

Investors who see a company's stock price slide because of Year 2000-related expenses and system failures could mount class action suits, claiming that corporate officers failed to adequately inform shareholders of the problem. "Both breach of contract suits between businesses and shareholder suits will be rampant," said Jeff Jinnett, a lawyer with the New York firm of LeBoeuf, Lamb, Greene & MacRae.

Hoping to stem such lawsuits, a coalition of technology firms and other businesses in California have urged the state legislature to pass a bill that would immunize companies from Year 2000 suits if they warn customers of the problem and offer free upgrades. The bill was defeated by a key committee last month after strenuous opposition from the state's trial lawyers.

But state officials across the country are moving quickly to protect themselves against litigation. Bills that would limit state agencies from liability if their computers suffer date-related failures recently have been signed into law in Virginia, New Hampshire and Georgia.

A final wave of litigation, experts said, will begin in 2000 and involve insurance companies, as defendants seek to force their insurers to cover their legal fees and any damages they are ordered to pay. The cost to the insurance industry could reach \$65 billion, said Todd A. Muller, an assistant vice president at the Independent Insurance Agents of America, a trade group in Alexandria.

"There's going to be a huge impact on the insurance industry," Muller said. "Because the industry has deep pockets, we expect [trial lawyers] to do everything possible to drag us into these disputes."

Insurance industry executives said they expect businesses to file claims under various types of common corporate policies, including property insurance, general liability insurance, and directors' and officers' liability insurance. Property insurance claims, for example, could result from actual physical damage caused by a Year 2000 malfunction, such as fire sprinklers that accidentally go off, experts said.

The insurance industry is moving quickly to prevent such suits by revising policies to exclude Year 2000-related claims on the grounds the peril wasn't known to exist when the policies were created, and as a result, premiums never were collected for such coverage. The Insurance Services Office Inc., which authors generic policy language used by most large insurers, already has gotten regulators in 40 states to approve such exclusions, said Christopher Guidette, an ISO spokesman.

At the same time, insurers are arguing that the problem was entirely predictable, and therefore isn't coverable, because insurance is only for the unpredictable.

"This is a foreseeable event. People have known for more than 98 years that this was coming. . . . We're not going to be the bank of last resort to pay for this," said Steven Goldstein a spokesman for the Insurance Information Institute, a trade group in New York.

But whatever steps the insurers take, predicts Muller, "when their claims are denied, people are going to go to court."

Lawyers who have gone after companies over asbestos and breast implants already have started preparing litigation strategies for the date glitch.

"Insurance sells itself as a public-service operation," said Eugene R. Anderson of Anderson, Kill & Olick in New York, who has won dozens of cases against insurers. "They are the safe hands, the rock of Gibraltar, the good neighbors. When there's a problem they can't just say, 'Oh well, we don't cover that.' It's contrary to the very idea of insurance."

Unlike in breast implants and asbestos cases, some lawyers said the lack of ordinary human victims in Year 2000 litigation could make it tougher to ask a jury for multi-million-dollar damages. Others caution that the scope of the litigation will rest on the number of systems that actually fail, a figure impossible to determine today.

But there is broad agreement that no matter how severe the glitch eventually proves to be, a cadre of lawyers will find reason to sue. "There's too big of a jackpot here," Marcoccio said.●

"CINCO DE MAYO"

● Mrs. HUTCHISON. Mr. President, I rise to recognize and remember the importance of this day, known as "Cinco de Mayo" to the Republic of Mexico and to millions of Mexican-Americans. Many in this country may not realize it, but after 40 years after achieving independence from Spain, in 1862 Mexico was again subjugated to European colonial domination, this time by the French. In that year, Napoleon sent a massive military force to Mexico to unseat President Benito Juarez to install a Hapsburg, Maximilian, as monarch of Mexico.

After capturing the port city of Veracruz, the French continued their march toward Mexico City. But the proud Mexicans did not give in without a fight. On this day in 1862, on a small battlefield near Puebla, a hastily assembled, ill-equipped Mexican force of predominantly Mestizo and Zapotec Indians bravely battled against a force of Napoleon's renowned professional French Army. Against all odds, the Mexicans actually routed the French, and the "Batalla de Puebla" became a rallying cry and watershed event for eventual Mexican independence.

The Mexicans who fought on that fateful day embodied the spirit of freedom and patriotism that eventually drove Mexico to victory and paved the way for the economic and political advances that continue in that nation to this day. It is in that same spirit that we in the United States, who have our own proud history of achieving independence, celebrate and recognize the Batalla de Puebla and the significance of this day.

In addition to signifying a military victory, the Cinco de Mayo holiday, particularly as recognized in the United States, is also a celebration of Mexican and Mexican-American culture and history. In many cities throughout the U.S., this celebration centers around grand cultural fiestas that include traditional Mexican song, dance, and cuisine. Much as we recognize the Fourth of July not only as an act of independence from Britain, but also as a cornerstone of our cultural identity as Americans, many Mexican-Americans view Cinco de Mayo as a common cultural thread and history that they share.

Mr. President, I would like to join all Americans and all Mexicans in this recognition of a very proud and colorful Mexican history. The Mexicans who

fought and died on that battlefield near Puebla in 1862 embodied the ideal to which all human beings, regardless background or status, aspire—the inalienable right of self-determination. Cinco de Mayo is therefore a chance for communities on both sides of the border to remember how important a gift freedom is, how difficult it is to achieve, and how vigilant we must all be to preserve it.●

TRIBUTE TO JEAN BROWN, UPON HER RETIREMENT AS HEAD OF LEADERSHIP GREENVILLE

● Mr. HOLLINGS. Mr. President, it is my great honor today to salute one of Greenville's most beloved business leaders on her retirement as head of Leadership Greenville: Mrs. Jean Brown.

Mrs. Brown has dedicated the last twenty years of her life to fostering an entrepreneurial environment in the South Carolina Upstate. Since 1979, she has worked with the Greenville Chamber of Commerce to develop the Leadership Greenville program, which today is a model of its kind.

Through Leadership Greenville, Jean Brown has had an influence on the life of her community few individuals can match. Graduates of her ten month program head countless civic associations, philanthropic boards, and volunteer organizations in the Upstate. These leaders possess an unselfish and admirable desire to serve their communities, which Jean Brown encouraged and channeled.

Thanks to her enthusiasm and energy, Leadership Greenville has grown into a Greenville institution. Although Jean Brown is retiring, her legacy will live on for generations in the good works of the Leadership Greenville graduates she trained.

Mrs. Brown defines a leader as "a person who has a passion for what they want to accomplish." If that is true, Mr. President, Jean Brown is a peerless leader. Today I am honored to pay tribute to such a dedicated and unselfish public servant.●

H.R. 3579 CONFERENCE AGREEMENT ON FISCAL YEAR 1998 SUPPLEMENTAL APPROPRIATIONS

● Mr. McCAIN. Mr. President, I voted in favor of the conference agreement on the FY 1998 Supplemental Appropriations Bill which funds the necessary costs of ongoing U.S. military operations in Bosnia and Southwest Asia and provides relief for those affected by the devastating natural disasters which swept through the United States in recent months.

Mr. President, frankly, I have to applaud the conferees on this bill. They did not include in the conference bill much of the pork-barrel spending that was contained in the individual House and Senate bills. In addition, the conferees wisely agreed to the House position to offset the domestic spending in