

117TH CONGRESS
2D SESSION

H. R. 7935

To reinforce commercial relationships with Latin American and Caribbean allies and expand critical supply chains in the Americas.

IN THE HOUSE OF REPRESENTATIVES

JUNE 3, 2022

Mr. ESPAILLAT (for himself and Mrs. CHERFILUS-McCORMICK) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reinforce commercial relationships with Latin American and Caribbean allies and expand critical supply chains in the Americas.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Opportunities in the
5 Americas Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Our neighbors in the Western Hemisphere
2 play a vital role in ensuring regional peace, security,
3 and democracy.

4 (2) According to the United States Trade Rep-
5 resentative, in 2020 the United States exported
6 \$11.1 billion worth of goods to Caribbean Basin Ini-
7 tiative countries and imported \$5.1 billion.

8 (3) According to the United States Census Bu-
9 reau, in 2021 the United States exported \$174.62
10 billion worth of goods to Central and South America
11 and imported \$120.99 billion.

12 (4) The economic viability of the Western
13 Hemisphere brings essential strength and stability to
14 the region.

15 (5) There is significant opportunity to improve
16 regional investment in manufacturing, co-production
17 and nearshoring arrangements, and the free flow of
18 goods and services in the Western Hemisphere.

19 (6) Closer economic integration among the
20 Americas through free trade agreements encourages
21 further economic and commercial ties in the region.

22 (7) The United States should exercise its influ-
23 ence to encourage private sector investment, free
24 markets, and economic cooperation in the region.

1 (8) Countries in the Western Hemisphere
2 should combat corruption, strengthen their judicial
3 systems, reduce bureaucratic red tape, streamline
4 permitting, and embrace free markets in order to en-
5 courage more private sector investment.

6 (9) The Western Hemisphere has a supply
7 chain that is overly dependent on the People's Re-
8 public of China.

9 (10) The United States free trade agreements
10 and preference programs in the Western Hemi-
11 sphere, including the Dominican Republic-Central
12 America Free Trade Agreement and the Caribbean
13 Basin Trade Partnership Act, are key economic driv-
14 ers in the region and represent a crucial alternative
15 co-production and trading bloc to the People's Re-
16 public of China.

17 (11) Ensuring that critical supply chains for
18 key products, including textiles and apparel, lithium
19 batteries, and pharmaceuticals, are located both in
20 the United States and other countries in the West-
21 ern Hemisphere is a national security priority for
22 the United States.

23 (12) The United States should enact policies
24 that incentivize manufacturers to relocate to the
25 Western Hemisphere, and United States companies

1 to expand operations in the region through
2 nearshoring and co-production arrangements.

3 (13) Increased investment incentives, co-product-
4 tion, and trade between the United States and Latin
5 America and the Caribbean will foster joint economic
6 and commercial growth, increase investment oppor-
7 tunities, and contribute to job creation.

8 **SEC. 3. ASSISTANCE PROVIDED BY THE UNITED STATES**
9 **INTERNATIONAL DEVELOPMENT FINANCE**
10 **CORPORATION.**

11 (a) USE OF FUNDS.—

12 (1) IN GENERAL.—Notwithstanding any other
13 provision of law, the DFC shall use not less than 10
14 percent of the amounts made available under any
15 provision of law to the DFC for each fiscal year be-
16 ginning after the date of the enactment of this Act
17 to finance the qualified moving costs and necessary
18 workforce development costs and the qualified costs
19 of expanding business of, and reduce the interest
20 rate on any loan to be provided by the DFC to the
21 interest rate described in paragraph (4) to, any
22 qualified corporation that is eligible for, or a recipi-
23 ent of, assistance from the DFC, to the extent of
24 qualifying applications for assistance under this sec-
25 tion.

1 (2) COORDINATION.—The DFC shall carry out
2 this section in coordination with—

3 (A) relevant Federal agencies, including
4 the United States Trade and Development
5 Agency, the Export-Import Bank of the United
6 States, the United States Army Corps of Engi-
7 neers, and the United States Agency for Inter-
8 national Development;

9 (B) relevant international financial institu-
10 tions, including the World Bank and the Inter-
11 American Development Bank;

12 (C) relevant nongovernmental organiza-
13 tions; and

14 (D) relevant governments of Latin Amer-
15 ican and Caribbean countries.

16 (3) AVAILABILITY OF UNUSED AMOUNTS.—If
17 the DFC does not use the entire amount described
18 in paragraph (1) for a fiscal year as described in
19 such paragraph, such amount shall, to the maximum
20 extent practicable, be made available to the DFC for
21 the next fiscal year, in addition to other available
22 funds, to carry out this section or other DFC pro-
23 grams for qualified Latin American or Caribbean
24 countries.

1 (4) INTEREST RATE DESCRIBED.—The interest
2 rate described in this paragraph is—

3 (A) the Federal funds rate; or

4 (B) the interest rate that is determined by
5 reducing by not less than $\frac{1}{2}$ of 1 percent and
6 not more than 1 percent (but to not less than
7 zero percent) the interest rate on the loan to be
8 provided by the DFC to the qualified corpora-
9 tion,

10 whichever is the lesser.

11 (b) NO NEGATIVE EFFECTS ON EMPLOYMENT IN
12 THE UNITED STATES.—The DFC shall not provide assist-
13 ance under this section unless the Secretary of Commerce
14 has determined that the provision of the assistance would
15 not result in a negative effect on employment in the
16 United States.

17 (c) DISPOSITION OF UNUSED ASSISTANCE.—A cor-
18 poration to which financing is made under this section
19 shall remit to the DFC any portion of the assistance that
20 is not expended within 4 years after the date the financing
21 is made.

22 (d) CONDITIONS ON PROVISION OF LOANS.—The
23 DFC—

1 (1) may provide loans under this section to a
2 corporation only if the loans are commercially viable,
3 as determined by the DFC; and

4 (2) shall determine an appropriate amount of
5 time for repayment of loans under this section to a
6 corporation.

7 (e) CONDITIONS ON RECEIPT OF ASSISTANCE.—

8 (1) IN GENERAL.—The DFC may not provide
9 assistance under this section to a corporation un-
10 less—

11 (A) the DFC determines that the corpora-
12 tion will create jobs in the qualified Latin
13 American or Caribbean country to which it
14 moves operations or expands business in num-
15 bers determined by the DFC to be commensu-
16 rate with the assistance provided;

17 (B) the DFC determines that the corpora-
18 tion will expand its business operations in the
19 Western Hemisphere if it already does business
20 in a qualified Latin American or Caribbean
21 country;

22 (C) the corporation makes a binding com-
23 mitment to the DFC that, on and after the date
24 the assistance is provided—

1 (i) neither the corporation nor any
2 owner of the corporation will have an own-
3 ership relationship with the Government of
4 the People's Republic of China or the Chi-
5 nese Communist Party, the Government of
6 the Russian Federation, or any other for-
7 eign adversary;

8 (ii) neither the corporation nor any
9 owner of the corporation will have a sig-
10 nificant contractual or supplier relationship
11 with the People's Republic of China; and

12 (iii) the corporation—

13 (I) will not have its headquarters
14 in the People's Republic of China, the
15 Russian Federation, or any other for-
16 eign adversary; and

17 (II) will not have a majority of
18 its operations in the People's Republic
19 of China and a majority of its revenue
20 will not be generated in the People's
21 Republic of China;

22 (D) the corporation, when receiving fund-
23 ing in relation to qualified moving costs—

24 (i) makes a binding commitment to
25 the DFC that it will submit to the DFC a

1 report specifying the progress it is making
2 to move its operations from the People's
3 Republic of China to the qualified Latin
4 American or Caribbean country; and

5 (ii) makes a binding commitment to
6 the DFC that it will move all assets of the
7 corporation with respect to which the as-
8 sistance is provided to a qualified Latin
9 American or Caribbean country; and

10 (E) the corporation will retain all assets of
11 the corporation with respect to which the assist-
12 ance is provided in a qualified Latin American
13 or Caribbean country after the date described
14 in subparagraph (C) or the last day of the ex-
15 tension described in subparagraph (E), as the
16 case may be.

17 (2) COMPLIANCE DETERMINATIONS.—

18 (A) IN GENERAL.—The DFC, in coordina-
19 tion with the Department of State and the
20 United States Trade Representative, shall make
21 all determinations regarding compliance with
22 the provisions of paragraph (1).

23 (B) NON-COMPLIANCE ACTIONS.—If the
24 DFC has reduced the interest rate on any loan
25 provided by the DFC to a qualified corporation

1 to the interest rate described in subsection
2 (a)(4) and the corporation is subsequently de-
3 termined by the agency not to be in compliance
4 with the provisions of subsection (a), the DFC
5 shall adjust the interest rate on such loan or
6 any other loan to be provided by the DFC to
7 the corporation to the prevailing market inter-
8 est rate.

9 (f) PLAN.—Not later than 180 days after the date
10 of the enactment of this Act, the DFC shall develop and
11 submit to the Committee on Foreign Affairs of the House
12 of Representatives and the Committee on Foreign Rela-
13 tions of the Senate a plan to streamline the provision of
14 assistance under this section, including to expedite the ap-
15 proval process for the provision of such assistance.

16 (g) PROGRESS REPORTS.—Not later than one year
17 after the date of the enactment of this Act, and annually
18 thereafter for 15 years, the DFC shall submit to the Com-
19 mittee on Foreign Affairs of the House of Representatives
20 and the Committee on Foreign Relations of the Senate
21 a report on progress made in providing assistance under
22 this section.

23 (h) SUNSET.—This section shall have no force or ef-
24 fect on or after the date that is 15 years after the date
25 of the enactment of this Act.

1 **SEC. 4. EXPENSES PAID FOR WITH TARIFFS COLLECTED**
2 **FROM THE PEOPLE'S REPUBLIC OF CHINA.**

3 (a) ESTABLISHMENT OF TRUST FUND.—There is es-
4 tablished in the Treasury of the United States a trust fund
5 consisting of such amounts as are appropriated to such
6 trust fund under subsection (b).

7 (b) APPROPRIATIONS TO TRUST FUND.—There are
8 hereby appropriated to such trust fund amounts equiva-
9 lent to the tariffs collected by the United States on goods
10 manufactured in the People's Republic of China.

11 (c) APPROPRIATIONS FROM TRUST FUND.—There
12 are hereby appropriated from such trust fund to the Gen-
13 eral Fund of the Treasury amounts equivalent to the re-
14 duction in revenue to such General Fund by reason assist-
15 ance provided by the DFC under section 3.

16 (d) TIMING OF TRANSFERS, ETC.—Rules similar to
17 the rules of section 9601 of the Internal Revenue Code
18 of 1986 shall apply with respect to appropriations to and
19 from such trust fund under subsections (b) and (c).

20 **SEC. 5. INITIATIVES FOR TECHNICAL ASSISTANCE FOR**
21 **GRID IMPROVEMENT AND ENERGY EFFI-**
22 **CIENCY.**

23 The DFC, in consultation with the Secretary of En-
24 ergy and the heads of other relevant Federal departments
25 and agencies and in cooperation with the governments and
26 regional authorities of qualified Latin American and Car-

1 ibbean countries, shall support initiatives, including new
2 initiatives and initiatives in existence as of the date of the
3 enactment of this Act, as appropriate, to provide technical
4 assistance and expertise on electrical grid and energy effi-
5 ciency improvements in such countries in which qualified
6 corporations relocate or expand business pursuant to sec-
7 tion 3 for the following purposes:

8 (1) Expanding and improving the reliability,
9 flexibility, and resilience of the electrical grid to
10 maintain business operations in a relocated area.

11 (2) Developing microgrids or distributed energy
12 resources in areas in which connection to the larger
13 electrical grid is challenging.

14 (3) Increasing the optimal integration of renew-
15 able energy into the electrical grid.

16 (4) Enhancing the interconnectivity of electrical
17 grids.

18 (5) Boosting the energy storage capacity of the
19 electrical grid.

20 (6) Developing standards for clean energy tech-
21 nologies, smart buildings, and data centers.

22 (7) Increasing deployment of smart meters and
23 other energy efficiency technology.

24 (8) Increasing the energy efficiency of build-
25 ings, appliances, and the industrial sector.

1 (9) Improving pollution controls.

2 **SEC. 6. TEMPORARY INCREASED EXPENSING FOR RELO-**
3 **CATING MANUFACTURING FROM THE PEOP-**
4 **LE'S REPUBLIC OF CHINA TO A QUALIFIED**
5 **LATIN AMERICAN OR CARIBBEAN COUNTRY.**

6 (a) IN GENERAL.—For purposes of section 168(k) of
7 the Internal Revenue Code of 1986, in the case of any
8 qualified relocated manufacturing property which is placed
9 in service after the date of the enactment of this Act, and
10 before January 1, 2030—

11 (1) such property shall be treated as qualified
12 property (within the meaning of such section),

13 (2) the applicable percentage otherwise deter-
14 mined under section 168(k)(6) of such Code with re-
15 spect to such property shall be 75 percent, and

16 (3) paragraph (8) of such section shall not
17 apply.

18 (b) QUALIFIED RELOCATED MANUFACTURING PROP-
19 erty.—For purposes of this section—

20 (1) IN GENERAL.—The term “qualified relo-
21 cated manufacturing property” means qualified
22 property (within the meaning of section 168(k) of
23 such Code) or nonresidential real property (as de-
24 fined in section 168(e)(2)(B) of such Code) which
25 is—

1 (A) placed in service in a qualified Latin
2 American or Caribbean country by a qualified
3 manufacturer, and

4 (B) is acquired by such qualified manufac-
5 turer in connection with a qualified relocation
6 of manufacturing.

7 (2) QUALIFIED RELOCATION OF MANUFAC-
8 TURING.—

9 (A) IN GENERAL.—The term “qualified re-
10 location of manufacturing” means, with respect
11 to any qualified manufacturer, the relocation of
12 the manufacturing of any tangible personal
13 property from the People’s Republic of China to
14 a qualified Latin American or Caribbean coun-
15 try.

16 (B) RELOCATION OF PROPERTY NOT RE-
17 QUIRED.—For purposes of subparagraph (A),
18 manufacturing shall not fail to be treated as re-
19 located merely because property used in such
20 manufacturing was not relocated.

21 (C) RELOCATION OF NOT LESS THAN
22 EQUIVALENT PRODUCTIVE CAPACITY RE-
23 QUIRED.—For purposes of subparagraph (A),
24 manufacturing shall not be treated as relocated
25 unless the property manufactured in a qualified

1 Latin American or Caribbean country is sub-
2 stantially identical to the property previously
3 manufactured in the People’s Republic of China
4 and the increase in the units of production of
5 such property in a qualified Latin American or
6 Caribbean country by the qualified manufac-
7 turer is not less than the reduction in the units
8 of production of such property by such qualified
9 manufacturer in the People’s Republic of
10 China.

11 (3) QUALIFIED MANUFACTURER.—The term
12 “qualified manufacturer” means any person engaged
13 in the trade or business of manufacturing any tan-
14 gible personal property.

15 **SEC. 7. DEFINITIONS.**

16 In this Act:

17 (1) DFC.—The term “DFC” means the United
18 States International Development Finance Corpora-
19 tion.

20 (2) FEDERAL FUNDS RATE.—The term “Fed-
21 eral funds rate” means the discount window primary
22 credit interest rate most recently published on the
23 Federal Reserve Statistical Release on selected inter-
24 est rates (daily or weekly), commonly referred to as
25 the H.15 release.

1 (3) FOREIGN ADVERSARY.—The term “foreign
2 adversary” means a foreign government engaged in
3 a long-term pattern or serious instances of conduct
4 significantly adverse to the national security of the
5 United States or security and safety of United
6 States persons.

7 (4) QUALIFIED CORPORATION.—The term
8 “qualified corporation”—

9 (A) means a corporation that is not incor-
10 porated in a country the government of which
11 is a foreign adversary; and

12 (B) does not include a state-owned enter-
13 prise.

14 (5) QUALIFIED LATIN AMERICAN OR CARIB-
15 BEAN COUNTRY.—The term “qualified Latin Amer-
16 ican or Caribbean country” means a Latin American
17 or Caribbean country—

18 (A) that is a party to a free trade agree-
19 ment of preference program with the United
20 States; and

21 (B) the government of which is not a for-
22 eign adversary.

23 (6) QUALIFIED COSTS OF EXPANDING BUSI-
24 NESS.—The term “qualified costs of expanding busi-
25 ness” means—

1 (A) the costs of increased operating ex-
2 penditures, including capital investments, work-
3 force development, and such other expenses, as
4 determined or limited by the DFC; and

5 (B) the costs of increased overhead, as de-
6 termined or limited by the DFC.

7 (7) QUALIFIED MOVING COSTS.—The term
8 “qualified moving costs” means—

9 (A) the costs of moving inventory, equip-
10 ment, and supplies from the People’s Republic
11 of China to a qualified Latin American or Car-
12 ibbean country; and

13 (B) the costs of workforce development
14 and construction of facilities.

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