

110TH CONGRESS
2D SESSION

S. 2813

To require the Secretary of the Treasury to take action with respect to currency manipulation by the People's Republic of China and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 3, 2008

Mr. BUNNING (for himself, Ms. STABENOW, and Mr. BAYH) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the Secretary of the Treasury to take action with respect to currency manipulation by the People's Republic of China 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 “China Currency Ma-
5 nipulation Act of 2008”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) The People's Republic of China has a mate-
9 rial global current account surplus.

1 (2) The People’s Republic of China has, since
2 the beginning of 2000, accumulated a current ac-
3 count surplus with the United States of nearly
4 \$1,200,000,000,000, more than twice the size of the
5 cumulative current account surplus of any other
6 United States trading partner during the same pe-
7 riod.

8 (3) The People’s Republic of China has engaged
9 in protracted large-scale intervention in currency
10 markets, thereby subsidizing Chinese-made products
11 and erecting a formidable nontariff barrier to trade
12 for United States exports to the People’s Republic of
13 China, in contravention of the spirit and intent of
14 the General Agreement on Tariffs and Trade and
15 the Articles of Agreement of the International Mone-
16 tary Fund.

17 **SEC. 3. ACTION TO ACHIEVE FAIR CURRENCY.**

18 (a) DETERMINATION.—Notwithstanding any other
19 provision of law, the Secretary of the Treasury shall—

20 (1) make an affirmative determination that the
21 People’s Republic of China is manipulating the rate
22 of exchange between its currency and the United
23 States dollar within the meaning of section 3004(b)
24 of the Exchange Rates and International Economic

1 Policies Coordination Act of 1988 (22 U.S.C.
2 5304(b)); and

3 (2) take the action described in subsections (b),
4 (c), and (d) of this section.

5 (b) ACTION.—

6 (1) IN GENERAL.—The Secretary of the Treas-
7 ury shall, not later than 30 days after the date of
8 the enactment of this Act, establish a plan of action
9 to remedy currency manipulation by the People’s Re-
10 public of China, and submit a report regarding that
11 plan, to the Committee on Banking, Housing, and
12 Urban Affairs and the Committee on Finance of the
13 Senate and the Committee on Financial Services and
14 the Committee on Ways and Means of the House of
15 Representatives.

16 (2) BENCHMARKS.—The report described in
17 paragraph (1) shall include specific benchmarks and
18 timeframes for correcting the currency manipulation.

19 (c) INITIAL NEGOTIATIONS.—The Secretary shall ini-
20 tiate, on an expedited basis, bilateral negotiations with the
21 People’s Republic of China for the purpose of ensuring
22 that the country regularly and promptly adjusts the rate
23 of exchange between its currency and the United States
24 dollar to permit effective balance of payment adjustments
25 and to eliminate the unfair competitive advantage.

1 (d) COORDINATION WITH THE INTERNATIONAL
2 MONETARY FUND.—The Secretary of the Treasury shall,
3 not later than 30 days after the date of the enactment
4 of this Act, instruct the Executive Director to the Inter-
5 national Monetary Fund to use the voice and vote of the
6 United States, including requesting consultations under
7 Article IV of the Articles of Agreement of the Inter-
8 national Monetary Fund, for the purpose of ensuring the
9 People’s Republic of China regularly and promptly adjusts
10 the rate of exchange between its currency and the United
11 States dollar to permit effective balance of payments ad-
12 justments and to eliminate the unfair competitive advan-
13 tage in trade.

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