXCEPTION.—The Secretary of the
13 Treasury may reduce or eliminate the 20 per-
14 cent goal in subparagraph (A), on reporting to
15 the Committee on Financial Services of the
16 House of Representatives and the Committee
17 on Banking, Housing, and Urban Affairs of the
18 Senate that the People’s Republic of China is in
19 substantial compliance with—

20 “(i) the financial terms and conditions
21 of the Arrangement; and

22 “(ii) the rules and principles of the
23 Paris Club.

24 “(C) SUNSET AND REPORT.—The program
25 established under paragraph (1) shall expire on

1 September 30, 2026. Not later than 4 years
2 after enactment of this subsection, the Presi-
3 dent of the Agency shall submit a report to the
4 Committee on Financial Services of the House
5 of Representatives and the Committee on Bank-
6 ing, Housing, and Urban Affairs of the Senate
7 assessing the following:

8 “(i) The capacity and demand of
9 United States entities to export goods and
10 services in the areas described in para-
11 graph (1)(B), as assessed in consultation
12 with the Secretary of Commerce.

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

15 “(iii) The feasibility and advisability
16 of continuing the goal of subparagraph (A)
17 of this paragraph with respect to para-
18 graph (1)(B) after September 30, 2026.

19 “(D) NATIONAL ADVISORY COUNCIL ON
20 INTERNATIONAL FINANCIAL AND MONETARY
21 PROBLEMS.—The National Advisory Council on
22 International Financial and Monetary Problems
23 shall ensure that Agency authorizations pursu-
24 ant to the Program on China and Trans-
25 formational Exports are considered or reviewed

1 expeditiously, consistent with the other credit
2 standards required by law.”.

3 (b) **REQUIRED REPORTING.**—Section 8 of such Act
4 (12 U.S.C. 635g) is amended by adding at the end the
5 following:

6 “(l) **REPORT ON AUTHORIZATIONS UNDER THE PRO-**
7 **GRAM ON CHINA AND TRANSFORMATIONAL EXPORTS.**—
8 The Agency shall include in its annual report to Congress
9 under subsection (a) a narrative and financial summary
10 of the authorizations made under the Program on China
11 and Transformational Exports.”.

12 (c) **RULE OF CONSTRUCTION.**—Nothing in section
13 2(l)(1)(B) of the Export-Import Bank Act of 1945 shall
14 be construed to weaken any export controls affecting crit-
15 ical technologies (as defined in section 721(a)(6)(A) of the
16 Defense Production Act of 1950 (50 U.S.C.
17 4565(a)(6)(A))).

18 **SEC. 104. STRENGTHENING SUPPORT FOR U.S. SMALL BUSI-**
19 **NESSES.**

20 (a) **INCREASING SMALL BUSINESS THRESHOLD.**—
21 Section 2(b)(1)(E)(v) of the Export-Import Bank Act of
22 1945 (12 U.S.C. 635(b)(1)(E)(v)) is amended—

23 (1) by striking “25 percent of such authority
24 for each fiscal year” and inserting “25 percent of
25 such authority for each of fiscal years 2020, 2021,

1 and 2022, and 30 percent of such authority for each
2 fiscal year thereafter”; and

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

8 (b) SMALL BUSINESS POLICY.—Section
9 2(b)(1)(E)(i)(I) of such Act (12 U.S.C.
10 635(b)(1)(E)(i)(I)) is amended to read as follows:

11 “(I) It is further the policy of the United States to
12 encourage the participation of small business (including
13 women-owned businesses, minority- owned businesses, vet-
14 eran-owned businesses, businesses owned by persons with
15 disabilities, and businesses in rural areas) and start-up
16 businesses in international commerce, and to educate such
17 businesses about how to export goods using the United
18 States Export Finance Agency.”.

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

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

23 “(i) OFFICE OF MINORITY AND WOMEN INCLU-
24 SION.—

1 “(1) ESTABLISHMENT.—The Agency shall es-
2 tablish an Office of Minority and Women Inclusion
3 which shall be responsible for carrying out this sub-
4 section and all matters relating to diversity in man-
5 agement, employment, and business activities in ac-
6 cordance with such standards and requirements as
7 the Director of the Office shall establish.

8 “(2) TRANSFER OF RESPONSIBILITIES.—The
9 Agency shall ensure that, to the extent that the re-
10 sponsibilities described in paragraph (1) (or com-
11 parable responsibilities) were, as of the date of the
12 enactment of this subsection, performed by another
13 office of the Agency, the responsibilities shall be
14 transferred to the Office.

15 “(3) DUTIES WITH RESPECT TO CIVIL RIGHTS
16 LAWS.—The responsibilities described in paragraph
17 (1) shall not include enforcement of statutes, regula-
18 tions, or executive orders pertaining to civil rights,
19 except that the Director of the Office shall coordi-
20 nate with the President of the Agency, or the des-
21 ignee of the President of the Agency, regarding the
22 design and implementation of any remedies resulting
23 from violations of the statutes, regulations, or execu-
24 tive orders.

25 “(4) DIRECTOR.—

1 “(A) IN GENERAL.—The Director of the
2 Office shall be appointed by, and shall report
3 directly to, the President of the Agency. The
4 position of Director of the Office shall be a ca-
5 reer reserved position in the Senior Executive
6 Service, as that position is defined in section
7 3132 of title 5, United States Code, or an
8 equivalent designation.

9 “(B) DUTIES.—The Director shall—

10 “(i) develop standards for equal em-
11 ployment opportunity and the racial, eth-
12 nic, and gender diversity of the workforce
13 and senior management of the Agency;

14 “(ii) develop standards for increased
15 participation of minority-owned and
16 women-owned businesses in the programs
17 and contracts of the Agency, including
18 standards for coordinating technical assist-
19 ance to the businesses; and

20 “(iii) enhance the outreach activities
21 of the Agency with respect to, and increase
22 the total amount of loans, guarantees, and
23 insurance provided by the Agency to sup-
24 port exports by socially and economically
25 disadvantaged small business concerns (as

1 defined in section 8(a)(4) of the Small
2 Business Act) and small business concerns
3 owned by women.

4 “(C) OTHER DUTIES.—The Director shall
5 advise the President of the Agency on the im-
6 pact of the policies of the Agency on minority-
7 owned and women-owned businesses.

8 “(5) INCLUSION IN ALL LEVELS OF BUSINESS
9 ACTIVITIES.—

10 “(A) CONTRACTS.—The Director of the
11 Office shall develop and implement standards
12 and procedures to ensure, to the maximum ex-
13 tent possible, the inclusion and utilization of
14 minorities (as defined in section 1204(c) of the
15 Financial Institutions Reform, Recovery, and
16 Enforcement Act of 1989 (12 U.S.C. 1811
17 note)) and women, and minority- and women-
18 owned businesses (as such terms are defined in
19 section 21A(r)(4) of the Federal Home Loan
20 Bank Act (12 U.S.C. 1441a(r)(4)) in all busi-
21 ness and activities of the Agency at all levels,
22 including in procurement, insurance, and all
23 types of contracts. The processes established by
24 the Agency for review and evaluation for con-
25 tract proposals and to hire service providers

1 shall include a component that gives consider-
2 ation to the diversity of the applicant.

3 “(B) APPLICABILITY.—This subsection
4 shall apply to all contracts for services of any
5 kind, including all contracts for all business and
6 activities of the Agency, at all levels.

7 “(C) OUTREACH.—The Agency shall estab-
8 lish a minority outreach program to ensure the
9 inclusion (to the maximum extent practicable)
10 of contracts entered into with the enterprises of
11 minorities and women and businesses owned by
12 minorities and women, including financial insti-
13 tutions, investment banking firms, under-
14 writers, accountants, brokers, and providers of
15 legal services.

16 “(6) DIVERSITY IN AGENCY WORKFORCE.—The
17 Agency shall take affirmative steps to seek diversity
18 in its workforce at all levels of the Agency consistent
19 with the demographic diversity of the United States,
20 in a manner consistent with applicable law, includ-
21 ing—

22 “(A) to the extent the Agency engages in
23 recruitment efforts to fill vacancies—

24 “(i) recruiting at historically Black
25 colleges and universities, Hispanic-serving

1 institutions, Tribal colleges and univer-
2 sities, women’s colleges, and colleges that
3 typically serve majority minority popu-
4 lations; and

5 “(ii) recruiting at job fairs in urban
6 communities, and placing employment ad-
7 vertisements in newspapers and magazines
8 oriented toward women and people of
9 color;

10 “(B) partnering with organizations that
11 are focused on developing opportunities for mi-
12 norities and women to place talented young mi-
13 norities and women in industry internships,
14 summer employment, and full-time positions;
15 and

16 “(C) by use of any other mass media com-
17 munications that the Director of the Office de-
18 termines necessary.”.

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

22 “(m) OFFICE OF MINORITY AND WOMEN INCLU-
23 SION.—The Agency shall include in its annual report to
24 the Congress under subsection (a) a report from the Office
25 of Minority and Women Inclusion regarding the actions

1 taken by the Agency and the Office pursuant to section
2 3(i), which shall include—

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

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

9 “(3) the successes achieved and challenges
10 faced by the Agency in operating minority and
11 women outreach programs;

12 “(4) the challenges the Agency may face in hir-
13 ing qualified minority and women employees and
14 contracting with qualified minority-owned and
15 women-owned businesses; and

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

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

21 (a) CREATION OF THE OFFICE OF TERRITORIAL EX-
22 PORTING.—Section 3 of the Export-Import Bank Act of
23 1945 (12 U.S.C. 635a) is amended by adding at the end
24 the following:

1 “(n) OFFICE OF TERRITORIAL EXPORTING.—The
2 President of the Agency shall establish an Office of Terri-
3 torial Exporting, and shall hire such staff as may be nec-
4 essary, including at least 1 staffer responsible for liaising
5 with Puerto Rico, to perform the functions of the Office,
6 which shall be to promote the export of goods and services
7 from the territories, conduct outreach, education, and dis-
8 seminate information concerning export opportunities and
9 the availability of Agency support for such activities, and
10 to increase the total amount of loans, guarantees, and in-
11 surance provided by the Agency benefitting the territories.
12 In this Act, the term ‘territory’ means the Commonwealth
13 of Puerto Rico, the United States Virgin Islands, Guam,
14 the Commonwealth of the Northern Mariana Islands, and
15 American Samoa.”.

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

19 “(n) REPORT ON ACTIVITIES IN THE TERRI-
20 TORIES.—The Agency shall include in its annual report
21 to Congress under subsection (a) a report on the steps
22 taken by the Agency in the period covered by the report
23 to increase—

24 “(1) awareness of the Agency and its services
25 in the territories; and

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

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

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

9 “(C) OFFICE OF FINANCING FOR RENEWABLE EN-
10 ERGY, ENERGY EFFICIENCY AND ENERGY STORAGE.—
11 The President of the Agency shall establish an office
12 whose functions shall be to promote the export of goods
13 and services to be used in the development, production,
14 and distribution of renewable energy resources, and energy
15 efficiency and energy storage technologies, and dissemi-
16 nate information concerning export opportunities and the
17 availability of Agency support for such activities, to in-
18 crease the total amount of loans, guarantees, and insur-
19 ance provided by the Agency to support exports related
20 to renewable energy, energy efficiency, and energy stor-
21 age.”.

22 (b) FINANCING FOR RENEWABLE ENERGY, ENERGY
23 EFFICIENCY, AND ENERGY STORAGE TECHNOLOGIES.—
24 Section 2(b)(1)(K) of such Act (12 U.S.C. 635(b)(1)(K))
25 is amended by inserting “, energy efficiency and energy

1 storage. It shall be a goal of the Agency to ensure that
2 not less than 5 percent of the applicable amount (as de-
3 fined in section 6(a)(2)) is made available each fiscal year
4 for the financing of renewable energy, energy efficiency
5 and energy storage technology exports” before the period.

6 (c) ANNUAL REPORT.—

7 (1) IN GENERAL.—Section 8 of such Act (12
8 U.S.C. 635g), as amended by sections 103(b),
9 105(b), and 106(b) of this Act, is amended by add-
10 ing at the end the following:

11 “(o) EFFORTS OF AGENCY TO PROMOTE EXPORT OF
12 GOODS AND SERVICES RELATED TO RENEWABLE EN-
13 ERGY SOURCES, ENERGY EFFICIENCY, AND ENERGY
14 STORAGE.—A description of the activities of the Agency
15 with respect to enhancing outreach and financing renew-
16 able energy, energy efficiency, and energy storage exports
17 undertaken under section 2(b)(1)(K); an assessment of its
18 success and failure in meeting the goal set out in section
19 2(b)(1)(K); where applicable, the specific measures the
20 Agency will take in the upcoming year to make progress
21 towards meeting the goal outlined in section 2(b)(1)(K),
22 including expanded outreach, product improvements, and
23 related actions; and an analysis comparing the level of
24 support extended by the Agency for renewable energy, en-

1 ergy efficiency and energy storage exports with the level
2 of support so extended for the preceding fiscal year.”.

3 (2) CONFORMING AMENDMENT.—Section 8A(a)
4 of such Act (12 U.S.C. 635g-1(a)) is amended by
5 striking paragraph (5) and redesignating paragraphs
6 (6) through (10) as paragraphs (5) through (9), re-
7 spectively.

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

10 (1) the Board of Directors of the United States
11 Export Finance Agency (in this section referred to
12 as the “Agency”) should, after a public consultation
13 process, establish a formal, transparent, and inde-
14 pendent accountability mechanism to review, inves-
15 tigate, offer independent dispute resolution to re-
16 solve, and publicly report on allegations by affected
17 parties of any failure of the Agency to follow its own
18 policies and procedures with regard to the environ-
19 mental and social effects of projects, and on situa-
20 tions where the Agency is alleged to have failed in
21 ensuring the borrower is fulfilling its obligations in
22 financing agreements with respect to the policies and
23 procedures;

24 (2) the accountability mechanism should be able
25 to provide advice to management on policies, proce-

1 dures, guidelines, resources, and systems established
2 to ensure adequate review and monitoring of the en-
3 vironmental and social effects of projects;

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

12 (4) the accountability mechanism should be
13 independent of the line operations of management,
14 and report its findings and recommendations directly
15 to the Board of Directors of the Agency and annu-
16 ally to the Congress;

17 (5) the annual report of the Agency should in-
18 clude a detailed accounting of the activities of the
19 accountability mechanism for the year covered by
20 the report and the remedial actions taken by the
21 Agency in response to the findings of the account-
22 ability mechanism;

23 (6) in coordination with the accountability
24 mechanism, the Agency and relevant parties should
25 engage in proactive outreach to communities af-

1 fected or potentially affected by Agency financing
2 and activities to provide information on the existence
3 and availability of the accountability mechanism;

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

13 (8) Agency employees should be ineligible to
14 serve as the accountability mechanism chair or on
15 the panel of experts until at least 5 years have
16 elapsed from their time of employment at the Agen-
17 cy, and should be barred from future employment at
18 the Agency after their tenure with the accountability
19 mechanism.

20 **SEC. 108. ALTERNATIVE PROCEDURES DURING QUORUM**
21 **LAPSE.**

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

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

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

2 “(B)(i) If a quorum of the Board of Directors has
3 not been in place for 90 consecutive days during the term
4 of a President of the United States, a temporary Board,
5 consisting of the following members, shall act in the stead
6 of the Board of Directors:

7 “(I) The United States Trade Representative.

8 “(II) The Secretary of the Treasury.

9 “(III) The Secretary of Commerce.

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

11 “(ii) If, at a meeting of the temporary Board—

12 “(I) a member referred to in clause (i)(IV) is
13 present, the meeting shall be chaired by such a
14 member, consistent with Agency bylaws; or

15 “(II) no such member is present, the meeting
16 shall be chaired by the United States Trade Rep-
17 resentative.

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

22 “(I) if the member is the United States Trade
23 Representative, the Deputy United States Trade
24 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 “(iv) If the temporary Board consists of members of
5 only 1 political party, the President of the United States
6 shall, to the extent practicable, appoint to the temporary
7 Board a qualified member of a different political party
8 who occupies a position requiring nomination by the Presi-
9 dent, by and with the consent of the Senate.

10 “(v) The Agency may authorize financing in connec-
11 tion with transactions over \$25,000,000 only by a major-
12 ity vote of the temporary Board, and may not change or
13 amend Agency policies, procedures, bylaws, or guidelines.

14 “(vi) The temporary Board shall expire at the end
15 of the term of the President of the United States in office
16 at the time the temporary Board was constituted or upon
17 restoration of a quorum of the Board of Directors as de-
18 fined in subsection (a).

19 “(vii) With respect to a transaction that equals or
20 exceeds \$100,000,000, the Chairperson of the temporary
21 Board shall ensure that the Agency complies with section
22 2(b)(3).”.

23 (b) SUNSET.—The amendments made by subsection
24 (a) shall have no force or effect after the 7-year period
25 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 schedule 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 potential for utiliza-
6 tion of blockchain and distributed ledger technology
7 for the purposes of repaying Agency loans or pay-
8 ment of Agency fees, and whether the technology
9 may improve the activities of the Agency, reduce
10 transaction costs, and minimize delays.

11 (3) Any policy recommendations to improve the
12 development, use, and security of blockchain in the
13 operations of United States exporters.

14 **TITLE II—IMPROVING AGENCY**
15 **OPERATIONS AND ENHANC-**
16 **ING TRANSPARENCY AND AC-**
17 **COUNTABILITY**

18 **SEC. 201. ANNUAL TESTIMONY.**

19 The Export-Import Bank Act of 1945 (12 U.S.C.
20 635–635i-9) is amended by inserting after section 8A the
21 following:

22 **“SEC. 8B. ANNUAL TESTIMONY.**

23 “For each fiscal year through fiscal year 2026, after
24 submitting the annual report to Congress under section
25 8(a) for the fiscal year, the President of the United States

1 Export Finance Agency shall, on request, appear before
2 the Committee on Financial Services of the House of Rep-
3 resentatives and the Committee on Banking, Housing, and
4 Urban Affairs of the Senate to present testimony on—

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

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

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

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

22 “(5) outreach operational activities to increase
23 small business awareness and use of the Agency, in-
24 cluding efforts undertaken pursuant to section
25 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 Small
8 Business Division to evaluate regional office employ-
9 ees adhere to guidance issued by the United States
10 Office of Personnel Management and the Civil Serv-
11 ice 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 2024, and 2026, the Comptroller General of the United
22 States shall review the policies and procedures of the
23 United States Export Finance Agency relating to how the
24 Agency makes a judgment that a transaction is unlikely
25 to proceed without support from the Agency, and the doc-

1 umentation supporting such a judgment, and submit the
2 result of the review to the Committee on Financial Serv-
3 ices of the House of Representatives and the Committee
4 on Banking, Housing, and Urban Affairs of the Senate,
5 along with any recommendations to strengthen Agency
6 policies and processes to determine additionality and pre-
7 vent the Agency from competing with private capital, as
8 described in section 2(b)(1)(B) of the Export-Import
9 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 AGENCY POLICIES, PROCEDURES,**
13 **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 SECU-**
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) a detailed economic impact analysis or
23 similar study of the transaction performed by the
24 Agency pursuant to subsection (e)(7), if conducted,
25 or an economic impact analysis or similar study per-

1 formed by the Agency in a manner consistent with
2 the procedures described in subsection (e)(7), which
3 analysis or study shall include consideration of the
4 views of the public and interested parties and an as-
5 sessment of adverse effects on United States employ-
6 ment, if any, that may result from Agency financing
7 involving a foreign competitor of a United States en-
8 tity; and

9 “(ii) an assessment of how the Agency deter-
10 mined the need for financing of the transaction, in-
11 cluding—

12 “(I)(aa) a description of the attempt by
13 relevant parties to the transaction to obtain pri-
14 vate-sector financing, including a description of
15 the written documentation of the attempt, or an
16 explanation for the lack of any such documenta-
17 tion; and

18 “(bb) an explanation of why private-sector
19 financing is not available or not economically
20 viable for the transaction; or

21 “(II) a certification that the Agency re-
22 ceived sufficient information to conclude that fi-
23 nancing is necessary to counter official export
24 credit provided by a foreign government for a

1 similar transaction involving the same foreign
2 obligor.

3 “(C) Subparagraph (B)(ii) shall not be construed to
4 require the Agency to reveal any business proprietary or
5 business confidential information.

6 “(D) In this paragraph, the term ‘prescribed amount’
7 means an amount equal to 20 percent of the outstanding
8 loans, guarantees, and insurance of the Agency, as cal-
9 culated on the 1st day of the fiscal year.”.

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

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

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

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

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

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

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

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

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

18 **TITLE III—FOREIGN POLICY**

19 **CONSIDERATIONS**

20 **SEC. 301. CHINESE GOVERNMENT-OWNED ENTERPRISES.**

21 (a) IN GENERAL.—Section 2 of the Export-Import
22 Bank Act of 1945 (12 U.S.C. 635), as amended by section
23 103(a) of this Act, is amended by adding at the end the
24 following:

1 “(m) RESTRICTION ON FINANCING FOR ENTITIES
2 OWNED OR CONTROLLED BY THE CHINESE GOVERN-
3 MENT.—

4 “(1) IN GENERAL.—An authorization approved
5 by the Board of Directors after the effective date of
6 this subsection may not take effect if a loan, guar-
7 antee, or insurance is approved for the benefit of
8 any foreign entity that is at least 25 percent owned,
9 directly or indirectly, by the government of the Peo-
10 ple’s Republic of China, unless the United States
11 Trade Representative, in consultation with appro-
12 priate Federal agencies, completes a due diligence
13 review and certifies the financing, in accordance with
14 paragraph (3), in a report to the Committee on Fi-
15 nancial Services of the House of Representatives and
16 the Committee on Banking, Housing, and Urban Af-
17 fairs of the Senate. For the purposes of identifying
18 whether a foreign entity is at least 25 percent
19 owned, directly or indirectly, by the government of
20 the People’s Republic of China, the Board of Direc-
21 tors may rely on any of the following:

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

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

1 “(2) LIMITATION ON FINANCING OF LOCAL
2 COSTS.—The Agency may not approve financing for
3 a transaction if more than 15 percent of local costs
4 with respect to the transaction that are incurred in
5 the People’s Republic of China would be covered by
6 the financing.

7 “(3) DUE DILIGENCE REVIEW AND REPORT.—
8 For the purposes of the report described in para-
9 graph (1), the United States Trade Representative
10 shall present the findings of the due diligence review,
11 but may not provide the certification referred to in
12 paragraph (1), if—

13 “(A) the foreign entity provides goods,
14 services, or other material or financial support
15 in connection with any of the following policies
16 and operations of the government of the Peo-
17 ple’s Republic of China:

18 “(i) Any military or intelligence oper-
19 ations;

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

23 “(iii) The abuse of human rights, in-
24 cluding the restriction of freedom of ex-

1 pression and the mistreatment of ethnic or
2 religious minorities in China; or

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

7 “(B) the United States Trade Representa-
8 tive finds that the transaction would not pro-
9 vide a meaningful net economic benefit for the
10 United States;

11 “(C) the foreign entity knowingly engages
12 in the theft of United States intellectual prop-
13 erty or the illicit transfer of technology from a
14 United States person;

15 “(D) the transaction described in para-
16 graph (1) involves the export of critical tech-
17 nologies (as defined under section 721(a)(6) of
18 the Defense Production Act of 1950) to the for-
19 eign entity; or

20 “(E) the leadership of the foreign entity
21 engages in a significant act or acts of corrup-
22 tion or money laundering, or has committed a
23 violation of the Foreign Corrupt Practices Act
24 of 1977, the Arms Export Control Act, the

1 International Emergency Economic Powers Act,
2 or the Export Administration Act of 1979.

3 “(4) TIMING AND FORM OF REPORT.—The re-
4 port described in paragraph (3) shall be submitted
5 not later than 45 days after approval by the Board
6 of Directors, except that the United States Trade
7 Representative may extend the required time in
8 which to submit the report by one 15-day period on
9 notifying the Committee on Financial Services of the
10 House of Representatives and the Committee on
11 Banking, Housing, and Urban Affairs of the Senate
12 that the extension is necessary. The report described
13 in paragraph (3) shall be submitted in unclassified
14 form but may contain a classified annex.

15 “(5) PROCEDURES FOR CHINESE GOVERNMENT-
16 CONTROLLED ENTITIES.—The requirements of para-
17 graph (1) shall apply to any foreign entity, notwith-
18 standing the level of ownership by the government of
19 the People’s Republic of China, if the Agency has
20 reason to believe that the foreign entity is controlled
21 by the government of the People’s Republic of
22 China.

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

1 “(A) financing would enable exports di-
2 rectly by United States small business concerns;
3 or

4 “(B) financing is required for the export of
5 humanitarian goods or services, including life-
6 saving, rescue, and medical equipment (such as
7 ambulances, firefighting vehicles, hospital sup-
8 plies, and medical devices).

9 “(7) PRESIDENTIAL WAIVER.—The President
10 may waive any requirement of paragraph (1) or (2)
11 for up to 1 year at a time, on reporting in writing
12 to the Committee on Financial Services of the House
13 of Representative and the Committee on Banking,
14 Housing, and Urban Affairs of the Senate that the
15 waiver is essential to the national interest of the
16 United States, with a detailed explanation of the
17 reasons therefor.”.

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

21 (1) the date that is 30 days after the Secretary
22 of the Treasury submits a report to the Committee
23 on Financial Services of the House of Representa-
24 tives and the Committee on Banking, Housing, and
25 Urban Affairs of the Senate certifying that the Peo-

1 ple’s Republic of China is in substantial compliance
2 with—

3 (A) the financial terms and conditions of
4 the Arrangement on Officially Supported Ex-
5 port Credits of the Organization for Economic
6 Cooperation and Development; and

7 (B) the rules and principles of the Paris
8 Club; or

9 (2) the date that is 30 days after the President
10 of the United States Export Finance Agency reports
11 to the Committee on Financial Services of the House
12 of Representatives and the Committee on Banking,
13 Housing, and Urban Affairs of the Senate that the
14 Board of Directors of the Agency has voted in favor
15 of terminating the requirement for a certification in
16 section 2(m)(1) of the Export-Import Bank Act of
17 1945, except that the Board of Directors may not
18 hold such a vote before the date that is 5 years after
19 the date of the enactment of this Act.

20 **SEC. 302. INTERNATIONAL NEGOTIATIONS ON EXPORT SUB-**
21 **SIDIES.**

22 (a) IN GENERAL.—Section 11(a)(1) of the Export-
23 Import Bank Reauthorization Act of 2012 (12 U.S.C.
24 635a–5(a)(1)) is amended by striking “with possible goal
25 of eliminating, before the date that is 10 years after De-

1 cember 4, 2015,” and inserting “with the goal of elimi-
2 nating, before the date that is 10 years after the date of
3 the enactment of the United States Export Finance Agen-
4 cy Act of 2019”.

5 (b) PROGRESS REPORT.—Section 11(e) of such Act
6 (12 U.S.C. 635a–5(e)) is amended by striking “2019” and
7 inserting “2026”.

8 (c) CONDUCT OF NEGOTIATIONS.—Section 11 of
9 such Act (12 U.S.C. 635a-5) is amended—

10 (1) in each of subsections (a) and (d), by strik-
11 ing “The President” and inserting “Not less fre-
12 quently than twice per calendar year, the Secretary
13 of the Treasury, in consultation with the President
14 of the United States Export Finance Agency and the
15 United States Trade Representative,”; and

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

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

21 Section 2(b)(2) of the Export-Import Bank Act of
22 1945 (12 U.S.C. 635(b)(2)) is amended—

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

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

4 **TITLE IV—MISCELLANEOUS**
5 **PROVISIONS**

6 **SEC. 401. MISCELLANEOUS UPDATES RELATING TO THE**
7 **UNITED STATES EXPORT FINANCE AGENCY.**

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

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

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

14 (3) by striking subparagraph (D).

15 (b) Section 2(b)(1)(H) of such Act (12 U.S.C.
16 635(b)(1)(H)) is amended in each of clauses (ii) and (iii)
17 by striking “including” and all that follows and inserting
18 “including United States allies and partners eligible for
19 assistance from the International Bank for Reconstruction
20 and Development and the International Development As-
21 sociation.”.

22 (c) Section 2(b)(1)(I) of such Act (12 U.S.C.
23 635(b)(1)(I)) is amended by striking the 2nd sentence.

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

4 (e) Section 2(b)(3)(B) of such Act (12 U.S.C.
5 635(b)(3)(B)) is amended by inserting “a description, to
6 the extent practicable, of any private financing, used or
7 unused, available for the transaction, to the extent
8 known,” before “the amount”.

9 (f) Section 3(d)(1)(B) of such Act (12 U.S.C.
10 635a(d)(1)(B)) is amended by inserting “high tech-
11 nology,” before “and”.

12 (g) Section 3(j)(2)(B)(ii) of such Act (12 U.S.C.
13 635a(j)(2)(B)(ii)) is amended by inserting “and interest”
14 before “expenses”.

15 (h) Section 8(b)(3) of such Act (12 U.S.C.
16 635g(b)(3)) is amended—

17 (1) by striking “Committee on Small Business”
18 the 1st place it appears and inserting “Committees
19 on Banking, Housing, and Urban Affairs and on
20 Small Business and Entrepreneurship”; and

21 (2) by striking “Committee on Small Business”
22 the 2nd place it appears and inserting “Committees
23 on Financial Services and on Small Business”.

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

4 (A) by striking subsection (c) and redesignating
5 subsections (d) through (p) as subsections (c)
6 through (o), respectively; and

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

10 (2) Section 6(a)(3) of such Act (12 U.S.C.
11 635e(a)(3)) is amended by striking “8(g)(1)” each place
12 it appears and inserting “8(f)(1)”.

13 (j) Section 10(b)(4) of such Act (12 U.S.C. 635i-
14 3(b)(4)) is amended by striking “may” and inserting
15 “shall, on request”.

16 **SEC. 402. PROHIBITION ON FINANCING FOR CERTAIN AVIA-**
17 **TION-RELATED VEHICLES.**

18 Section 2(b) of the Export-Import Bank Act of 1945
19 (12 U.S.C. 635(b)), as amended by section 209(a) of this
20 Act, is amended by adding at the end the following:

21 “(15) PROHIBITION ON FINANCING FOR CERTAIN
22 AIRCRAFT.—The Agency may not fund directly, or issue
23 a guarantee or insurance policy in support of funding, any
24 aircraft type during any period in which the Federal Gov-

- 1 ernment has issued an emergency order of prohibition that
- 2 has prohibited the operation of the aircraft type.”.

