

suggestions and views expressed during the town meetings and policy options available to ensure Federal programs and entitlements are available for future generations.

With a bipartisan three-fourths majority vote, the commission will send to Congress a legislative package to implement the commission recommendations no later than 60 days after the interim report. The administration and Congress will have 90 additional days to develop actuarially equivalent proposals to achieve the same cost savings.

Essentially, no later than 16 months from the organization of the commission, Congress would be required to vote—up or down—on each proposal.

We have put in the legislation procedures for expedited consideration of the commission's legislation to ensure that the Congress acts. I do not want this to simply be another blue-ribbon commission whose findings end up on a bookshelf somewhere only to collect dust and never be acted upon.

The SAFE Commission will be comprised of 16 voting members, four appointed by the Senate Majority Leader, three by the Senate Minority Leader, four by the Speaker of the House, and three by the House Minority Leader.

Four of the 14 Congressional appointments must be sitting Members of Congress. Additionally, the Director of the Office of Management and Budget as well as the Secretary of the Treasury will serve as voting ex-officio members.

The Congressional Budget Office and the Comptroller General of the United States will be appointed as non-voting ex-officio members of the commission to lend their expertise. The President will have the ability to appoint bipartisan co-chairs from among the 10 voting members appointed by Congress.

As a father of five and grandfather of 12, the challenge posed by the pending retirement of baby boomers strikes me as much more than a routine policy discussion. Without action, just what kind of future are we leaving to our children and grandchildren?

I also deeply believe there is a moral component to this issue that goes to the heart of who we are as Americans. By that I mean, I wonder if we have lost the national will to make tough decisions that may require sacrifice?

Moreover, have we lost the political courage to reject the partisan and special interest demands and do what is best for our country?

If we remember the legacy we have inherited—the sacrifices of Washington's crossing and Antietam and so many other examples from the over two centuries of our Nation's history—and the debt we owe to previous generations—our grandparents and our parents and the sacrifices they made to make our country what it is today—I believe we all will be moved to do our duty.

I have heard criticism that such weighty decisions on the Nation's financial future are the responsibility of Congress. I couldn't agree more. The SAFE Commission has two provisions to protect congressional prerogatives. First, of the 14 members appointed to the commission, four must be sitting Members of Congress. Second, if Congress enacts significant legislation aimed at addressing this looming crisis, the SAFE Commission would terminate and cease to exist.

The SAFE Commission should be embraced by both sides of the aisle. This is a national

issue; not a Republican issue or a Democrat issue. I am open to suggestions about the legislation from members of both parties. We also welcome a forthright national dialogue.

Only by working together in a truly bipartisan manner will we be able to secure America's future economy. I believe most Americans will welcome it as well, especially considering we all want what is best for our children and grandchildren.

We must heed the cautionary words of George Washington's 1796 farewell address: "We should avoid ungenerously throwing upon posterity the burden of which we ourselves ought to bear."

I look forward to working with my colleagues to enact this legislation.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### SOLVING THE INSURANCE CRISIS FACED BY KATRINA VICTIMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. TAYLOR) is recognized for 5 minutes.

Mr. TAYLOR of Mississippi. Mr. Speaker, on behalf of the people of South Mississippi, I want to thank my fellow Americans for the incredible generosity they have shown the people of south Mississippi in the wake of Hurricane Katrina. Literally within hours of that storm, fellow Americans who were National Guardsmen, who were Coast Guardsmen, in the Armed Forces, the Army, the Navy, the Air Force and Marines. They were there helping the people of south Mississippi recover.

Since that time, the people of America dug into their pockets as taxpayers. They dug into their pockets as individuals. They sent Christmas presents, and they donated their time. From school kids to senior citizens, they all came to south Mississippi to help.

It seems like for a while everyone was trying to help south Mississippi, and then the harsh reality was that not everyone really was going to help; that there was actually an element in corporate America that thought they could use this storm as a way to make a lot of money. I am referring to the property and casualty business that insured many of the people in south Mississippi.

Mr. Speaker, almost as soon as the roads were cleared of trees and power lines and dead animals and all the things, we found, unfortunately, in the wake of Katrina, representatives of property and casualty companies were showing up on people's lots, what was left of their homes, and telling them that they had found a reason in the fine print of their policies not to pay.

Even before I made my way back to Congress, and it took about 2 weeks

after the storm for me to get here, they were already working the lobbies, buying steak dinners, buying lobster dinners, buying champagne and telling my colleagues, well, you are going to hear from those people in Mississippi; and, you know, yeah, we denied them, but they are not very smart. They didn't have enough insurance. They built their houses too close to the ground, and they flooded all the time, and that is why we had to tell them no.

So, Mr. Speaker, we need to change that. But before I tell you why we need to change it, before I need to tell you what we need to do, I want to give you a couple of examples.

Remember they said they are not very smart? This was the home of John and Molly Hadden. John has a Master's in business from Tulane University. They said their home was too close to the ground. As you can see, it was about 11 feet off the ground, or 22 feet above sea level. They said they were underinsured. If you had gone down Beach Boulevard in Bay St. Louis, Mississippi, a week before Katrina, this is what you would have seen. A beautiful home, less than 10 years old, and built to all the current standards. If you would have gone down that same road, when you could go down that road, a couple weeks after the storm, this is what you would have seen.

John Hadden, being an MBA, a pretty good businessman, knew that to replace this, should something bad happen, would cost a lot of money. He had a \$650,000 insurance policy, to which the folks from State Farm, 16 months later, have given him nothing.

If you had gone a little farther down that street before the storm you would have seen approximately a 130-year-old house owned by Joe and Betty Benvenuti. Joe is himself in the insurance business. This house had been there and survived no telling how many hurricanes, five in my lifetime, and many more prior to that. Joe, being in the insurance industry, knew the importance of being properly covered. So for this beautiful classic historic home, Joe and Betty had \$586,000 worth of insurance. Yet 16 months later, their carrier, State Farm Insurance Company, has paid them nothing, and this is what they found after the storm, by the way: a couple of their kids' trophies, a couple of bricks, maybe a toy or two laying around where the foundation used to be.

Next door to the Benvenuttis we have Mike and Eileen Chapoton. Mike is the head of the trust department of the Whitney Bank, a very, very large regional bank, a job of incredible responsibility. Again, a good businessman who thought he had done all the things you are supposed to do with all the people you are supposed to do it with to protect his home in case something bad should happen. Mike purchased \$236,000 worth of insurance through State Farm, and 16 months after the storm, he has been paid nothing.

Mr. Speaker, what State Farm says is, well, you weren't there when it happened, so we don't know how it happened. So unless you can prove to me that it wasn't a flood, we are not going to give you a dime.

Now, this leads to a couple of things. Why should a person have to stay in their home during a hurricane to get some fairness. I thought we put satellites in the sky. I thought we put buoys at sea, I thought we had the hurricane hunters fly planes into hurricanes to give us the warning to get the heck out of there. To encourage people to stay behind is only to encourage people to die. And yet the only people in south Mississippi who really got fairness from the insurance companies were the ones who stayed behind and miraculously lived, because they were an eye witness.

So we need all-perils insurance throughout our country.

The second thing. The insurance industry that told the Chapotons and the Haddens and the Benvenuttis now have the privilege of calling each other up; State Farm could call Nationwide, and say, you know what, I am not going to pay; don't you pay. And it is perfectly legal because they are exempt from the antitrust laws. That needs to change.

Lastly, because there is zero Federal regulation of the insurance industry, at this time there is absolutely nothing that I or any other Member of Congress can do about this. It is my hope that in the coming weeks we will fix all three of those problems.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### MEDICARE PRESCRIPTION DRUG BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, I first want to congratulate the Speaker for the opportunity he has to preside today. Congratulations.

Mr. Speaker, 3 years ago, Congress passed a Medicare bill that for the first time created an opportunity for many seniors to have access to strong, valuable and persistent prescription drug coverage. Although the legislation was a compromise, and in places an imperfect one, this program has proven to be a success, working for seniors with a range of circumstances and particularly valuable resource for seniors of the most limited means, many of whom are in my district.

It falls on us in this Congress to consider ways that we can further strengthen this benefit. Unfortunately,

the legislation that we have debated today, H.R. 4, is a huge and real step back and is less of a policy than a bumper sticker.

As a member of the Ways and Means Health Subcommittee, which has jurisdiction over this program, I am deeply disappointed that we had no hearings, no discussion and no opportunity for amendments to produce a real pricing reform bill with teeth and with nuance. While part D is not perfect and can be improved, it is our fundamental responsibility to put in place a policy that might build on the successes of the program, and they are substantial.

Independent estimates for the Medicare part D prescription drug benefit for the fiscal year 2008 budget cycle show that net Medicare costs are 30 percent less, about \$190 billion lower than were originally predicted when the benefit was created in 2003.

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In addition, based on strong competitive bidding by health care plans for 2007, average monthly premiums will be approximately \$22 for beneficiaries, down from \$23 in 2006 if enrollees remain in their current plans. The initial estimate for 2006 premiums was \$37. CMS has indicated that beneficiaries are saving on the average of \$1,200 annually on their drugs, and these are achievements that must be preserved.

Many people in my district like the idea of the legislation which the House Democrats put forward today. I understand how they feel. I have long felt that we could improve on the existing policy and the existing process. But what I found was that the Democrats' plan is more of a political stunt than a solution. And it isn't at all a prescription for real reform, and it is, at best, a placebo, but one that could actually reduce the benefits and the coverage for many individual seniors. To understand why, we need to recognize how much this proposal has been criticized. Even leading liberals like Urban Institute president Robert Reischauer and Brookings Institution senior fellow Alice Rivlin have expressed real qualms about an initiative that limits choices for seniors by putting government bureaucrats in charge of setting prices for prescription drugs. Reischauer recently said to The Washington Post: "People were worried no private plans would participate. Then, too many plans came forward. Then people said it's going to cost a fortune and the price came in lower than anyone thought. Then people like me said that they are low-balling the prices the first year. They will jack up the rates down the line. And lo and behold, the prices fell again. And the reaction was, we have got to have the government negotiate lower prices. At some point you have to ask, what are we looking for here?"

Rivlin stated: "It's not clear that a government, particularly this government, would get a better deal from the drug companies by direct negotiations

than the drug plans can get on their own, and it might have some negative consequences."

We also want to recognize that the new majority has claimed that their proposal will provide significant savings, when, in fact, the CBO, non-partisan, has announced that H.R. 4 would in their view have no budget savings and a negligible effect on Federal spending.

The reasons why I felt, as an advocate and caretaker for this program, obliged to oppose H.R. 4 are clear: one, this measure is not going to generate savings for the consumer; two, government price-setting will only drive drugs out of the program and reduce seniors' access to critical drugs that may be central to their treatment as individuals.

This plan could potentially, three, limit seniors' access to their community pharmacies. For many seniors, advice from their pharmacist is a critical service that they need to have access to to coordinate their drug uses and find the best coverage.

And, four, finally, this plan could lead to increased drug prices for America's vets.

Mr. Speaker, I believe we could improve on this legislation, and I will speak next week about some further ideas. I believe that there is a significant difference between the plan we have and the VA plan; and if we don't recognize those differences, we are going to shortchange seniors, and this bill that we voted on today will generate no savings. And I hope when it comes back from the Senate, that there will be an opportunity to substantially correct it, put teeth into it and create a real nuanced policy that will add to the successes of our part D program.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

(Mr. SCHIFF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### OPPOSITION TO THE RENOMINATION OF ROBERT HOGLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I want to express my concern this afternoon and my opposition, indeed, to the renomination of Robert Hogland by the Bush administration as U.S. Ambassador to Armenia. And I also want to take this opportunity to thank my colleague from New Jersey, Senator MENENDEZ, for his continued opposition to the nomination.

This makes no sense, Mr. Speaker. The Senate Foreign Relations Committee reviewed the nomination of Mr. Hogland, had hearings, asked extensive