

amendment because it is still far better than full repeal. It retains the estate tax for the ultra-rich, but would protect small business owners and family farmers. And it would save hundreds of billions over the next 20 years compared to full repeal.

Let me also point out one final irony in this debate. I mentioned yesterday the bizarreness of colleagues voting against raising the debt limit, and then in the same day turning around and supporting a bill that would raise the national debt by hundreds of thousands more.

Today's irony is that this is supposed to be a debate about small businesses, but my friends on the other side are opposing the Dorgan amendment that gives permanent relief from the estate tax from small businesses and family farmers right now—compared to 7 years from now under the Gramm approach. Let me repeat that, my colleagues on the other side say they are for the small business owner. They say they are for the family farmer. Yet they are opposing immediate relief for small business owners and farmers. Why? To protect their tax breaks for billionaires.

Small businesses and farmers are the pawns in this debate. They have literally been used by those who want to give billionaires a tax break. I don't know if there is a single person in this body who would oppose giving permanent, targeted estate tax relief to small business owners and family farmers. I think it could pass 100 to 0. But it didn't because if the supporters of full repeal let the small business owner get relief then they lose this issue. And they won't get repeal for billionaires. And they would rather have the issue to campaign on, and they aren't going to let the little guy on Main Street get his tax break unless they can get it for the fat cat on Wall Street.

The Dorgan amendment should be an eye opener for small business owners and farmers. It betrays the real agenda behind full repeal of the estate tax. It's not about the little guy. It is not about the shopkeeper, the farmer, the contractor, the wholesaler. They are the hostages in this debate.

I will not jeopardize Social Security—which tens of millions of Americans rely upon for their retirement—to grant tax breaks to the heirs of multimillionaires and billionaires.

We cannot afford to give a few lucky Americans a tax free inheritance of hundreds of millions or billions of dollars and protect the tens of millions of Americans and over 740,000 Minnesotans who rely on Social Security.

But we can afford to shield small estates, small businesses, and family farms from the estate tax at the same time we safeguard the retirement security of all Minnesotans. That is what I voted to do.

UNANIMOUS CONSENT REQUEST

Mr. REID. Mr. President, I ask unanimous consent that on Friday, June 14,

the Senate proceed concurrently, at a time to be determined by the majority leader after consultation with the Republican leader, to two bills relating to cloning, a bill to be introduced by Senators HATCH, FEINSTEIN, SPECTER, and others, and a bill to be introduced by Senator BROWNBACK. I further ask that Senator BROWNBACK or his designee be recognized to immediately offer a cloture motion on his bill, to be followed by Senator HATCH or his designee offering a cloture motion on his bill. I further ask unanimous consent that no amendments or motions to commit be in order to either bill and there be the following limitations for debate with respect to both bills: 3 hours equally divided between the two sponsors or their designees on Friday; 4 hours equally divided in the same fashion on Monday, June 17; 1 hour equally divided in the same fashion on Tuesday, June 18; that following the use or yielding back of time, on Tuesday, the Senate proceed to vote on the cloture motion on Senator BROWNBACK's bill and, notwithstanding the outcome of that vote, to be followed by an immediate cloture vote on Senator HATCH's bill; further, if cloture is invoked on either bill, the Senate then resume consideration under the provisions of rule XXII. Finally, I ask unanimous consent that, if cloture is not invoked on either bill, then each bill be placed back on the calendar.

The PRESIDING OFFICER. Is there objection? The Senator from Kansas.

Mr. BROWNBACK. Mr. President, reserving the right to object, I appreciate my colleague from Nevada bringing this forward. I hope we can work out a reasonable and prudent way to address what I consider to be a critical issue—many people consider to be a critical issue in front of the country. I say we still may be able to get to an agreement that would get ample time and opportunity for the Senate to speak on this timely legislation.

I therefore ask unanimous consent for the following modifications to this pending request. I ask unanimous consent that on Friday, June 14, the Senate proceed to the bill just mentioned, introduced by Senator KENNEDY, Senator HATCH, and others, and that Senator LANDRIEU, myself, and Senator HUTCHISON be permitted to offer up to four relevant amendments to the bill; further, I ask unanimous consent that these amendments be in order notwithstanding the provisions of rule XXII, and that no other amendments be in order to the bill.

The PRESIDING OFFICER. Does the Senator so modify his request?

Mr. REID. I do not.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Then I am afraid I must object and I do object.

The PRESIDING OFFICER. Objection is heard. The Senator from Nevada.

Mr. REID. Mr. President, I am, of course, disappointed. Many people

worked long and hard to come up with this agreement. Senator DASCHLE, I believe, has fulfilled his commitment. As I understand it, the only dispute is to when the respective votes should occur, and I submit that shouldn't matter that much, but that is the unanimous consent agreement that was propounded. Senator DASCHLE has worked with others long and hard. Maybe later we can work something else out. At the present time, I think Senator DASCHLE has fulfilled his commitment.

UNANIMOUS CONSENT AGREEMENT—S. 2600

Mr. REID. I ask unanimous consent that at 10 a.m. tomorrow the Senate proceed to the consideration of Calendar No. 410, S. 2600, the terrorism insurance bill.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Reserving the right to object, I ultimately will not object, but I want to propose that the unanimous consent request be amended to read as follows: I ask unanimous consent that at a time determined by the majority leader, after consultation with the Republican leader, the Senate proceed to the consideration of Calendar No. 252, H.R. 3210, and it be considered under the following limitations, the only amendments in order be the following: A substitute amendment by Senator GRAMM and myself, the text of which will be printed in the RECORD upon the granting of the consent; three relevant first-degree amendments to the substitute to be offered by each leader or their designees, and that no motions to recommit be in order; I further ask unanimous consent that, following a vote on or in relation to the above-listed first-degree amendments and any debate time, there be a vote on or in relation to the substitute amendment; finally, I ask unanimous consent that when and if the bill is passed, the Senate then insist on its amendment and request a conference with the House on the disagreeing votes.

Mr. REID. Mr. President, it is my understanding—

The PRESIDING OFFICER. Does the Senator so modify his request?

Mr. REID. Mr. President, reserving the right to respond to the Chair, I would simply say this: We have been through this now for months. I have been down here on a number of occasions, trying to get something that we believe will expedite this very important legislation. We have tried one amendment on each side, two amendments on each side, three amendments on each side. I think we finally got to five amendments on each side. I think the best thing to do is just get to the bill. It is an important piece of legislation and if it is as important as the major industries believe it is, we are

going to complete this bill in a reasonable period of time. So I do not consent to the modification.

The PRESIDING OFFICER. Objection is heard. Is there objection to the request from the Senator from Nevada?

Mr. GRAMM. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. I am not going to object. I just want to say we are bringing up a bill that was not reported by the committee of jurisdiction. There has been an effort underway by many of us to try to reach a bipartisan consensus, and it may very well be that this is the only route we can take. I happen to be one of the people around here who believes that we should have passed the bill last year. I was for a bill.

I would like to say today that this is a hard way to do it, and it is going to mean we are going to have to do a lot of amendments on the floor that we should have done in committee. I hope, therefore, that we are not going to find ourselves in a position where we are going to have an effort to cloture the bill.

If the bill had come out of committee, if there were some kind of consensus, then I think you could understand that, if people were raising extraneous amendments. But I am hoping we are going to have time for debate. I think there will be a real possibility that we will have to have maybe 10 or 12 or 15 real amendments on the subject, amendments on which we will have to work our will. I hope we will not have that process cut off with cloture.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Further reserving the right to object, let me add to what the Senator from Texas has said. Ultimately I will not object, either. But both of us believe that we have put together a proposal that should have been the base bill. I think I can speak for the Senator from Texas and myself: We have some direction from the administration now as to what kind of legislation they might ultimately sign. I have in my hand a letter addressed to the Republican leader, signed by the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the National Economic Council, and the Council of Economic Advisers indicating that a bill that makes the victims of terrorist attacks a subject of punitive damages and that opens up this whole area for further predatory lawsuits will not be signed by the President. They will recommend to the President a veto.

I share the view of the Senator from Texas that the amendments to this bill certainly ought to be germane to the subject. The amendments that this Senator is going to offer will certainly be germane to the subject. Just so everybody will know what the Senator from Texas and I had put together, what we thought would be the best way

to go as the best bill that will be available to everyone, I ask unanimous consent to have two things printed in the RECORD: First, the letter signed by the Secretary of the Treasury, dated June 10.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE TREASURY,
Washington, DC, June 10, 2002.

Hon. TRENT LOTT,
Senate Republican Leader, U.S. Senate, Washington, DC.

DEAR SENATOR LOTT: The War on Terrorism must be fought on many fronts. From an economic perspective, we must minimize the risks and consequences associated with potential acts of terror. No measure is more important to mitigating the economic effects of terrorist events than the passage of terrorism insurance legislation.

Last November 1, the Administration publicly agreed to bipartisan legislation negotiated with Chairman Sarbanes, Chairman Dodd, Senator Gramm and Senator Enzi. While the House of Representatives quickly responded to this urgent need by passing appropriate legislation, the Senate did not act and has not passed any form of terrorism legislation in the intervening seven months.

The absence of federal legislation is having a palpable and severe effect on our economy and is costing America's workers their jobs. In the first quarter of this year, commercial real estate construction was down 20 percent. The disruption of terrorism coverage makes it more difficult to operate, acquire, or refinance property, leading to diminished bank lending for new construction projects and lower asset values for existing properties. The Bond Market Association has said that more than \$7 billion worth of commercial real estate activity has been suspended or cancelled due to the lack of such insurance. Last week, Moody's Investors Service announced that 14 commercial mortgage-backed transactions could be downgraded due to a lack of such insurance.

Without such insurance, the economic impact of another terrorist attack would be much larger, including major bankruptcies, layoffs and loan defaults. While we are doing everything we can to stop another attack, we should minimize the widespread economic damage to our economy should such an event occur.

One important issue for the availability of terrorism insurance is the risk of unfair or excessive litigation against American companies following an attack. Many for-profit and charitable entities have been unable to obtain affordable and adequate insurance, in part because of the risk that they will be unfairly sued for the acts of international terrorists.

To address this risk at least two important provisions are essential. First, provisions for an exclusive federal cause of action and consolidation of all cases arising out of terrorist attacks, like those included in the Air Transportation Safety and System Stabilization Act, are necessary to provide for reasonable and expeditious litigation.

Second, the victims of terrorism should not have to pay punitive damages. Punitive damages are designed to punish criminal or near-criminal wrongdoing. Of course such sanctions are appropriate for terrorists. But American companies that are attacked by terrorists should not be subject to predatory lawsuits. The availability of punitive damages in terrorism cases would result in inequitable relief for injured parties, threaten bankruptcies for American companies and a loss of jobs for American workers.

It is also clear that the potential for massive damages imposed on companies that suffer from acts of terror would endanger our economic recovery from a terrorist attack. Indeed, the added risks and legal uncertainty hanging over the economy as a result of last September 11th are major factors inhibiting a business willingness to invest and to create jobs. It makes little economic sense to pass a terrorism insurance bill that leaves our economy exposed to such inappropriate and needless legal uncertainty.

The bipartisan public agreement reached between the Administration and Chairman Sarbanes, Chairman Dodd, Senator Gramm and Senator Enzi last fall provided these minimum safeguards. We would recommend that the President not sign any legislation that leaves the American economy and victims of terrorist acts subject to predatory lawsuits and punitive damages.

The American people and our economy have waited seven months since our public agreement on legislation. The process must move forward. Prompt action by the Senate on this vitally important legislation is needed now.

Sincerely,

PAUL H. O'NEILL,
Secretary of the Treasury.

MITCHELL E. DANIELS,
Director, Office of Management and Budget.

LAWRENCE LINDSEY,
Director, National Economic Council.

R. GLENN HUBBARD,
Director, Council of Economic Advisors.

Mr. MCCONNELL. We would like also to include the bill that Senator GRAMM and I had hoped would be the base bill that we took up, one that we are confident the President would have embraced and signed. I ask unanimous consent that be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Terrorism Risk Insurance Act of 2002".

SEC. 2. CONGRESSIONAL FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) property and casualty insurance firms are important financial institutions, the products of which allow mutualization of risk and the efficient use of financial resources and enhance the ability of the economy to maintain stability, while responding to a variety of economic, political, environmental, and other risks with a minimum of disruption;

(2) the ability of businesses and individuals to obtain property and casualty insurance at reasonable and predictable prices, in order to spread the risk of both routine and catastrophic loss, is critical to economic growth, urban development, and the construction and maintenance of public and private housing, as well as to the promotion of United States exports and foreign trade in an increasingly interconnected world;

(3) the ability of the insurance industry to cover the unprecedented financial risks presented by potential acts of terrorism in the United States can be a major factor in the recovery from terrorist attacks, while maintaining the stability of the economy;

(4) widespread financial market uncertainties have arisen following the terrorist attacks of September 11, 2001, including the absence of information from which financial institutions can make statistically valid estimates of the probability and costs of future terrorist events, and therefore the size, finding, and allocation of the risk of loss caused by such acts of terrorism;

(5) a decision by property and casualty insurers to deal with such uncertainties, either by terminating property and casualty coverage for losses arising from terrorist events, or by radically escalating premium coverage to compensate for risks of loss that are not readily predictable, could seriously hamper ongoing and planned construction, property acquisition, and other business projects, generate a dramatic increase in rents, and otherwise suppress economic activity and

(6) the United States Government should provide temporary financial compensation to insured parties, contributing to the stabilization of the United States economy in a time of national crisis, while the financial services industry develops the systems, mechanisms, products, and programs necessary to create a viable financial services market for private terrorism risk insurance.

(b) **PURPOSE.**—The purpose of this Act is to establish a temporary Federal program that provides for a transparent system of shared public and private compensation for insured losses resulting from acts of terrorism, in order to—

(1) protect consumers by addressing market disruptions and ensure the continued widespread availability and affordability of property and casualty insurance for terrorism risk; and

(2) allow for a transitional period for the private markets to stabilize, resume pricing of such insurance and build capacity to absorb any future losses, while preserving State insurance regulation and consumer protections.

SEC. 3. DEFINITIONS.

In this Act, the following definitions shall apply:

(1) **ACT OF TERRORISM.**—

(A) **CERTIFICATION.**—The term “act of terrorism” means any act that is certified by the Secretary, in concurrence with the Secretary of State, and the Attorney General of the United States—

(i) to be a violent act or an act that is dangerous to—

- (I) human life;
- (II) property; or
- (III) infrastructure;

(ii) to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel described in paragraph (3)(A)(ii); and

(iii) to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

(B) **LIMITATION.**—No act or event shall be certified by the Secretary as an act of terrorism if—

(i) the act or event is committed in the course of a war declared by the Congress; or

(ii) losses resulting from the act or event, in the aggregate, do not exceed \$5,000,000.

(C) **DETERMINATION FINAL.**—Any certification of, or determination not to certify, an act of terrorism under this paragraph shall be final, and shall not be subject to judicial review.

(2) **BUSINESS INTERRUPTION COVERAGE.**—The term “business interruption coverage”—

(A) means coverage of losses for temporary relocation expenses and ongoing expenses, including ordinary wages, where—

(i) there is physical damage to the business premises of such magnitude that the business cannot open for business;

(ii) there is physical damage to other property that totally prevents customers or employees from gaining access to the business premises; or

(iii) the Federal, State, or local government shuts down an area due to physical or environmental damage, thereby preventing customers or employees from gaining access to the business premises; and

(B) does not include lost profits, other than in the case of a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and applicable regulations thereunder) in any case described in clause (i), (ii), or (iii) of subparagraph (A).

(3) **INSURED LOSS.**—The term “insured loss”—

(A) means any loss resulting from an act of terrorism that is covered by primary property and casualty insurance, including business interruption coverage, issued by a participating insurance company, if such loss—

(i) occurs within the United States; or

(ii) occurs to an air carrier (as defined in section 40102 of title 49, United States Code) or to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; and

(B) excludes coverage under any life or health insurance.

(4) **NAIC.**—The term “NAIC” means the National Association of Insurance Commissioners.

(5) **PARTICIPATING INSURANCE COMPANY.**—The term “participating insurance company” means any insurance company, including any subsidiary or affiliate thereof—

(A) that—

(i) is licensed or admitted to engage in the business of providing primary insurance in any State, and was so licensed or admitted on September 11, 2001; or

(ii) is not licensed or admitted as described in clause (i), if it is an eligible surplus line carrier listed on the Quarterly Listing of Alien Insurers of the NAIC, or any successor thereto;

(B) that receives direct premiums for any type of commercial property and casualty insurance coverage or that, not later than 21 days after the date of enactment of this Act, submits written notification to the Secretary of its intent to participate in the Program with regard to personal lines of property and casualty insurance; and

(C) that meets any other criteria that the Secretary may reasonably prescribe.

(6) **PERSON.**—The term “person” means any individual, business or nonprofit entity (including those organized in the form of a partnership, limited liability company, corporation, or association), trust or estate, or a State or political subdivision of a State or other governmental unit.

(7) **PROGRAM.**—The term “Program” means the Terrorism Insured Loss Shared Compensation Program established by this Act.

(8) **PROPERTY AND CASUALTY INSURANCE.**—The term “property and casualty insurance”—

(A) means commercial lines of property and casualty insurance;

(B) includes personal lines of property and casualty insurance, if a notification is made in accordance with paragraph (5)(B); and

(C) does not include—

(i) Federal crop insurance issued or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); or

(ii) private mortgage insurance, as that term is defined in section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901).

(9) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

(10) **STATE.**—The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and each of the United States Virgin Islands.

(11) **UNITED STATES.**—The term “United States” means all States of the United States and includes the territorial seas of the United States.

SEC. 4. TERRORISM INSURED LOSS SHARED COMPENSATION PROGRAM.

(a) **ESTABLISHMENT OF PROGRAM.**—

(1) **IN GENERAL.**—There is established in the Department of the Treasury the Terrorism Insured Loss Shared Compensation Program.

(2) **AUTHORITY OF THE SECRETARY.**—Notwithstanding any other provision of State or Federal law, the Secretary shall administer the Program, and shall pay the Federal share of compensation for insured losses in accordance with subsection (e).

(b) **CONDITIONS FOR FEDERAL PAYMENTS.**—No payment may be made by the Secretary under subsection (e), unless—

(1) a person that suffers an insured loss, or a person acting on behalf of that person, files a claim with a participating insurance company;

(2) the participating insurance company provides clear and conspicuous disclosure to the policyholder of the premium charged for insured losses covered by the Program and the Federal share of compensation for insured losses under the Program—

(A) in the case of any policy covering an insured loss that is issued on or after the date of enactment of this Act, in the policy, at the time of offer, purchase, and renewal of the policy; and

(B) in the case of any policy that is issued before the date of enactment of this Act, not later than 90 days after that date of enactment;

(3) the participating insurance company processes the claim for the insured loss in accordance with its standard business practices, and any reasonable procedures that the Secretary may prescribe; and

(4) the participating insurance company submits to the Secretary, in accordance with such reasonable procedures as the Secretary may establish—

(A) a claim for payment of the Federal share of compensation for insured losses under the Program;

(B) written verification and certification—

- (i) of the underlying claim; and
- (ii) of all payments made for insured losses; and

(C) certification of its compliance with the provisions of this subsection.

(c) **MANDATORY PARTICIPATION; MANDATORY AVAILABILITY.**—Each insurance company that meets the definition of a participating insurance company under section 3—

(1) shall participate in the Program;

(2) shall make available in all of its property and casualty insurance policies (in all of its participating lines), coverage for insured losses; and

(3) shall make available property and casualty insurance coverage for insured losses that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than acts of terrorism.

(d) **PARTICIPATION BY SELF INSURED ENTITIES.**—

(1) **DETERMINATION BY THE SECRETARY.**—The Secretary may, in consultation with the NAIC, establish procedures to allow participation in the Program by municipalities and other governmental or quasi-governmental entities (and by any other entity, as the Secretary deems appropriate) operating through

self insurance arrangements that were in existence on September 11, 2001, but only if the Secretary makes a determination with regard to participation by any such entity before the occurrence of an act of terrorism in which the entity incurs an insured loss.

(2) **PARTICIPATION.**—If the Secretary makes a determination to allow an entity described in paragraph (1) to participate in the Program, all reports, conditions, requirements, and standards established by this Act for participating insurance companies shall apply to any such entity, as determined to be appropriate by the Secretary.

(e) **SHARED INSURANCE LOSS COVERAGE.**—

(1) **FEDERAL SHARE.**—

(A) **IN GENERAL.**—Subject to the cap on liability under paragraph (2) and the limitation under paragraph (6), the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on the date of the enactment of this Act and ending at midnight on December 31, 2003 shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$10,000,000,000.

(B) **EXTENSION PERIOD.**—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2004 and ending at midnight on December 31, 2004, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$20,000,000,000, subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).

(C) **PRO RATA SHARE.**—If, during the period described in subparagraph (A) (or during the period described in subparagraph (B), if the Program is extended in accordance with section 6), the aggregate insured losses for that period exceed \$10,000,000,000, the Secretary shall determine the pro rata share for each participating insurance company of the Federal share of compensation for insured losses calculated under subparagraph (A).

(2) **CAP ON ANNUAL LIABILITY.**—Notwithstanding paragraph (1), or any other provision of Federal or State law, if the aggregate insured losses exceed \$100,000,000,000 during any period referred to in subparagraph (A) and (B) of paragraph (1)—

(A) the Secretary shall not make any payment under this Act for any portion of the amount of such losses that exceeds \$100,000,000,000; and

(B) participating insurance companies shall not be liable for the payment of any portion of the amount that exceeds \$100,000,000,000.

(3) **NOTICE TO CONGRESS.**—The Secretary shall notify the Congress if estimated or actual aggregate insured losses exceed \$100,000,000,000 in any period described in paragraph (1), and the Congress shall determine the procedures for and the source of any such excess payments.

(4) **FINAL NETTING.**—The Secretary shall have sole discretion to determine the time at which claims relating to any insured loss or act of terrorism shall become final.

(5) **DETERMINATION FINAL.**—Any determination of the Secretary under this subsection shall be final, and shall not be subject to judicial review.

(6) **IN-FORCE REINSURANCE AGREEMENTS.**—For policies covered by reinsurance contracts in force on the date of enactment of this Act, until the in-force reinsurance contract is renewed, amended, or has reached its 1-year anniversary date, any Federal share of compensation due to a participating insurance company for insured losses during the

effective period of the Program shall be shared—

(A) with all reinsurance companies to which the participating insurance company has ceded some share of the insured loss pursuant to an in-force reinsurance contract; and

(B) in a manner that distributes the Federal share of compensation for insured losses between the participating insurance company and the reinsurance company or companies in the same proportion as the insured losses would have been distributed if the Program did not exist.

SEC. 5. GENERAL AUTHORITY AND ADMINISTRATION OF CLAIMS.

(a) **GENERAL AUTHORITY.**—The Secretary shall have the powers and authorities necessary to carry out the Program, including authority—

(1) to investigate and audit all claims under the Program; and

(2) to prescribe regulations and procedures to implement the Program.

(b) **INTERIM RULES AND PROCEDURES.**—The Secretary shall issue interim final rules or procedures specifying the manner in which—

(1) participating insurance companies may file, verify, and certify claims under the Program;

(2) the Secretary shall publish or otherwise publicly announce the applicable percentage of insured losses that is the responsibility of participating insurance companies and the percentage that is the responsibility of the Federal Government under the Program;

(3) the Federal share of compensation for insured losses will be paid under the Program, including payments based on estimates of or actual aggregate insured losses;

(4) the Secretary may, at any time, seek repayment from or reimburse any participating insurance company, based on estimates of insured losses under the Program, to effectuate the insured loss sharing provisions contained in section 4;

(5) each participating insurance company that incurs insured losses shall pay its pro rata share of insured losses, in accordance with section 4; and

(6) the Secretary will determine any final netting of payments for actual insured losses under the Program, including payments owed to the Federal Government from any participating insurance company and any Federal share of compensation for insured losses owed to any participating insurance company, to effectuate the insured loss sharing provisions contained in section 4.

(c) **SUBROGATION RIGHTS.**—The United States shall have the right of subrogation with respect to any payment made by the United States under the Program.

(d) **CONTRACTS FOR SERVICES.**—The Secretary may employ persons or contract for services as may be necessary to implement the Program.

(e) **CIVIL PENALTIES.**—The Secretary may assess civil money penalties for violations of this Act or any rule, regulation, or order issued by the Secretary under this Act relating to the submission of false or misleading information for purposes of the Program, or any failure to repay any amount required to be reimbursed under regulations or procedures described in section 5(b). The authority granted under this subsection shall continue during any period in which the Secretary's authority under section 6(d) is in effect.

SEC. 6. TERMINATION OF PROGRAM; DISCRETIONARY EXTENSION.

(a) **TERMINATION OF PROGRAM.**—

(1) **IN GENERAL.**—The Program shall terminate at midnight on December 31, 2003, unless the Secretary—

(A) determines, after considering the report and finding required by this section,

that the program should be extended for one additional year, until midnight on December 31, 2004; and

(B) promptly notifies the Congress of such determination and the reasons therefor.

(2) **DETERMINATION FINAL.**—The determination of the Secretary under paragraph (2) shall be final, and shall not be subject to judicial review.

(3) **TERMINATION AFTER EXTENSION.**—If the program is extended under paragraph (1), the Program shall terminate at midnight on December 31, 2004.

(b) **REPORT TO CONGRESS.**—Not later than 9 months after the date of enactment of this Act the Secretary shall submit a report to Congress—

(1) regarding—

(A) the availability of insurance coverage for acts of terrorism;

(B) the affordability of such coverage, including the effect of such coverage on premiums; and

(C) the capacity of the insurance industry to absorb future losses resulting from acts of terrorism, taking into account the profitability of the insurance industry; and

(2) that considers—

(A) the impact of the program on each of the factors described in paragraph (1); and

(B) the probable impact on such factors and on the United States economy if the Program terminates at midnight on December 31, 2003.

(c) **FINDING REQUIRED.**—A determination under subsection (a) to extend the program shall be based on a finding by the Secretary that—

(1) widespread market uncertainties continue to disrupt the ability of insurance companies to price insurance coverage for losses resulting from acts of terrorism, thereby resulting in the continuing unavailability of affordable insurance for consumers; and

(2) extending the program for an additional year would likely encourage economic stabilization and facilitate a transition to a viable market for private terrorism risk insurance.

(d) **CONTINUING AUTHORITY TO PAY OR ADJUST COMPENSATION.**—Following the termination of the Program under subsection (a), the Secretary may take such actions as may be necessary to ensure payment, reimbursement, or adjustment of compensation for insured losses arising out of any act of terrorism occurring during the period in which the Program was in effect under this Act, in accordance with the provisions of section 4 and regulations promulgated thereunder.

(e) **REPEAL; SAVINGS CLAUSE.**—This act is repealed at midnight on the final termination date of the Program under section (a), except that such repeal shall not be construed—

(1) to prevent the Secretary from taking, or causing to be taken, such actions under subsection (d) of this section and sections 4(e)(4), 4(e)(5), 5(a)(1), 5(c), and (e) (as in effect on the day before the date of such repeal), and applicable regulations promulgated thereunder, during any period in which the authority of the Secretary under subsection (d) of this section is in effect; or

(2) to prevent the availability of funding under section 9(b) during any period in which authority of the Secretary under subsection (d) of this section is in effect.

(f) **SENSE OF THE CONGRESS.**—It is the sense of the Congress that the Secretary should make any determination under subsection (a) in sufficient time to enable participating insurance companies to include coverage for acts of terrorism in their policies for 2004.

(g) **STUDY AND REPORT ON SCOPE OF THE PROGRAM.**—

(1) **STUDY.**—The Secretary, after consultation with the NAIC, representatives of the

insurance industry, and other experts in the insurance field, shall conduct a study of the potential effects of acts of terrorism on the availability of life insurance and other lines of insurance coverage.

(2) **REPORT.**—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit a report to the Congress on the results of the study conducted under paragraph (1).

(h) **REPORTS REGARDING TERRORISM RISK INSURANCE PREMIUMS.**—

(1) **REPORT TO THE NAIC.**—Beginning 6 months after the date of enactment of this Act, and every 6 months thereafter, each participating insurance company shall submit a report to the NAIC that states the premium rates charged by that participating insurance company during the preceding 6-month period for insured losses covered by the Program, and includes an explanation of and justification for those rates.

(2) **REPORTS FORWARDED.**—The NAIC shall promptly forward copies of each report submitted under paragraph (1) to the Secretary, the Secretary of commerce, the Chairman of the Federal Trade Commission, and the Comptroller General of the United States.

(3) **ANNUAL REPORT TO CONGRESS.**—

(A) **IN GENERAL.**—The Secretary, the Secretary of Commerce and the Chairman of the Federal Trade Commission shall submit joint reports to Congress and the Comptroller General of the United States summarizing and evaluating the reports forward under paragraph (2).

(B) **TIMING.**—The reports required under subparagraph (A) shall be submitted—

(i) 9 months after the date of enactment of this Act; and

(ii) 12 months after the date of submission of the first report under clause (i).

(4) **GAO EVALUATION AND REPORT.**—

(A) **EVALUATION.**—The Comptroller General of the United States shall evaluate each report submitted under paragraph (3), and upon request, the Secretary, the Secretary of Commerce, the Chairman of the Federal Trade Commission, and the NAIC shall provide to the Comptroller all documents, records, and any other information that the Comptroller deems necessary to carry out such evaluation.

(B) **REPORT TO CONGRESS.**—Not later than 90 days after receipt of each report submitted under paragraph (3), the Comptroller General of the United States shall submit to Congress a report of the evaluation required by subparagraph (A).

SEC. 7. PRESERVATION OF STATE LAW.

Nothing in this Act shall affect the jurisdiction or regulatory authority of the insurance commissioner (or any agency or office performing like functions) of any State over any participating insurance company or other person—

(1) except as specifically provided in this Act; and

(2) except that—

(A) the definition of the term “act of terrorism” in section 3 shall be the exclusive definition of that term for purposes of compensation for insured losses under this Act, and shall preempt any provision of State law that is inconsistent with that definition, to the extent that such provision of law would otherwise apply to any type of insurance covered by this Act;

(B) during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002, rates for terrorism risk insurance covered by this Act and filed with any State shall not be subject to prior approval or a waiting period, under any law of a State that would otherwise be applicable, except that nothing in this Act affects the ability of any State to invalidate

a rate as excessive, inadequate, or unfairly discriminatory; and

(C) during the period beginning on the date of enactment of this Act and for so long as the Program is in effect, as provided in section 6 (including any period during which the authority of the Secretary under section 6(d) is in effect), books and records of any participating insurance company that are relevant to the Program shall be provided, or caused to be provided, to the Secretary or the designee of the Secretary, upon request by the Secretary or such designee, notwithstanding any provision of the laws of any State prohibiting or limiting such access.

SEC. 8. SENSE OF THE CONGRESS REGARDING CAPACITY BUILDING.

It is the sense of the Congress that the insurance industry should build capacity and aggregate risk to provide affordable property and casualty insurance coverage for terrorism risk.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS; PAYMENT AUTHORITY.

(a) **ADMINISTRATIVE EXPENSES.**—There are authorized to be appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary for administrative expenses of the Program, to remain available until expended.

(b) **PAYMENT AUTHORITY.**—This Act constitutes payment authority in advance of appropriation Acts, and represents the obligation of the Federal Government to provide for the Federal share of compensation for insured losses under the Program.

SEC. 10. PROCEDURES FOR CIVIL ACTIONS.

(a) **FEDERAL CAUSE OF ACTION.**—

(1) **IN GENERAL.**—There shall exist a Federal cause of action for claims arising out of or resulting from an act of terrorism, which shall be the exclusive cause of action and remedy for such claims, except as provided in subsection (f).

(2) **PREEMPTION OF STATE ACTIONS.**—All State causes of action of any kind for claims arising out of or resulting from an act of terrorism that are otherwise available under State law, are hereby preempted, except as provided in subsection (f).

(b) **GOVERNING LAW.**—The substantive law for decision in an action described in subsection (a)(1) shall be derived from the law, including applicable choice of law principles, of the State in which the act of terrorism giving rise to the action occurred, except to the extent that—

(1) the law, including choice of law principles, of another State is determined to be applicable to the action by the district court hearing the action; or

(2) otherwise applicable State law (including that determined under paragraph (1), is inconsistent with or otherwise preempted by Federal law.

(c) **FEDERAL JURISDICTION.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, not later than 90 days after the date of the occurrence of an act of terrorism, the Judicial Panel on Multidistrict Litigation shall assign a single Federal district court to conduct pretrial and trial proceedings in all pending and future civil actions for claims arising out of or resulting from that act of terrorism.

(2) **SELECTION CRITERIA.**—The Judicial Panel on Multidistrict Litigation shall select and assign the district court under paragraph (1) based on the convenience of the parties and the just and efficient conduct of the proceedings.

(3) **JURISDICTION.**—The district court assigned by the Judicial Panel on Multidistrict Litigation shall have original and exclusive jurisdiction over all actions under paragraph (1). For purposes of personal jurisdiction, the

district court assigned by the Judicial Panel on Multidistrict Litigation shall be deemed to sit in all judicial districts in the United States.

(4) **TRANSFER OF CASES FILED IN OTHER FEDERAL COURTS.**—Any civil action for claims arising out of or resulting from an act of terrorism that is filed in a Federal district court other than the Federal district court assigned by the Judicial Panel on Multidistrict Litigation under paragraph (1) shall be transferred to the Federal district court so assigned.

(5) **REMOVAL OF CASES FILED IN STATE COURTS.**—Any civil action for claims arising out of or resulting from an act of terrorism that is filed in a State court shall be removable to the Federal district court assigned by the Judicial Panel on Multidistrict litigation under paragraph (1).

(d) **APPROVAL OF SETTLEMENTS.**—Any settlement between the parties of a civil action described in this section for claims arising out of or resulting from an act of terrorism shall be subject to prior approval by the Secretary after consultation by the Secretary with the Attorney General.

(e) **LIMITATION ON DAMAGES.**—

(1) **IN GENERAL.**—Punitive or exemplary damages shall not be available for any losses in any action described in subsection (a)(1), including any settlement described in subsection (d), except where—

(A) punitive or exemplary damages are permitted by applicable State law; and

(B) the harm to the plaintiff was caused by a criminal act or course of conduct for which the defendant was convicted under Federal or State criminal law, including a conviction based on a guilty plea or plea of nolo contendere.

(2) **PROTECTION OF TAXPAYER FUNDS.**—Any amounts awarded in, or granted in settlement of, an action described in subsection (a)(1) that are attributable to punitive or exemplary damages allowable under paragraph (1) of this subsection shall not count as insured losses for purposes of this Act.

(f) **CLAIMS AGAINST TERRORISTS.**—Nothing in this section shall in any way be construed to limit the ability of any plaintiff to seek any form of recovery from any person, government, or other entity that was a participant in, or aider and abettor of, any act of terrorism.

(g) **EFFECTIVE PERIOD.**—This section shall apply only to actions described in subsection (a)(1) arising out of or resulting from acts of terrorism that occur during the effective period of the Program, including any applicable extension period.

THE PRESIDING OFFICER. The Republican leader.

Mr. LOTT. Reserving the right to object, I will be brief and I will not object. I think we should go ahead and get an agreement to proceed on this bill because there has been a lot of effort over a long period of time to try to work out some substance, some process for considering it, the numbers of amendments that would be offered. Having been through all of that, I think it is time we just go forward. We could not get an agreement to limit amendments anyway. I believe there are going to be a lot of amendments that relate to the subject matter that will be offered and we will have a good debate.

I do want to make two observations. There was a bipartisan bill. There was a bill, I had the impression, that had been worked out with Senator SARBANES, I thought Senator DODD, and

Senator GRAMM at the committee level, although it was not reported out, that would have had some limits on liability, but all of a sudden it disappeared from the committee itself, went to some other venue, and it came up with the substance as it is now. I do not think that is the way business should be done around here, and every time it is done that way, which was the case, in my opinion, on the energy bill and on an agriculture bill, you get into a great big fracas and have a lot of trouble.

But I think the issue is important. I am sure there are very strong feelings for it and some against it.

But I emphasize the point that Senator McCONNELL made a moment ago. We need this legislation passed because of the confidence it will provide to this sector of the economy. But it will not be signed into law without some limits on liabilities. We cannot and we will not—and the President will not—allow the plaintiff's lawyers of this country to get this kind of access to the Treasury of the United States of America. I think everybody needs to understand that.

We should do this. We are going forward. But in the end we are not going to have a bill without limits on liabilities.

With that, I withdraw my reservation.

Mr. DASCHLE. Mr. President, in the days and weeks following September 11, this Senate passed an unprecedented series of measures to help heal our wounded nation, protect America from future terrorist attacks, and bring to justice those who attacked us.

Those days were among the most difficult any of us has ever experienced in our public lives. They were also some of our proudest days as Senators—because we were united. Because we rose to a challenge that few of us could have imagined until then.

Today—nearly 9 months after the terrorist attacks we have not yet addressed the growing inability of many businesses to purchase adequate, affordable terrorism insurance.

Democrats have made repeated good-faith offers to reach a bipartisan solution to this difficult problem. This Senate could have passed a terrorism insurance bill months ago—and it could already be law. The only reason it is not is because a small group of Senators in the other party are determined to use terrorism re-insurance as cover to push through radical changes in our legal system that they know do not have sufficient support to pass on their own merits. They are holding terrorism insurance, and America's economic security, hostage to try to force through an agenda that has nothing to do with September 11th, or with the threat of future terrorist attacks.

Enough is enough. Last Friday, Senator DODD introduced a good, balanced terrorism insurance bill, S-2600. I am now calling up that bill to see where the votes fall. We need to stop playing politics with this critical issue.

I want to thank Senator DODD for the extraordinary patience and leadership he has demonstrated on this issue over so many months. I also want to thank a number of our other colleagues—especially Senator SARBANES, Senator SCHUMER and Senator REID—for their help in producing this bill, as well as their many efforts to reach a bipartisan agreement on this matter.

President Bush has asked the Senate repeatedly to pass terrorism insurance. So has the commercial real estate industry, the hotel industry, and many other industries employing tens of millions of Americans. Despite their requests, a small group of Republican Senators has refused to let any terrorism insurance bill pass unless it includes their extraneous plan to dramatically overhaul major parts of America's civil justice system.

At a time when we are hearing new warnings almost every day about the possibility, even the "inevitability" of more terrorist attacks—when our economy is struggling to shake off a recession, such political gamesmanship is inexcusable.

Before September 11th, terrorist attacks on America seemed unimaginable. Now, as a result of September 11th, such acts are becoming un-insurable.

Consider a few facts:

A recent survey by The Bond Market Association shows that lenders have placed on hold or canceled more than \$7 billion in commercial mortgage loans because of "the difficulty and expense" of finding terrorism insurance coverage.

According to a recent study by Moody's, "virtually all terrorism insurance policies have some major gap, including carve-outs for certain types of terrorism and 30 day cancellation clauses." These policy gaps pose significant risks to investors.

The lack of terrorism insurance for commercial real estate is also hurting "commercial mortgage backed securities" bonds that are backed entirely by mortgages on commercial buildings. Investors in this \$270 billion market include pension funds, insurance companies and other institutions.

Moody's and Fitch recently placed 22 commercial mortgage backed securities transactions—backed by more than \$9 billion in commercial real estate loans, on a "watch list" for possible downgrade. In every one of the 22 transactions on that list, terrorism insurance for the collateral was either inadequate—or due to expire by this Fall.

In addition, major hotel companies employing thousands of Americans have lost—or will soon lose—terrorism coverage. Businesses, museums, hospitals, gaming and sports facility owners, and builders all over the country are in similar straits.

While a few insurers have come together to offer very narrow coverage, their policies they provide generally exclude coverage for nuclear, biological

and chemical attacks—the very threats the government warns us are most likely to be used by terrorists.

The growing gap in terrorism coverage threatens the stability of America's economy.

The plain fact is: private insurers, alone, cannot close this gap. The potential loss is simply too great for any one company or industry to absorb. The federal government must be a partner.

We've done it before. During World War II, the Government authorized a program, administered by private insurers, which insured property against "enemy attack." We need a similar effort today. That is what this bill is about.

The Congress is working closely with the President to improve the physical security of our nation. We should be no less vigilant in defending America's economic security from the catastrophic losses associated with terrorism. We must pass a terrorism bill. We cannot afford to let this critical measure be held hostage any longer by a handful of Senators who want to use it to pass extraneous measures. The risks to America's economic security is too great.

The President has made that clear. The market is making it clear. We need to close the terrorism insurance gap now. No more delays. We urge our colleagues to join us.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. Mr. President, if I could just say a few words before my friend from Connecticut who worked so hard on this legislation makes a few remarks, the minority should understand that Senator DASCHLE has no intention of peremptorily moving to invoke cloture. I think there should be a reasonable time for people to offer amendments. I also say that we also have to work constructively on this legislation.

The fact is that we have as a result of what is facing this country lots of bills, not the least of which is the Defense authorization bill. We have to complete that before the July 4th recess. We are going to do that.

There is a lot of work to do. The majority leader has stated publicly that this legislation is important. Senator DODD has spent untold time trying to work out an agreement. If everybody believes it as important as they say it is, then we should be able to get a bill.

I respectfully say to my friend, the Republican leader, that they have a right to offer all kinds of amendments and any amendment they want to dealing with liability, lawyers, and other things. But I hope if they lose, they do not cause us to not have a bill.

This bill is important to the real estate industry, the developers, and the people in the construction business. We have hotels, businesses, shopping centers, and they have all come to all of us. They believe this is important.

We are going to have a debate. One of the principal participants in that debate will be the Presiding Officer, who was an insurance commissioner of the third or fourth largest State in United States. He certainly has had a view that a lot of us haven't had as to what insurance is all about. We look forward to the debate with the Senator from Florida, and the debate generally. I hope it is as constructive as the debate was on the estate tax. It was a good debate over the last 2 days. When we have debates like that, it makes this body look good. I think people look not at the result as much as how we are treating each other. Senators, we should be happy. I am happy with the result we had with the estate tax. But the debate was good. People had a chance to voice their opinions. I hope we do just as well on this important legislation on terrorism insurance.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank the distinguished majority whip, Senator REID, for propounding the unanimous consent request. I thank the distinguished Republican leader for agreeing to allow this to go forward, and my colleague from Texas, and colleague from Kentucky, who have had a long-standing interest in the subject matter, as many Members have, including the Presiding Officer. And other Members have come to me over time with various ideas and proposals to be included as part of the terrorism insurance package.

Let me say my good friend from Mississippi, the Republican leader, raised the issue about where we were. He is right. There was a time not so long ago—about 8 or 9 months ago—when we sat down and innocently thought that three or four Members sitting together could write something and then come to the floor, and people would say, You have done a lot of work, go ahead. As oftentimes happens, it is not unique. We thought we had put something together. We came to the floor and discovered that there were 97 other Members who had some ideas—not all 97 but a good many had other thoughts about which they felt strongly.

I don't regret the effort that my colleague from Texas and I made with Senator SARBANES of Maryland. Senator SCHUMER was involved I think to some degree in all of that, and others as well. We made a good faith effort. We thought it would work. It didn't.

December 20, I think, was the date when there was a unanimous consent request to bring the matter up. There was an objection expressed at that time. From then on, we have tried all sorts of ideas and variations that would get us to a unanimous consent where we would have a limited number of amendments to be brought up to try to focus on this bill. None of that worked.

We are now in a situation where we had a rule XIV on the bill on June 7, and this evening we avoided a cloture

motion, for which I am grateful. That would have delayed consideration of this bill.

I am not going to debate the merits or demerits of the bill tonight. I see my colleague from Maryland, the chairman of the committee, is here. He may want to be heard on this as well.

But this is an important bill. It isn't because I think it is. It is important because you hear from almost every major metropolitan area in the country now that is feeling the real pinch of a slowdown as a result of the inability and an unwillingness, for obvious reasons, of banks to lend money to major real estate and construction projects without those projects having insurance on terrorism.

In the absence of getting that, which the industry is unwilling to write because they cannot figure out how to cost all of this—that is understandable as well from the business standpoint—a lot of these projects are not moving. Jobs are being lost, and the economy is feeling the effects of it.

That is a shorthand version of what is going on. It hasn't reached such proportion yet that it would stop any kind of economic growth. But it certainly, by every estimation, is having a negative impact on our economic recovery.

Now we have put together the proposal. I know there will be amendments offered. My hope is they will be relevant amendments so they don't use this vehicle to bring up all sorts of extraneous matters.

We will try to limit the debate to some degree on the bill we are proposing and the one which I suspect will finally be adopted. Even if some amendments are accepted, it will be substantially different from what the other body proposed.

Even if we complete our work here, there is a monumental amount of work to be done to reach agreement with the other body. If we hope to get that completed at some point between now and over the August break—I hope earlier—we are going to have to finish this bill fairly quickly.

I urge Members who have an interest to come over and be heard. If you can limit your time so we can have a good debate—I hope no one intends to filibuster on this bill. That would certainly be unwise, in my view.

We will try to produce a product that will get us to conference and further refinement, and resolve the issues so we can send it to the President of the United States for his signature; and, sort of cut this Gordian knot that sits out there as a real choke point, if you will, in the economic flow of our country. That is what this is at this point.

I thank again my colleagues for not objecting to the unanimous consent request that we go to this bill. That is a good sign. I know there is still a lot of difference. But I take that as an omen that we at least can bring up this matter and try to resolve these differences. I look forward to the debate tomorrow. I believe we will be here at 10 o'clock

tomorrow to start debate on bill, and make opening statements, if they need to be made, and then engage in, hopefully, a healthy but brief debate and discussion on this important matter.

I see my colleague from Maryland here who may want to express some thoughts.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I will be very brief. I join my very able colleague from Connecticut in underscoring the importance of this legislation and the problem with which it seeks to deal. It is one that we have been wrestling with for a number of months.

I particularly commend the able Senator from Connecticut for his leadership on this issue. He has been indefatigable in focusing our attention on this matter and repeatedly insisting that we have to come to terms with this issue.

I am pleased that we are now going to be able to actually move tomorrow to the legislation and begin this important debate. I will defer my comments on the substance of this legislation until tomorrow, until that debate begins.

But Senator DODD has played a major role, an instrumental role, throughout and, obviously, has played a large part in bringing us to the point at which we are now, which offers us now the opportunity to finally address this issue.

I understand, under the consent agreement, it is a wide open consideration that lies ahead of us. I would urge my colleagues of the necessity to show some restraint as we try to do that because we are under, obviously, some very significant time pressures.

But I look forward to that debate and the opportunity to try to address this issue on its substance. We have heard, of course, a great deal from across the country about this matter.

I simply want to echo the able Senator from Connecticut in saying that I hope we can consider this matter in a very positive and constructive way. I know Members have different ideas on how we ought to go about it. We hope to be able to consider those in a reasonable and proper way and reach some conclusion, hopefully, in the near future.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

MARTIN AND GRACIA BURNHAM

Mr. BROWNBACK. Mr. President, I rise today to discuss a sad and incredibly important situation that happened last week involving citizens from my State.

The war on terrorism claimed another victim.

This past week brought about the sorrowful conclusion to a long and harrowing ordeal for three inspiring people, two of whom are from my home