118TH CONGRESS
1ST SESSION

H. R. 557

To promote United States interests at the international financial institutions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 2023

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

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A BILL

To promote United States interests at the international financial institutions, 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 "International Financial

5 Institutions Governance Act of 2023".

6 **SEC. 2. SENSE OF CONGRESS.**

7   It is the sense of the Congress that—

8   (1) directing the use of the voice and vote of

9   the United States at the international financial insti-

1 tutions (IFIs) serves an essential role in promoting

2 the national interest;

3 (2) despite their importance, such mandates

4 have grown to represent a significant compliance

5 burden for United States representatives at the

6 IFIs, having accumulated to more than 260 pages of

7 statutory text over the course of decades-long par-

8 ticipation by the United States in the IFIs; and

9 (3) while certain mandates provide appropriate

10 discretion for United States representatives through

11 waivers and sunset provisions, others may entail in-

12 flexible requirements that—

13 (A) prevent the representatives from

14 achieving maximum effectiveness in the pro-

15 motion of United States interests;

16 (B) render the representatives less relevant

17 in multilateral negotiations at the IFIs, includ-

18 ing in discussions with United States allies; or

19 (C) fail to adapt to intervening events and

20 changing circumstances, thereby undermining

21 the pursuit of United States interests.

SEC. 3. PILOT AUTHORITY TO WAIVE VOICE AND VOTE RE-QUIREMENTS, ON A CASE-BY-CASE BASIS, IN THE INTERNATIONAL FINANCIAL INSTITU-TIONS.

(a) IN GENERAL.—The Secretary may waive, on a case-by-case basis, a statutory requirement that directs the United States Executive Director at an international financial institution with respect to the use of the voice and vote of the United States.

(b) EXCEPTION.—Subsection (a) shall not apply to a statutory requirement if the provision of law providing for the requirement provides for—

(1) a waiver of the requirement; or

(2) the termination of the requirement by a date certain.

(c) DEFINITIONS.—In this section:

(1) INTERNATIONAL FINANCIAL INSTITU-TION.—The term "international financial institu-tion" has the meaning given the term in section 1701(c)(2) of the International Financial Institu-tions Act.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Treasury.

(d) REPORT DESCRIBED.—Not less frequently than semiannually, the Secretary shall submit to the Committee on Financial Services of the House of Representatives and

1 the Committee on Foreign Relations of the Senate a writ-

2 ten report that includes the following:

3   (1) A list of each waiver issued under sub-

4   section (a) since the later of the date of the enact-

5   ment of this section or the date the then most recent

6   report was submitted under this subsection.

7   (2) A description of any project, policy, or other

8   matter to which the waiver involved applied.

9   (3) A detailed explanation of the reasons for

10   the waiver involved.

11   (4) A determination that the waiver involved al-

12   lowed the Secretary to more effectively advance

13   United States interests at the international financial

14   institution involved.

15   (e) No Retroactive Application.—A waiver

16   issued under this section shall not apply retroactively.

17   (f) Recommendations by the Secretary.—With-

18   in 12 months after the date of the enactment of this Act,

19   the Secretary shall submit to the committees specified in

20   subsection (d) any recommendations to revise or sunset

21   a statutory requirement that directs the United States Ex-

22   ecutive Director at an international financial institution

23   with respect to the use of the voice and vote of the United

24   States. The recommendations should be aimed at achiev-

ing the following objectives with regard to the international financial institution:

    (1) Strengthening United States leadership in the design, execution, and evaluation of activities.

    (2) Permitting the Secretary to more effectively support policies, projects, and other initiatives that advance the national interest of the United States.

    (3) Facilitating multilateral cooperation, particularly between the United States and its allies.

    (4) Updating a requirement to appropriately reflect changing conditions.

    (5) Allowing for all appropriate accountability to the Congress with respect to United States governance at, and participation in, the international financial institution.

(g) SUNSET.—The preceding provisions of this section shall have no force or effect on and after the date that is 3 years after the date of the enactment of this Act.

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