

Such rollcall votes, if postponed, will be taken later today.

AMENDING FEDERAL RESERVE ACT TO BROADEN RANGE OF DISCOUNT WINDOW LOANS WHICH MAY BE USED AS COLLATERAL FOR FEDERAL RESERVE NOTES

Mr. LEACH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1094) to amend the Federal Reserve Act to broaden the range of discount window loans which may be used as collateral for Federal reserve notes, as amended.

The Clerk read as follows:

H.R. 1094

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the third sentence of the second undesignated paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 412) is amended by striking "acceptances acquired under the provisions of section 13 of this Act" and inserting "acceptances acquired under section 10A, 10B, 13, or 13A of this Act".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAFALCE) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa (Mr. LEACH).

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

Mr. Speaker, I rise in support of H.R. 1094, a bill to broaden the range of discount window loans which may be used as collateral for Federal Reserve notes.

I would like to point out at the outset this is not a new approach for this House. Virtually the same proposal was incorporated into the bankruptcy reform bill, H.R. 833, which passed this body on May 5, but which has not yet cleared the other body.

The bill enjoys the strong support of the Federal Reserve, as reflected in correspondence with Federal Reserve Chairman Alan Greenspan to the last Congress, and again in testimony by the member of the Federal's Board of Governors, Edward Kelly, at a hearing held by the committee in April.

The bill also enjoins strong bipartisan support on the Committee on Banking and Financial Services. The original sponsors of the bill include the ranking minority member of the full committee, the gentleman from New York (Mr. LAFALCE), as well as the Chairman of the Subcommittee on Domestic and Monetary Policy, the gentleman from Alabama (Mr. BACHUS), the ranking member, the gentlewoman from California (Ms. WATERS), and I understand it has the support of my good friend, the gentleman from Minnesota (Mr. VENTO).

Mr. Speaker, I would like to take a brief moment to explain the need for the bill and the issue of timing. Sec-

tion 16 of the Federal Reserve Act requires the Federal Reserve to collateralize Federal Reserve notes when they are issued. The list of eligible collateral includes, at present, Treasury and Federal agency securities, gold certificates, special drawing rights certificates, and foreign currencies. In addition, the legally eligible backing for currency includes discount window loans made under Section 13 of the Federal Reserve Act.

Over the years, Congress has added a new section to the law to permit lending by the Federal Reserve to depository institutions under provisions other than section 13 and against a broader range of collateral. However, section 16 has not been similarly amended to accommodate these new sections, thus limiting the types of loans the Federal can use to back currency. For example, certain discount window loans made by the Federal under 10B of the Act and secured by mortgages on one-to-four family residences cannot be used to back currency.

The bill before us today, H.R. 1094, simply seeks to update the currency collateral provisions in section 16 to reflect the broader range of collateral accepted for discounted window loans under section 10A, section 10B and section 13A of the Federal Reserve Act.

Finally, I would like to point out the reason for bringing this measure to the floor today as a stand-alone proposal is one of timing. According to the Federal Reserve Board, the existing limits on currency collateral are becoming a potential problem because of the increased use of retail sweep accounts over the past 5 years and the corresponding decline in reserve balances that can be used as excess collateral for currency. The small margin of available currency collateral could pose a potential problem should there be a substantial increase in the demand for discount window loans due to temporary, or unusual, circumstances, such as might occur around the year 2000 date change.

Mr. Speaker, as I explained earlier, this is not a new proposal, but given the issues of timing and the need to ensure that our bank agencies have all the necessary tools at their disposal to smooth the transition to the year 2000, I believe it is important for this body to act separately on this bill. I appreciate the great courtesies extended by the minority in this regard.

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

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

Mr. Speaker, I join the gentleman from Iowa (Chairman LEACH) of the Committee on Banking and Financial Services in supporting this much needed measure. It will ensure that the public has available any and all cash it might demand near the end of the year

as the country's computer systems make their changeover to the new millennium. Although we expect few if any problems with our Nation's banks at that time, this is a prudent move to help relieve any doubt that the public will have access to hard currency.

H.R. 1094 provides for a technical change in the Federal Reserve Act to facilitate the Federal Reserve's ability to distribute as much as \$50 billion in currency during this period, if needed. Under current law, every unit of currency issued by the Federal Reserve must be collateralized by certain assets held by the Federal Reserve. The assets on the current list have always been adequate to collateralize currency in circulation. However, should there be a surge in currency demand at the end of 1999 and the beginning of the year 2000, the current list could be inadequate.

The list, therefore, needs to be expanded to include other assets which the Federal Reserve already owns but which, largely due to historical oversight, are not now included.

Chairman Greenspan in a letter to me dated July 30, 1998, suggested language comparable to that contained in H.R. 1094. Federal Reserve Governor Edward Kelly in testimony before the Committee on Banking and financial services on April 13 of this year specifically endorsed H.R. 1094.

Mr. Speaker, I fully support H.R. 1094 and wish to express my appreciation to the chairman of our committee for the bipartisan attitude which has been able in all circumstances to approach Y2K problems. I also wish to thank especially the ranking minority member of the financial institutions subcommittee, the gentleman from Minnesota (Mr. VENTO), for his great work on this legislation. This legislation is merely the latest example of that general tremendous bipartisan spirit.

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I thank the gentleman ranking Banking Member LAFALCE for yielding me time, as well as the gentleman from Iowa (Chairman LEACH) for his comments.

Mr. Speaker, I concur in their statements. I think this is an appropriate bill to forestall any emerging problems with regard to the issuance of Federal Reserve Board paper, the one dollar bills and larger bills that some of us have an opportunity to spend.

Two things have happened. One is, obviously as has been pointed out by the chairman and ranking member, the types of credit paper available have changed and evolved and we have not kept up with them with regard to the provisions of law to be used as collateral to back up the Federal Reserve Board notes the dollar bills.

The other, as pointed out by our staff and research folks, is in fact the Fed, like most accounts, are subject to

sweep accounts. Some of the credit paper that they otherwise have is not deposited there long enough to use, so it cannot be used to offset the dollars placed into circulation. As our good counsel, Mr. Peterson, pointed out in the research papers of the gentleman from New York (Mr. LAFALCE), if in fact we issue treasuries, which the Fed could do, they could buy treasuries at the end of the year and that might cause a spike in the market with the demand for currency expected regarding the Y2K phenomena.

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So in order to preserve orderly markets, to respond to Y2K problems and other events that may occur of an unusual nature in the history of monetary policy, it is prudent to, in fact, have these alternative and new instruments to offset and use as collateral.

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

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

The SPEAKER pro tempore (Mr. STEARNS). The question is on the motion offered by the gentleman from Iowa (Mr. LEACH) that the House suspend the rules and pass the bill, H.R. 1094, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

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

There was no objection.

EXPRESSING THE SENSE OF THE HOUSE WITH REGARD TO SHUTTLE MISSION STS-93, COMMANDED BY COLONEL EILEEN COLLINS, FIRST FEMALE SPACE SHUTTLE COMMANDER

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 267) expressing the sense of the House of Representatives with regard to Shuttle Mission STS-93, commanded by Colonel Eileen Collins, the first female space shuttle commander.

The Clerk read as follows:

H. RES. 267

Whereas Shuttle Mission STS-93 successfully deployed the Chandra X-Ray Observatory;

Whereas the Chandra X-Ray Observatory will provide scientists from around the world

with a better understanding of the structure and evolution of the universe;

Whereas Shuttle Mission STS-93 is the first mission in the history of the United States space program to be commanded by a woman;

Whereas women continue to be underrepresented in the science, engineering, and technology fields;

Whereas the selection of Colonel Eileen Collins as the first female space shuttle commander has raised the level of awareness and appreciation of women's contributions in the advancement of science; and

Whereas Colonel Eileen Collins' accomplishments in the United States space program have made her a role model for women pursuing an education and career in scientific fields: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the crew of Shuttle Mission STS-93 and honors Colonel Eileen Collins on being the first female commander of a United States space shuttle;

(2) recognizes the important contribution Colonel Eileen Collins has made to the United States space program and to the advancement of women in science; and

(3) invites Colonel Eileen Collins and the crew of STS-93 to the United States Capitol to be honored and recognized by the House of Representatives for their achievements.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentlewoman from California (Ms. LOFGREN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 267.

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

There was no objection.

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

Mr. Speaker, last Tuesday evening, Space Shuttle Columbia touched down at the Kennedy Space Center in Cape Canaveral, Florida. The crew of Space Shuttle Columbia completed an important mission. A few short hours after launch, shuttle mission STS-93 successfully deployed the Chandra X-ray Observatory. With the launch of Chandra, we begin to explore the universe in new and exciting ways.

Chandra will allow us to examine the hot, turbulent regions in space with images nearly 25 times sharper than previous X-ray pictures. The scientific promises that Chandra holds are far reaching and will have a significant impact on our understanding of how our universe operates.

Yet beyond the scientific accomplishments of the recent shuttle mission, we rise today to celebrate a new turning point in history. STS-93 is the first-ever shuttle mission commanded by a woman, U.S. Air Force Colonel Eileen

Collins. Colonel Collins has downplayed her role as the first female space shuttle commander. In her mind, she is just another astronaut, not unlike her male predecessors, who has worked hard and has been bestowed the great honor of commanding a U.S. space shuttle into space.

In reality, Colonel Collins has emerged as a role model for all young women who aspire to one day follow in her footsteps or to pursue careers in other scientific fields. However, Mr. Speaker, a young girl watching the recent nightly news coverage of Colonel Collins' flight will not be able to command her own space shuttle flight unless she acquires the science and math skills necessary to succeed as an astronaut in the U.S. space program.

Sadly, many young girls, and boys for that matter, are not receiving a quality education even in the most basic math and science courses. The release last year of the Third International Mathematics and Science (TIM) study revealed that American high school seniors, even our Nation's best students in advanced classes, are among the world's least prepared.

We must expect more from our Nation's students with respect to math and science. Curricula for all elementary and secondary years need to be developed in a manner that conveys the excitement of science and math so that students are prepared to follow in the footsteps of Colonel Collins and her crew if they choose to do so.

Mr. Speaker, I would like to thank the gentlewoman from Maryland (Mrs. MORELLA), the chairwoman of the Subcommittee on Technology, and the gentlewoman from Texas (Ms. Eddie Bernice Johnson), the ranking member of the Subcommittee on Basic Research, for introducing H. Res. 267 for our consideration today.

I congratulate Colonel Eileen Collins and the crew of Shuttle Mission STS-93 and urge my colleagues to support H. Res. 267.

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

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

Mr. Speaker, I want to speak in support of the resolution to honor the accomplishments of Colonel Eileen Collins, NASA astronaut.

As my colleagues know, she recently commanded the successful STS-93 shuttle mission. As such she was the first female shuttle commander in the history of the United States Space Program. She completed the mission with distinction, and she and the rest of the crew are to be congratulated.

By all accounts she has handled all of her assignments at NASA and in the Air Force with distinction, and she represents the best in service to our Nation.

In addition, Colonel Collins is a valuable role model for young women. She