

Calendar No. 843106TH CONGRESS
2^D SESSION**S. 3072**

To assist in the enhancement of the development and expansion of international economic assistance programs that utilize cooperatives and credit unions, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 2000

Mr. GRAMS (for himself, Mr. HAGEL, and Mr. FEINGOLD) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

SEPTEMBER 28 (legislative day, SEPTEMBER 22), 2000

Reported by Mr. HELMS without amendment

A BILL

To assist in the enhancement of the development and expansion of international economic assistance programs that utilize cooperatives and credit unions, and for other purposes.

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 “Support for Overseas
5 Cooperative Development Act”.

1 **SEC. 2. FINDINGS**

2 The Congress makes the following findings:

3 (1) It is in the mutual economic interest of the
4 United States and peoples in developing and transi-
5 tional countries to promote cooperatives and credit
6 unions.

7 (2) Self-help institutions, including cooperatives
8 and credit unions, provide enhanced opportunities
9 for people to participate directly in democratic deci-
10 sion-making for their economic and social benefit
11 through ownership and control of business enter-
12 prises and through the mobilization of local capital
13 and savings and such organizations should be fully
14 utilized in fostering free market principles and the
15 adoption of self-help approaches to development.

16 (3) The United States seeks to encourage
17 broad-based economic and social development by cre-
18 ating and supporting—

19 (A) agricultural cooperatives that provide a
20 means to lift low income farmers and rural peo-
21 ple out of poverty and to better integrate them
22 into national economies;

23 (B) credit union networks that serve peo-
24 ple of limited means through safe savings and
25 by extending credit to families and microcenter-
26 prises;

1 (C) electric and telephone cooperatives that
2 provide rural customers with power and tele-
3 communications services essential to economic
4 development;

5 (D) housing and community-based co-
6 operatives that provide low income shelter and
7 work opportunities for the urban poor; and

8 (E) mutual and cooperative insurance com-
9 panies that provide risk protection for life and
10 property to under-served populations often
11 through group policies.

12 **SEC. 3. GENERAL PROVISIONS.**

13 (a) DECLARATIONS OF POLICY.—The Congress sup-
14 ports the development and expansion of economic assist-
15 ance programs that fully utilize cooperatives and credit
16 unions, particularly those programs committed to—

17 (1) international cooperative principles, demo-
18 cratic governance and involvement of women and
19 ethnic minorities for economic and social develop-
20 ment;

21 (2) self-help mobilization of member savings
22 and equity, retention of profits in the community,
23 except those programs that are dependent on donor
24 financing;

1 (3) market-oriented and value-added activities
2 with the potential to reach large numbers of low in-
3 come people and help them enter into the main-
4 stream economy;

5 (4) strengthening the participation of rural and
6 urban poor to contribute to their country's economic
7 development; and

8 (5) utilization of technical assistance and train-
9 ing to better serve the member-owners.

10 (b) DEVELOPMENT PRIORITIES.—Section 111 of the
11 Foreign Assistance Act of 1961 (22 U.S.C. 2151i) is
12 amended by adding at the end the following: “In meeting
13 the requirement of the preceding sentence, specific priority
14 shall be given to the following:

15 “(1) AGRICULTURE.—Technical assistance to
16 low income farmers who form and develop member-
17 owned cooperatives for farm supplies, marketing and
18 value-added processing.

19 “(2) FINANCIAL SYSTEMS.—The promotion of
20 national credit union systems through credit union-
21 to-credit union technical assistance that strengthens
22 the ability of low income people and micro-entre-
23 preneurs to save and to have access to credit for
24 their own economic advancement.

1 “(3) INFRASTRUCTURE.—The support of rural
2 electric and telecommunication cooperatives for ac-
3 cess for rural people and villages that lack reliable
4 electric and telecommunications services.

5 “(4) HOUSING AND COMMUNITY SERVICES.—
6 The promotion of community-based cooperatives
7 which provide employment opportunities and impor-
8 tant services such as health clinics, self-help shelter,
9 environmental improvements, group-owned busi-
10 nesses, and other activities.”.

11 **SEC. 4. REPORT.**

12 Not later than 6 months after the date of enactment
13 of this Act, the Administrator of the United States Agency
14 for International Development, in consultation with the
15 heads of other appropriate agencies, shall prepare and
16 submit to Congress a report on the implementation of sec-
17 tion 111 of the Foreign Assistance Act of 1961 (22 U.S.C.
18 2151i), as amended by section 3 of this Act.

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