

S 705

Overseas Private Investment Corporation Reauthorization Act of 2009

Congress: 111 (2009–2011, Ended)

Chamber: Senate

Policy Area: Foreign Trade and International Finance

Introduced: Mar 25, 2009

Current Status: Placed on Senate Legislative Calendar under General Orders. Calendar No. 227.

Latest Action: Placed on Senate Legislative Calendar under General Orders. Calendar No. 227. (Dec 15, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/senate-bill/705>

Sponsor

Name: Sen. Kerry, John F. [D-MA]

Party: Democratic • **State:** MA • **Chamber:** Senate

Cosponsors (6 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Kaufman, Edward E. [D-DE]	D · DE		Mar 25, 2009
Sen. Lugar, Richard G. [R-IN]	R · IN		Mar 25, 2009
Sen. Menendez, Robert [D-NJ]	D · NJ		Mar 25, 2009
Sen. Shaheen, Jeanne [D-NH]	D · NH		Mar 31, 2009
Sen. Gillibrand, Kirsten E. [D-NY]	D · NY		Jun 23, 2009
Sen. Byrd, Robert C. [D-WV]	D · WV		Jan 22, 2010

Committee Activity

Committee	Chamber	Activity	Date
Foreign Relations Committee	Senate	Reported By	Dec 15, 2009

Subjects & Policy Tags

Policy Area:

Foreign Trade and International Finance

Related Bills

No related bills are listed.

(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)

Overseas Private Investment Corporation Reauthorization Act of 2009 - (Sec. 2) Amends the Foreign Assistance Act of 1961 to extend Overseas Private Investment Corporation (OPIC) authority to make loans and issue investment insurance and investment guarantees through September 30, 2013.

(Sec. 3) Directs OPIC to notify the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs (Committees) not later than 15 days after the date on which OPIC's outstanding contingent liability (pursuant to certain insurance and financing amounts) exceeds its maximum contingent liability for the preceding fiscal year by at least 25%.

(Sec. 4) Sets forth provisions respecting OPIC transparency and accountability.

Requires OPIC to include in each annual report an analysis of its investment fund portfolio, including: (1) fund performance; (2) status of loan guarantees; (3) risk ratings; and (4) investment fund management selection.

(Sec. 5) Requires OPIC to make available to the public the methodology used to assess the impact of its projects on: (1) U.S. employment; (2) host country development and environment; and (3) worker rights protection.

Requires OPIC to maintain an Office of Accountability to provide project problem-solving services and to review OPIC compliance with environmental, social, worker rights, human rights, and transparency policies.

(Sec. 6) Requires OPIC to provide the Committees with notice of consideration of approval of an extractive industry financing project of \$10 million or more.

States that OPIC may approve a contract of insurance, reinsurance, a guaranty, or enter into an agreement to provide investor financing for an extractive-related project only if: (1) the investor and the host country have agreed to implement the Extractive Industries Transparency Initiative (EITI) principles and criteria, or substantially similar principles and criteria; or (2) the investor has agreed to implement EITI or similar principles and the host country has systems to monitor revenues and expenditures and verify government receipts. Provides an exception to such requirements if in U.S. foreign policy interests.

Gives preference to projects where the investor and the host country have agreed to implement EITI principles.

Defines "extractive industry" as an enterprise engaged in the exploration, development, or extraction of oil and gas reserves, metal ores, gemstones, industrial minerals (except rock used for construction purposes), or coal.

(Sec. 7) Requires OPIC to commit adequate staff and resources to assist small businesses and investors in the United States obtain insurance, reinsurance, financing, and other OPIC support.

(Sec. 8) Requires OPIC to give preferential consideration to investment projects in less developed countries whose governments are receptive to private enterprise.

(Sec. 9) Authorizes OPIC programs in Iraq.

(Sec. 10) Prohibits OPIC assistance to an applicant who is involved in a discouraged transaction with a state sponsor of terrorism.

Defines "discouraged transaction" as: (1) an investment commitment of \$20 million or more by the investor in the energy sector of a state sponsor of terrorism; (2) a loan or credit extension of more than \$5 million to the government of a state sponsor of terrorism that is outstanding on the date OPIC enters into a contract with the investor and for which payment is not required within 45 days; and (3) the transfer by the investor of goods that are included on the U.S. Munitions List to a state sponsor of terrorism within the three-year period preceding the date OPIC enters into a contract with the investor.

Exempts from such prohibition investments, business, or projects in certain areas of Sudan (Southern Sudan, Southern Kordofan/Nuba Mountains State, Blue Nile State, and Abyei, Darfur) if OPIC determines, with the Secretary of State's concurrence, that such activities will provide humanitarian relief, promote self-sufficiency, or support peace agreements. (Sec. 11) Prohibits OPIC assistance for any railway connection that connects Azerbaijan and Turkey without traversing or connecting with Armenia.

(Sec. 12) Authorizes OPIC to insure, reinsure, guaranty, or finance a project only if the country in which the project is to be undertaken: (1) is eligible for designation as a beneficiary developing country under the Generalized System of Preferences (GSP) and has not been determined to be ineligible for such designation based upon its record on worker rights or child labor; or (2) if not eligible for such GSP designation, the government has taken or is taking steps to afford workers internationally recognized worker rights.

Gives project preference to countries that enforce laws providing international worker rights.

(Sec. 13) Eliminates OPIC authority to establish a pilot equity finance program.

Actions Timeline

- **Dec 15, 2009:** Committee on Foreign Relations. Reported by Senator Kerry without amendment. With written report No. 111-107.
- **Dec 15, 2009:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 227.
- **Mar 31, 2009:** Committee on Foreign Relations. Ordered to be reported favorably.
- **Mar 25, 2009:** Introduced in Senate
- **Mar 25, 2009:** Sponsor introductory remarks on measure. (CR S3794-3795)
- **Mar 25, 2009:** Read twice and referred to the Committee on Foreign Relations.

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