40 days of his file being completed, was voted out of Committee only a few weeks after that, and he was confirmed 69 days from the time all his paperwork was complete. Indeed, we proceeded to confirm the first two nominees to the bench of the Eastern District of Kentucky so quickly that they had to delay being sworn in and assuming their judicial duties in order to wind down their legal practices.

This stands in sharp contrast to the length of time it took to get nominees hearings and confirmations in the recent past. During the last six years of the Clinton Administration, it took an average of about 150 days to move a district court nominee to confirmation. I am proud that we have been able to do better since last July.

The hearing on the Bunning nomination included testimony by his home-state Senators as well as testimony by representatives from the American Bar Association's Standing Committee. While a majority of the ABA Committee found the nominee not qualified and a minority found him to be qualified for the federal bench, three United States District Court Judges and a former United States Attorney testified in support of his confirmation. Yesterday, the Senate acted to confirm the President's nomination, as we have with a number of other nominees who received mixed peer review ratings.

For 50 years, beginning with the Eisenhower Administration and including the Clinton Administration, the ABA had provided a valuable public service to Presidents as they determined whom to nominate to the federal bench. In addition, the Senate has had the benefit of the ABA peer reviews. No Senator is bound by the recommendations of the ABA.

As I have said before, it is unfortunate that President Bush decided to shift the ABA's role in the pre-nomination process, but I am grateful that the ABA has agreed to continue to provide their evaluations to the Senate Judiciary Committee. We have always valued their contribution to the process and the willingness of the members of the Standing Committee to volunteer their time, efforts and judgment to this important task.

I congratulate each of the successful nominees and their families on their Senate confirmations.

I intend to notice another confirmation hearing for judicial nominations for February 26. Even though this is a short month with a week's recess, the Committee will hold a second hearing involving judicial nominees in February. This will be the first time in four years that the Committee will have held two February hearings for judicial nominees.

THE SAFE AND FAIR DEPOSIT INSURANCE ACT OF 2002

Mr. REED. Mr. President, I rise in strong support of the Johnson-Hagel-Reed-Enzi Safe and Fair Deposit Insurance Act of 2002, SFDIA, and I urge my colleagues to support it. I am proud to be one of the authors of this legislation, as I believe it will continue to ensure a strong and safe insurance system for our banks, and most importantly for the consumers that put their trust in that system. The legislation before us also seeks to end the pro-cyclical method now in force, which tends to burden institutions in bad economic times, and not prepare for the future during good economic times. We need to change that, and I think this bill begins to finally address this important issue in a very thoughtful manner.

The bill that my colleagues and I have introduced has five major components. The first element addresses the most non-controversial aspect of this issue, and that is merging of the two insurance funds. This will obviously strengthen the reserve fund for all banks and savings institutions, rather than diffusing that strength between two funds. The second component is that of coverage limits. Although this issue has attracted quite a bit of discussion and controversy over the past few years, this is nonetheless an important issue for many banks and consumers alike. In this section, the legislation authorizes the level of general coverage to rise to $130,000, by indexing for inflation from 1974, when the level of coverage was at $40,000. Going forward, the bill proposes to index coverage for inflation every five years in increments of $10,000. The bill also suggests that coverage for retirement accounts be set at $250,000 now, and that those accounts also be subject to indexing in the future. Lastly, on coverage issues, the legislation would allow for additional coverage for municipal deposits beyond the $130,000 level.

The SFDI Act would also allow for greater flexibility for the FDIC to charge insurance premiums. Since 1996, the FDIC has been prohibited from charging premiums to banks that have the highest rating, as long as the reserve ratio was above the ''hard target'' of 1.25 percent. Our legislation would remove that prohibition, as well as effectively eliminating the hard target, and would instead substitute a range for the fund. Again, these actions will lend the FDIC the necessary flexibility to manage the funds in a much more institution-friendly manner, particularly by relieving pressure on them during the worst business cycles.

In addition, the FDIC will be able to give a one-time assessment credit to institutions, as well as allow for ongoing credits to manage the fund. These credits will in all likelihood give most institutions, if they are well-managed and well-capitalized, the ability to avoid premiums for several years down the road. The FDIC will also be authorized to provide cash rebates to institutions should the fund ever exceed 1.50 percent.

Although I would prefer to address the issue of coverage for municipal deposits in another context, I am confident that during the upcoming legislative process there will be a good debate on the issue, and the Senate will be able to work its will on the issue. I think it is important to note that the introduction of this bill will mark the beginning of a strong, vigorous and positive discussion on the vital issue of deposit insurance. This has become the cornerstone of our banking system's integrity, and it is imperative that the U.S. Congress insure that it remain strong, healthy, and workable for many years to come for both financial institutions and consumers alike.

FEDERAL EMPLOYEES DESERVE PAY PARITY

Mr. AKAKA. Mr. President, as the government moves to protect its citizens, harden its borders, and defends American interests abroad, I want to make sure that the Nation's Federal employees are given the resources and support needed to carry out these missions.

Numerous studies point to the government's inability to compete with the private sector as one reason why we are unable to attract and retain qualified Federal employees. With a few exceptions, since 1981, military and Federal personnel have received equal pay increases. Yet, the administration's FY03 budget calls for an across-the-board adjustment of only 2.6 percent, while the military would receive a 4.1 percent increase. The proposed 2.6 percent increase is less than the formula used by the Federal Employees Pay Comparability Act and fails to close the pay gap between Federal and private sector workers.

In my capacity as Chairman of both the Senate Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services and the Senate Armed Services Subcommittee on Readiness and Management Support, I am actively involved in issues relating to Federal employees. Our civilian workforce plays a significant role in the support of our service members on active duty, in the reserves, and serving with the National Guard. I support a cohesive and coordinated effort in safeguarding America and believe a strong civilian workforce is crucial to our success in protecting our country.

By 2005, over half the Federal workforce will be eligible to retire, and as long as fewer young people are choosing Federal service to fill these gaps, there should be a commitment from the highest levels of government to ensure that agencies are adequately staffed with the right people and the right skills to run the government in an effective and efficient manner.

The American people know that the war on terrorism will be a long struggle; a different kind of war with fronts both at home and abroad. Our civilian Federal workforce is on the front line of this war and must be prepared to respond to the possibility of attack. We