

since they were faced with the need to raise more than \$300,000 by December 31 of this year, the statutory deadline. That is why I introduced this bill, which simply extends the deadline by 6 months to give them adequate time to raise private funds. The Board of the Tower Corporation has assured me, as well as Chairman OXLEY and Ranking Member FRANK, that they will be able to raise the necessary funds in 6 months and they would not request another extension.

Mr. Speaker, Thomas Edison's contributions to our society are too numerous to count, but by developing the modern light bulb, he is one of America's most recognized thinkers and inventors. The Memorial Tower helps celebrate his achievements and salutes the spirit of innovation that he fostered. This bill is critical to making sure that the Memorial Tower can be repaired and serve not only as memorial to a great man but also as a symbol of America's potential for technological innovation and achievement.

I want to again express my thanks to Chairman OXLEY and Ranking Member FRANK for their willingness to move this bill, and for the leadership on both sides of the aisle for putting it on the suspension calendar.

I also want to particularly thank Jamie Lizarraga, on the minority staff of the Financial Services Committee, for his diligence and very hard work to move this bill forward. Joe Pinder and Tom Duncan of Chairman OXLEY's staff were also quite helpful, and of course, Eric Gordon of my own staff, here on the left. I want to thank them all.

Mr. Speaker, this bill will go a long way towards ensuring that we can preserve an important landmark saluting a great American.

□ 1045

Mr. FRANK of Massachusetts. Mr. Speaker, I just want to reiterate what he said, particularly about the staff members he named who really took care of this for us and made it very easy.

Mr. Speaker, I yield back the balance of my time.

Mr. BAKER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. BAKER) that the House suspend the rules and pass the bill, H.R. 6325.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FINANCIAL NETTING IMPROVEMENTS ACT OF 2006

Mr. MCHENRY. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 5585) to improve the netting process for

financial contracts, and for other purposes.

The Clerk read as follows:

Senate amendments:

Strike section 7 (relating to compensation of chapter 7 trustees; chapter 7 filing fees).

In section 8 (relating to scope of application), strike the section heading and all that follows through "the amendments made" and insert the following:

"SEC. 7. SCOPE OF APPLICATION.

"The amendments made".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MCHENRY) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks in this legislation and insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MCHENRY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am grateful to be on the floor today to have the opportunity to pass this important financial services legislation that Congresswoman DEBBIE WASSERMAN SCHULTZ and I were able to work together on on a bipartisan basis.

Now, I must confess this new era of bipartisanship I have somewhat questioned with the recent election results. I am not overly optimistic about the coming bipartisanship. I think it must be and most likely will be more rhetoric than reality. But I am grateful to be on a committee where we have had some level of bipartisanship and cooperation, although imperfect; but on this legislation, Congresswoman WASSERMAN SCHULTZ and I, as freshmen, were described in the U.S. Today as the ying and yang of the freshman class, the most liberal and the most conservative members of the 109th Congress, the new Members for it. And DEBBIE and I set out then to work on some legislation together, and I am grateful that we were able to get that done here in the waning days of the 109th Congress.

The legislation that we have before us today is the Financial Netting Improvement Act, which makes a number of technical changes to the financial contract safe harbor provisions for the Federal Deposit Insurance Act and other Federal insolvency laws. The netting provisions reflect years of work within the President's Working Group on Financial Markets, Treasury, Federal Reserve Board, the Securities and Exchange Commission, the Commodity Futures Trading Commission and the FDIC. This is the result and the fruits of that long labor. The amendment on this legislation from the Senate is very minor, and we are able to accept it in the House.

Mr. Speaker, with that, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I concur with the substantive discussion of this bill from the gentleman from North Carolina. His comments on bipartisanship seem to me rather odd, and I will not dwell further on them. It does seem to me if you were trying to promote bipartisanship, as we all are, beginning by attacking the sincerity of those who will be in charge of it is not a good idea. But the gentleman is free to speculate as he wishes.

The bill itself is, as he described it, a good idea. We originally passed it with an amendment from the Judiciary Committee. Frankly, I was not in favor of that amendment. I think what the Senate has done has improved the bill; and that is not a sentence I always get to say, but I do want to say in this case. I think it is now a good bill and more consumer friendly.

The gentlewoman from Florida was very much interested in this, and quite right to push for it. Our colleague from North Carolina (Mr. WATT) had some concerns about some potential negative effects on consumers. It has all been worked out, so it is now a bill that improves the administration of the system, and I generally support it.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield such time as he may consume to the chairman of the Capital Markets Subcommittee on Financial Services, the gentleman from Louisiana (Mr. BAKER) who has been a wonderful friend and ally on the committee.

Mr. BAKER. Mr. Speaker, I thank the gentleman for yielding, and wish to express appreciation to my friends on the other side for their work in this arena.

It flows from the problems that erupted during the fall of 1998 when the then largest hedge fund in the world, LTCM, pursuant to a Russian currency crisis, found itself unable to meet its financial obligations. When the New York Fed arrived at the meeting location to determine how to best resolve this uncertainty, they were surprised to find the scope and complexity of the financial relationships that LTCM had with significant and large financial institutions, both U.S. and abroad. There was not in place at that time a mechanism where counter-party obligations could be unwound without wreaking havoc and some sort of domino effect, potentially bringing significant adverse financial consequences to large numbers of individuals who had no knowledge of their exposure to the LTCM instability.

Further, at the time of LTCM's demise at the end of 1998, they had approximately \$1.5 trillion in notional amounts of derivative positions held worldwide. And their leverage ratio exceeded 28 to 1. In other words, this was not a good thing. They were significantly larger in scope than any of the

largest commercial banks. And although others enjoyed higher leverage ratios, few had the sophisticated relationships with counter parties that were engaged by LTCM.

The provisions of the bill now suggested by the gentleman from North Carolina is the ability to close out what are called netting relationships to prevent the failure of one entity from causing a domino effect of more serious disruption, known as systemic risk. Absent the adoption of these provisions with the growth in size of hedge funds and in number of hedge funds, there is considerable market uncertainty as to how a bankruptcy proceeding would affect market liquidity. The unwinding of these obligations, and let me quickly add that it is in scope much larger than impact just in hedge funds; it does go to the broader financial marketplace, all of which have in common that these transactions are put in place through intermediaries such as stock brokers, smaller financial institutions, securities clearing agencies that often hedge their risk on transactions through securities collateral received pursuant to these obligations.

As a result, this will provide a safe and secure mechanism to unwind complex financial relationships, minimizing market instability, providing market liquidity and ensuring that our economic system is not adversely impacted by the demise of a hedge fund. In essence, that is a good thing, and I commend the gentleman for his work product.

Mr. MCHENRY. Mr. Speaker, I want to thank the gentleman from Louisiana for his kind words. And with that I would like to close by again thanking the Congresswoman from Florida for her work and assistance on this legislation. As I understand it, she was detained with an important meeting, an event today, from being here on the floor. But I want to thank her for working with me in a bipartisan way, and I am hopeful that this is a new direction for the coming Congress of bipartisanship.

As I said in the beginning, I am not overly optimistic about the opportunities, but I think this may begin that new direction.

Mr. FRANK of Massachusetts. Will the gentleman yield?

Mr. MCHENRY. I would be delighted to yield.

Mr. FRANK of Massachusetts. When the gentleman from North Carolina says he hopes this is a new direction that will lead to bipartisanship, does that not mean that he believes that under his party's rule there was none?

Mr. MCHENRY. No.

Mr. FRANK of Massachusetts. That the old direction was partisanship?

Mr. MCHENRY. I believe the gentleman is well versed in the knowledge of what sarcasm means, and perhaps I was a bit sarcastic in my quoting the new direction. I look forward to action in the coming Congress on a bipartisan basis.

Mr. FRANK of Massachusetts. Will the gentleman yield further?

Mr. MCHENRY. Absolutely. I would be happy to yield.

Mr. FRANK of Massachusetts. I will confess to sometimes starting slow, and I am getting old. It would probably be helpful in the future if the gentleman would find some way to signal when he was being sarcastic. That would help my understanding.

Mr. MCHENRY. Thank you. I certainly appreciate the gentleman's guidance on signals. I will make sure, going forward, I smile or wave when I am being sarcastic. Or the gentleman, who will be the chairman of my committee in the next Congress, I will simply just speak when I am being sarcastic on your committee in the next Congress, if that would be all right.

Actually, before I close, I want to give one final story. Before I got on the Financial Services Committee, a senior Member told me that with the ranking Democrat from Massachusetts (Mr. FRANK) that if he ever asks you to yield in a committee debate, say "no." And I said, why; isn't that rude? He says, well, you have never been in a debate with BARNEY FRANK, have you?

Well, sure enough, 6 months in, I say something and the ranking member asks me to yield. And as a new Member, I mistakenly said "yes."

I will not make that mistake going forward. The gentleman is quite able with his arguments, a Harvard educated attorney. I respect his ability to make an argument and to make the opposition look silly.

And with that, as the opposition, I would sit down and say, Mr. Speaker, I have no further requests for time.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 5585.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those voting have responded in the affirmative.

Mr. MCHENRY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

CONGRATULATING THE ST. LOUIS CARDINALS ON WINNING THE 2006 WORLD SERIES

Ms. FOXX. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1078) congratulating the St. Louis Cardinals on winning the 2006 World Series.

The Clerk read as follows:

H. RES. 1078

Whereas the St. Louis Cardinals won the 102nd World Series on October 27, 2006;

Whereas this is the 10th World Series title won by the St. Louis Cardinals;

Whereas Manager Tony La Russa is one of only 2 managers in the history of baseball to win the World Series in both the National League and the American League;

Whereas the manager and coaching staff have done a remarkable job guiding this team to victory;

Whereas General Manager Walt Jocketty and owner Fred Hanser have assembled and led a great organization;

Whereas all 25 players on the playoff squad contributed to the victory, including World Series Most Valuable Player David Eckstein, Gold Glove winners Albert Pujols and Scott Rolen, as well as Chris Carpenter, Randy Flores, Josh Hancock, Tyler Johnson, Josh Kinney, Braden Loper, Anthony Reyes, Jeff Suppan, Brad Thompson, Adam Wainwright, Jeff Weaver, Gary Bennett, Yadier Molina, Ronnie Belliard, Aaron Miles, Chris Duncan, Jim Edmonds, Juan Encarnacion, John Rodriguez, Scott Spiezio, So Taguchi, and Preston Wilson;

Whereas the sole goal of all 25 players on the playoff squad was winning the World Series, rather than chasing individual glory;

Whereas these players have been awarded a variety of honors, including the Most Valuable Player Award, the Cy Young Award, the Gold Glove Award, the Silver Slugger Award, the Rookie of the Year Award, and the opportunity to appear in All-Star games;

Whereas the St. Louis Cardinals have a history of great players, including Bob Gibson, Lou Brock, Ozzie Smith, Curt Flood, Willie McGee, and Stan Musial;

Whereas St. Louis has a wonderful baseball tradition because Cardinals fans have faithfully supported their team; and

Whereas the San Diego Padres, the New York Mets, and the Detroit Tigers proved worthy and honorable opponents during the post-season: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the St. Louis Cardinals on winning the 2006 World Series; and

(2) commends the players, coaches, management, and all other personnel of the St. Louis Cardinals, as well as the fans, on this great victory.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from North Carolina (Ms. FOXX) and the gentleman from Missouri (Mr. CLAY) each will control 20 minutes.

The Chair recognizes the gentlewoman from North Carolina.

GENERAL LEAVE

Ms. FOXX. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

Ms. FOXX. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, the St. Louis Cardinals brought home their 10th World Series title on October 27 of this year, and I would like to congratulate the team, coaches, managers and fans on this exciting victory.

With a history of outstanding players and sportsmanship, Cardinal team members have received numerous awards over the years, including Rookie of the Year, Most Valuable Player