

119TH CONGRESS
2^D SESSION

S. RES. _____

Supporting the United States dollar as the reserve currency of the world and combating the economic influence of the People's Republic of China.

IN THE SENATE OF THE UNITED STATES

Mr. BUDD (for himself and Mrs. SHAHEEN) submitted the following resolution; which was referred to the Committee on _____

RESOLUTION

Supporting the United States dollar as the reserve currency of the world and combating the economic influence of the People's Republic of China.

Whereas the United States dollar serves an indispensable role in global commerce and finance;

Whereas the United States dollar represents—

- (1) a stable, rule of law-based legal system;
 - (2) democratic, representative government institutions;
 - (3) highly liquid and reliable capital markets;
 - (4) a robust and dynamic capitalist domestic economy;
 - (5) deep and extensive global trading relationships;
- and

(6) a significant commitment to market-based, free-floating exchange rates and independent monetary policy;

Whereas the International Monetary Fund reports the United States dollar accounted for approximately 71 percent of global currency reserves in 1999 and has since declined to 56.82 percent in the third quarter of 2025;

Whereas the People's renminbi, the official currency of the People's Republic of China (PRC) (commonly referred to as the "Chinese Yuan"), accounted for 1.93 percent of global currency reserves in the third quarter of 2025;

Whereas the People's Republic of China appears to have built substantial "shadow reserves" that are under the control of the People's Bank of China, the central bank of the People's Republic of China, but are obscured from international data;

Whereas the People's Republic of China maintains a non-market, fixed exchange rate that systemically undervalues the Chinese Yuan, contributing to large trade imbalances between the People's Republic of China and the rest of the world;

Whereas there is documented evidence that PRC banks and the People's Bank of China intervene in foreign exchange markets to limit appreciation of the Chinese Yuan to levels above the non-market-based range Chinese Communist Party leadership sets;

Whereas multiple organizations have estimated that the Chinese Yuan is persistently undervalued, including one index that claims the Chinese Yuan is 41 percent undervalued;

Whereas the Chinese Communist Party has disregarded the Paris Club and the Organisation for Economic Co-oper-

ation and Development and saddled developing countries with opaque and unsustainable debt, including through the Belt and Road Initiative;

Whereas the Chinese Communist Party's refusal to disclose its lending to foreign countries and reluctance to engage in significant debt restructuring is undermining the missions of the International Monetary Fund and the World Bank related to global economic development and stability;

Whereas the Chinese Communist Party is now the largest official creditor and provider of export subsidies in the world;

Whereas the Belt and Road Initiative has led to an increased reliance on capital from the People's Republic of China in developing countries;

Whereas the Belt and Road Initiative encompassed a record \$213,500,000,000 in 2025;

Whereas, since 2013, the Chinese Communist Party has invested more than \$1,000,000,000,000 in projects under the Belt and Road Initiative around the world;

Whereas the People's Republic of China has been taking aggressive steps towards developing its central bank digital currency, the digital yuan;

Whereas the People's Republic of China has worked to expand the use cases of the digital yuan for the Belt and Road Initiative and to settle cross-border transactions;

Whereas the People's Republic of China has sought to influence the global economy by expanding the BRICS group, made up of Brazil, Russia, India, China, and South Africa, and in August 2023, the BRICS group announced it was inviting Argentina, Egypt, Ethiopia, Iran, Saudi

Arabia, and the United Arab Emirates to join the group, and several members of the BRICS group have supported using the group to support a competitor currency to the United States dollar;

Whereas Kenya and the People's Republic of China have been swapping repayment terms for outstanding debt from United States dollar denomination to Chinese Yuan denomination;

Whereas global trade denominated in the Chinese Yuan has doubled from 2 percent of international payments by volume in 2022 to 4 percent in 2025;

Whereas 30 percent of the People's Republic of China's trade in goods and services was conducted with yuan in 2025 compared to 14 percent of such trade in 2019;

Whereas the People's Bank of China has extended 4,500,000,000,000 Chinese Yuan (approximately \$630,000,000,000) in swap lines to 32 separate sovereign central banks;

Whereas more than 1,700 banks have subscribed to the Cross-Border Interbank Payment System (CIPS), which is designed to be a People's Republic of China alternative to the Society for Worldwide Interbank Financial Telecommunication (SWIFT) to further insulate PRC trade from the dollar-backed international financial system;

Whereas there are reports that Iran may allow oil cargos using the Chinese Yuan to pass through the Strait of Hormuz, even as it blocks other traffic;

Whereas the emergence of a separate system of global financial infrastructure provided by the People's Republic of China removes points of leverage against the People's Republic of China should the PRC decide to take military ac-

tion against Taiwan and disrupt freedom of navigation in important sea lanes in the Indo-Pacific;

Whereas a recently published speech given by the President of the People’s Republic of China in 2024 establishes a policy of further internationalizing the Chinese Yuan and making it a “powerful currency” that could be “widely used in international trade, investment and foreign exchange markets, and attain reserve currency status”; and

Whereas the efforts of the Chinese Communist Party to develop a parallel financial system to rival United States-led institutions poses a threat to the economy and national security of the United States: Now, therefore, be it

1 *Resolved*, That it is the sense of the Senate that—

2 (1) the United States must take steps to pro-
3 tect the United States dollar as the reserve currency
4 of the world and maintain its position as a key play-
5 er in the global financial system;

6 (2) the efforts of the People’s Republic of China
7 to undermine the status of the United States dollar
8 as the reserve currency of the world must be closely
9 monitored, and appropriate measures must be taken
10 to counter those efforts;

11 (3) the United States must work to strengthen
12 its economic ties with critical regions of the world to
13 provide an alternative to PRC capital; and

14 (4) the United States must continue to work
15 with its allies to promote economic policies that en-

- 1 sure growth and stability across developing coun-
- 2 tries.