

Office of Thrift Supervision, along with the National Credit Union Administration—to provide financial institutions with informational seminars on, and model approaches to, the problem. It also gives our thrift and credit union regulators the authority they need to examine an institution's vendors, particularly computer services vendors, for Year 2000 compliance. This will put all of our financial regulators on an equal footing with respect to these crucial examinations.

Mr. President, the Year 2000 will not wait: there is no extending the deadline, and our financial institutions must be ready. To help our regulators meet that goal, I urge speedy adoption of this legislation.

Mr. BENNETT. Mr. President, I rise today with my distinguished colleague, Senator DODD, in support of HR. 3116, the Examination Parity and Year 2000 Readiness for Financial Institutions Act. We jointly introduced the Senate version of this bill, S. 1671 and are in full agreement with it in every respect.

Mr. subcommittee has held five hearings on Year 2000 compliance and I will chair another hearing on this issue next week. Generally speaking, most of our financial institutions are ill prepared to face the millennial date change at this time. None of our regulatory agencies are in the position they should be, based on the time schedule issued by OMB and GAO. This problem is compounded because several of our regulatory agencies have insufficient enforcement authority to ensure that the financial institutions they regulate can continue to function in a safe and sound manner after the millennial date change.

The bill before us at this time will give authority to the Office of Thrift Supervision (OTS) and the National Credit Union Administration (NCUA) in parity with the authority provided to other Federal banking agencies under the Bank Service Company Act (BSCA) with respect to the performance of services by contracted service providers. For example, OTS will be able to examine service providers that contract with a savings association, its subsidiary, or any savings and loan affiliate or other entity as identified in this legislation, as if it were inspecting the savings association itself. Under the BSCA, other Federal banking agencies already have this authority over service providers that contract with an insured bank or any subsidiary or affiliate of the bank that is examined by the agency.

This authority enables all of the Federal banking agencies to take appropriate action against service providers, if for example, the services are provided in such a way as to jeopardize the safety and soundness of the financial institutions in question. This authority allows the regulatory agencies to take appropriate action against a service provider if the services being performed may result in a regulated entity not being Y2K compliant. We expect

that the Federal banking agencies will continue to use their authority under the BSCA, and the authority provided by this legislation, to remedy the situation of services being rendered which will result in Year 2000 noncompliance, as well as to prevent any other unsafe and unsound practices. To ensure that the legislation is interpreted to give OTS parity with the other regulators and that Congressional intent is clear, the bill references the OTS's ability to issue orders under section 8 of the Federal Deposit Insurance Act, which includes the Federal banking agencies' general enforcement authority to address unsafe or unsound practices.

This bill also requires that federal financial regulatory agencies hold seminars for financial institutions on the implications of the Year 2000 problem for safe and sound operations, and to provide model approaches for solving common Y2K problems.

Passage of this bill is supported by both the NCUA and OTS. In a "Statement of Administration Policy," OMB has notified us that "the Administration supports passage of HR. 3116."

I want to take this opportunity to thank Chairman D'AMATO, Senator SARBANES, and Senator DODD for their assistance and support. In particular, I want to thank Howard Mennell, Steve Harris, Andrew Lowenthal, Robert Cresanti, Robert Andros, and Laura Ayoud for their efforts in bringing this bill to a prompt and mutually satisfactory resolution. I also want to thank my House colleagues and their staff for adopting the language of our Senate bill, S. 1671, in the final version of the House passed H.3116. This has greatly expedited the handling of this bill in the Senate.

Mr. DODD. Mr. President, I am very pleased that the Senate is poised to pass Examination Parity and Year 2000 Readiness For Financial Institutions Act, which I introduced with Senator BENNETT last week. The legislation will provide badly needed authority and guidance to Federal financial regulators to help their supervised institutions cope with the Year 2000 computer problem.

The Year 2000—or Y2K—computer problem is caused by the inability of most of the major financial systems to process the year 2000 as the one that follows the year 1999. This is caused by the fact that basic computer code, much of it written as many as thirty years ago, reads dates as two-digits, "98" or "99," instead of four digits "1999" or "2000." If left untreated, computers will read the year 2000 as the years 1900, 1980 or some other default date. The result is not only erroneous calculations, but the total disruption of many critical financial systems.

Unfortunately, neither the Office of Thrift Supervision or the National Credit Union Administration have the authority to examine the Year 2000 preparations of service providers to thrifts and credit unions. Currently, other federal financial regulators—the

Federal Reserve, Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation—have this authority.

These service providers perform many of the key transaction and data processing for federally-insured thrifts and credit unions, particularly smaller institutions for whom it is not cost-effective to establish their own computer systems. As a result, it is imperative to the safety and soundness of these institutions for the regulators to be able to establish that their service providers will be Year 2000 compliant.

The legislation also contains provisions that require all financial regulators to hold seminars to educate their respective supervised institutions and, to the maximum extent possible, provide model solutions for fixing the problem. The beneficial impact of such outreach and education efforts for federally-insured institutions is self-evident.

Mr. President, as I've said many times before, the Year 2000 problem is one that we will have to confront in many more ways than this legislation. The extent of the problem goes well beyond the financial services industry to affect virtually every segment of our nation's economy. But this sensible bill is a good first step to ensuring that Federal financial regulators have the tools necessary to address the problem in their area of jurisdiction.

I urge my colleagues to join me in supporting this sensible, bipartisan legislation.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be considered read the third time, and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3116) was considered read the third time, and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of the nomination of George McGovern to be U.S. Representative to the United Nations Agencies for Food and Agriculture.

I further ask consent that the Senate proceed to its consideration, the nomination of Robert Grey, Jr., Executive Calendar No. 527, and nominations on the Secretary's desk in the Foreign Service. I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, any statements relating to the nominations appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed en bloc, are as follows:

DEPARTMENT OF STATE

George McGovern, of South Dakota, for the rank of Ambassador during his tenure of service as U.S. Representative to the United Nations Agencies for Food and Agriculture.

Robert T. Grey, Jr., of Virginia, for the rank of Ambassador during his tenure of service as United States Representative to the Conference on Disarmament.

IN THE FOREIGN SERVICE

Foreign Service nominations beginning Kenneth A. Thomas, and ending Charles Grandin Wise, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of October 31, 1997.

Foreign Service nominations beginning Dolores F. Harrod, and ending Stephan Wasylo, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 2, 1998.

Foreign Service nomination of Lyle J. Sebranek, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of February 2, 1998.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

ORDERS FOR MONDAY, MARCH 9, 1998

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday, March 9, and immediately following the prayer, the routine requests through the morning hour be granted and the Senate begin a period for the transaction of morning business, with the time equally divided between the two leaders.

I also ask consent that at the hour of 1 p.m. on Monday, the Senate resume consideration of S. 1173, the so-called ISTEAA legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I further ask unanimous consent that at the hour of 5:10 p.m. on Monday, the Senate proceed to consideration of S. 1668, the intelligence disclosure bill, as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Finally, I ask unanimous consent that at the hour of 5:30 p.m., the Senate proceed to a vote on the motion to invoke cloture on the modified substitute amendment to S. 1173, the so-called ISTEAA legislation, the surface transportation legislation, and then proceed to a rollcall vote on passage of S. 1668, the intelligence disclosure bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. In conjunction with the previous consent agreements, then, on Monday the Senate will be in for a pe-

riod of morning business from 12 to 1 p.m. At 1 o'clock, the Senate will resume consideration of S. 1173, the so-called ISTEAA bill. It is hoped the Senate will be able to consider some of the numerous amendments which have been offered and filed in regard to this legislation throughout Monday's session. And then, at 5:10 p.m., the Senate will set aside the legislation and have 20 minutes of debate on the intelligence disclosure bill. Under the previous order, at 5:30 p.m. the Senate will proceed to a vote on the cloture motion on the modified substitute amendment to S. 1173, followed by a vote on the intelligence disclosure bill.

So, there will more than likely be two rollcall votes, back to back, on Monday, beginning at 5:30.

ORDER FOR ADJOURNMENT

Mr. LOTT. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of Senator DASCHLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. I yield the floor.

ADJOURNMENT UNTIL MONDAY, MARCH 9, 1998

The PRESIDING OFFICER. The Senate, under the previous order, stands adjourned until 12 noon, Monday, March 9, 1998.

Thereupon, the Senate, at 3:22 p.m., adjourned until Monday, March 9, 1998, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate March 6, 1998:

DEPARTMENT OF DEFENSE

JOSEPH W. WESTPHAL, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE ARMY, VICE H. MARTIN LANCASTER.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

- BRIG. GEN. LOUIS C. FERRARO, JR., 0000
- BRIG. GEN. DANNY A. HOGAN, 0000
- BRIG. GEN. ROBERT B. STEPHENS, 0000
- BRIG. GEN. GEOFFREY P. WIEDEMAN, JR., 0000
- BRIG. GEN. ROBERT J. WINNER, 0000

To be brigadier general

- COL. MARVIN J. BARRY, 0000
- COL. BRUCE M. CARSKADON, 0000
- COL. JOHN M. DANAHY, 0000
- COL. JOHN D. DORRIS, 0000
- COL. ROBERT E. DUGNAN, 0000

- COL. SALLY ANN EAVES, 0000
- COL. BOBBY L. EFFERSON, 0000
- COL. WILLIAM F. GORDON, 0000
- COL. JOSEPH G. LYNCH, 0000
- COL. MARK V. ROSENKER, 0000
- COL. RONALD M. SEGA, 0000
- COL. STEPHEN A. SMITH, 0000
- COL. EDWIN B. TATUM, 0000
- COL. KATHY E. THOMAS, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE CHIEF OF CHAPLAINS, UNITED STATES ARMY AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 3036:

To be major general

- BRIG. GEN. GAYLORD T. GUNHUS, 0000

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

- COL. MICHAEL J. AGUILAR, 0000
- COL. JAMES F. AMOS, 0000
- COL. JOHN G. CASTELLAW, 0000
- COL. TIMOTHY E. DONOVAN, 0000
- COL. JAMES M. FEIGLEY, 0000
- COL. EMERSON N. GARDNER, JR., 0000
- COL. STEPHEN T. JOHNSON, 0000
- COL. JAMES N. MATTIS, 0000
- COL. GORDON C. NASH, 0000
- COL. ROBERT M. SHEA, 0000
- COL. KEITH J. STALDER, 0000
- COL. JOSEPH F. WEBER, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

- REAR ADM. (LH) MICHAEL W. SHELTON, 0000

SECURITIES AND EXCHANGE COMMISSION

ARTHUR LEVITT, JR., OF NEW YORK, TO BE A MEMBER OF THE SECURITIES AND EXCHANGE COMMISSION FOR THE TERM EXPIRING JUNE 5, 2003. (REAPPOINTMENT)

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT IN THE JUDGE ADVOCATE GENERAL'S CORPS (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C. SECTIONS 624, 531 AND 3064:

To be major

- JAMES R. AGAR II, 0000
- *ELIZABETH ARNOLD, 0000
- *JANE E. BAGWELL, 0000
- *RANDALL J. BAGWELL, 0000
- *BRYANT S. BANES, 0000
- *MICHAEL R. BLACK, 0000
- *EUGENE E. BOWEN, JR., 0000
- *STEVEN M. BRODSKY, 0000
- *RICHARD E. BURNS, 0000
- *BRADFORD B. BYRNES, 0000
- *JOHN P. CARRELL, 0000
- *LARS G. CELTNEKS, 0000
- *DAVID CHATHAM, 0000
- *PAUL S. COHEN, 0000
- *STEPHEN A. COPETAS, 0000
- *DANIEL J. COWHIG, 0000
- *VANESSA A. CROCKFORD, 0000
- *DAVID K. DALITTON, 0000
- *DOUGLAS M. DEPEPPE, 0000
- *THERESA A. GALLAGHER, 0000
- *PATRICK M. GARCIA, 0000
- MATTHEW J. GILLIGAN, 0000
- *TYLER J. HARDER, 0000
- *CHARLOTTE R. HERRING, 0000
- *WILLIAM R. HINCHMAN, 0000
- *EUGENE R. INGRAO, 0000
- DALE N. JOHNSON, 0000
- *MARK L. JOHNSON, 0000
- *PHILIP W. JUSSEL, 0000
- *JONATHAN A. KENT, 0000
- *CHRISTINE A. KIEFER, 0000
- *FRANCIS F. KING, 0000
- DINAH R. KIRK, 0000
- *CARL W. KUHN, 0000
- MICHAEL A. LACEY, 0000
- *DANIEL A. LAURETANO, 0000
- *STEVEN F. LERICHE, 0000
- *STEPHEN J. LUND, 0000
- *MICHAEL R. LUTTON, 0000
- TIMOTHY C. MCGONNELL, 0000
- *GREG S. MATHERS, 0000
- *MARK S. MAXWELL, 0000
- *LEAH S. MCCARTHY, 0000
- *MICHAEL J. MCHUGH, 0000
- *JAMES J. MILLER, JR., 0000
- *THOMAS C. MDESZTO, 0000
- *MATTHEW A. MYERS, SR., 0000
- MARK A. PACELLA, 0000
- *JAMES M. PATTERSON, 0000
- *WILLIAM C. PETERS, 0000
- *FRANKLIN D. RAAB, 0000
- *MISTI E. RAWLES, 0000
- JAMES H. ROBINETTE II, 0000
- *CHRISTOPHER W. RYAN, 0000
- *PAUL T. SALUSSOLIA, 0000