

AMENDMENT NO. _____ Calendar No. _____

Purpose: To amend the Millennium Challenge Act of 2003 to authorize concurrent compacts for purposes of regional economic integration and cross-border collaborations, and for other purposes.

IN THE SENATE OF THE UNITED STATES—114th Cong., 2d Sess.

H. R. 2845

To promote access to benefits under the African Growth and Opportunity Act, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by

Viz:

1 At the end of the bill, add the following:

2 **SEC. 6. MILLENNIUM CHALLENGE CORPORATION.**

3 (a) **SHORT TITLE.**—This section may be cited as the
4 “Millennium Compacts for Regional Economic Integration
5 Act” or the “M-CORE Act”.

6 (b) **PURPOSE.**—The purpose of this section is to fur-
7 ther enhance the transparency and accelerate the impact
8 of the Millennium Challenge Corporation.

9 (c) **CANDIDACY STATUS.**—

1 (1) LOW INCOME COUNTRIES.—Section 606(a)
2 of the Millennium Challenge Act of 2003 (22 U.S.C.
3 7705(a)) is amended—

4 (A) in paragraph (1)(B), by striking “(3)”
5 and inserting “(4)”;

6 (B) in paragraph (2)—

7 (i) by amending the paragraph head-
8 ing to read as follows: “FISCAL YEARS 2005
9 THROUGH 2012”; and

10 (ii) by striking “fiscal year 2005 or a
11 subsequent fiscal year” and inserting
12 “each of fiscal years 2005 through 2012”;

13 (C) by redesignating paragraph (3) as
14 paragraph (4); and

15 (D) by inserting after paragraph (2) the
16 following:

17 “(3) FISCAL YEAR 2013 AND SUBSEQUENT FIS-
18 CAL YEARS.—A country shall be a candidate country
19 for purposes of eligibility for assistance for fiscal
20 year 2013 or a subsequent fiscal year if the coun-
21 try—

22 “(A) has a per capita income equal to or
23 less than the lower middle income country
24 threshold established by the International Bank

1 for Reconstruction and Development for such
2 fiscal year;

3 “(B) is among the 75 countries identified
4 by the International Bank for Reconstruction
5 and Development as having the lowest per cap-
6 ita income; and

7 “(C) meets the requirements under para-
8 graph (1)(B).”.

9 (2) LOWER MIDDLE INCOME COUNTRIES.—Sec-
10 tion 606(b) of the Millennium Challenge Act of 2003
11 (22 U.S.C. 7705(b)) is amended—

12 (A) in paragraph (1)—

13 (i) by amending the paragraph head-
14 ing to read as follows: “FISCAL YEARS 2006
15 THROUGH 2012”; and

16 (ii) in the matter preceding subpara-
17 graph (A), by striking “fiscal year 2006 or
18 a subsequent fiscal year” and inserting
19 “fiscal years 2006 through 2012”;

20 (B) by redesignating paragraph (2) as
21 paragraph (3); and

22 (C) by inserting after paragraph (1) the
23 following:

24 “(2) FISCAL YEAR 2013 AND SUBSEQUENT FIS-
25 CAL YEARS.—In addition to the countries described

1 in subsection (a), a country shall be a candidate
2 country for purposes of eligibility for assistance for
3 fiscal year 2013 or a subsequent fiscal year if the
4 country—

5 “(A) has a per capita income equal to or
6 less than the lower middle income country
7 threshold established by the International Bank
8 for Reconstruction and Development for the fis-
9 cal year;

10 “(B) is not among the 75 countries identi-
11 fied by the International Bank for Reconstruc-
12 tion and Development as having the lowest per
13 capita income; and

14 “(C) meets the requirements under sub-
15 section (a)(1)(B).”.

16 (3) RECLASSIFICATION.—Section 606 of the
17 Millennium Challenge Act of 2003 (22 U.S.C. 7705)
18 is amended—

19 (A) by redesignating subsection (c) as sub-
20 section (d); and

21 (B) by inserting after subsection (b) the
22 following:

23 “(c) TREATMENT OF COUNTRIES WITH PER CAPITA
24 INCOME CHANGES.—A country qualifying for candidate
25 status under this section with a per capita income that

1 changes during the fiscal year such that the country would
2 be reclassified from a low income country to a lower mid-
3 dle income country or from a lower middle income country
4 to a low income country shall retain its candidacy status
5 in its former income classification for such fiscal year and
6 the two subsequent fiscal years.”.

7 (d) CARRYOVER AUTHORITY FOR PRIVATE SECTOR
8 MEMBERS OF BOARD OF DIRECTORS.—Section
9 604(c)(4)(B) of the Millennium Challenge Act of 2003 (22
10 U.S.C. 7703(c)(4)(B)) is amended to read as follows:

11 “(B) OTHER MEMBERS.—Each member of
12 the Board described in paragraph (3)(B)—

13 “(i) shall be appointed for a term of
14 3 years;

15 “(ii) may be reappointed for a term of
16 an additional 2 years; and

17 “(iii) may continue to serve in each
18 such appointment until the earlier of—

19 “(I) the date on which his or her
20 successor is appointed; or

21 “(II) the date that is one year
22 after the expiration of his or her ap-
23 pointment or reappointment, as the
24 case may be.”.

1 (e) PUBLIC NOTIFICATION OF ENTERING INTO A
2 COMPACT.—Section 610 of the Millennium Challenge Act
3 of 2003 (22 U.S.C. 7709(b)) is amended to read as fol-
4 lows:

5 **“SEC. 610. CONGRESSIONAL AND PUBLIC NOTIFICATION.**

6 “(a) CONGRESSIONAL CONSULTATIONS AND NOTIFI-
7 CATIONS.—

8 “(1) IN GENERAL.—The Board, acting through
9 the Chief Executive Officer, shall consult with and
10 notify the appropriate congressional committees not
11 later than 15 days before taking any of the actions
12 described in paragraph (2).

13 “(2) ACTIONS DESCRIBED.—The actions de-
14 scribed in this paragraph are—

15 “(A) providing assistance for an eligible
16 country under section 609(g);

17 “(B) commencing negotiations with an eli-
18 gible country to provide assistance for—

19 “(i) a Compact under section 605; or

20 “(ii) an agreement under section 616;

21 “(C) signing such a Compact or agree-
22 ment; and

23 “(D) terminating assistance under such a
24 Compact or agreement.

1 “(3) ECONOMIC JUSTIFICATION.—Any notifica-
2 tion relating to the intent to negotiate or sign a
3 Compact shall include a report describing the pro-
4 jected economic justification for the Compact, in-
5 cluding, as applicable—

6 “(A) the expected economic rate of return
7 of the Compact;

8 “(B) a cost-benefit analysis of the Com-
9 pact;

10 “(C) a description of the impact on bene-
11 ficiary populations;

12 “(D) the likelihood that the investment will
13 catalyze private sector investments; and

14 “(E) any other applicable economic factors
15 that justify each project to be funded under
16 such a Compact to the extent practicable and
17 appropriate.

18 “(4) RISK MANAGEMENT PLAN.—Not later than
19 60 days before signing each concurrent Compact, as
20 authorized under section 609, the Board, acting
21 through the Chief Executive Officer, shall consult
22 with and provide to the appropriate congressional
23 committees—

1 “(A) an assessment and, as appropriate,
2 the identification of potential measures to miti-
3 gate risks, of—

4 “(i) the countries’ commitment to re-
5 gional integration and cross-border co-
6 operation and capacity to carry out com-
7 mitments;

8 “(ii) political and policy risks, includ-
9 ing risks that could affect country eligi-
10 bility;

11 “(iii) risks associated with realizing
12 economic returns;

13 “(iv) time and completion risks; and

14 “(v) cost and financial risks; and

15 “(B) an assessment of measures to be
16 taken to mitigate any identified risks, includ-
17 ing—

18 “(i) securing other potential donors to
19 finance projects or parts of projects as
20 needed; and

21 “(ii) partnering with regional organi-
22 zations to support and oversee effective
23 cross-border cooperation.

24 “(b) CONGRESSIONAL AND PUBLIC NOTIFICATION
25 AFTER ENTERING INTO A COMPACT.—Not later than 10

1 days after entering into a Compact with an eligible coun-
2 try, the Board, acting through the Chief Executive Officer,
3 shall—

4 “(1) publish the text of the Compact on the
5 Internet website of the Corporation;

6 “(2) provide the appropriate congressional com-
7 mittees with a detailed summary of the Compact
8 and, upon request, the text of the Compact; and

9 “(3) publish in the Federal Register a detailed
10 summary of the Compact and a notice of availability
11 of the text of the Compact on the Internet website
12 of the Corporation.”.

13 (f) DISCLOSURE.—

14 (1) REQUIREMENT FOR TIMELY DISCLOSURE.—
15 Section 612(a) of the Millennium Challenge Act of
16 2003 (22 U.S.C. 7711(a)) is amended—

17 (A) in the subsection heading, by inserting
18 “TIMELY” before “DISCLOSURE”; and

19 (B) in the matter preceding paragraph
20 (1)—

21 (i) by striking “The Corporation” and
22 inserting “Not later than 90 days after the
23 last day of each fiscal quarter, the Cor-
24 poration”; and

1 (ii) by striking “on at least a quar-
2 terly basis,”.

3 (2) DISSEMINATION.—Section 612(b) of the
4 Millennium Challenge Act of 2003 (22 U.S.C.
5 7711(b)) is amended to read as follows:

6 “(b) DISSEMINATION.—The Board, acting through
7 the Chief Executive Officer, shall make the information
8 required to be disclosed under subsection (a) available to
9 the public—

10 “(1) by publishing it on the Internet website of
11 the Corporation;

12 “(2) by providing notice of the availability of
13 such information in the Federal Register; and

14 “(3) by any other methods that the Board de-
15 termines to be appropriate.”.

16 (g) RESTRICTION ON THE USE OF ASSISTANCE
17 UNDER SECTION 616.—Section 616(d) of the Millennium
18 Challenge Act of 2003 (22 U.S.C. 7715(d)) is amended
19 to read as follows:

20 “(d) FUNDING.—

21 “(1) FISCAL YEAR 2004.—Not more than 10
22 percent of the amount appropriated pursuant to the
23 authorization of appropriations under section 619(a)
24 for fiscal year 2004 is authorized to be made avail-
25 able to carry out this section.

1 “(2) RESTRICTION RELATING TO ASSIST-
2 ANCE.—None of the funds authorized to carry out
3 the purposes of this Act shall be available for assist-
4 ance under this section to a country that does not
5 qualify as a candidate country under section 606 for
6 the fiscal year during which such assistance is pro-
7 vided.”.

8 (h) ADDITIONAL REPORTING TO THE BOARD ON THE
9 TREATMENT OF CIVIL SOCIETY IN AN ELIGIBLE COUN-
10 TRY.—Section 607 of the Millennium Challenge Act of
11 2003 (22 U.S.C. 7706) is amended—

12 (1) in subsection (b)(1)—

13 (A) in subparagraph (D), by striking
14 “and” at the end;

15 (B) in subparagraph (E), by adding “and”
16 at the end; and

17 (C) by adding at the end the following:

18 “(F) the quality of the civil society ena-
19 bling environment;”;

20 (2) by redesignating subsections (d) and (e) as
21 subsections (e) and (f), respectively; and

22 (3) by inserting after subsection (c) the fol-
23 lowing:

24 “(d) REPORTING ON TREATMENT OF CIVIL SOCI-
25 ETY.—Before the Board selects an eligible country for a

1 Compact under subsection (c), the Corporation shall pro-
2 vide information to the Board regarding the country's
3 treatment of civil society, including classified information,
4 as appropriate. The information shall include an assess-
5 ment and analysis of factors including—

6 “(1) any relevant laws governing the formation
7 or establishment of a civil society organization, par-
8 ticularly laws intended to curb the activities of for-
9 eign civil society organizations;

10 “(2) any relevant laws governing the operations
11 of a civil society organization, particularly those laws
12 seeking to define or otherwise regulate the actions of
13 foreign civil society organizations;

14 “(3) laws relating to the legal status of civil so-
15 ciety organizations, including laws which effectively
16 discriminate against foreign civil society organiza-
17 tions as compared to similarly situated domestic or-
18 ganizations;

19 “(4) laws regulating the freedom of expression
20 and peaceful assembly; and

21 “(5) laws regulating the usage of the Internet,
22 particularly by foreign civil society organizations.”.

23 (i) STUDY ON SUBNATIONAL COMPACTS.—

24 (1) IN GENERAL.—Not later than 180 days
25 after the date of the enactment of this Act, the Mil-

1 Millennium Challenge Corporation shall submit a study
2 to the appropriate congressional committees that as-
3 sesses the feasibility and desirability of developing
4 partnerships at the subnational level within can-
5 didate countries that would be complementary to,
6 and, as applicable, concurrent with, any Millennium
7 Challenge Corporation national-level or regional in-
8 vestments.

9 (2) CONTENT.—The study required under para-
10 graph (1) shall examine—

11 (A) the extent to which targeting invest-
12 ments at the subnational level might provide
13 new opportunities for reducing poverty through
14 economic growth;

15 (B) the extent to which traditional ap-
16 proaches to defining poverty may not ade-
17 quately capture the nature of poverty within a
18 country;

19 (C) the types of subnational entities that
20 might be appropriate partners for subnational
21 Millennium Challenge Corporation compacts;

22 (D) how candidates for subnational part-
23 ners might best be identified; and

1 (E) what role each national government
2 should play in creating or implementing a sub-
3 national partnership.

4 (3) DEFINED TERM.—In this subsection, the
5 term “appropriate congressional committees”
6 means—

7 (A) the Committee on Foreign Relations of
8 the Senate;

9 (B) the Committee on Appropriations of
10 the Senate;

11 (C) the Committee on Foreign Affairs of
12 the House of Representatives; and

13 (D) the Committee on Appropriations of
14 the House of Representatives.