

117TH CONGRESS
1ST SESSION

S. 2509

To authorize the New Partnerships Initiative to expand and diversify the partner base of the United States Agency for International Development and to provide more entry points for organizations to work with USAID.

IN THE SENATE OF THE UNITED STATES

JULY 28, 2021

Mr. KAINE (for himself and Mr. RUBIO) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To authorize the New Partnerships Initiative to expand and diversify the partner base of the United States Agency for International Development and to provide more entry points for organizations to work with USAID.

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 “New Partnerships Ini-
5 tiative Authorization Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) LOCAL PARTNER.—

1 (A) IN GENERAL.—The term “local part-
2 ner” refers to a local entity or a locally estab-
3 lished partner of a United States-based non-
4 profit organization.

5 (B) LOCAL ENTITY.—The term “local enti-
6 ty” means a corporation, nonprofit organiza-
7 tion, or other body of persons that—

8 (i) is legally organized under the laws
9 of a country receiving assistance from
10 USAID;

11 (ii) has its principal place of business
12 or operations in such country;

13 (iii) is majority-controlled by individ-
14 uals who are citizens or lawful permanent
15 residents of such country; and

16 (iv) is managed by a governing body,
17 the majority of whom are citizens or lawful
18 permanent residents of such country.

19 (C) LOCALLY ESTABLISHED PARTNER.—
20 The term “locally established partner” means a
21 United States or international nonprofit organi-
22 zation that—

23 (i) works through locally led oper-
24 ations and programmatic models that have
25 maintained continuous operations in a

country receiving assistance from USAID
for at least 5 years; and

(ii) has materially demonstrated a locally led long-term presence in such country by—

(I) registering with the appropriate local authorities;

(II) maintaining a dedicated local office;

(III) maintaining personnel in such office that consists of at least 50 percent local staff;

(IV) maintaining a local bank account; and

(V) maintaining a portfolio of locally implemented programs.

(D) MAJORITY-CONTROLLED.—The terms “majority-controlled”, “managed by”, and “locally led” include beneficiary interests and the power (either directly or indirectly and whether exercised or exercisable) to control, by any means, the election, appointment, or tenure of the organization’s managers or a majority of the organization’s governing body.

1 (2) NEW PARTNER.—The term “new partner”
2 means a nonprofit organization that has not received
3 funding from USAID as a prime partner during the
4 most recently completed 5-year period.

5 (3) NONPROFIT.—The term “nonprofit” means
6 any organization that is exempt from the payment
7 of Federal income taxes, including research insti-
8 tutes, faith-based charities, and private nongovern-
9 mental groups.

10 (4) UNDERUTILIZED PARTNER.—The term
11 “underutilized partner” means an organization
12 that—

13 (A) is a nonprofit entity, such as a re-
14 search institute, a faith-based charity, a non-
15 governmental group, or a government entity;
16 and

17 (B) has received less than \$25,000,000 in
18 direct or indirect awards from USAID during
19 the most recently completed 5-year period.

20 (5) USAID.—The term “USAID” means the
21 United States Agency for International Develop-
22 ment.

23 **SEC. 3. PURPOSE.**

24 The purpose of this Act is to authorize and encourage
25 USAID to use the New Partnerships Initiative to diversify

1 its partner base by reducing barriers to entry for new
2 partners and underutilized partners.

3 **SEC. 4. NEW PARTNERSHIPS INITIATIVE.**

4 The USAID Administrator shall implement the New
5 Partnerships Initiative by—

6 (1) simplifying access to USAID resources to
7 make it easier for new, underutilized, and local part-
8 ners to share their ideas and innovations by diversi-
9 fying solicitation and award approaches, including—

10 (A) increasing the number of awards to
11 new partners and underutilized partners in all
12 program sectors;

13 (B) using solicitations that lower barriers
14 to entry, including two-step approaches such as
15 first-round expressions of interest under assist-
16 ance and phased acquisition;

17 (C) using co-creation and other collabo-
18 rative techniques to design prime and sub-
19 awards;

20 (D) encouraging the strategic use of sub-
21 awards, mentoring awards, and facilitative part-
22 nerships, grants under contract, and other in-
23 struments that develop local capacity, and pro-
24 mote tools and approaches to enable implemen-
25 tation led by local entities and local partners;

1 (E) diversifying award types to be fit for
 2 purpose, such as fixed amount awards and fixed
 3 amount subawards, and eliminating threshold
 4 limitations on fixed amount subawards;

5 (F) measuring progress in achieving the
 6 principles and approaches described in this sec-
 7 tion;

8 (G) simplifying reporting;

9 (H) identifying new sources of funding to
 10 sustain partnerships and scale impact;

11 (I) mobilizing partner resources equal to
 12 not less than 50 percent of the proposed value
 13 of the award, which may include resources from
 14 nongovernmental organizations, other donor
 15 governments, or individuals; and

16 (J) prioritizing solicitations and awards
 17 that contribute matching or leveraged funds;

18 (2) promoting local leadership; and

19 (3) strengthening local capacity so that partner
 20 countries gain new knowledge and skills to lead and
 21 sustain their own development.

22 **SEC. 5. ANNUAL REPORT.**

23 The USAID Administrator shall submit an annual
 24 report to Congress that identifies the funding for grants

1 to new, underutilized, and local partners in accordance
2 with the principles set forth in section 4.

3 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

4 (a) IN GENERAL.—There are authorized to be appro-
5 priated for USAID, for each of the fiscal years 2022
6 through 2026, \$250,000,000, which shall be expended
7 through the New Partnerships Initiative for grants to new,
8 underutilized, and local partners in accordance with the
9 principles set forth in section 4.

10 (b) IMPLEMENTATION COSTS.—In addition to
11 amounts otherwise available for such purposes, not more
12 than 15 percent of the amounts appropriated pursuant to
13 subsection (a) in any fiscal year may be used for USAID
14 administrative expenses related to the program manage-
15 ment, implementation, and oversight of the New Partner-
16 ships Initiative.

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