

108TH CONGRESS
2D SESSION

S. 2927

To amend the Exchange Rates and International Economic Policy Coordination Act of 1988 to clarify the definition of manipulation with respect to currency, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 7, 2004

Mr. SCHUMER (for himself, Mr. GRAHAM of South Carolina, Mr. DURBIN, Ms. STABENOW, and Mr. DODD) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Exchange Rates and International Economic Policy Coordination Act of 1988 to clarify the definition of manipulation with respect to currency, and for other purposes.

1 **SECTION 1. AMENDMENTS RELATING TO INTERNATIONAL**
2 **FINANCIAL POLICY.**

3 (a) BILATERAL NEGOTIATIONS.—Section 3004(b) of
4 the Exchange Rates and International Economic Policy
5 Coordination Act of 1988 (22 U.S.C. 5304(b)) is amended
6 in the second sentence by striking “(1) have material glob-
7 al account surpluses; and (2)”.

1 (b) DEFINITION OF MANIPULATION.—Section 3006
2 of the Exchange Rates and International Economic Policy
3 Coordination Act of 1988 (22 U.S.C. 5306) is amended
4 by adding at the end the following:

5 “(3) MANIPULATION OF RATE OF EXCHANGE.—
6 For purposes of this Act, a country shall be consid-
7 ered to be manipulating the rate of exchange be-
8 tween its currency and the United States dollar if
9 there is a protracted large-scale intervention in one
10 direction in the exchange markets.”.

11 (c) REPORT.—Section 3005(b) of the Exchange
12 Rates and International Economic Policy Coordination
13 Act of 1988 (22 U.S.C. 5305(b)) is amended—

14 (1) by striking “and” at the end of paragraph
15 (7);

16 (2) by striking the period at the end of para-
17 graph (8) and inserting “; and”; and

18 (3) by adding at the end the following:

19 “(9) a detailed explanation of the test the Sec-
20 retary uses to determine whether or not a country
21 is manipulating the rate of exchange between that
22 country’s currency and the dollar for purposes of
23 preventing effective balance of payments adjust-

1 ments or gaining an unfair advantage in inter-
2 national trade.”.

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