

116TH CONGRESS
2D SESSION

H. R. 6086

To hold China, Russia, and other major shareholders of the International Monetary Fund accountable to the principles of the Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 2020

Mr. HUIZENGA introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To hold China, Russia, and other major shareholders of the International Monetary Fund accountable to the principles of the Fund, 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 “IMF Reform and In-
5 tegrity Act of 2020”.

6 **SEC. 2. OPPOSITION TO QUOTA INCREASE FOR COUNTRIES**

7 **THAT UNDERMINE IMF PRINCIPLES.**

8 The Bretton Woods Agreements Act (22 U.S.C. 286–
9 286zz) is amended—

1 (1) by redesignating the 2nd section 73 (as
2 added by section 1901 of division P of Public Law
3 116–94) as section 74; and

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

5 **“SEC. 75. OPPOSITION TO QUOTA INCREASE FOR COUN-**
6 **TRIES THAT UNDERMINE FUND PRINCIPLES.**

7 “(a) IN GENERAL.—Not less than 7 days before con-
8 sideration of any proposal to increase the quota of a for-
9 eign member of the Fund that is one of the 10 largest
10 shareholders in the Fund, the Secretary of the Treasury
11 shall submit a report to the Committee on Financial Serv-
12 ices of the House and the Committee on Foreign Relations
13 of the Senate that determines whether the foreign member
14 meets the following criteria:

15 “(1) The member is in compliance with all obli-
16 gations set forth in Article VIII of the Articles of
17 Agreement of the Fund.

18 “(2) The member, in the preceding 12 months,
19 was not found to have manipulated its currency, as
20 determined in a report required by section 3005 of
21 the Omnibus Trade and Competitiveness Act of
22 1988 or section 701 of the Trade Facilitation and
23 Trade Enforcement Act of 2015.

24 “(3) In the case of a member whose currency
25 is included in the Special Drawing Rights basket of

1 the Fund, the currency of the member is freely usa-
2 ble (within the meaning of Article XXX(f) of the Ar-
3 ticles of Agreement of the Fund) and the Secretary
4 concurs with the determinations of the Fund de-
5 scribed in that Article, and, in the preceding 12
6 months, the member has demonstrated its commit-
7 ment to ensuring that its currency is widely used
8 and traded internationally.

9 “(4) The member is committed to the rules and
10 principles of the Paris Club.

11 “(b) EFFECT OF DETERMINATION.—On determining
12 that a member of the Fund has failed to meet any of the
13 criteria set forth in subsection (a), the Secretary shall in-
14 struct the Governor of the Fund to use the voice and vote
15 of the United States to oppose the proposal to increase
16 the quota of the member in the Fund.

17 “(c) WAIVER.—The President may waive subsection
18 (b) with respect to a member of the Fund on reporting
19 to the Committee on Financial Services of the House of
20 Representatives and the Committee on Foreign Relations
21 of the Senate that—

22 “(1) the waiver is important to the national in-
23 terest of the United States, with an explanation of
24 the reasons therefor; or

1 “(2) the member is attempting to rectify the
2 failure, with a description of the actions the member
3 is taking to fulfill any unmet criteria.

4 “(d) PROHIBITION.—Notwithstanding subsection (c),
5 the Governor of the Fund may not use the voice or vote
6 of the United States to support a proposal to increase the
7 quota of a member in the Fund if the President of the
8 United States determines that the government of the
9 member interfered in a United States election for Federal
10 office (as defined in section 301 of the Federal Election
11 Campaign Act of 1971) in the 4 years preceding consider-
12 ation of the proposal.

13 “(e) PROPOSAL CONSIDERATION.—For the purposes
14 of this section, consideration of a proposal to increase the
15 quota of a foreign member of the Fund does not include
16 consent to an amendment to the Articles of Agreement
17 of the Fund that has been authorized by law.

18 “(f) SUNSET.—This section shall cease to have force
19 or effect 10 years after the date of the enactment of this
20 Act.”.

1 **SEC. 3. OPPOSITION OF THE UNITED STATES TO INTER-**
2 **NATIONAL MONETARY FUND LOAN TO A**
3 **COUNTRY WHOSE PUBLIC DEBT IS NOT LIKE-**
4 **LY TO BE SUSTAINABLE IN THE MEDIUM**
5 **TERM.**

6 (a) IN GENERAL.—Section 68(a) of the Bretton
7 Woods Agreements Act (22 U.S.C. 286tt(a)) is amend-
8 ed—

9 (1) in paragraph (2), by inserting after the
10 comma the following: “or a staff analytical report of
11 the Fund states that there is not a high probability
12 that the public debt of the country is sustainable in
13 the medium term,”; and

14 (2) by adding at the end the following:

15 “(3) WAIVER AUTHORITY.—The Secretary of
16 the Treasury may waive paragraph (2) on a case-by-
17 case basis if the Secretary provides a written certifi-
18 cation to the Committee on Financial Services of the
19 House of Representatives and the Committee on
20 Foreign Relations of the Senate that the waiver is
21 important to the national interest of the United
22 States, and includes with the certification a written
23 statement of the reasons therefor.”.

24 (b) SUNSET.—This section shall cease to have force
25 or effect 10 years after the date of the enactment of this
26 Act.

1 **SEC. 4. CONGRESSIONAL NOTIFICATION WITH RESPECT TO**
2 **EXCEPTIONAL ACCESS LENDING.**

3 (a) IN GENERAL.—The Bretton Woods Agreements
4 Act (22 U.S.C. 286–286zz), as amended by section 2 of
5 this Act, is amended by adding at the end the following:

6 **“SEC. 76. CONGRESSIONAL NOTIFICATION WITH RESPECT**
7 **TO EXCEPTIONAL ACCESS LENDING.**

8 “(a) IN GENERAL.—The United States Executive Di-
9 rector at the International Monetary Fund may not sup-
10 port any proposal that would alter the criteria used by
11 the Fund for exceptional access lending if the proposal
12 would permit a country that is ineligible, before the pro-
13 posed alteration, to receive exceptional access lending, un-
14 less, not later than 15 days before consideration of the
15 proposal by the Board of Executive Directors of the Fund,
16 the Secretary of the Treasury has submitted to the Com-
17 mittee on Financial Services of the House of Representa-
18 tives and the Committee on Foreign Relations of the Sen-
19 ate a report on the justification for the proposal and the
20 effects of the proposed alteration on moral hazard and re-
21 payment risk at the Fund.

22 “(b) WAIVER.—The President may reduce the appli-
23 cable notice period required under subsection (a) to not
24 less than 7 days on reporting to the Committee on Finan-
25 cial Services of the House of Representatives and Com-
26 mittee on Foreign Relations of the Senate that the reduc-

1 tion is important to the national interest of the United
2 States, with an explanation of the reasons therefor.”.

3 (b) SUNSET.—This section shall cease to have force
4 or effect 10 years after the date of the enactment of this
5 Act.

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