

117TH CONGRESS
1ST SESSION

H. RES. 289

Urging the United States Secretary of State to take action regarding unpaid Peruvian agrarian reform bonds.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2021

Mr. NORCROSS (for himself, Mr. MCKINLEY, Mr. KILDEE, Mr. ZELDIN, Mr. THOMPSON of California, Mr. MCGOVERN, Mrs. TRAHAN, Mr. RUPPERSBERGER, Ms. SHERRILL, Mr. KATKO, Mr. LYNCH, Mr. TURNER, Mrs. TORRES of California, Mr. LEVIN of California, Mrs. DINGELL, Mr. SIRES, Mr. GOTTHEIMER, Mrs. BEATTY, Mr. SUOZZI, Mrs. MURPHY of Florida, and Mr. KEATING) submitted the following resolution; which was referred to the Committee on Foreign Affairs

RESOLUTION

Urging the United States Secretary of State to take action regarding unpaid Peruvian agrarian reform bonds.

Whereas, beginning in 1969, Peruvian General Juan Velasco Alvarado and his military government expropriated millions of acres of agricultural land as part of a broad agrarian reform, and compensated thousands of landholders with agrarian reform bonds;

Whereas, in the 1980s and 1990s, Peru experienced severe hyperinflation and twice changed its currency, leaving the agrarian reform bonds worthless;

Whereas, during the 1980s, Peru defaulted on the agrarian reform bonds, and by 1992, Peru's Government had ceased making payments on the agrarian reform bonds;

Whereas Peru's Constitutional Tribunal has repeatedly ruled that the agrarian reform bonds should be fully reimbursed by the Peruvian Government;

Whereas despite this court ruling, Peru has begun a process of payment to bondholders based on a valuation that is not consistent with the current value set by Peru's Constitutional Tribunal in 2001;

Whereas Peru values the agrarian reform bonds at only tens of millions of dollars, even though most outside estimates of the current value of the bonds range from between \$1 billion and \$10 billion;

Whereas, since the 1990s, Peru has become one of Latin America's fastest growing economies, with free-trade agreements with China and countries in Europe;

Whereas Peruvian agrarian reform bonds are beneficially owned by institutional investors that include not fewer than 200 American State, municipal, union, and other pension funds located in at least 25 States; and

Whereas the failure of the Peruvian Government to repay the agrarian reform bonds at their current value affects the retirement of over 5,000,000 United States pensioners: Now, therefore be it

- 1 *Resolved*, That the House of Representatives urges
- 2 the Secretary of State to take action concerning unpaid
- 3 Peruvian agrarian reform bonds to ensure the retirement
- 4 security of over 5,000,000 United States pensioners across
- 5 the Nation, by encouraging the Peruvian Government to

- 1 negotiate in good faith with United States bondholders,
- 2 including pension funds, regarding payment of the agrar-
- 3 ian reform bonds.

