
LEGISLATIVE ACTIVITIES

S. 22, Commission on the Year 2000 Computer Problem Act
Introduced September 1996

This bill was the first legislative attempt to address the Y2K problem. It called for the establishment of a commission to study the Y2K problem and report the results to the President. The study would propose procedures for addressing federal, state and local government computer systems, as well as recommend levels of appropriation for remediation efforts .

S. 1518, The Year 2000 Computer Remediation and Shareholder (CRASH) Protection Act of 1997
Introduced on November 10, 1997

The bill sought to require publicly traded companies to disclose five categories of information related to their Y2K remediation and risk management status without regard to materiality. The introduction of this legislation prompted the Securities and Exchange Commission to publish Staff Legal Bulletin No. 5 (January 12, 1998), a reminder to public operating companies, investment advisers and investment companies to consider their disclosure obligations relating to anticipated costs, problems and uncertainties associated with the Y2K issue. The staff legal bulletin was later superceded by Interpretive Release No. 33-7558, an

enforceable, Commission-level release published on August 4, 1998.

S. 1671, The Examination Parity and Year 2000 Readiness for Financial Institutions Act
Introduced on February 24, 1998

The legislation gave the Office of Thrift Supervision and the National Credit Union Administration (NCUA) explicit authority to examine and service corporations and subsidiaries owned by the insured institutions to the same extent that other financial institution regulatory agencies were permitted to do so. The legislation also required NCUA to take certain actions to enhance remediation efforts within the credit union sector. The Committee staff has already seen the positive results of this legislation, as regulators' judiciously use the threat of cease and desist orders to keep financial institutions from doing business with unsound software contractors.

S. 2000, A bill to ensure that businesses, financial markets and the Federal Government are taking adequate steps to resolve the Year 2000 computer problem
Introduced on April 29, 1998

In introducing this legislation, Chairman Bennett sought to amend the Employee Retirement Income Security Act of 1974 (ERISA) to require fiduciaries of employee

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benefit plans to consider the Y2K computer problem in making investment decisions. The legislation also would have codified the creation of the President's Council on Y2K Conversion. The Chairman felt that it was critical for the administration to dedicate more than a task force to this complex job. He wants the council to be vested with actual power, authority, and accountability.

S.2392, Year 2000 Information Readiness and Disclosure Act

Introduced July 30, 1998

Chairman Bennett intended to encourage the disclosure and exchange of information about the

Y2K computer problem by limiting the liability of companies that provide good faith Y2K disclosure. S.2392 passed the Senate (amended) on September 28, 1998 and was signed into law October 19, 1998 (P.L. 105271).

Specifically, in all civil litigation including certain antitrust actions, the act limits the extent to which Y2K statements can be the basis for liability. It also prevents certain evidentiary uses, against the maker, of a subset of such statements. However, the act ensures that only responsible, good faith information-sharing receives such protection.