

Calendar No. 236

119TH CONGRESS
1ST SESSION**S. 2146**

To require the United States Executive Director at the International Monetary Fund to advocate for increased transparency with respect to exchange rate policies of the People's Republic of China, and for other purposes.

 IN THE SENATE OF THE UNITED STATES

JUNE 24, 2025

Mr. McCORMICK (for himself and Ms. CORTEZ MASTO) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

OCTOBER 30, 2025

Reported by Mr. RISCH, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To require the United States Executive Director at the International Monetary Fund to advocate for increased transparency with respect to exchange rate policies of 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “China Exchange Rate
3 Transparency Act of 2025”.

4 **SEC. 2. FINDINGS.**

5 Congress makes the following findings:

6 (1) Under Article IV of the Articles of Agree-
7 ment of the International Monetary Fund, the Peo-
8 ple’s Republic of China has committed to orderly ex-
9 change rate arrangements, the avoidance of ex-
10 change rate manipulation, and cooperation with the
11 Fund to ensure “firm surveillance” of the exchange
12 rate policies of the People’s Republic of China. Pur-
13 suant to Article VIII of the Articles of Agreement of
14 the Fund, the Fund may require the People’s Re-
15 public of China to furnish data on gold and foreign
16 exchange holdings, including assets held by non-offi-
17 cial agencies of the People’s Republic of China.

18 (2) In its November 2022 report, entitled
19 “Macroeconomic and Foreign Exchange Policies of
20 Major Trading Partners of the United States”, the
21 Department of the Treasury concluded, “China pro-
22 vides very limited transparency regarding key fea-
23 tures of its exchange rate mechanism, including the
24 policy objectives of its exchange rate management
25 regime and its activities in the offshore [renminbi]
26 market.”. The Department continued: “China’s lack

1 of transparency and use of a wide array of tools
 2 complicate Treasury's ability to assess the degree to
 3 which official actions are designed to impact the ex-
 4 change rate."

5 (3) In that report, the Department further
 6 noted, "China's failure to publish foreign exchange
 7 intervention and broader lack of transparency
 8 around key features of its exchange rate mechanism
 9 make it an outlier among major economies and war-
 10 rants Treasury's close monitoring."

11 **SEC. 3. ADVOCACY FOR INCREASED EXCHANGE RATE**
 12 **TRANSPARENCY FROM THE PEOPLE'S RE-**
 13 **PUBLIC OF CHINA.**

14 (a) IN GENERAL.—The Secretary of the Treasury
 15 shall instruct the United States Executive Director at the
 16 International Monetary Fund to use the voice and vote
 17 of the United States to advocate for—

18 (1) increased transparency from the People's
 19 Republic of China; and enhanced multilateral and bi-
 20 lateral surveillance by the Fund, with respect to the
 21 exchange rate arrangements of the People's Republic
 22 of China, including any indirect foreign exchange
 23 market intervention through Chinese financial insti-
 24 tutions or state-owned enterprises;

1 (2) in connection with consultations with the
 2 People's Republic of China under Article IV of the
 3 Articles of Agreement of the Fund, the inclusion of
 4 any significant divergences by the People's Republic
 5 of China from the exchange rate policies of other
 6 issuers of currencies used in determining the value
 7 of Special Drawing Rights; and

8 (3) during governance reviews of the Fund,
 9 stronger consideration by members and management
 10 of the Fund of the performance of the People's Re-
 11 public of China as a responsible stakeholder in the
 12 international monetary system when evaluating
 13 quota and voting shares at the Fund.

14 (b) SUNSET.—The requirement under subsection (a)
 15 shall terminate on the date that is 30 days after the earlier
 16 of—

17 (1) the date on which the United States Gov-
 18 ernor of the International Monetary Fund reports to
 19 Congress that the People's Republic of China—

20 (A) is in substantial compliance with obli-
 21 gations of the People's Republic of China under
 22 the Articles of Agreement of the Fund regard-
 23 ing orderly exchange rate arrangements; and

24 (B) has undertaken exchange rate policies
 25 and practices consistent with those of other

1 issuers of currencies used in determining the
2 value of Special Drawing Rights; or
3 ~~(2) the date that is 7 years after the date of the~~
4 enactment of this Act.

5 **SECTION 1. SHORT TITLE.**

6 *This Act may be cited as the “China Exchange Rate*
7 *Transparency Act of 2025”.*

8 **SEC. 2. FINDINGS.**

9 *Congress makes the following findings:*

10 *(1) Under Article IV of the Articles of Agreement*
11 *of the International Monetary Fund, the People’s Re-*
12 *public of China has committed to orderly exchange*
13 *rate arrangements, the avoidance of exchange rate*
14 *manipulation, and cooperation with the Fund to en-*
15 *sure “firm surveillance” of the exchange rate policies*
16 *of the People’s Republic of China. Pursuant to Article*
17 *VIII of the Articles of Agreement of the Fund, the*
18 *Fund may require the People’s Republic of China to*
19 *furnish data on gold and foreign exchange holdings,*
20 *including assets held by non-official agencies of the*
21 *People’s Republic of China.*

22 *(2) In its November 2022 report, entitled “Mac-*
23 *roeconomic and Foreign Exchange Policies of Major*
24 *Trading Partners of the United States”, the Depart-*
25 *ment of the Treasury concluded, “China provides very*

1 *limited transparency regarding key features of its ex-*
 2 *change rate mechanism, including the policy objec-*
 3 *tives of its exchange rate management regime and its*
 4 *activities in the offshore [renminbi] market.”. The De-*
 5 *partment continued: “China’s lack of transparency*
 6 *and use of a wide array of tools complicate Treas-*
 7 *ury’s ability to assess the degree to which official ac-*
 8 *tions are designed to impact the exchange rate.”.*

9 *(3) In that report, the Department further noted,*
 10 *“China’s failure to publish foreign exchange interven-*
 11 *tion and broader lack of transparency around key*
 12 *features of its exchange rate mechanism make it an*
 13 *outlier among major economies and warrants Treas-*
 14 *ury’s close monitoring.”.*

15 **SEC. 3. ADVOCACY FOR INCREASED EXCHANGE RATE**
 16 **TRANSPARENCY FROM THE PEOPLE’S REPUB-**
 17 **LIC OF CHINA.**

18 *(a) IN GENERAL.—The Secretary of the Treasury shall*
 19 *instruct the United States Executive Director at the Inter-*
 20 *national Monetary Fund to use the voice and vote of the*
 21 *United States to advocate for—*

22 *(1) increased transparency from the People’s Re-*
 23 *public of China, and enhanced multilateral and bilat-*
 24 *eral surveillance by the Fund, with respect to the ex-*
 25 *change rate arrangements of the People’s Republic of*

1 *China, including any indirect foreign exchange mar-*
 2 *ket intervention through Chinese financial institu-*
 3 *tions or state-owned enterprises;*

4 *(2) in connection with consultations with the*
 5 *People's Republic of China under Article IV of the Ar-*
 6 *ticles of Agreement of the Fund, the inclusion of any*
 7 *significant divergences by the People's Republic of*
 8 *China from the exchange rate policies of other issuers*
 9 *of currencies used in determining the value of Special*
 10 *Drawing Rights;*

11 *(3) during governance reviews of the Fund,*
 12 *stronger consideration by members and management*
 13 *of the Fund of the performance of the People's Repub-*
 14 *lic of China as a responsible stakeholder in the inter-*
 15 *national monetary system when evaluating quota and*
 16 *voting shares at the Fund; and*

17 *(4) increased transparency regarding the mecha-*
 18 *nisms through which the People's Republic of China*
 19 *utilizes Hong Kong's financial system to influence ex-*
 20 *change rate arrangements and the value or use of*
 21 *Special Drawing Rights.*

22 *(b) ANNUAL REPORTS ON IMPLEMENTATION.—Not*
 23 *later than one year after the date of the enactment of this*
 24 *Act, and annually thereafter until the termination date de-*

1 *scribed in subsection (c), the Secretary of the Treasury shall*
 2 *submit to Congress a report that—*

3 *(1) describes the specific actions taken by the*
 4 *United States Executive Director at the International*
 5 *Monetary Fund in the year preceding submission of*
 6 *the report to carry out subsection (a); and*

7 *(2) describes in detail the extent of the compli-*
 8 *ance of the People’s Republic of China regarding*
 9 *transparency and any significant divergences noted*
 10 *in consultations under Article IV of the Articles of*
 11 *Agreement of the Fund.*

12 *(c) SUNSET.—The requirement under subsection (a)*
 13 *shall terminate on the date that is 30 days after the earlier*
 14 *of—*

15 *(1) the date on which the United States Governor*
 16 *of the International Monetary Fund reports to Con-*
 17 *gress that the People’s Republic of China—*

18 *(A) is in substantial compliance with obli-*
 19 *gations of the People’s Republic of China under*
 20 *the Articles of Agreement of the Fund regarding*
 21 *orderly exchange rate arrangements; and*

22 *(B) has undertaken exchange rate policies*
 23 *and practices consistent with those of other*
 24 *issuers of currencies used in determining the*
 25 *value of Special Drawing Rights; or*

- 1 (2) *the date that is 7 years after the date of the*
- 2 *enactment of this Act.*

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