

104TH CONGRESS
1ST SESSION

H. RES. 57

To preserve the constitutional role of the House of Representatives to provide for the expenditure of public money and ensure that the executive branch of the United States Government remains accountable to the House of Representatives for each expenditure of public money.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 1995

Mr. TAYLOR of Mississippi (for himself, Ms. KAPTUR, Ms. DANNER, Mr. DEFAZIO, Mr. HUNTER, Mr. KLINK, Mr. SANDERS, Mr. VISCLOSKY, Mr. TAYLOR of North Carolina, Mr. DUNCAN, and Mrs. THURMAN) submitted the following resolution; which was referred to the Committee on Banking and Financial Services

RESOLUTION

To preserve the constitutional role of the House of Representatives to provide for the expenditure of public money and ensure that the executive branch of the United States Government remains accountable to the House of Representatives for each expenditure of public money.

Whereas rule IX of the Rules of the House of Representatives provides that questions of privilege shall arise whenever the rights of the House collectively are affected;

Whereas, under the precedents, customs, and traditions of the House pursuant to rule IX, a question of privilege has arisen in cases involving the constitutional prerogatives of the House;

Whereas section 8 of Article I of the Constitution vests in Congress the power to “coin money, regulate the value thereof, and of foreign coins”;

Whereas section 9 of Article I of the Constitution provides that “no money shall be drawn from the Treasury, but in consequence of appropriations made by law”;

Whereas the President has recently sought the enactment of legislation to authorize the President to undertake efforts to support economic stability in Mexico and strengthen the Mexican peso;

Whereas the President announced on January 31, 1995, that actions are being taken to achieve the same result without the enactment of legislation by the Congress;

Whereas the obligation or expenditure of funds by the President without consideration by the House of Representatives of legislation to make appropriated funds available for obligation or expenditure in the manner proposed by the President raises grave questions concerning the prerogatives of the House and the integrity of the proceedings of the House;

Whereas the exchange stabilization fund was created by statute to stabilize the exchange value of the dollar and is also required by statute to be used in accordance with the obligations of the United States under the Articles of Agreement of the International Monetary Fund; and

Whereas the commitment of \$20,000,000,000 of the resources of the exchange stabilization fund to Mexico by the President without congressional approval may jeopardize the ability of the fund to fulfill its statutory purposes: Now, therefore, be it

1 *Resolved*, That the Comptroller General of the United
2 States shall prepare and transmit, within 7 days after the
3 adoption of this resolution, a report to the House of Rep-
4 resentatives containing the following:

5 (1) The opinion of the Comptroller General on
6 whether any of the proposed actions of the Presi-
7 dent, as announced on January 31, 1995, to
8 strengthen the Mexican peso and support economic
9 stability in Mexico requires congressional authoriza-
10 tion or appropriation.

11 (2) A detailed evaluation of the terms and con-
12 ditions of the commitments and agreements entered
13 into by the President, or any officer or employee of
14 the United States acting on behalf of the President,
15 in connection with providing such support, including
16 the terms which provide for collateral or other meth-
17 ods of assuring repayment of any outlays by the
18 United States.

19 (3) An analysis of the resources which the
20 International Monetary Fund has agreed to make
21 available to strengthen the Mexican peso and sup-
22 port economic stability in Mexico, including—

23 (A) an identification of the percentage of
24 such resources which are attributable to capital

1 contributions by the United States to such
2 Fund; and

3 (B) an analysis of the extent to which the
4 Fund's participation in such efforts will likely
5 require additional contributions by member
6 states, including the United States, to the Fund
7 in the future.

8 (4) An evaluation of the role played by the
9 Bank for International Settlements in international
10 efforts to strengthen the Mexican peso and support
11 economic stability in Mexico and the extent of the fi-
12 nancial exposure of the United States, including the
13 Board of Governors of the Federal Reserve System,
14 with respect to the Bank's activities.

15 (5) A detailed analysis of the relationships be-
16 tween the Bank for International Settlements and
17 the Board of Governors of the Federal Reserve Sys-
18 tem and between the Bank and the Secretary of the
19 Treasury, and the extent to which such relationships
20 involve a financial commitment to the Bank or other
21 members of the Bank, on the part of the United
22 States, of public money or any other financial re-
23 sources under the control of the Board of Governors
24 of the Federal Reserve System.

1 (6) An accounting of fund flows, during the 24
2 months preceding the date of the adoption of this
3 resolution, through the exchange stabilization fund
4 established under section 5302 of title 31, United
5 States Code, the manner in which amounts in the
6 fund have been used domestically and internation-
7 ally, and the extent to which the use of such
8 amounts to strengthen the Mexican peso and sup-
9 port economic stability in Mexico represents a depar-
10 ture from the manner in which amounts in the fund
11 have previously been used, including conventional
12 uses such as short-term currency swaps to defend
13 the dollar as compared to intermediate- and long-
14 term loans and loan guarantees to foreign countries.

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