

**AMENDMENT TO RULES COMM. PRINT 118-36**  
**OFFERED BY MS. JACOBS OF CALIFORNIA**

At the end of subtitle C of title XVII, add the following new section:

1 **SEC. 17\_\_\_ . LOCALLY LED DEVELOPMENT AND HUMANI-**  
2 **TARIAN RESPONSE ACT.**

3 (a) **WORKING WITH LOCAL PARTNERS.**—To the ex-  
4 tent feasible and appropriate, the Administrator of  
5 USAID should localize USAID’s partner base by consid-  
6 ering—

7 (1) simplifying and increasing access to USAID  
8 resources for local partners in humanitarian and de-  
9 velopment sectors, including local partners who have  
10 relations, agency, or power structures in place that  
11 have produced, or can produce, strong trust, ac-  
12 countability, and legitimacy in the communities or  
13 networks such partners work in;

14 (2) diversifying award types to streamline per-  
15 formance requirements and working with the Office  
16 of Management and Budget to address threshold  
17 constraints such as fixed amount subaward thresh-  
18 olds, category management award targets, and other  
19 thresholds, policies, and contracting incentives that

1 pose a barrier to effectively supporting local part-  
2 ners;

3 (3) streamlining monitoring and evaluation,  
4 periodic reporting, and other USAID reporting re-  
5 quirements;

6 (4) ensuring USAID staff is able and encour-  
7 aged to conduct regular consultation with local part-  
8 ners in local languages of the host countries, making  
9 available solicitations for acquisitions and assistance  
10 and accepting submissions in local languages, video  
11 format, or verbal presentations, including by—

12 (A) investing in translation services;

13 (B) hosting workshop-based engagements;

14 and

15 (C) advertising solicitations in local trade  
16 publications, local media including newspapers  
17 and radio, local community centers, and local  
18 online forums;

19 (5) allowing and promoting multi-year, flexible,  
20 tiered and milestone-based funding for new pro-  
21 grams and to bring successful programs to scale;

22 (6) strengthening USAID staff and local part-  
23 ners' capacity to undertake risk management and  
24 mitigation;

1           (7) supporting consistent and unimpeded access  
2           to full cost recovery for local partners implementing  
3           USAID-funded activities;

4           (8) assessing current definitions of “local part-  
5           ner”, “local ownership”, and “localization” used by  
6           USAID for programming and reporting metrics, and  
7           updating the definitions, as necessary;

8           (9) undertaking outreach campaigns and engag-  
9           ing with local partners, formally and informally, to  
10          raise awareness about opportunities, as well as how  
11          to apply for and manage awards in compliance with  
12          applicable Federal regulations and USAID policies,  
13          and ensuring such engagement is accessible to all  
14          entities, including unregistered and informal organi-  
15          zations;

16          (10) strengthening oversight of capacity  
17          strengthening components of awards to ensure  
18          United States and international awardees are mak-  
19          ing good-faith efforts to strengthen local organiza-  
20          tions’ capacities, including independent and external  
21          evaluations to evaluate the mentorship process and  
22          regular feedback loops;

23          (11) expeditiously solving the shortage of con-  
24          tracting officers within USAID, including granting

1 warrants to qualified staff and providing appropriate  
2 training;

3 (12) addressing performance evaluation criteria  
4 to create greater workforce incentives for USAID  
5 personnel to champion locally-led development;

6 (13) addressing internal delays and recipient  
7 organization issues that result in the required exten-  
8 sion of provisional Negotiated Indirect Cost Rates  
9 (NICRAs);

10 (14) conducting NICRA seminars in local lan-  
11 guages and providing NICRA documentation in local  
12 languages;

13 (15) ensuring that contracting officers and  
14 agreement officers communicate to awardees who do  
15 not submit for a NICRA that they are eligible for  
16 the de minimis indirect cost rate; and

17 (16) ensuring robust monitoring and evaluation  
18 of awards to mitigate waste, fraud, and abuse of  
19 United States taxpayer dollars by strengthening  
20 USAID's monitoring, evaluation and learning  
21 (MEL) systems, focused on improving data quality,  
22 data systems, MEL standards, and capacity to in-  
23 corporate evidence into programmatic decision-mak-  
24 ing.

1 (b) INSTITUTIONALIZATION OF ACTIONS.—Not later  
2 than 180 days after the date of the enactment of this Act,  
3 the Administrator of USAID shall initiate policy actions,  
4 including rulemaking if necessary, to institutionalize the  
5 actions described in subsection (a) to the extent appro-  
6 priate and feasible within all relevant USAID internal  
7 rules and regulations, including the Automated Directive  
8 System (ADS), the Acquisition and Assistance Strategy,  
9 the Local Capacity Strengthening Policy, the Localization  
10 of Humanitarian Assistance Strategy, the USAID Acqui-  
11 sition Regulation (AIDAR), the Local Systems Frame-  
12 work, and the Private Sector Engagement Policy.

13 (c) AUTHORITY TO ACCEPT APPLICATIONS, PRO-  
14 POSALS, AND CONTRACTING AGREEMENTS IN LOCAL  
15 LANGUAGES AND LOCAL LANGUAGE SUPPORT.—

16 (1) IN GENERAL.—Notwithstanding any other  
17 provision of law, USAID is authorized to accept ap-  
18 plications or proposals in languages other than  
19 English if such acceptance eases the burden of a  
20 local entity working with USAID and USAID is able  
21 to effectively evaluate such applications or proposals.

22 (2) LOCAL LANGUAGE SUPPORT.—

23 (A) IN GENERAL.—The Administrator of  
24 USAID shall conduct an assessment of options  
25 to enable USAID to utilize local languages to

1 support local partners with award solicitations,  
2 proposals and applications, evaluations, man-  
3 agement, and close out, including advising local  
4 partners on applicable United States regula-  
5 tions and USAID policies and local country  
6 rules and regulations common in such activities.

7 (B) REPORT.—Not later than 1 year after  
8 the date of the enactment of this Act, the Ad-  
9 ministrator of USAID shall submit to Congress  
10 a report on the assessment described in this  
11 subsection.

12 (d) MODIFICATIONS RELATING TO THE CODE OF  
13 FEDERAL REGULATIONS AND OTHER REQUIREMENTS.—

14 (1) INCREASE IN THE DE MINIMIS INDIRECT  
15 COST.—The Administrator of USAID is authorized  
16 to increase the de minimis indirect cost rate pro-  
17 vided for in section 200.414 of title 2, Code of Fed-  
18 eral Regulations, or any successor regulations, to 15  
19 percent for local entities receiving USAID assistance  
20 awards and to establish a similar de minimis indirect  
21 cost rate of 15 percent for acquisitions awarded  
22 under title 48 of the Code of Federal Regulations to  
23 local entities, and to increase this threshold further  
24 should subsequent Office of Management and Budg-  
25 et regulations recommend doing so.

1           (2) EXEMPTION FOR LOCAL ENTITIES.—The  
2 Administrator of USAID is authorized to exempt  
3 local entities, as needed, from the reporting require-  
4 ments of the Federal Funding Accountability and  
5 Transparency Act of 2006 (31 U.S.C. 6106 note;  
6 Public Law 109–282) to allow for a 180-day delay  
7 in obtaining a unique entity identifier and registra-  
8 tion in the System for Award Management. This  
9 delay shall be no later than 30 days prior to the end  
10 of the award’s period of performance.

11           (3) LOCAL COMPETITION AUTHORITY.—Not-  
12 withstanding any other provision of law, the Admin-  
13 istrator of USAID (or the Administrator’s des-  
14 ignees) may award contracts and other acquisition  
15 instruments in which competition is limited to local  
16 entities if doing so would result in cost savings,  
17 strengthen local capacity, or enable USAID to de-  
18 liver a programs or activities more sustainably or  
19 quickly than if competition were not so limited. Such  
20 authority may not be used to make acquisition  
21 awards in excess of \$25,000,000 and shall not ex-  
22 ceed more than 10 percent of the amounts appro-  
23 priated to USAID each fiscal year.

24           (4) USE OF NATIONAL OR INTERNATIONAL  
25 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.—

1 The Administrator of USAID, in consultation with  
2 the Administrator of the General Services Adminis-  
3 tration, the Secretary of Defense, and the Adminis-  
4 trator of the National Aeronautics and Space Ad-  
5 ministration, is authorized to allow foreign entities  
6 to use national or international generally accepted  
7 accounting principles instead of United States Gen-  
8 erally Accepted Accounting Principles (GAAP) for  
9 contracts or grants awarded under the chapter 7 of  
10 title 48, Code of Federal Regulations or chapter 7  
11 of title 2, Code of Federal Regulations.

12 (e) ANNUAL REPORT.—Not later than 180 days after  
13 the end of each fiscal year following the date of the enact-  
14 ment of this Act, and annually thereafter, the Adminis-  
15 trator of USAID shall submit to the appropriate congres-  
16 sional committees and publish on USAID’s website a re-  
17 port on USAID’s progress to advance locally-led develop-  
18 ment and humanitarian response, including the following  
19 elements:

20 (1) The amount of funding implemented di-  
21 rectly and indirectly by local entities in the previous  
22 fiscal year, including all development and humani-  
23 tarian assistance programs.

24 (2) An assessment of how USAID is enabling  
25 more local leadership of USAID-funded programs,



1 including recipients of direct funding, subrecipients  
2 and subcontractors to an international implementing  
3 partner, participants in a USAID program, or mem-  
4 bers of a community affected by USAID program-  
5 ming.

6 (3) An assessment of progress implementing  
7 the Acquisitions and Assistance Strategy, including  
8 updated information on the ratio of the USAID Ac-  
9 quisitions and Assistance workforce to award dollars  
10 managed with comparison to other relevant agencies;  
11 the Local Capacity Strengthening Policy; the Policy  
12 on Locally Led Humanitarian Assistance; and any  
13 other relevant strategies and policies.

14 (4) An assessment of how USAID is using new  
15 authorities granted in sections 6 and 7 and an as-  
16 sessment of the impact of these authorities on  
17 USAID's ability to work with local partners.

18 (5) An assessment of how many organizations  
19 with a Negotiated Indirect Cost Rate (NICRA) cog-  
20 nizant to USAID are utilizing provisional NICRAs  
21 for over 48 months without a final NICRA and steps  
22 that USAID can take to reduce the extension of pro-  
23 visional NICRAs beyond 12 months.

24 (f) REPORT ON CONTRACTING OFFICERS.—Not later  
25 than 180 days after the enactment of this Act, the Admin-

1 istrator of USAID shall provide a report to the appro-  
2 priate congressional committees on the recruitment and  
3 retention of contracting officers and agreement officers at  
4 USAID and recommendations to improve contracting/  
5 agreement officer recruitment and retention.

6 (g) DEFINITIONS.—In this section:

7 (1) The term “appropriate congressional com-  
8 mittees” means—

9 (A) the Committee on Foreign Affairs and  
10 the Committee on Appropriations of the House  
11 of Representatives; and

12 (B) the Committee on Foreign Relations  
13 and the Committee on Appropriations of the  
14 Senate.

15 (2) The term “USAID” means the United  
16 States Agency for International Development.

