

extent authorized by law, may provide such assistance or information upon such a request.

(g) COMMITTEES.—The Chairman may establish committees as necessary to carry out this Compact and may prescribe their membership, responsibilities, and duration.

#### ARTICLE VII—RATIFICATION OF COMPACT

This Compact shall take effect upon being entered into by 2 or more States as between those States and the Federal Government. Upon subsequent entering into this Compact by additional States, it shall become effective among those States and the Federal Government and each Party State that has previously ratified it. When ratified, this Compact shall have the full force and effect of law within the ratifying jurisdictions. The form of ratification shall be in accordance with the laws of the executing State.

#### ARTICLE VIII—MISCELLANEOUS PROVISIONS

(a) RELATION OF COMPACT TO CERTAIN FBI ACTIVITIES.—Administration of this Compact shall not interfere with the management and control of the Director of the FBI over the FBI's collection and dissemination of criminal history records and the advisory function of the FBI's advisory policy board chartered under the Federal Advisory Committee Act (5 U.S.C. App.) for all purposes other than noncriminal justice.

(b) NO AUTHORITY FOR NONAPPROPRIATED EXPENDITURES.—Nothing in this Compact shall require the FBI to obligate or expend funds beyond those appropriated to the FBI.

(c) RELATING TO PUBLIC LAW 92-544.—Nothing in this Compact shall diminish or lessen the obligations, responsibilities, and authorities of any State, whether a Party State or a Nonparty State, or of any criminal history record repository or other subdivision or component thereof, under the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1973 (Public Law 92-544), or regulations and guidelines promulgated thereunder, including the rules and procedures promulgated by the Council under Article VI(a), regarding the use and dissemination of criminal history records and information.

#### ARTICLE IX—RENUNCIATION

(a) IN GENERAL.—This Compact shall bind each Party State until renounced by the Party State.

(b) EFFECT.—Any renunciation of this Compact by a Party State shall—

(1) be effected in the same manner by which the Party State ratified this Compact; and

(2) become effective 180 days after written notice of renunciation is provided by the Party State to each other Party State and to the Federal Government.

#### ARTICLE X—SEVERABILITY

The provisions of this Compact shall be severable, and if any phrase, clause, sentence, or provision of this Compact is declared to be contrary to the constitution of any participating State, or to the Constitution of the United States, or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this Compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If a portion of this Compact is held contrary to the constitution of any Party State, all other portions of this Compact shall remain in full force and effect as to the remaining Party States and in full force and effect as to the Party State affected, as to all other provisions.

#### ARTICLE XI—ADJUDICATION OF DISPUTES

(a) IN GENERAL.—The Council shall—

(1) have initial authority to make determinations with respect to any dispute regarding—

(A) interpretation of this Compact;  
(B) any rule or standard established by the Council pursuant to Article V; and  
(C) any dispute or controversy between any parties to this Compact; and

(2) hold a hearing concerning any dispute described in paragraph (1) at a regularly scheduled meeting of the Council and only render a decision based upon a majority vote of the members of the Council. Such decision shall be published pursuant to the requirements of Article VI(e).

(b) DUTIES OF FBI.—The FBI shall exercise immediate and necessary action to preserve the integrity of the III System, maintain system policy and standards, protect the accuracy and privacy of records, and to prevent abuses, until the Council holds a hearing on such matters.

(c) RIGHT OF APPEAL.—The FBI or a Party State may appeal any decision of the Council to the Attorney General, and thereafter may file suit in the appropriate district court of the United States, which shall have original jurisdiction of all cases or controversies arising under this Compact. Any suit arising under this Compact and initiated in a State court shall be removed to the appropriate district court of the United States in the manner provided by section 1446 of title 28, United States Code, or other statutory authority.

Subtitle B—Volunteers for Children Act

#### SEC. 221. SHORT TITLE.

This title may be cited as the "Volunteers for Children Act".

#### SEC. 222. FACILITATION OF FINGERPRINT CHECKS.

(a) STATE AGENCY.—Section 3(a) of the National Child Protection Act of 1993 (42 U.S.C. 5119a(a)) is amended by adding at the end the following:

"(3) In the absence of State procedures referred to in paragraph (1), a qualified entity designated under paragraph (1) may contact an authorized agency of the State to request national criminal fingerprint background checks. Qualified entities requesting background checks under this paragraph shall comply with the guidelines set forth in subsection (b) and with procedures for requesting national criminal fingerprint background checks, if any, established by the State."

(b) FEDERAL LAW.—Section 3(b)(5) of the National Child Protection Act of 1993 (42 U.S.C. 5119a(b)(5)) is amended by inserting before the period at the end the following: " , except that this paragraph does not apply to any request by a qualified entity for a national criminal fingerprint background check pursuant to subsection (a)(3)".

(c) AUTHORIZATION.—Section 4(b)(2) of the National Child Protection Act of 1993 (42 U.S.C. 5119b(b)(2)) is amended by striking "1994, 1995, 1996, and 1997" and inserting "1999, 2000, 2001, and 2002".

#### NOTICE OF HEARING

##### COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Wednesday, July 15, 1998 at 9:30 a.m. to mark up the following: S. 391, Mississippi Sioux Judgment Funds; S. 1905, Cheyenne River Sioux Compensation; H.R. 700, Agua Caliente and; S. 109, Native Hawaiian Housing Assistance. Immediately following the mark-up the

Committee will hold a hearing on S. 2097, the Indian Tribal Conflict Resolution and Tort Claims and Risk Management Act of 1998. The markup/hearing will be held in room G-50 of the Dirksen Senate Office Building. Those wishing additional information should contact the Committee on Indian Affairs at 202/224-2251.

#### AUTHORITY FOR COMMITTEE TO MEET

##### SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Ms. COLLINS. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs be authorized to meet during the session of the Senate on Monday, July 13, 1998 at 3:00 pm to hold a hearing.

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

#### ADDITIONAL STATEMENTS

##### WALL STREET BEGINS MOCK TRADE TESTING FOR Y2K

● Mr. MOYNIHAN. Mr. President, Yesterday, The New York Times reported that Wall Street firms will turn their clocks ahead today to December 29, 1999, to begin mock trading in the widest ranging Year 2000 (Y2K) test yet by any industry. The tests will investigate what might happen to anyone trading stocks, options, or corporate and municipal bonds on December 30 and 31, 1999, and January 3 and 4, 2000 (January 1, 2000 falls on a Saturday).

As a member of the Special Committee on the Year 2000 Technology, I am encouraged to see that the financial community is taking the Year 2000 computer problem seriously. On Monday, July 6, Senator BENNETT and I held a field hearing in New York to examine the progress of U.S. and foreign financial firms in addressing the Y2K problem. At the hearing, we emphasized the importance of testing, and the need to begin testing by December of this year. Appearing on behalf of the Federal Reserve Bank of New York, the First Vice President Ernest T. Patrikis said that he "does not think it is possible to over-emphasize the importance of testing to help improve readiness."

The hearing last week made it clear that Y2K is a serious and pervasive problem confronting the domestic and international economy. The Senior Vice President and Chief Technology Officer of the New York Stock Exchange, William A. Bautz, said that the Securities Industry Association (SIA) refers to solving the Year 2000 computer problem as "the biggest business-technology effort that the world has ever experienced."

I am pleased that SIA is sponsoring this industry-wide test and look forward to seeing the results. I only hope that the other industries follow the lead of the financial community and start their testing soon.

I ask that the article from yesterday's Times, "Wall St. to Roll Clock Ahead To See if Year 2000 Computes," be printed in the RECORD.

The article follows:

[From the New York Times, July 12, 1998]

WALL ST. TO ROLL CLOCK AHEAD TO SEE IF YEAR 2000 COMPUTES

(By Barnaby J. Feder)

For computer wizards on Wall Street, tomorrow will be Dec. 29, 1999, a step into electronic time travel that will be studied anxiously around the globe.

After months of preparation, the nation's leading brokers, the major exchanges, clearinghouses and depository companies will begin mock trading in the widest-ranging test yet by any industry of how well computers will cope with the transition to the next century.

The tests, sponsored by the Securities Industry Association, are designed to help brokers and other key players in the \$270 billion industry figure out whether their computer systems are ready to handle trades that will settle on Jan. 3, 2000, the first business day of the new century. Over the next two weeks, the industry will reset the clocks on the test computers and investigate what might happen to anyone trading stocks, options or corporate and municipal bonds on Dec. 30 and 31, 1999, and Jan. 3, and 4, 2000.

Not much has been left to chance. The multimillion-dollar effort is supervised by Coopers & Lybrand following trading scripts carefully developed by the participants with the help of outside consultants.

Thus, Leonard De Trizio, the J.P. Morgan & Company vice president in charge of the computers that support equity trading, knows that he will be selling 800 shares of a fictional Big Board company with the ticker symbol KDD at 9:30 tomorrow morning, and he knows that Morgan Stanley will be buying it, while Merrill Lynch & Company will be selling Home Shopping Network convertible bonds to Lehman Brothers.

The participants are looking for signs of the millennium bug, the catchall name for a variety of electronic foul-ups that are likely to occur when computers fail to recognize that the first days of the new century come after the last days of the old one. The problem stems from the way many microprocessors and computer programs use only two digits to refer to the year in dates—98 for 1998, for example.

Many chips and programs do not accept a low number like 00 for the year 2000, or 01 for 2001 as valid dates that follow the 99 for 1999.

What complicates the problem is that computers often react in unpredictable ways. Some spew inaccurate data. Others appear to function normally but then cannot be restarted once they have been shut down.

Computer specialists have talked about the millennium problem for decades. But only recently have businesses and public officials begun to recognize how widely dates are used in computing and to take seriously warnings that the dawn of the new century could see widespread disruptions in daily life, at the very least, and deadly accidents or perhaps a global economic recession if the problem is not tamed.

Because the securities industry is the first to conduct tests involving connections between many computer users and is publishing vast amounts of data about the results on its World Wide Web site ([www.sia.com](http://www.sia.com)), year 2000 experts say that the results of these tests could have a huge effect on morale in the rapidly growing legions of specialists working on the problem.

"It's good that they are setting a standard of openness for the entire corporate sector,"

said Edward Yardeni, chief economist of Deutsche Bank Securities. Mr. Yardeni has become one of the highest-profile year 2000 pessimists, predicting a 70 percent chance of worldwide recession stemming from computer problems related to the millennium.

"If it goes badly, though, corporations may be more reluctant to share information, and more people are going to come around to my view of the risks," Mr. Yardeni said.

Those managing the securities tests are discouraging any attempt to draw broad conclusions from them. The managers point out, for example, that the tests will deal with very small volumes of fictional securities, and they describe the exercise as a mere dress rehearsal for high-volume tests planned for next spring. Some major computer systems have been completely excluded, including those that manage dividends and interest, margin trading and client account records. In addition, only the most common types of trades and securities will be tested this week.

"Dealing with this isn't rocket science, but there is a mountain of details," said Donald Kittell, the association's executive vice president. "People don't realize that a trade may go through 40 to 50 steps from start to finish."

The securities companies participating in the test that starts tomorrow account for about half the trading volume in stocks, bonds, options and other financial instruments. Each agreed to set up a discrete computer operation to run the tests. In the United States alone, securities companies are expected to spend \$3 billion to \$5 billion addressing year 2000 and related problems.

Yet, when the millennium arrives, Wall Street's ability to function will depend not just on the internal systems it began to test today but on the preparedness of markets overseas, where many players offset any bets placed domestically.

What is more, Wall Street's success at ushering in the millennium will also depend heavily on the year 2000 readiness of New York's power, water and telecommunications utilities and of countless other systems that are beyond its ability to test.

All of this underscores what many computer experts consider one of the most troubling aspects of the year 2000 challenge. Each phase of the problem—from identifying vulnerable systems to figuring out remedies to testing fixes—has proved more complicated, time-consuming and expensive than had been expected. The emerging consensus has been that testing has been the most widely underestimated challenge.

Consultants are consistently warning that very few corporations, government agencies or other computer-dependent enterprises will end up having enough time and resources to do as much testing as they should.

"It would be a setback if this doesn't go well," said William Ulrich, a year 2000 consultant in Soquel, Calif., "because these guys are way out in front." ●

#### HIGHER EDUCATION ACT AMENDMENTS OF 1998

● Mr. McCONNELL. Mr. President, I come to the floor today to support S. 1882, the Higher Education Act Amendments of 1998. This bill comes at a time when our nation's shifting job market has greatly increased student demand for post-secondary education. However, for many families in Kentucky and across the nation, the rising cost of tuition creates a real barrier to attending college. A majority of college stu-

dents today rely upon some form of financial assistance in order to meet these escalating costs. For the first time in decades, loans constitute the largest part of student financial-aid packages. As the loan burden increases, students and their families are seeking greater choice in financial resources for higher education.

Making a college education more affordable has always been a priority of mine, and for the past several years I have introduced legislation to provide tax incentives to families who save for college. In fact, my legislation, which allows tax-free education savings in state-sponsored savings plans for education purposes, was included in the Parent and Student Savings Account Plus Act, which Congress approved earlier this year by a strong margin. The House and Senate approved this essential legislation in response to growing public interest in federal policies that facilitate personal planning and investment in education, and to provide students with greater choices in both academic programming and financial aid resources. However, this measure and similar initiatives have been heavily criticized by the Clinton Administration.

For example, throughout the HEA reauthorization process, President Clinton has repeatedly tried to limit students' financial options by creating a single-lender system run by the U.S. Department of Education. Banks, credit unions, and other qualified lenders currently use their financial expertise and experience in loan management to provide college loans for students and parents through the Federal Family Education Loan Program (FFELP), while the U.S. Department of Education operates the Direct Lending program through participating colleges and universities. The Clinton Administration heralded the consumer benefits that would result from the competition between FFELP and the Direct Lending program during its original authorization in the 1993 Budget. Now, President Clinton has turned away from his original advocacy for greater choice in favor of making the U.S. Department of Education the sole lender for student loans.

Since its creation, the Direct Lending program's reputation has become synonymous with slow, inefficient service. The Department simply does not have the personnel or experience necessary to efficiently process the high volume of loans demanded by students. For example, in 1996, the processing of 900,000 student aid applications submitted to the Department were delayed by severe management problems. Just last year Congress was forced to pass the Emergency Student Loan Consolidation Act in response to the Department's stoppage in processing applications for direct loan consolidations. If students had been limited to one lending option, the Department's backlog and organizational problems