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1 **DIVISION U—ADJUSTABLE**
2 **INTEREST RATE (LIBOR) ACT**

3 **SEC. 101. SHORT TITLE.**

4 This division may be cited as the “Adjustable Interest
5 Rate (LIBOR) Act”.

6 **SEC. 102. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds that—

8 (1) LIBOR is used as a benchmark rate in
9 more than \$200,000,000,000,000 worth of contracts
10 worldwide;

11 (2) a significant number of existing contracts
12 that reference LIBOR do not provide for the use of
13 a clearly defined or practicable replacement bench-
14 mark rate when LIBOR is discontinued; and

15 (3) the cessation or nonrepresentativeness of
16 LIBOR could result in disruptive litigation related
17 to existing contracts that do not provide for the use
18 of a clearly defined or practicable replacement
19 benchmark rate.

20 (b) PURPOSE.—It is the purpose of this division—

21 (1) to establish a clear and uniform process, on
22 a nationwide basis, for replacing LIBOR in existing
23 contracts the terms of which do not provide for the
24 use of a clearly defined or practicable replacement
25 benchmark rate, without affecting the ability of par-

1 ties to use any appropriate benchmark rate in new
2 contracts;

3 (2) to preclude litigation related to existing con-
4 tracts the terms of which do not provide for the use
5 of a clearly defined or practicable replacement
6 benchmark rate;

7 (3) to allow existing contracts that reference
8 LIBOR but provide for the use of a clearly defined
9 and practicable replacement rate, to operate accord-
10 ing to their terms; and

11 (4) to address LIBOR references in Federal
12 law.

13 **SEC. 103. DEFINITIONS.**

14 In this division:

15 (1) BENCHMARK.—The term “benchmark”
16 means an index of interest rates or dividend rates
17 that is used, in whole or in part, as the basis of or
18 as a reference for calculating or determining any
19 valuation, payment, or other measurement.

20 (2) BENCHMARK ADMINISTRATOR.—The term
21 “benchmark administrator” means a person that
22 publishes a benchmark for use by third parties.

23 (3) BENCHMARK REPLACEMENT.—The term
24 “benchmark replacement” means a benchmark, or
25 an interest rate or dividend rate (which may or may

1 not be based in whole or in part on a prior setting
2 of LIBOR), to replace LIBOR or any interest rate
3 or dividend rate based on LIBOR, whether on a
4 temporary, permanent, or indefinite basis, under or
5 with respect to a LIBOR contract.

6 (4) BENCHMARK REPLACEMENT CONFORMING
7 CHANGES.—The term “benchmark replacement con-
8 forming changes” means any technical, administra-
9 tive, or operational changes, alterations, or modifica-
10 tions that—

11 (A) the Board determines, in its discretion,
12 would address 1 or more issues affecting the
13 implementation, administration, and calculation
14 of the Board-selected benchmark replacement in
15 LIBOR contracts; or

16 (B) solely with respect to a LIBOR con-
17 tract that is not a consumer loan, in the rea-
18 sonable judgment of a calculating person, are
19 otherwise necessary or appropriate to permit
20 the implementation, administration, and cal-
21 culation of the Board-selected benchmark re-
22 placement under or with respect to a LIBOR
23 contract after giving due consideration to any
24 benchmark replacement conforming changes
25 under subparagraph (A).

1 (5) BOARD.—The term “Board” means the
2 Board of Governors of the Federal Reserve System.

3 (6) BOARD-SELECTED BENCHMARK REPLACEMENT.—The term “Board-selected benchmark replacement” means a benchmark replacement identified by the Board that is based on SOFR, including any tenor spread adjustment pursuant to section 104(e).

9 (7) CALCULATING PERSON.—The term “calculating person” means, with respect to any LIBOR contract, any person, including the determining person, responsible for calculating or determining any valuation, payment, or other measurement based on a benchmark.

15 (8) CONSUMER; CREDIT.—The terms “consumer” and “credit” have the meanings given the terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

19 (9) CONSUMER LOAN.—The term “consumer loan” means a consumer credit transaction.

21 (10) DETERMINING PERSON.—The term “determining person” means, with respect to any LIBOR contract, any person with the authority, right, or obligation, including on a temporary basis (as identified by the LIBOR contract or by the governing law

1 of the LIBOR contract, as appropriate) to determine
2 a benchmark replacement.

3 (11) FALLBACK PROVISIONS.—The term “fall-
4 back provisions” means terms in a LIBOR contract
5 for determining a benchmark replacement, including
6 any terms relating to the date on which the bench-
7 mark replacement becomes effective.

8 (12) IBOR.—The term “IBOR” means
9 LIBOR, any tenor of non-U.S. dollar currency rates
10 formerly known as the London interbank offered
11 rate as administered by ICE Benchmark Adminis-
12 tration Limited (or any predecessor or successor ad-
13 ministrator thereof), and any other interbank offered
14 rates that are expected to cease.

15 (13) IBOR BENCHMARK REPLACEMENT.—The
16 term “IBOR benchmark replacement” means a
17 benchmark, or an interest rate or dividend rate
18 (which may or may not be based in whole or in part
19 on a prior setting of an IBOR), to replace an IBOR
20 or any interest rate or dividend rate based on an
21 IBOR, whether on a temporary, permanent, or in-
22 definite basis, under or with respect to an IBOR
23 contract.

24 (14) IBOR CONTRACT.—The term “IBOR con-
25 tract” means any contract, agreement, indenture, or

1 organizational document, guarantee, mortgage, deed of
2 trust, lease, security (whether representing debt or
3 equity, including any interest in a corporation, a
4 partnership, or a limited liability company), instru-
5 ment, or other obligation or asset that, by its terms,
6 continues in any way to use an IBOR as a bench-
7 mark.

8 (15) LIBOR.—The term “LIBOR”—

9 (A) means the overnight and 1-, 3-, 6-,
10 and 12-month tenors of U.S. dollar LIBOR
11 (formerly known as the London interbank of-
12 fered rate) as administered by ICE Benchmark
13 Administration Limited (or any predecessor or
14 successor administrator thereof); and

15 (B) does not include the 1-week or 2-
16 month tenors of U.S. dollar LIBOR.

17 (16) LIBOR CONTRACT.—The term “LIBOR
18 contract” means any contract, agreement, indenture,
19 organizational document, guarantee, mortgage, deed
20 of trust, lease, security (whether representing debt
21 or equity, including any interest in a corporation, a
22 partnership, or a limited liability company), instru-
23 ment, or other obligation or asset that, by its terms,
24 uses LIBOR as a benchmark.

1 (17) LIBOR REPLACEMENT DATE.—The term
2 “LIBOR replacement date” means the first London
3 banking day after June 30, 2023, unless the Board
4 determines that any LIBOR tenor will cease to be
5 published or cease to be representative on a different
6 date.

7 (18) SECURITY.—The term “security” has the
8 meaning given the term in section 2(a) of the Secu-
9 rities Act of 1933 (15 U.S.C. 77b(a)).

10 (19) SOFR.—The term “SOFR” means the
11 Secured Overnight Financing Rate published by the
12 Federal Reserve Bank of New York (or a successor
13 administrator).

14 (20) TENOR SPREAD ADJUSTMENT.—The term
15 “tenor spread adjustment” means—

16 (A) 0.00644 percent for overnight LIBOR;

17 (B) 0.11448 percent for 1-month LIBOR;

18 (C) 0.26161 percent for 3-month LIBOR;

19 (D) 0.42826 percent for 6-month LIBOR;

20 and

21 (E) 0.71513 percent for 12-month LIBOR.

22 **SEC. 104. LIBOR CONTRACTS.**

23 (a) IN GENERAL.—On the LIBOR replacement date,
24 the Board-selected benchmark replacement shall be the

1 benchmark replacement for any LIBOR contract that,
2 after giving any effect to subsection (b)—

3 (1) contains no fallback provisions; or

4 (2) contains fallback provisions that identify
5 neither—

6 (A) a specific benchmark replacement; nor

7 (B) a determining person.

8 (b) FALLBACK PROVISIONS.—On the LIBOR re-
9 placement date, any reference in the fallback provisions
10 of a LIBOR contract to—

11 (1) a benchmark replacement that is based in
12 any way on any LIBOR value, except to account for
13 the difference between LIBOR and the benchmark
14 replacement; or

15 (2) a requirement that a person (other than a
16 benchmark administrator) conduct a poll, survey, or
17 inquiries for quotes or information concerning inter-
18 bank lending or deposit rates;

19 shall be disregarded as if not included in the fallback pro-
20 visions of such LIBOR contract and shall be deemed null
21 and void and without any force or effect.

22 (c) AUTHORITY OF DETERMINING PERSON.—

23 (1) IN GENERAL.—Subject to subsection (f)(2),
24 a determining person may select the Board-selected

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1 benchmark replacement as the benchmark replace-
2 ment.

3 (2) SELECTION.—Any selection by a deter-
4 mining person of the Board-selected benchmark re-
5 placement pursuant to paragraph (1) shall be—

6 (A) irrevocable;

7 (B) made by the earlier of the LIBOR re-
8 placement date and the latest date for selecting
9 a benchmark replacement according to the
10 terms of the LIBOR contract; and

11 (C) used in any determinations of the
12 benchmark under or with respect to the LIBOR
13 contract occurring on and after the LIBOR re-
14 placement date.

15 (3) NO SELECTION.—If a determining person
16 does not select a benchmark replacement by the date
17 specified in paragraph (2)(B), the Board-selected
18 benchmark replacement, on and after the LIBOR re-
19 placement date, shall be the benchmark replacement
20 for the LIBOR contract.

21 (d) CONFORMING CHANGES.—

22 (1) IN GENERAL.—If the Board-selected bench-
23 mark replacement becomes the benchmark replace-
24 ment for a LIBOR contract pursuant to subsection
25 (a) or (c), all benchmark replacement conforming

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1 changes shall become an integral part of the LIBOR
2 contract.

3 (2) NO CONSENT REQUIRED.—A calculating
4 person shall not be required to obtain consent from
5 any other person prior to the adoption of benchmark
6 replacement conforming changes.

7 (e) ADJUSTMENT BY BOARD.—

8 (1) IN GENERAL.—Except as provided in para-
9 graph (2), on the LIBOR replacement date, the
10 Board shall adjust the Board-selected benchmark re-
11 placement for each category of LIBOR contract that
12 the Board may identify to include the relevant tenor
13 spread adjustment.

14 (2) CONSUMER LOANS.—For LIBOR contracts
15 that are consumer loans, the Board shall adjust the
16 Board-selected benchmark replacement as follows:

17 (A) During the 1-year period beginning on
18 the LIBOR replacement date, incorporate an
19 amount, to be determined for any business day
20 during that period, that transitions linearly
21 from the difference between the Board-selected
22 benchmark replacement and the corresponding
23 LIBOR tenor determined as of the day imme-
24 diately before the LIBOR replacement date to
25 the relevant tenor spread adjustment.

1 (B) On and after the date that is 1 year
2 after the LIBOR replacement date, incorporate
3 the relevant tenor spread adjustment.

4 (f) RULE OF CONSTRUCTION.—Nothing in this divi-
5 sion may be construed to alter or impair—

6 (1) any written agreement specifying that a
7 LIBOR contract shall not be subject to this division;

8 (2) except as provided in subsection (b), any
9 LIBOR contract that contains fallback provisions
10 that identify a benchmark replacement that is not
11 based in any way on any LIBOR value (including
12 the prime rate or the effective Federal funds rate);

13 (3) except as provided in subsection (b) or
14 (c)(3), any LIBOR contract subject to subsection
15 (c)(1) as to which a determining person does not
16 elect to use a Board-selected benchmark replacement
17 pursuant to that subsection;

18 (4) the application to a Board-selected bench-
19 mark replacement of any cap, floor, modifier, or
20 spread adjustment to which LIBOR had been sub-
21 ject pursuant to the terms of a LIBOR contract;

22 (5) any provision of Federal consumer financial
23 law that—

24 (A) requires creditors to notify borrowers
25 regarding a change-in-terms; or

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1 (B) governs the reevaluation of rate in-
2 creases on credit card accounts under open-
3 ended (not home-secured) consumer credit
4 plans; or

5 (6) except as provided in section 105(c), the
6 rights or obligations of any person, or the authori-
7 ties of any agency, under Federal consumer financial
8 law, as defined in section 1002 of the Consumer Fi-
9 nancial Protection Act of 2010 (12 U.S.C. 5481).

10 **SEC. 105. CONTINUITY OF CONTRACT AND SAFE HARBOR.**

11 (a) IN GENERAL.—A Board-selected benchmark re-
12 placement and the selection or use of a Board-selected
13 benchmark replacement as a benchmark replacement
14 under or with respect to a LIBOR contract, and any
15 benchmark replacement conforming changes, shall con-
16 stitute—

17 (1) a commercially reasonable replacement for
18 and a commercially substantial equivalent to
19 LIBOR;

20 (2) a reasonable, comparable, or analogous rate,
21 index, or term for LIBOR;

22 (3) a replacement that is based on a method-
23 ology or information that is similar or comparable to
24 LIBOR;

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1 (4) substantial performance by any person of
2 any right or obligation relating to or based on
3 LIBOR; and

4 (5) a replacement that has historical fluctua-
5 tions that are substantially similar to those of
6 LIBOR for purposes of the Truth in Lending Act
7 (15 U.S.C. 1601 note) and regulations promulgated
8 under that division.

9 (b) NO IMPAIRMENT.—Neither the selection or use
10 of a Board-selected benchmark replacement as a bench-
11 mark replacement nor the determination, implementation,
12 or performance of benchmark replacement conforming
13 changes under section 104 may—

14 (1) be deemed to impair or affect the right of
15 any person to receive a payment, or to affect the
16 amount or timing of such payment, under any
17 LIBOR contract; or

18 (2) have the effect of—

19 (A) discharging or excusing performance
20 under any LIBOR contract for any reason,
21 claim, or defense (including any force majeure
22 or other provision in any LIBOR contract);

23 (B) giving any person the right to unilater-
24 ally terminate or suspend performance under
25 any LIBOR contract;

1 (C) constituting a breach of any LIBOR
2 contract; or

3 (D) voiding or nullifying any LIBOR con-
4 tract.

5 (c) SAFE HARBOR.—No person shall be subject to
6 any claim or cause of action in law or equity or request
7 for equitable relief, or have liability for damages, arising
8 out of—

9 (1) the selection or use of a Board-selected
10 benchmark replacement;

11 (2) the implementation of benchmark replace-
12 ment conforming changes; or

13 (3) with respect to a LIBOR contract that is
14 not a consumer loan, the determination of bench-
15 mark replacement conforming changes,

16 in each case after giving effect to the provisions of section
17 104; provided, however, that in each case any person (in-
18 cluding a calculating person) shall remain subject to the
19 terms of a LIBOR contract that are not affected by this
20 division and any existing legal, regulatory, or contractual
21 obligations to correct servicing or other ministerial errors
22 under or with respect to a LIBOR contract.

23 (d) SELECTION.—The selection or use of a Board-
24 selected benchmark replacement or the determination, im-
25 plementation, or performance of benchmark replacement

1 conforming changes under section 104 shall not be deemed
2 to—

3 (1) be an amendment or modification of any
4 LIBOR contract; or

5 (2) prejudice, impair, or affect the rights, inter-
6 ests, or obligations of any person under or with re-
7 spect to any LIBOR contract.

8 (e) NO NEGATIVE INFERENCE.—Except as provided
9 in subsections (a), (b), or (c)(1) of section 104, nothing
10 in this division may be construed to create any negative
11 inference or negative presumption regarding the validity
12 or enforceability of—

13 (1) any benchmark replacement (including any
14 method for calculating, determining, or imple-
15 menting an adjustment to the benchmark replace-
16 ment to account for any historical differences be-
17 tween LIBOR and the benchmark replacement) that
18 is not a Board-selected benchmark replacement; or

19 (2) any changes, alterations, or modifications to
20 or with respect to a LIBOR contract that are not
21 benchmark replacement conforming changes.

22 **SEC. 106. BENCHMARK FOR LOANS.**

23 (a) DEFINITIONS.—In this section:

1 (1) BANK.—The term “bank” means an insti-
2 tution subject to examination by a Federal financial
3 institutions regulatory agency.

4 (2) COVERED ACTION.—The term “covered ac-
5 tion” means—

6 (A) the initiation by a Federal supervisory
7 agency of an enforcement action, including the
8 issuance of a cease-and-desist order; or

9 (B) the issuance by a Federal supervisory
10 agency of a matter requiring attention, a mat-
11 ter requiring immediate attention; or a matter
12 requiring board attention resulting from a su-
13 pervisory activity conducted by the Federal su-
14 pervisory agency.

15 (3) FEDERAL FINANCIAL INSTITUTIONS REGU-
16 LATORY AGENCY.—The term “Federal financial in-
17 stitutions regulatory agencies” has the meaning
18 given the term in section 1003 of the Federal Finan-
19 cial Institutions Examination Council Act of 1978
20 (12 U.S.C. 3302).

21 (4) FEDERAL SUPERVISORY AGENCY.—The
22 term “Federal supervisory agency” means an agency
23 listed in subparagraphs (A) through (H) of section
24 1101(7) of the Right to Financial Privacy Act of
25 1978 (12 U.S.C. 3401(7)).

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1 (5) NON-IBOR LOAN.—The term “non-IBOR
2 loan” means any loan that, by its terms, does not
3 use in any way LIBOR, any tenor of non-U.S. dollar
4 currency rates formerly known as the London inter-
5 bank offered rate as administered by ICE Bench-
6 mark Administration Limited (or any predecessor or
7 successor administrator thereof), and any other
8 interbank offered rates that are expected to cease, as
9 a benchmark.

10 (b) BENCHMARKS USED BY BANKS.—With respect to
11 a benchmark used by a bank—

12 (1) the bank, in any non-IBOR loan made be-
13 fore, on, or after the date of enactment of this Act,
14 may use any benchmark, including a benchmark
15 that is not SOFR, that the bank determines to be
16 appropriate for the funding model of the bank; the
17 needs of the customers of the bank; and the prod-
18 ucts, risk profile, risk management capabilities, and
19 operational capabilities of the bank; provided, how-
20 ever, that the use of any benchmark shall remain
21 subject to the terms of the non-IBOR loan, and ap-
22 plicable law; and

23 (2) no Federal supervisory agency may take
24 any covered action against the bank solely because
25 that benchmark is not SOFR.

1 **SEC. 107. PREEMPTION.**

2 This division, and regulations promulgated under this
3 division, shall supersede any provision of any State or local
4 law, statute, rule, regulation, or standard—

5 (1) relating to the selection or use of a bench-
6 mark replacement or related conforming changes; or

7 (2) expressly limiting the manner of calculating
8 interest, including the compounding of interest, as
9 that provision applies to the selection or use of a
10 Board-selected benchmark replacement or bench-
11 mark replacement conforming changes.

12 **SEC. 108. TRUST INDENTURE ACT OF 1939.**

13 Section 316(b) of the Trust Indenture Act of 1939
14 (15 U.S.C. 77ppp(b)) is amended—

15 (1) by striking “, except as” and inserting “,
16 except—

17 “(1) as”;

18 (2) in paragraph (1), as so designated, by strik-
19 ing “(a), and except that” and inserting “(a);

20 “(2) that”;

21 (3) in paragraph (2), as so designated, by strik-
22 ing the period at the end and inserting “; and”; and

23 (4) by adding at the end the following:

24 “(3) that the right of any holder of any inden-
25 ture security to receive payment of the principal of
26 and interest on such indenture security shall not be

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1 deemed to be impaired or affected by any change oc-
2 ccurring by the application of section 104 of the Ad-
3 justable Interest Rate (LIBOR) Act to any inden-
4 ture security.”.

5 **SEC. 109. AMENDMENT TO THE HIGHER EDUCATION ACT**
6 **OF 1965.**

7 Section 438(b)(2)(I) of the Higher Education Act of
8 1965 (20 U.S.C. 1087–1(b)(2)(I)) is amended by adding
9 at the end the following:

10 “(viii) REVISED CALCULATION RULE
11 TO ADDRESS INSTANCES WHERE 1-MONTH
12 USD LIBOR CEASES OR IS NON-REP-
13 RESENTATIVE.—

14 “(I) SUBSTITUTE REFERENCE
15 INDEX.—The provisions of this clause
16 apply to loans for which the special al-
17 lowance payment would otherwise be
18 calculated pursuant to clause (vii).

19 “(II) CALCULATION BASED ON
20 SOFR.—For loans described in sub-
21 clause (III) or (IV), the special allow-
22 ance payment described in this sub-
23 clause shall be substituted for the
24 payment provided under clause (vii).
25 For each calendar quarter, the for-

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1 mula for computing the special allow-
2 ance that would otherwise apply under
3 clause (vii) shall be revised by sub-
4 stituting ‘of the quotes of the 30-day
5 Average Secured Overnight Financing
6 Rate (SOFR) in effect for each of the
7 days in such quarter as published by
8 the Federal Reserve Bank of New
9 York (or a successor administrator),
10 adjusted daily by adding the tenor
11 spread adjustment, as that term is de-
12 fined in the Adjustable Interest Rate
13 (LIBOR) Act, for 1-month LIBOR
14 contracts of 0.11448 percent’ for ‘of
15 the 1-month London Inter Bank Of-
16 fered Rate (LIBOR) for United
17 States dollars in effect for each of the
18 days in such quarter as compiled and
19 released by the British Bankers Asso-
20 ciation’. The special allowance calcula-
21 tion for loans subject to clause (vii)
22 shall otherwise remain in effect.

23 “(III) LOANS ELIGIBLE FOR
24 SOFR-BASED CALCULATION.—Except
25 as provided in subclause (IV), the spe-

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1 cial allowance payment calculated
2 under subclause (II) shall apply to all
3 loans for which the holder (or, if the
4 holder acts as an eligible lender trust-
5 ee for the beneficial owner of the loan,
6 the beneficial owner of the loan) at
7 any time after the effective date of
8 this clause notifies the Secretary that
9 the holder or beneficial owner affirma-
10 tively and permanently elects to waive
11 all contractual, statutory, or other
12 legal rights to a special allowance paid
13 under clause (vii) or to the special al-
14 lowance paid pursuant to any other
15 formula that was previously in effect
16 with respect to such loan, and accepts
17 the rate described in subclause (II).
18 Any such waiver shall apply to all
19 loans then held, or to be held from
20 time to time, by such holder or bene-
21 ficial owner; provided that, due to the
22 need to obtain the approval of, dem-
23 onstrated to the satisfaction of the
24 Secretary—

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1 “(aa) one or more third par-
2 ties with a legal or beneficial in-
3 terest in loans eligible for the
4 SOFR-based calculation; or

5 “(bb) a nationally recog-
6 nized rating organization assign-
7 ing a rating to a financing se-
8 cured by loans otherwise eligible
9 for the SOFR-based calculation,

10 the holder of the loan (or, if the hold-
11 er acts as an eligible lender trustee
12 for the beneficial owner of the loan,
13 the beneficial owner of the loan) may
14 elect to apply the rate described in
15 subclause (II) to specified loan port-
16 folios established for financing pur-
17 poses by separate notices with dif-
18 ferent effective dates. The special al-
19 lowance rate based on SOFR shall be
20 effective with respect to a portfolio as
21 of the first day of the calendar quar-
22 ter following the applicable effective
23 date of the waiver received by the Sec-
24 retary from the holder or beneficial
25 owner and shall permanently and ir-

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1 revocably continue for all subsequent
2 quarters.

3 “(IV) FALLBACK PROVISIONS.—

4 “(aa) In the event that a
5 holder or beneficial owner has
6 not elected to waive its rights to
7 a special allowance payment
8 under clause (vii) with respect to
9 a portfolio with an effective date
10 of the waiver prior to the first
11 of—

12 “(AA) the date on
13 which the ICE Benchmark
14 Administration (‘IBA’) has
15 permanently or indefinitely
16 stopped providing the 1-
17 month United States Dollar
18 LIBOR (‘1-month USD
19 LIBOR’) to the general pub-
20 lic;

21 “(BB) the effective
22 date of an official public
23 statement by the IBA or its
24 regulator that the 1-month
25 USD LIBOR is no longer

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1 reliable or no longer rep-
2 resentative; or

3 “(CC) the LIBOR re-
4 placement date, as defined
5 in section 103 of the Adjust-
6 able Interest Rate (LIBOR)
7 Act,

8 the special allowance rate calcula-
9 tion as described in subclause
10 (II) shall, by operation of law,
11 apply to all loans in such port-
12 folio.

13 “(bb) In such event—

14 “(AA) the last deter-
15 mined rate of special allow-
16 ance based on 1-month USD
17 LIBOR will continue to
18 apply until the end of the
19 then current calendar quar-
20 ter; and

21 “(BB) the special al-
22 lowance rate calculation as
23 described in subclause (II)
24 shall become effective as of
25 the first day of the following

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1 calendar quarter and remain
2 in effect for all subsequent
3 calendar quarters.”.

4 **SEC. 110. RULEMAKING.**

5 Not later than 180 days after the date of enactment
6 of this Act, the Board shall promulgate regulations to
7 carry out this division.

8 **DIVISION V—HAITI DEVELOP-**
9 **MENT, ACCOUNTABILITY, AND**
10 **INSTITUTIONAL TRANSPARENCY**
11 **INITIATIVE ACT**

12 **SEC. 101. SHORT TITLE.**

13 This division may be cited as the “Haiti Develop-
14 ment, Accountability, and Institutional Transparency Ini-
15 tiative Act”.

16 **SEC. 102. STATEMENT OF POLICY.**

17 It is the policy of the United States to support the
18 sustainable rebuilding and development of Haiti in a man-
19 ner that—

20 (1) recognizes Haitian independence, self-reli-
21 ance, and sovereignty;

22 (2) promotes efforts that are led by and sup-
23 port the people and Government of Haiti at all levels
24 so that Haitians lead the course of reconstruction
25 and development of Haiti;