117TH CONGRESS
1ST SESSION

S. ______

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

Mr. Kaine (for himself and Mr. Rubio) introduced the following bill; which was read twice and referred to the Committee on ______________________

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.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “New Partnerships Ini-
tiative Authorization Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) LOCAL PARTNER.—
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(A) IN GENERAL.—The term “local partner” refers to a local entity or a locally established partner of a United States-based nonprofit organization.

(B) LOCAL ENTITY.—The term “local entity” means a corporation, nonprofit organization, or other body of persons that—

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

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

(iii) is majority-controlled by individuals who are citizens or lawful permanent residents of such country; and

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

(C) LOCALLY ESTABLISHED PARTNER.—The term “locally established partner” means a United States or international nonprofit organization that—

(i) works through locally-led operations and programmatic models that have 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.
(2) NEW PARTNER.—The term “new partner” means a nonprofit organization that has not received funding from USAID as a prime partner during the most recently completed 5-year period.

(3) NONPROFIT.—The term “nonprofit” means any organization that is exempt from the payment of Federal income taxes, including research institutes, faith-based charities, and private nongovernmental groups.

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

(A) is a nonprofit entity, such as a research institute, a faith-based charity, a nongovernmental group, or a government entity; and

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

(5) USAID.—The term “USAID” means the United States Agency for International Development.

SEC. 3. PURPOSE.

The purpose of this Act is to authorize and encourage USAID to use the New Partnerships Initiative to diversify
its partner base by reducing barriers to entry for new
partners and underutilized partners.

SEC. 4. NEW PARTNERSHIPS INITIATIVE.
The USAID Administrator shall implement the New
Partnerships Initiative by—

(1) simplifying access to USAID resources to
make it easier for new, underutilized, and local part-
tners to share their ideas and innovations by diversi-
ifying solicitation and award approaches, including—

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

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

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

(D) encouraging the strategic use of sub-
awards, mentoring awards, and facilitative part-
nerships, grants under contract, and other in-
struments that develop local capacity, and pro-
mote tools and approaches to enable implemen-
tation led by local entities and local partners;
(E) diversifying award types to be fit for purpose, such as fixed amount awards and fixed amount subawards, and eliminating threshold limitations on fixed amount subawards;

(F) measuring progress in achieving the principles and approaches described in this section;

(G) simplifying reporting;

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

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

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

(2) promoting local leadership; and

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

SEC. 5. ANNUAL REPORT.

The USAID Administrator shall submit an annual report to Congress that identifies the funding for grants
to new, underutilized, and local partners in accordance with the principles set forth in section 4.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

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

(b) IMPLEMENTATION COSTS.—In addition to amounts otherwise available for such purposes, not more than 15 percent of the amounts appropriated pursuant to subsection (a) in any fiscal year may be made used for USAID administrative expenses related to the program management, implementation, and oversight of the New Partnerships Initiative.