

115TH CONGRESS
1ST SESSION

H. R. 1573

To oppose International Monetary Fund participation in foreign-led agreements, reduce moral hazard, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2017

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

A BILL

To oppose International Monetary Fund participation in foreign-led agreements, reduce moral hazard, 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”.

1 **SEC. 2. OPPOSITION OF THE UNITED STATES TO FINANCIAL**
2 **PARTICIPATION BY THE INTERNATIONAL**
3 **MONETARY FUND IN FOREIGN-LED AGREE-**
4 **MENTS.**

5 The Bretton Woods Agreements Act (22 U.S.C. 286–
6 286xx) is amended by adding at the end the following:

7 **“SEC. 73. OPPOSITION OF THE UNITED STATES TO FINAN-**
8 **CIAL PARTICIPATION BY THE INTER-**
9 **NATIONAL MONETARY FUND IN FOREIGN-**
10 **LED AGREEMENTS.**

11 “The Secretary of the Treasury shall instruct—

12 “(1) the United States Executive Director at
13 the Fund—

14 “(A) to use the voice and vote of the
15 United States to oppose the provision by the
16 Fund of financing, including the disbursement
17 of financing approved before the enactment of
18 this section, in conjunction with financing to be
19 provided by a multilateral organization of which
20 the United States is not a member if—

21 “(i) the present value of the financing
22 to be provided by the multilateral organiza-
23 tion would exceed the present value of the
24 financing to be provided by the Fund; or

25 “(ii) the obligation of the debtor with
26 respect to the financing provided by the

1 Fund is not explicitly made senior to the
2 obligation of the debtor with respect to the
3 financing provided by the multilateral or-
4 ganization; and

5 “(B) not later than 7 days after the ap-
6 proval by the Fund of any financing to which
7 paragraph (1) applies, to transmit a certifi-
8 cation to the Committees on Financial Services
9 and Foreign Affairs of the House of Represent-
10 atives and the Committees on Banking, Hous-
11 ing, and Urban Affairs and Foreign Relations
12 of the Senate that the obligation of the debtor
13 with respect to the financing provided by the
14 Fund has been explicitly made senior to the ob-
15 ligation of the debtor with respect to the financ-
16 ing provided by the multilateral organization;
17 and

18 “(2) the United States Governor of the Fund to
19 use the voice and vote of the United States to op-
20 pose any proposal to make additional resources
21 available to the Fund in the aggregate, or increase
22 the quota of any member of the Fund who is a
23 member of a multilateral organization of which the
24 United States is not a member, if, during the 24

1 months before consideration of the proposal by the
2 Board of Governors of the Fund—

3 “(A) the Fund has approved the provision
4 of, or disbursed, financing in conjunction with
5 financing provided or to be provided by the
6 multilateral organization, as described in para-
7 graph (1); or

8 “(B) an obligation to the Fund resulting
9 from such an approval or disbursement has not
10 been repaid in full.”.

11 **SEC. 3. REPEAL OF THE NEW ARRANGEMENTS TO BORROW;**
12 **RESCISSION OF FUNDS.**

13 (a) REPEAL.—

14 (1) IN GENERAL.—Section 17 of the Bretton
15 Woods Agreements Act (22 U.S.C. 286e–2) is
16 amended—

17 (A) by striking subsections (a), (b), (d),
18 and (f); and

19 (B) in subsection (c)—

20 (i) by striking “(c)”; and

21 (ii) by striking “In addition to the
22 amount authorized in subsection (b),
23 there” and inserting “There”.

24 (2) CONFORMING REPEAL.—Section 9001 of
25 the Department of State, Foreign Operations, and

1 Related Programs Appropriations Act, 2016 (22
2 U.S.C. 286e–2 note; division K of Public Law 114–
3 113) is amended by striking paragraph (3).

4 (b) RESCISSION.—The unobligated balances made
5 available to carry out subsections (a) and (b) of section
6 17 of the Bretton Woods Agreements Act, as in effect be-
7 fore the enactment of this Act, are rescinded.

8 **SEC. 4. OPPOSITION OF THE UNITED STATES TO INTER-**
9 **NATIONAL MONETARY FUND LOAN TO A**
10 **COUNTRY WHOSE PUBLIC DEBT IS NOT LIKE-**
11 **LY TO BE SUSTAINABLE IN THE MEDIUM**
12 **TERM.**

13 Section 68(a) of the Bretton Woods Agreements Act
14 (22 U.S.C. 286tt(a)) is amended—

15 (1) in paragraph (2), by inserting after the
16 comma the following: “or a staff analytical report of
17 the Fund states that there is not a high probability
18 that the public debt of the country is sustainable in
19 the medium term,”; and

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

21 “(3) PRESIDENTIAL WAIVER AUTHORITY.—The
22 President of the United States may waive paragraph
23 (2) if the President provides a written certification
24 to the Committees on Financial Services and For-
25 eign Affairs of the House of Representatives and the

1 Committees on Foreign Relations and Banking,
2 Housing, and Urban Affairs of the Senate that the
3 waiver is important to the national security interest
4 of the United States, and includes with the certifi-
5 cation a written statement of the reasons therefor.”.

6 **SEC. 5. CONGRESSIONAL NOTIFICATION WITH RESPECT TO**
7 **EXCEPTIONAL ACCESS LENDING.**

8 The Bretton Woods Agreements Act (22 U.S.C. 286–
9 286xx), as amended by section 2 of this Act, is amended
10 by adding at the end the following:

11 **“SEC. 74. CONGRESSIONAL NOTIFICATION WITH RESPECT**
12 **TO EXCEPTIONAL ACCESS LENDING.**

13 “The United States Executive Director at the Inter-
14 national Monetary Fund may not support any proposal
15 that would alter the criteria used by the Fund for excep-
16 tional access lending if the proposal would permit a coun-
17 try that is ineligible, before the proposed alteration, to re-
18 ceive exceptional access lending, unless, not later than 30
19 days before consideration of the proposal by the Board
20 of Executive Directors of the Fund, the Secretary of the
21 Treasury has submitted to the Committee on Financial
22 Services and the Committee on Foreign Affairs of the
23 House of Representatives and the Committee on Banking,
24 Housing, and Urban Affairs and the Committee on For-
25 eign Relations of the Senate a report on the justification

1 for the proposal and the effects of the proposed alteration
2 on moral hazard and repayment risk at the Fund.”.

3 **SEC. 6. MONITORING AND TECHNICAL ASSISTANCE.**

4 Nothing in this Act shall be interpreted as requiring
5 the opposition of the United States to the provision of
6 monitoring, technical assistance, or advisory services by
7 the International Monetary Fund.

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