

117TH CONGRESS
1ST SESSION

H. R. 4111

To require the Secretary of the Treasury to direct the United States Executive Director at the International Monetary Fund to advocate that the Fund provide technical assistance to Fund members seeking to enhance their capacity to evaluate the legal and financial terms of sovereign debt contracts, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 23, 2021

Ms. WATERS (for herself and Mr. MCHENRY) introduced the following bill;
which was referred to the Committee on Financial Services

A BILL

To require the Secretary of the Treasury to direct the United States Executive Director at the International Monetary Fund to advocate that the Fund provide technical assistance to Fund members seeking to enhance their capacity to evaluate the legal and financial terms of sovereign debt contracts, 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 “Sovereign Debt Con-
5 tract Capacity Act”.

1 **SEC. 2. SUPPORT TO ENHANCE THE CAPACITY OF INTER-**
2 **NATIONAL MONETARY FUND MEMBERS TO**
3 **EVALUATE THE LEGAL AND FINANCIAL**
4 **TERMS OF SOVEREIGN DEBT CONTRACTS.**

5 (a) IN GENERAL.—Title XVI of the International Fi-
6 nancial Institutions Act (22 U.S.C. 262p–262p–13) is
7 amended by adding at the end the following:

8 **“SEC. 1630. SUPPORT TO ENHANCE THE CAPACITY OF FUND**
9 **MEMBERS TO EVALUATE THE LEGAL AND FI-**
10 **NANCIAL TERMS OF SOVEREIGN DEBT CON-**
11 **TRACTS.**

12 “The Secretary of the Treasury shall instruct the
13 United States Executive Director at the International
14 Monetary Fund to use the voice and vote of the United
15 States to advocate that the Fund promote international
16 standards and best practices with respect to sovereign
17 debt contracts and provide technical assistance to Fund
18 members, and in particular to lower middle-income coun-
19 tries and countries eligible to receive assistance from the
20 International Development Association, seeking to en-
21 hance their capacity to evaluate the legal and financial
22 terms of sovereign debt contracts with multilateral, bilat-
23 eral, and private sector creditors.”.

24 (b) REPORT TO THE CONGRESS.—Within 1 year after
25 the date of the enactment of this Act, and annually there-
26 after for the next 4 years, the Secretary of the Treasury

1 shall report to the Committee on Financial Services of the
2 House of Representatives and the Committee on Foreign
3 Relations of the Senate on—

4 (1) the activities of the International Monetary
5 Fund in the then most recently completed fiscal year
6 to provide technical assistance described in section
7 1630 of the International Financial Institutions Act,
8 including the ability of the Fund to meet the de-
9 mand for the assistance; and

10 (2) the efficacy of efforts by the United States
11 to achieve the policy goal described in such section
12 and any further actions that should be taken, if nec-
13 essary, to implement that goal.

14 (c) SUNSET.—The amendment made by subsection
15 (a) shall have no force or effect after the 5-year period
16 that begins with the date of the enactment of this Act.

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