

exorbitant premiums, the amount of terrorism insurance coverage that the company received for these much higher premiums was actually 50 percent less than the amount of coverage it had previously received.

In addition, the new policy excluded bioterrorism and nuclear attacks and had a deductibility of more than \$1 million. By any standard, that is a terrible burden to try to absorb, especially during an economic downturn in the wake of the terrorist attack on New York.

That is not by any means a unique story. I have heard many like it from not only real estate holders but construction contractors, stadium owners, sports teams, amusement park owners, banks, and not just in New York but people who do business, literally, all over the country.

The lack of insurance has affected the ability of many developers to close real estate deals, to complete old ones and to start new ones. So at least in our part of the world new offices, residential buildings, new hotels, and new entertainment centers are either on hold or being forced to expend much more money than any reasonable assessment of the risk should call for.

In addition, we know the reinsurance market ends on July 1, so there is urgency for us to act. I appreciate my colleagues on both sides of the aisle who are working to get this legislation passed. It is not only the private sector; it has also been a real challenge for hospitals. Again, the New York insurance superintendent has reported that hospitals were the first New York business to experience significant difficulties in obtaining adequate and affordable property coverage for their facilities.

We also have problems with our major philanthropic organizations. They operate hospitals. They operate museums. We have an across-the-board problem in getting the kind of insurance that is required, and, in many instances, what has been offered is far from adequate. Many, as I said, exclude certain kinds of terrorism. They tighten up the definition of occurrence. Then they jack up the prices so that it is not affordable anyway, even though it is not very good coverage. In many cases, the insured has no choice.

I do hope we are not only going to pass this and pass it as soon as possible, but that we will recognize another area of difficulty, and that is with respect to workers' compensation coverage. Under New York law, primary insurers providing workers' compensation coverage cannot exclude terrorism coverage. Therefore, many primary insurers are dropping their insureds and refusing to offer workers' compensation anymore at all.

I understand it was the intention of Senator DODD that workers' compensation insurance would be covered by this bill under the general rubric of commercial lines of insurance. I have some concern, however, because a number of

types of insurance are specifically defined, but workers' comp is not. I understand, though, that Senator DODD will address this issue and will make it explicitly clear that workers' compensation coverage is also covered by this legislation. I wish to thank Senator DODD and his staff for recognizing this potential oversight and moving to remedy it.

In conclusion, I am delighted that this bill is finally being debated. Many of us have been urging that it arrive as soon as it could. We are now right in the crunch period because reinsurance in most instances disappears in just a few weeks on July 1. Workers' compensation is not even being written right now in New York in many instances, so we must move.

I have said from this floor many times in the last months that when New York was attacked, it was an attack on America. The economy of New York is absolutely crucial to the full recovery of America, and there is no more important legislation than the one we are considering now to ensure that economic activity resume at the highest possible level and that we not only put New Yorkers back to work but that, because of the dynamism of the New York economy, we send out that energy that will get our national economy moving in the right direction as well.

So I thank the sponsors. I look forward to the vote on this, and I appreciate support for this important legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, while the majority leader is on the floor, I want to certainly recognize the fact that this is an important piece of legislation. We have been told that people have wanted this for months, going back to last December. Here it is, Thursday afternoon and there is no one else on the Senate floor.

As the majority leader said and as I have tried to say in representing what the majority leader has said to me, really we have to move this legislation along. There is so much left to do without our being here doing nothing.

I would say as the leader said this morning, if there are no amendments, maybe we should move to third reading, if people do not have amendments to offer. The majority leader has been very generous saying people should have the opportunity to offer all the amendments they want. There will certainly be no rush to filing a motion for cloture.

But I just say to the majority leader, I hope everyone heard what the majority leader said earlier today, that we have to move ahead. Here it is Thursday afternoon and nothing is moving.

Mr. DASCHLE. Mr. President, if I could respond to the distinguished assistant Democratic leader.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. He is absolutely right. I have indicated to the distinguished Republican leader it was not my intention to file cloture today, even though obviously that is the prerogative of the majority leader. We have no designs to do that. But we also recognize that we have a lot of work to do. It is not my intention to file cloture today. I hope colleagues who have amendments will offer them and we can have votes on them. If there are no amendments, we will move to third reading sometime very soon.

If there are objections to moving to third reading, our colleagues are going to have to come over and physically object. We cannot waste what is valuable time on the Senate floor waiting for Senators to offer amendments if there are none. So we will make our best effort to determine the degree to which there are Senators who still wish to offer amendments. Time is running out. We will move to third reading shortly if no amendments are offered.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the quorum call be rescinded.

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

#### GRANDPA DASCHLE

Mr. BYRD. Mr. President, with great pleasure, I call attention to a new Democrat's having been brought forth in this Congressional election year. With even greater pleasure, I point out that our distinguished majority leader has become a grandfather for the first time.

This new Democrat, Henry Thomas Daschle, arrived with the angels last Friday. Being a Democrat, I always welcome a new member to our party. Being a grandfather, I know the joy and pleasure that a grandchild brings.

There is nothing so wonderful as cradling in your arms a swaddled baby. It awakens in one so many emotions. It is a one-of-a-kind experience. A newborn fairy glows with freshness and the promise of the life to come.

But a grandchild is beyond special, and the birth of one's first grandchild is an experience nearly beyond verbal description.

The birth of one's own child is tempered by a certain apprehension. With this fragile baby, there also comes the responsibility of protecting and molding a tiny, dependant creature until adult status arrives. Parenthood is truly a delicate balance of bounteous love and serious responsibility.

But to become a grandparent and to see oneself being projected on, on into the eons in the future, one has really reached his first plateau of immortality. It is a higher plateau. It is a completely different kind of experience. It is pure joy. As a grandparent,

the diapers that one changes will be because one volunteers to change them. Won't have to do it. Somebody else can do it. But one volunteers to do it.

Shameless spoiling can be the order of the day without guilt. You can spoil those grandchildren and then let the parents take them home. Elder wisdom can be meted out with the sure, certain knowledge that admonishments will follow to "listen to Grandpa. He is wise."

The first grandchild, so delicate, and yet so determined to join this turbulent but wonderful world, stirs the heart and vividly demonstrates man's enduring link to the eternal. A grandchild is the sweetest, most profound measure of time's passage. In innocence and promise, that tiny being links generation to generation and embodies mankind's persistent, stubborn hope for a brighter future in spite of the difficult lessons of the past. As Carl Sandburg said: "A baby is God's opinion that life should go on."

A grandchild is living, breathing proof that significant components of the fortunate grandparents' DNA will still be in evidence hundreds of years hence. Grandpa's dimples or Grandma's curly hair will most certainly be remarked upon by future family members as they compare their own likenesses with treasured old photos in the family album.

Grand babies and great grand babies are part of the long continuum of mankind's collective experience on this lovely sun-washed planet. They are the reason we occupants of planet earth strive to make life better and commit our resources to alleviate suffering and disease. The entire rationale for every effort to improve our world, and the millions and tens of millions of good works toward that end performed by homo sapiens across the whole panoply of history, can be understood in an instant when one hears the tenuous first cry of a newborn child. It is a wonder beyond wonders; an affirmation of God's love; and a tangible demonstration that hope is not a futile emotion. And so today, I would like to dedicate these few beautiful lines by William Wordsworth to Henry Thomas Daschle and to Grandpa DASCHLE:

Our birth is but a sleep and a forgetting:  
The soul that rises with us, our life's star,  
Hath had elsewhere its setting,  
And cometh from afar;  
Not in entire forgetfulness,  
And not in utter nakedness,  
But trailing clouds of glory do we come  
From God, who is our home:  
Heaven lies about us in our infancy!

I extend my heartiest congratulations to Senator DASCHLE on his first grandchild, and I wish the best to his son, Nathan and wife Jill, who also had an important role in last Friday's grand happening.

The PRESIDING OFFICER (Mr. REED). The Senator from Nevada.

Mr. REID. Mr. President, I say to my friend from West Virginia, the distinguished senior Senator, how much I personally appreciate these kind re-

marks about Senator DASCHLE being a grandfather.

On the floor is my friend from Vermont. We have spent so many pleasant months, spending hours, I am sure, talking about our own children and how we look forward to being able to visit with our grandchildren. Senator DASCHLE will be a great grandfather. It takes those who are grandparents to really tell Senator DASCHLE, it will take a little while before he really appreciates what it means to be a grandfather, to see those beautiful children. No matter how calculated you try to be, you see those children as you.

I also congratulate my friend, Senator DASCHLE, on the birth of Henry Thomas Daschle. I have seen a picture of him, and as Senator DASCHLE told me, as far as I am concerned, he looks just like him.

Mr. LEAHY. Mr. President if I might add, I saw the same picture. Actually, Henry Thomas Daschle is better looking than our distinguished majority leader.

We have so often rancorous debate, we are always so busy, it seems our dear friend, the senior Senator from West Virginia, knows best when to come to the floor and bring us back to the human side of the Senate. He, knowing the Senate better than all of us, brings us back to the human side with poetry. My late mother used to read the CONGRESSIONAL RECORD every day looking for poems by ROBERT CARLYLE BYRD.

And today to have those who are grandparents, as Senator REID, the distinguished senior Senator from Nevada said, to pass on this wisdom to our majority leader. He is going to get this wisdom from us about being grandparents whether he wants it or not, but we will pass it on. It is the most wonderful time of your life. This will be the first of two this year, and that makes it even better.

I might say to my dear friend, the majority leader, this is a very fortunate grandchild to have him as the grandfather, just as the parents are very fortunate to have Tom and Linda Daschle to love and help this child.

The Leader will find there will come a time as the child gets a little bit older and is able to come to you with unreserved love, wanting to be with grandfather, as busy and as peripatetic a life as have the busiest people, with the greatest responsibilities of anyone in this country, all of that will come to a screeching halt when that child—my dear friend from West Virginia and dear friend from Nevada know—climbs on to your lap and says, grandpa, can you read me this book or read me this story. It has probably been read a dozen times before. I don't care whether your hotline is ringing, I don't care whether 99 Senators are calling, I don't care whether the President of the United States is calling, I don't care who it is, you will find, of course, that book that you read 10 times already

naturally, to get it right, you have to read it again. Your whole universe will go around that.

I congratulate you. Those who have been there know it truly is the best part of life. It goes beyond all the things you have accomplished, which are so great. And it was your children who did the accomplishment for you. It is the best of all possible worlds.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I am humbled and extraordinarily grateful for the generous words of my colleagues. Senator BYRD has honored me once several years ago when he was gracious enough to nominate me for the position of majority leader. Oftentimes his words are repeated in introductions all over the country, and I have not forgotten that special moment. I will be forever grateful to him for those words on that day.

But I must say I am equally honored this afternoon that Senator BYRD would come to the floor and honor my grandchild as he has. This is a very joyous occasion for my family. I must say, I believe that the words just spoken will probably be read and spoken and reiterated and kept and treasured longer than the words spoken about my nomination as majority leader. They will probably terminate when I pass, but the words spoken to my grandchild will go on for generations. So his willingness to come to the floor and speak as he has means so much to me.

I would also say, as much as I have learned from him as a Senator, that may pale in comparison to what I think I may learn from him as a grandfather. So I thank him for his kindness and for his willingness to make this moment in our lives even richer.

I do not have two dearer colleagues in the Senate than I do in Senator REID and Senator LEAHY. They are like family to us—to my wife and my children. For them to join Senator BYRD on this glorious day means so much to me. I am grateful to them for their generous words and for their willingness to join in this colloquy.

I had a special day today that I shared with Senator BYRD. Just this morning my daughter called very excitedly to say our second grandchild will be a daughter. She will be born sometime in late October or early November. So we will have one grandson and one granddaughter this year. I cannot be more blessed. I cannot feel more hopeful and happy than I do today—first, to have the recognition for our grandchild and, second, to know that this joyous occasion will be extended by yet another grandchild, who will be a granddaughter, later this year.

One of my friends once said that our children and grandchildren are messages to a future we will not see. I thought a lot about what that means, the kind of message we are sending. I can only imagine the message the Byrd grandchildren and the Reid grandchildren and the Leahy grandchildren

will be sending to that generation, that future we will not see. They will send a message of love, a message of stability, and hope, a message that they have taken from their grandfathers and grandmothers with such abundance.

It is a message about this country that is embraced in these three Senators and passed on to their children and grandchildren, a message that I think makes this such a special country. It is a country that for so many reasons gives hope and new faith to future generations through our children and our grandchildren.

I hope we can send a strong message to those future generations through our grandchildren—by reading them books, by loving them, by giving them the attention they deserve, by changing their diapers—when we want to, and by recognizing what a glorious miracle life is, in the eyes and faces of those tiny grandbabies who grow up to be the leaders of a wonderful nation.

I, again, thank my colleagues for their generous words and for making this such a special moment for me as a Senator.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. May I be so bold as to close this pleasant interlude with these words to Henry Thomas Daschle:

First in thy grandfather's arms, a new-born child,  
Thou didst weep while those around thee smiled;  
So live that in thy lasting sleep,  
Thou mayest smile, while those around thee weep.

Mr. President, I suggest the absence of a quorum.

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

Mr. SCHUMER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

#### TERRORISM RISK INSURANCE ACT OF 2002—Continued

Mr. SCHUMER. Mr. President, I ask to address the House—I mean the Senate. I am still used to the House, I am sorry. I had 18 years there. I ask to address the Senate on this issue.

The PRESIDING OFFICER. The Senator has that right.

The Senator from New York is recognized.

Mr. SCHUMER. Thank you, Mr. President.

Mr. President, I spoke briefly a bit earlier on this legislation, but now that we are getting pretty close to try to tie the final knot and get the bill done, I do want to address it once again.

First, again, I thank my colleague from Connecticut, Senator DODD, who has worked so long and hard on this legislation. I also thank the chairman of the Banking Committee, Senator SARBANES, who has been a good, careful

guider, and JON CORZINE, my colleague, as well.

The four of us have been laboring on this proposal for a very long time. I hope we can actually pass legislation tonight.

This is extremely important legislation. But it is deceptive. We are not getting many calls. When you walk into your local townhall meeting—or if I go into one of my favorite places, McGillicuddy's Pub, on Quentin Road, they don't say: Hey, CHARLIE, what's doing on terrorism insurance? It is not an issue on the lips of the average citizen. But it affects the average citizen, and greatly.

The reason is very simple: Without terrorism insurance, large numbers of construction projects will not go forward. Banks will not lend unless they can have terrorism insurance. And insurance companies, while they are offering terrorism insurance in many cases, are offering that insurance at such a high rate that many projects are simply not going forward.

What does this mean for the national economy? It is a slowly bleeding cut on the arm of our economy. But every day, when a new project is not refinanced, when a new proposal to build something large and grand does not go forward, is a day our economy is hurt.

The reason is very simple. Since 9-11, we fear terrorist attacks, and we fear them on large concentrations of economic power, of economic wealth. They could be in cities—my city, of course, has many of these—but they could also be not in cities, Disney World or Disneyland in Florida and California. The Hoover Dam, every stadium, no matter where it is in the country, is suffering effects. We have heard from the owners of baseball and football about how their costs are dramatically rising. And it will continue to occur. In fact, it will spread. The dramatic increases in costs, the failure to do new projects will continue unless we do something.

I know there are some who believe: Well, the Government should not be involved. I strongly disagree.

The Government has always been involved in cases of war. We have always been under the rule that in cases of war the Federal Government will step in.

Well, since 9-11, the rules of war have been redefined. Terrorism is war. So if I had my druthers, I would have a one-page bill, something similar to what I worked out with Secretary O'Neill, that would say: Should, God forbid, the next terrorist incident occur, the Federal Government will step in.

That is what we would do in the case of war. If, during World War II, the Germans or the Japanese had hurt the American homeland, that is what would have happened; the same thing with Korea, and the same thing when we faced the cold war with Russia. I don't know why it is any different now, but some have had objections. They don't want to see the Federal Government's role expand, even though if

there was ever a place that role should be needed, and make sense, it is here. They have opposed that.

So we came up with a compromise. The Senator from Connecticut, actually, the Senator from Texas, Mr. GRAMM, and myself had a compromise that was put on the floor in late December. We tried to have a balance between those of us who believed the Government should be fully involved and those of us who felt—on the other side, mainly—the Government should not be involved at all. We came up with a proposal.

Unfortunately, it did not come forward, not because of objections to the proposal but, rather, it ran up against the age-old whirlpool, if you will, of tort reform.

It ran up on the shoals of tort reform, as many other proposals have in this body in recent years, and nothing got done. I was delighted to see the McConnell amendment defeated for the main reason that had it passed, we would not have had a bill. It seems we have stepped past probably the greatest impediment to the proposal, and now we have other issues. I want to talk about one of those.

Before I do, I want to make a few points. First, I want to talk about my city of New York and give people some examples. Examples could occur in their cities as well. I have talked to my friend from Illinois, Senator DURBIN. The same thing is happening in Chicago. I have talked to real estate leaders in Dallas and Houston and San Francisco and Los Angeles. In all of our large cities, the same thing is occurring.

Let me cite some examples: 4 Times Square, one of our newest, most beautiful buildings known as the Conde Nast building, is in litigation with its lender due to the absence of terrorism insurance coverage. The lender, La Salle Bank and CIGNA, had threatened to invade the lockbox into which rents are deposited in order to buy \$430 million in terrorism insurance, the amount of the mortgage. The insurer for the portfolio held by the owners of 4 Times Square has refused to write coverage for this building claiming it is high profile. Even if the \$430 million of coverage was available, it wouldn't cover any of the environmental risks, nor would the owner's equity of \$450 million on this \$880 million be covered.

In downtown New York, a 1 million-square-foot office building could not obtain refinancing for the underlying mortgage of approximately \$200 million because terrorism insurance was unavailable. Finally, a lender agreed to go forward if the owner committed to pay \$1 per square foot for stand-alone terrorism insurance coverage. At the same time that the owner faced that additional \$1 million drain on cashflow, he had to absorb an increase in his regular insurance from \$110,000 to \$550,000. That additional cost did not cover mold or biological or nuclear or chemical events whether terrorist-generated