

116<sup>TH</sup> CONGRESS  
2<sup>D</sup> 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.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 2020

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

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## 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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