

106TH CONGRESS
1ST SESSION

H. R. 1305

To prohibit funding to the International Monetary Fund (IMF) until debt owed to the United States by heavily indebted poor countries has been canceled.

IN THE HOUSE OF REPRESENTATIVES

MARCH 25, 1999

Mr. CAMPBELL introduced the following bill; which was referred to the Committee on Banking and Financial Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To prohibit funding to the International Monetary Fund (IMF) until debt owed to the United States by heavily indebted poor countries has been canceled.

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 “Debt Forgiveness Act
5 of 1999”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) The International Bank for Reconstruction
2 and Development and the International Monetary
3 Fund (IMF) have classified 40 countries as heavily
4 indebted poor countries (HIPC).

5 (2) According to the Department of the Treas-
6 ury, as of August 1998, these countries owe the
7 United States a total of \$6,752,100,000 in
8 concessional, nonconcessional, and guarantee debt.

9 (3) 32 of these countries are in sub-Saharan
10 Africa and 83 percent of these countries are classi-
11 fied by the United Nations as being in its lowest cat-
12 egory of human development based on life expect-
13 ancy, literacy, and per capita national income.

14 (4) Most of these countries receive substantial
15 amounts of development assistance from govern-
16 ments, nongovernmental organizations, and multilat-
17 eral organizations.

18 (5) Since the early 1980s, these poor countries
19 have had increasing difficulty servicing their debt,
20 resulting in the total amount of money being owed
21 by these countries to external creditors to increase
22 from an average of \$122,000,000,000 for the 1983-
23 1985 period to \$221,000,000,000 for the 1993-
24 1995 period.

1 **SEC. 4. CONDITIONAL BAN ON PROVIDING APPROPRIATED**
2 **FUNDS TO THE IMF UNTIL DEBT OWED TO**
3 **THE UNITED STATES BY HEAVILY INDEBTED**
4 **POOR COUNTRIES HAS BEEN CANCELED.**

5 (a) PROHIBITION.—None of the funds appropriated
6 in any Act may be obligated or made available to the
7 International Monetary Fund (IMF) until the President—

8 (1) has canceled all amounts owed to the
9 United States (or any agency of the United States)
10 by poor countries described in subsection (b) as re-
11 sult of concessional and nonconcessional loans made,
12 guarantees issued, or credits extended under any
13 provision of law; and

14 (2) has certified to the Committee on Banking
15 and Financial Services of the House of Representa-
16 tives and the Committee on Foreign Relations of the
17 Senate that all such amounts have been canceled.

18 (b) ELIGIBLE COUNTRIES.—A country described in
19 this subsection is a heavily indebted poor country, as de-
20 termined by the International Bank for Reconstruction
21 and Development and the International Monetary Fund
22 for purposes of the Heavily Indebted Poor Country
23 (HIPC) Debt Initiative.

24 (c) ADDITIONAL REQUIREMENTS.—

25 (1) CANCELLATION OF DEBT NOT CONSIDERED
26 TO BE ASSISTANCE.—A cancellation of debt de-

1 scribed in subsection (a) shall not be considered to
2 be assistance for purposes of any provision of law
3 limiting assistance to a country.

4 (2) INAPPLICABILITY OF CERTAIN PROHIBI-
5 TIONS RELATING TO CANCELLATION OF DEBT.—A
6 cancellation of debt described in subsection (a) may
7 be exercised notwithstanding section 620(r) of the
8 Foreign Assistance Act of 1961 (22 U.S.C.
9 2370(r)).

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