

UKRAINE COMPREHENSIVE DEBT PAYMENT RELIEF ACT
OF 2022

MAY 10, 2022.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Ms. WATERS, from the Committee on Financial Services,
submitted the following

R E P O R T

[To accompany H.R. 7081]

[Including cost estimate of the Congressional Budget Office]

The Committee on Financial Services, to whom was referred the bill (H.R. 7081) to seek immediate bilateral, multilateral, and commercial debt service payment relief for Ukraine, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

| | Page |
|---|------|
| Purpose and Summary | 2 |
| Background and Need for Legislation | 3 |
| Section-by-Section Analysis of the Legislation | 3 |
| Hearings | 4 |
| Committee Consideration | 4 |
| Committee Votes | 4 |
| Committee Oversight Findings | 6 |
| Statement of Performance Goals and Objectives | 6 |
| New Budget Authority and C.B.O. Cost Estimate | 6 |
| Committee Cost Estimate | 7 |
| Federal Mandates Statement | 7 |
| Advisory Committee Statement | 7 |
| Applicability to Legislative Branch | 7 |
| Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits ... | 7 |
| Duplicative Federal Programs | 7 |

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Ukraine Comprehensive Debt Payment Relief Act of 2022”.

SEC. 2. SUSPENSION OF MULTILATERAL DEBT PAYMENTS OF UKRAINE.

(a) **UNITED STATES POSITION IN THE INTERNATIONAL FINANCIAL INSTITUTIONS.**—The Secretary of the Treasury shall instruct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) to use the voice, vote, and influence of the United States to advocate that the respective institution immediately suspend all debt service payments owed to the institution by Ukraine.

(b) **OFFICIAL BILATERAL AND COMMERCIAL DEBT SERVICE PAYMENT RELIEF.**—The Secretary of the Treasury, working in coordination with the Secretary of State, shall commence immediate efforts with other governments and commercial creditor groups, through the Paris Club of Official Creditors and other bilateral and multilateral frameworks, both formal and informal, to pursue comprehensive debt payment relief for Ukraine.

(c) **MULTILATERAL FINANCIAL SUPPORT FOR UKRAINE.**—The Secretary of the Treasury shall direct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) to use the voice and vote of the United States to support, to the maximum extent practicable, the provision of concessional financial assistance for Ukraine.

(d) **MULTILATERAL FINANCIAL SUPPORT FOR REFUGEES.**—The Secretary of the Treasury shall direct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) to use the voice and vote of the United States to seek to provide economic support for refugees from Ukraine, including refugees of African descent, and for countries receiving refugees from Ukraine.

SEC. 3. REPORT TO THE CONGRESS.

Not later than December 31 of each year, the President shall—

- (1) submit to the Committees on Financial Services, on Appropriations, and on Foreign Affairs of the House of Representatives and the Committees on Foreign Relations and on Appropriations of the Senate, a report on the activities undertaken under this Act; and
- (2) make public a copy of the report.

SEC. 4. WAIVER AND TERMINATION.

(a) **WAIVER.**—The President may waive the provisions of this Act if the President determines that a waiver is in the national interest of the United States and reports to the Congress an explanation of the reasons therefor.

(b) **TERMINATION.**—The preceding provisions of this Act shall have no force or effect on or after the date that is 7 years after the date of the enactment of this Act.

PURPOSE AND SUMMARY

On March 15, 2022, Representative Garcia (IL) introduced H.R. 7081, the “Ukraine Comprehensive Debt Repayment Relief Act of 2022,” which, as amended and passed by the Committee, would direct the Department of Treasury to use the voice, vote, and influence of the U.S. at the international financial institutions to advocate for: the immediate suspension all debt service payments owed to these institutions by Ukraine, the provision of concessional financial assistance for Ukraine, and to seek to provide economic support for refugees from Ukraine, including refugees of African descent, and for countries receiving refugees from Ukraine. The bill also directs the Secretary of Treasury, in coordination with the Secretary of State, to commence immediate efforts with official bilateral creditors and commercial creditor groups to pursue similar comprehensive debt payment relief for Ukraine. The bill requires the President to submit an annual public report to Congress on the activities undertaken under the Act. The President has the authority to waive the provisions of this Act if the President determines such a waiver is in the national interest of the United States and reports to Congress an explanation of the reasons therefor. The bill sunsets on the date that is 7 years after the date of the enactment of this Act.

BACKGROUND AND NEED FOR LEGISLATION

Ukraine currently owes \$21.7 billion to multilateral institutions, such as the International Monetary Fund (IMF) and the World Bank, \$6.5 billion to other bilateral creditors, and another \$3.5 billion to external commercial creditors.¹ These debt obligations inhibit the ability of the Ukrainian government to reallocate resources towards defending against the Russian invasion and providing much-needed humanitarian assistance to its internally displaced citizens. Ukraine currently owes \$21.7 billion to multilateral institutions, such as the International Monetary Fund (IMF) and the World Bank, \$6.5 billion to other bilateral creditors, and another \$3.5 billion to external commercial creditors.² This bill directs the Treasury to advocate for the immediate suspension of all debt service payments to the IMF, World Bank, and other relevant multilateral development banks and similar comprehensive debt payment relief for Ukraine from bilateral creditors and commercial creditor groups. This legislation would seek to eliminate \$4.6 billion in Ukrainian debt service payments in 2022 alone.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title

- This section establishes the short title of the bill as the “Ukraine Comprehensive Debt Payment Relief Act of 2022.”

Section 2. Suspension of multilateral debt payments of Ukraine

- This section directs the Secretary of Treasury to instruct the U.S. Executive Director at each international financial institution to use the voice, vote, and influence of the United States to advocate that the respective institution immediately suspend all debt service payments owed to the institution by Ukraine.
- This section also directs the Secretary of Treasury, working in coordination with the Secretary of State, to commence immediate efforts with governments and commercial creditor groups, through the Paris Club of Official Creditors and other bilateral and multilateral frameworks, both formal and informal, to pursue comprehensive debt payment relief for Ukraine.
- Under this section, the Secretary of the Treasury shall direct the United States Executive Director at each international financial institution to use the voice and vote of the United States to support, to the maximum extent practicable, the provision of concessional financial assistance for Ukraine and to seek to provide economic support for refugees from Ukraine, including refugees of African descent, and for countries receiving refugees from Ukraine.

Section 3. Report to the Congress

- This section directs the President to submit an annual public report to the U.S. House Committees on Financial Serv-

¹See Annex II, Table 2. “Ukraine. Decomposition of Public Debt and Debt Service by Creditor, 2020–22” from *Staff Report for the First Review Under the Stand-By Arrangement, Requests for Extension and Rephasing of Access of the Arrangement, Waivers of Nonobservance of a Performance Criterion, Financing Assurances Review, and Monetary Policy Consultation: Ukraine*, International Monetary Fund (Nov. 2021).

ices, on Appropriations and on Foreign Affairs and to the U.S. Senate Committees on Foreign Relations and on Appropriations on the activities undertaken under this Act.

Section 4. Waiver and termination

- This section authorizes the President to waive the provisions of this Act if the President determines such a waiver is in the national interest of the United States and reports to Congress an explanation of the reasons therefor.
- This section also terminates the provisions under this Act seven years after enactment.

HEARINGS

For the purposes of section 3(c)(6) of House rule XIII, the Committee on Financial Services' Full Committee held a hearing on April 6, 2022, to consider H.R. 7081 entitled, "The Annual Testimony of the Secretary of the Treasury on the State of the International Financial System."

COMMITTEE CONSIDERATION

The Committee on Financial Services met in open session on March 17, 2022, and ordered H.R. 7081 to be reported favorably to the House with an amendment in the nature of a substitute by a voice vote, a quorum being present.

COMMITTEE VOTES AND ROLL CALL VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the Committee advises that the following roll call votes occurred during the Committee's consideration of H.R. 7081: An amendment in the nature of a substitute, no. 4, offered by Mr. Garcia was AGREED TO by voice vote.

| Present | Representatives | Ayes | Nays | Present | Not Recorded | Committee on Financial Services | | | |
|----------------------|------------------------------------|------|------|---------|--------------|---|-----------|---------|---|
| | | 0 | 0 | 0 | 0 | Full Committee - 117th Congress (1st Session) | | | |
| Passed on Voice Vote | | | | | | Date | 3/17/2022 | | |
| | Ms. Waters, <i>Chairwoman</i> | | | | | Measure | H.R. 7081 | | |
| | Mrs. Maloney | | | | | Amendment No. | 4 | | |
| | Ms. Velázquez | | | | | Offered by | Garcia | | |
| | Mr. Sherman | | | | | | | | |
| | Mr. Meeks | | | | | Yes/Aye | No/Nay | Present | |
| | Mr. Scott | | | | | Agreed To | 0 | 0 | 0 |
| | Mr. Green | | | | | Voice Vote | X | | |
| | Mr. Cleaver | | | | | Recorded Vote | | | |
| | Mr. Perlmutter | | | | | | | | |
| | Mr. Himes | | | | | | | | |
| | Mr. Foster | | | | | | | | |
| | Mrs. Beatty | | | | | | | | |
| | Mr. Vargas | | | | | | | | |
| | Mr. Gotthelmer | | | | | | | | |
| | Mr. Gonzalez (TX) | | | | | | | | |
| | Mr. Lawson | | | | | | | | |
| | Mr. San Nicolas | | | | | | | | |
| | Ms. Axne | | | | | | | | |
| | Mr. Casten | | | | | | | | |
| | Ms. Pressley | | | | | | | | |
| | Mr. Torres | | | | | | | | |
| | Mr. Lynch | | | | | | | | |
| | Ms. Adams | | | | | | | | |
| | Ms. Tlaib | | | | | | | | |
| | Ms. Dean | | | | | | | | |
| | Ms. Ocasio-Cortez | | | | | | | | |
| | Mr. Garcia (IL) | | | | | | | | |
| | Ms. Garcia (TX) | | | | | | | | |
| | Ms. Williams | | | | | | | | |
| | Mr. Auchincloss | | | | | | | | |
| | Democratic Totals | 0 | 0 | 0 | 0 | Votes Cast | Missed | Total | |
| | Mr. McHenry, <i>Ranking Member</i> | | | | | 0 | 30 | 30 | |
| | Mrs. Wagner | | | | | | | | |
| | Mr. Lucas | | | | | | | | |
| | Mr. Sessions | | | | | | | | |
| | Mr. Posey | | | | | | | | |
| | Mr. Luetkemeyer | | | | | | | | |
| | Mr. Huiזenga | | | | | | | | |
| | Mr. Barr | | | | | | | | |
| | Mr. Williams | | | | | | | | |
| | Mr. Hill | | | | | | | | |
| | Mr. Emmer | | | | | | | | |
| | Mr. Zeldin | | | | | | | | |
| | Mr. Loudermilk | | | | | | | | |
| | Mr. Mooney | | | | | | | | |
| | Mr. Davidson | | | | | | | | |
| | Mr. Budd | | | | | | | | |
| | Mr. Kustoff | | | | | | | | |
| | Mr. Hollingsworth | | | | | | | | |
| | Mr. Gonzalez (OH) | | | | | | | | |
| | Mr. Rose | | | | | | | | |
| | Mr. Steil | | | | | | | | |
| | Mr. Gooden | | | | | | | | |
| | Mr. Timmons | | | | | | | | |
| | Mr. Taylor | | | | | | | | |
| | Republican Totals | 0 | 0 | 0 | 0 | Votes Cast | Missed | Total | |
| | Committee Totals | 0 | 0 | 0 | 0 | 0 | 53 | 53 | |

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause (3)(c) of rule XIII of the Rules of the House of Representatives, the goals of H.R. 7081 are to direct the Department of Treasury to use the voice, vote, and influence of the U.S. at the international financial institutions to advocate for: the immediate suspension all debt service payments owed to these institutions by Ukraine, the provision of concessional financial assistance for Ukraine, and to seek to provide economic support for refugees from Ukraine, including refugees of African descent, and for countries receiving refugees from Ukraine.

NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974*, and pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee has received the following estimate for H.R. 7081 from the Director of the Congressional Budget Office:

| H.R. 7081, Ukraine Comprehensive Debt Payment Relief Act of 2022 | | | |
|--|------|-------------------------------------|---------------|
| As ordered reported by the House Committee on Financial Services on March 17, 2022 | | | |
| By Fiscal Year, Millions of Dollars | 2022 | 2022-2026 | 2022-2031 |
| Direct Spending (Outlays) | 0 | 0 | 0 |
| Revenues | 0 | 0 | 0 |
| Increase or Decrease (-) in the Deficit | 0 | 0 | 0 |
| Spending Subject to Appropriation (Outlays) | * | * | not estimated |
| Statutory pay-as-you-go procedures apply? | No | Mandate Effects | |
| Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032? | No | Contains intergovernmental mandate? | No |
| | | Contains private-sector mandate? | No |
| * = between zero and \$500,000. | | | |

H.R. 7081 would require the Department of the Treasury to advocate for debt relief, concessional financial assistance, and humanitarian assistance for Ukraine at international financial institutions such as the International Monetary Fund and World Bank. It also would require Treasury to provide the Congress with a report about its actions.

The United States has already provided significant amounts of assistance to Ukraine. Although it is possible that the department or other federal agencies would provide bilateral debt relief,

concessional financing, or additional humanitarian assistance under the bill, CBO has no basis for estimating such additional amounts.

On the basis of information about the costs of similar requirements and reports, CBO estimates that implementing H.R. 7081 would cost less than \$500,000 over the 2022–2026 period. Such spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Sunita D'Monte. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.

COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 7081. After careful review, including discussions with the Congressional Budget Office, the Committee estimates that H.R. 7081 would have an insignificant impact on spending.

UNFUNDED MANDATE STATEMENT

Pursuant to Section 423 of the *Congressional Budget and Impoundment Control Act* (as amended by Section 101(a)(2) of the *Unfunded Mandates Reform Act*, Pub. L. 104–4), the Committee adopts as its own the estimate of federal mandates regarding H.R. 7081, as amended prepared by the Director of the Congressional Budget Office.

ADVISORY COMMITTEE

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Pursuant to section 102(b)(3) of the *Congressional Accountability Act*, Pub. L. 104–1, H.R. 7081, as amended, does not apply to terms and conditions of employment or to access to public services or accommodations within the legislative branch.

EARMARK STATEMENT

In accordance with clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 7081 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of rule XXI.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of H.R. 7081 establishes or reauthorizes a program of the Federal Government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public

Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

