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

IN THE HOUSE OF REPRESENTATIVES

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

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”.

SEC. 2. OPPOSITION OF THE UNITED STATES TO FINANCIAL PARTICIPATION BY THE INTERNATIONAL MONETARY FUND IN FOREIGN-LED AGREEMENTS.

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

“SEC. 73. OPPOSITION OF THE UNITED STATES TO FINANCIAL PARTICIPATION BY THE INTERNATIONAL MONETARY FUND IN FOREIGN-LED AGREEMENTS.

“The Secretary of the Treasury shall instruct—

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

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

“(i) the present value of the financing to be provided by the multilateral organization would exceed the present value of the financing to be provided by the Fund; or

“(ii) the obligation of the debtor with respect to the financing provided by the
Fund is not explicitly made senior to the 
obligation of the debtor with respect to the 
financing provided by the multilateral or-
ganization; and

“(B) not later than 7 days after the ap-
proval by the Fund of any financing to which 
paragraph (1) applies, to transmit a certifi-
cation to the Committees on Financial Services 
and on Foreign Affairs of the House of Rep-
resentatives and the Committees on Banking, 
Housing, and Urban Affairs and on Foreign 
Relations of the Senate that the obligation of 
the debtor with respect to the financing pro-
vided by the Fund has been explicitly made sen-
ior to the obligation of the debtor with respect 
to the financing provided by the multilateral or-

“(2) the United States Governor of the Fund to 
use the voice and vote of the United States to op-
pose any proposal to make additional resources 
available to the Fund in the aggregate, or increase 
the quota of any member of the Fund who is a 
member of a multilateral organization of which the 
United States is not a member, if, during the 24
months before consideration of the proposal by the Board of Governors of the Fund—

“(A) the Fund has approved the provision of, or disbursed, financing in conjunction with financing provided or to be provided by the multilateral organization, as described in paragraph (1); or

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

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

(a) REPEAL.—

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

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

(B) in subsection (c)—

(i) by striking “(e)”;

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

(2) CONFORMING REPEAL.—Section 9001 of the Department of State, Foreign Operations, and
Related Programs Appropriations Act, 2016 (22 U.S.C. 286e-2 note; division K of Public Law 114–113) is amended by striking paragraph (3).

(b) Rescission.—The unobligated balances made available to carry out subsections (a) and (b) of section 17 of the Bretton Woods Agreements Act, as in effect before the enactment of this Act, are rescinded.

SEC. 4. OPPOSITION OF THE UNITED STATES TO INTERNATIONAL MONETARY FUND LOAN TO A COUNTRY WHOSE PUBLIC DEBT IS NOT LIKELY TO BE SUSTAINABLE IN THE MEDIUM TERM.

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

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

(2) by adding at the end the following:

“(3) PRESIDENTIAL WAIVER AUTHORITY.—The President of the United States may waive paragraph (2) if the President provides a written certification to the Committees on Financial Services and on Foreign Affairs of the House of Representatives and
the Committees on Foreign Relations and on Banking, Housing, and Urban Affairs of the Senate that the waiver is important to the national security interest of the United States, and includes with the certification a written statement of the reasons therefor.”.

SEC. 5. CONGRESSIONAL NOTIFICATION WITH RESPECT TO EXCEPTIONAL ACCESS LENDING.

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

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

“The United States Executive Director at the International Monetary Fund may not support any proposal that would alter the criteria used by the Fund for exceptional access lending if the proposal would permit a country that is ineligible, before the proposed alteration, to receive exceptional access lending, unless, not later than 30 days before consideration of the proposal by the Board of Executive Directors of the Fund, the Secretary of the Treasury has submitted to the Committee on Financial Services and the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on For-
eign Relations of the Senate a report on the justification for the proposal and the effects of the proposed alteration on moral hazard and repayment risk at the Fund.”.

SEC. 6. MONITORING AND TECHNICAL ASSISTANCE.

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