

## HR 2039

Currency Reform for Fair Trade Act

**Congress:** 115 (2017–2019, Ended)

**Chamber:** House

**Policy Area:** Foreign Trade and International Finance

**Introduced:** Apr 6, 2017

**Current Status:** Referred to the Subcommittee on Trade.

**Latest Action:** Referred to the Subcommittee on Trade. (Apr 19, 2017)

**Official Text:** <https://www.congress.gov/bill/115th-congress/house-bill/2039>

### Sponsor

**Name:** Rep. Levin, Sander M. [D-MI-9]

**Party:** Democratic • **State:** MI • **Chamber:** House

### Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Pascrell, Bill, Jr. [D-NJ-9]	D · NJ		Apr 6, 2017
Rep. Ryan, Tim [D-OH-13]	D · OH		Apr 6, 2017

### Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred to	Apr 19, 2017

### Subjects & Policy Tags

#### Policy Area:

Foreign Trade and International Finance

### Related Bills

Bill	Relationship	Last Action
115 HR 2756	Related bill	May 26, 2017: Referred to the Committee on Ways and Means, and in addition to the Committee on Rules, 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.

## **Currency Reform for Fair Trade Act**

This bill amends the Tariff Act of 1930 to include as a "countervailable subsidy" requiring action under a countervailing duty or antidumping duty proceeding the benefit conferred on merchandise imported into the United States from foreign countries with fundamentally undervalued currency.

A "benefit conferred," in cases where the currency of a foreign country is exchanged for foreign currency (i.e., U.S. dollars) obtained from export transactions, is defined as the difference between: (1) the amount of currency provided by a foreign country in which the subject merchandise is produced, and (2) the amount of currency such country would have provided if the real effective exchange rate of its currency were not fundamentally undervalued.

The fact that such a subsidy is also provided in circumstances not involving export shall not, for that reason alone, mean it cannot be considered export contingent and actionable under a countervailing duty and antidumping duty proceeding.

The administering authority shall determine that the currency of a foreign country is fundamentally undervalued if for an 18-month period: (1) the government of the country engages in protracted, large-scale intervention in one or more foreign exchange markets; (2) the country's real effective exchange rate is undervalued by at least 5%; (3) the country has experienced significant and persistent global current account surpluses; and (4) the country's government has foreign asset reserves exceeding the amount necessary to repay all its debt obligations falling due within the coming 12 months, 20% percent of the country's money supply, and the value of the country's imports during the previous 4 months.

The bill requires the use, for calculating a country's "real effective exchange rate undervaluation," of certain guidelines of the Consultative Group on Exchange Rate Issues of the International Monetary Fund or, if those guidelines are not available, generally accepted economic and econometric techniques and methodologies. Requires the use, also, of inflation-adjusted, trade-weighted exchange rates.

The amendments made by this Act shall apply to goods from Canada and Mexico.

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## **Actions Timeline**

- **Apr 19, 2017:** Referred to the Subcommittee on Trade.
- **Apr 6, 2017:** Introduced in House
- **Apr 6, 2017:** Referred to the House Committee on Ways and Means.