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(Original Signature of Member)

118TH CONGRESS  
1ST SESSION

# H. R.

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To amend the Special Drawing Rights Act in order to strengthen congressional oversight with respect to allocations of Special Drawing Rights by the International Monetary Fund, and to prohibit such allocations for perpetrators of genocide and state sponsors of terrorism without congressional authorization, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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# A BILL

To amend the Special Drawing Rights Act in order to strengthen congressional oversight with respect to allocations of Special Drawing Rights by the International Monetary Fund, and to prohibit such allocations for perpetrators of genocide and state sponsors of terrorism without congressional authorization, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Special Drawing  
3 Rights Oversight Act of 2023”.

4 **SEC. 2. FINDINGS.**

5 The Congress finds as follows:

6 (1) The allocation of Special Drawing Rights  
7 (SDRs) through the International Monetary Fund  
8 (IMF) creates unconditional liquidity for IMF mem-  
9 ber countries.

10 (2) According to Article XVIII of the Articles  
11 of Agreement of the IMF, allocations of SDRs “shall  
12 seek to meet the long-term global need” in reserve  
13 assets.

14 (3) SDRs are allocated in proportion to the  
15 quotas of IMF members, such that the G20 alone is  
16 entitled to approximately two-thirds of a general al-  
17 location. At the same time, the Board of Governors  
18 of the Federal Reserve System has swap line ar-  
19 rangements with the central banks of eight G20  
20 members, including the European Central Bank, the  
21 Bank of Japan, and the Bank of England, for the  
22 purpose of providing sufficient liquidity.

23 (4) The size of SDR allocations has expanded  
24 dramatically, rising from 9,300,000,000 SDRs in  
25 1970–1972, to 12,100,000,000 SDRs in 1979–1981,  
26 to 204,000,000,000 SDRs in 2009, with proposals

1 for a new, unilateral allocation that bypasses con-  
2 gressional authorization in an amount of approxi-  
3 mately 450,000,000,000 SDRs.

4 (5) Under current law, the Secretary of the  
5 Treasury is able to bypass Congress and approve an  
6 allocation of SDRs in a manner that provides uncon-  
7 ditional liquidity in the following approximate  
8 amounts: \$41,700,000,000 to the People’s Republic  
9 of China; \$17,600,000,000 to the Russian Federa-  
10 tion; \$4,900,000,000 to the Islamic Republic of  
11 Iran, and \$5,000,000,000 to Venezuela. In addition,  
12 current law permits allocations in these amounts to  
13 be made in successive years that span two basic pe-  
14 riods.

15 (6) In the 98th Congress, the House of Rep-  
16 resentatives passed the bipartisan International Re-  
17 covery and Financial Stability Act, which would have  
18 prohibited new allocations of SDRs without congres-  
19 sional authorization.

20 **SEC. 3. STRENGTHENING CONGRESSIONAL OVERSIGHT.**

21 Section 6 of the Special Drawing Rights Act (22  
22 U.S.C. 286q) is amended—

23 (1) in subsection (a)—

24 (A) by striking “each basic period” and in-  
25 serting “any 10-year period”; and

1 (B) by inserting “25 percent of” before  
2 “the United States quota”; and

3 (2) in subsection (b)—

4 (A) by inserting “, or consent to or acqui-  
5 esce in such an allocation,” before “without  
6 consultations”;

7 (B) by striking “90” and inserting “180”;  
8 and

9 (C) by inserting “Chairman and ranking  
10 minority members of” before “the appropriate  
11 subcommittees”.

12 **SEC. 4. PROHIBITION ON ALLOCATIONS FOR PERPETRA-**  
13 **TORS OF GENOCIDE AND STATE SPONSORS**  
14 **OF TERRORISM WITHOUT CONGRESSIONAL**  
15 **AUTHORIZATION.**

16 Section 6(b) of the Special Drawing Rights Act (22  
17 U.S.C. 286q(b)) is amended by adding at the end the fol-  
18 lowing:

19 “(3) Unless Congress by law authorizes such action,  
20 neither the President nor any person or agency shall on  
21 behalf of the United States vote to allocate Special Draw-  
22 ing Rights under article XVIII, sections 2 and 3, of the  
23 Articles of Agreement of the Fund to a member country  
24 of the Fund, if the President of the United States has  
25 found that the government of the member country—

1           “(A) has committed genocide at any time dur-  
2           ing the 10-year period ending with the date of the  
3           vote; or

4           “(B) has repeatedly provided support for acts  
5           of international terrorism.”.