

104TH CONGRESS  
1ST SESSION

# S. 384

To require a report on United States support for Mexico during its debt crisis, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

FEBRUARY 10 (legislative day, JANUARY 30), 1995

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

---

## A BILL

To require a report on United States support for Mexico during its debt crisis, 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. REPORT REQUIRED.**

4 (a) REPORT.—Not later than March 1, 1995, and  
5 every six months thereafter, the President shall transmit  
6 a report to the appropriate congressional committees con-  
7 cerning all United States Government loans, credits, guar-  
8 antees, and short-term and long-term currency swaps with  
9 Mexico.

1 (b) CONTENTS OF REPORT.—The report described in  
2 subsection (a) shall include the following:

3 (1) A breakdown of all outstanding United  
4 States Government loans, credits, and guarantees  
5 provided to the Government of Mexico.

6 (2) A detailed list of all Federal Reserve cur-  
7 rency swaps designed to support indebtedness of the  
8 Government of Mexico, and the cost or benefit to the  
9 United States Treasury from each such transaction.

10 (3) A description of any payments by creditors  
11 of Mexican petroleum companies into the petroleum  
12 finance facility established to ensure repayment of  
13 United States loans or guarantees.

14 (4) A description of any disbursement by the  
15 United States Government from the petroleum fi-  
16 nance facility.

17 (5) Once payments have been diverted from  
18 PEMEX to the United States Treasury through the  
19 petroleum finance facility, a description of the status  
20 of petroleum deliveries to those customers whose  
21 payments were diverted.

22 (6) A description of the risk factors used in cal-  
23 culations concerning Mexican repayment of indebted-  
24 ness.

1           (7) A statement of the progress the Govern-  
2           ment of Mexico has made in reforming its currency  
3           and establishing an independent central bank or cur-  
4           rency board.

5           (8) A description of specific actions taken by  
6           the Government of Mexico to further privatize the  
7           economy of Mexico.

8   **SEC. 2. PRESIDENTIAL CERTIFICATION.**

9           Notwithstanding any other provision of law, before  
10          extending any loan, credit, guarantee, or arrangement for  
11          a swap of currencies to Mexico through any United States  
12          Government monetary facility, the President shall certify  
13          to the appropriate congressional committees that—

14               (1) there is no projected cost to the United  
15               States from the proposed loan, credit, guarantee, or  
16               currency swap;

17               (2) all loans, credits, guarantees, and currency  
18               swaps are adequately collateralized to ensure that  
19               United States funds will be repaid;

20               (3) the Government of Mexico has undertaken  
21               effective efforts to establish an independent central  
22               bank or an independent currency control mechanism;  
23               and

24               (4) Mexico has in effect a significant economic  
25               reform effort.

1 **SEC. 3. DEFINITION.**

2       As used in this Act, the term “appropriate congres-  
3 sional committees” means the Committees on Appropria-  
4 tions, Ways and Means, and International Relations of the  
5 House of Representatives and the Committees on Appro-  
6 priations, Finance, and Foreign Relations of the Senate.

○