

I ask unanimous consent to have Senate amendment No. 4606 printed in the RECORD.

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

At the appropriate place, insert the following:

SEC. ____ . LIABILITY PROTECTION FOR VOLUNTEER PILOT NONPROFIT ORGANIZATIONS THAT FLY FOR PUBLIC BENEFIT AND TO PILOTS AND STAFF OF SUCH NONPROFIT ORGANIZATIONS.

Section 4 of the Volunteer Protection Act of 1997 (42 U.S.C. 14503) is amended—

(1) in subsection (a)(4)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by striking “the harm” and inserting “(A) except in the case of subparagraph (B), the harm”;

(C) in subparagraph (A)(ii), as redesignated by this paragraph, by striking the period at the end and inserting “; or”; and

(D) by adding at the end the following:

“(B) the volunteer—

“(i) was operating an aircraft in furtherance of the purpose of a volunteer pilot nonprofit organization that flies for public benefit; and

“(ii) was properly licensed and insured for the operation of such aircraft.”; and

(2) in subsection (c)—

(A) by striking “Nothing in this section” and inserting the following:

“(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section”; and

(B) by adding at the end the following:

“(2) EXCEPTION.—A volunteer pilot nonprofit organization that flies for public benefit, the staff, mission coordinators, officers, and directors (whether volunteer or otherwise) of such nonprofit organization, and a referring agency of such nonprofit organization shall not be liable for harm caused to any person by a volunteer of such nonprofit organization while such volunteer—

“(A) is operating an aircraft in furtherance of the purpose of such nonprofit organization;

“(B) is properly licensed for the operation of such aircraft; and

“(C) has certified to such nonprofit organization that such volunteer has insurance covering the volunteer’s operation of such aircraft.”.

Mr. SPECTER. Mr. President, I seek recognition to explain my vote against the motion to invoke cloture on the Rockefeller substitute amendment No. 4627 to H.R. 2881, the Federal Aviation Administration Reauthorization Act.

There are many aviation-related provisions in the substitute amendment which are of critical importance to both the Nation and my State, including: \$290 million per year to modernize the air traffic control system; a \$15.8 billion authorization of funds for the Airport Improvement Program; a requirement that airlines post the on-time performance of chronically delayed flights on their Web sites; a \$175 million authorization of funds for Essential Air Service, EAS, to rural areas; and an extension of EAS eligibility for Lancaster, PA; and safety improvements related to the FAA’s oversight of aircraft inspections. The legislation also includes nonaviation provisions to restore the solvency of the highway trust fund, which is a matter of critical importance, and to provide

tax credit bonds for high-speed rail service, a measure that I helped put together. For these and other reasons, I believe it is imperative that the Senate act on this bill.

However, I do not believe it would be appropriate to act on it without necessary and proper debate, and that is precisely what a vote for cloture on the substitute amendment would have represented. The Senate was precluded from having any meaningful or traditional debate on this legislation due to a decision to fill the so-called “amendment tree” so that no other amendments could be freely debated and considered. I filed two amendments to this bill, one attempting to address overscheduling of airline flights and one prohibiting unnecessary flights over residential areas, which I was precluded from offering. I believe my amendments address critically important issues that deserve the attention and consideration of the Senate, and I am told that other Senators hold similar sentiments with respect to amendments they intended to pursue.

On February 15, 2007, I introduced a resolution which would prohibit this abhorrent practice of filling the “amendment tree” so that the Senate can conduct its business. In the absence of this much-needed reform, I voted against cloture on the substitute amendment, not because I fail to recognize the importance of the provisions contained therein, but because the Senate was effectively blocked from offering and debating any amendments to improve it.

It is my hope that the chairman and ranking members of the relevant committees can work out an agreement that will allow this bill to come back before the Senate, and with it a process for its consideration that will allow for the kind of meaningful and traditional debate fitting of the Senate.

FLOOD INSURANCE REFORM AND MODERNIZATION ACT OF 2007—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 460, S. 2284, the National Flood Insurance Act Amendments.

Harry Reid, Barbara Boxer, Patty Murray, Byron L. Dorgan, Edward M. Kennedy, Christopher J. Dodd, Daniel K. Akaka, Benjamin L. Cardin, Patrick J. Leahy, Bernard Sanders, Sherrod Brown, Amy Klobuchar, Ken Salazar, Sheldon Whitehouse, Max Baucus, Daniel K. Inouye.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 2284, the National Flood Insurance Act Amendments, shall be brought to a close?

The yeas and nays are mandatory under the rule. The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Indiana (Mr. BAYH), the Senator from New York (Mrs. CLINTON), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from North Carolina (Mr. BURR), the Senator from Idaho (Mr. CRAIG), the Senator from Nebraska (Mr. HAGEL), the Senator from Oklahoma (Mr. INHOFE), and the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER (Mr. SANDERS). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 90, nays 1, as follows:

[Rollcall Vote No. 116 Leg.]

YEAS—90

Akaka	Dorgan	Mikulski
Alexander	Durbin	Murkowski
Allard	Ensign	Murray
Barrasso	Enzi	Nelson (FL)
Baucus	Feingold	Nelson (NE)
Bennett	Feinstein	Pryor
Biden	Graham	Reed
Bingaman	Grassley	Reid
Bond	Gregg	Roberts
Boxer	Harkin	Rockefeller
Brown	Hatch	Salazar
Brownback	Hutchison	Sanders
Bunning	Inouye	Schumer
Byrd	Isakson	Sessions
Cantwell	Johnson	Shelby
Cardin	Kennedy	Smith
Carper	Kerry	Snowe
Casey	Klobuchar	Specter
Chambliss	Kohl	Stabenow
Cochran	Kyl	Stevens
Coleman	Lautenberg	Sununu
Collins	Leahy	Tester
Conrad	Levin	Thune
Corker	Lieberman	Vitter
Cornyn	Lincoln	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	Webb
Dodd	McCaskill	Whitehouse
Dole	McConnell	Wicker
Domenici	Menendez	Wyden

NAYS—1

Coburn
NOT VOTING—9

Bayh	Craig	Landrieu
Burr	Hagel	McCain
Clinton	Inhofe	Obama

The PRESIDING OFFICER. On this vote the yeas are 90, the nays are 1. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. SHELBY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, I understand now there will be a period of 30 hours of debate on the motion to proceed. My understanding is—and my friend and colleague from Alabama will

correct me if I misspeak at all—over this evening people are going to be discussing the various amendments that can be offered.

We have actually had meetings with a number of our colleagues who have amendments they want to offer on this bill. Our sincere hope is all of these amendments will be considered. I have been informed, Senator SHELBY has by the authors of these amendments, their intention is to take whatever limited amount of time they need to make their case.

So my hope tomorrow is we will be able to vitiate the 30 hours, get right to the bill in the morning, and then move forward on these various ideas that are going to be offered by our colleagues, with the goal in mind of completing the work on this legislation hopefully by tomorrow.

There are a number of amendments out there, but I think as the authors of these amendments have indicated, they will not necessarily take a lot of time for debate.

Let me also take advantage, if I can, in offering to our colleagues on this side of the aisle—we have heard from several members. Senator LANDRIEU has some strong interest in this legislation but others may as well. I have asked them to come forward if they would, either this afternoon or early this evening, and let our staffs know what these amendments are so we can go over them with them and try to set up some orderly process by which we can consider the amendments over the course of business tomorrow as well.

I make this request of our colleagues who have amendments to the Flood Insurance Reform and Modernization Act: Would you please let us know as soon as possible what those amendments are so we can consider them, or at least set up a timeframe for you to offer them on the floor.

With that in mind, let me offer some initial thoughts, if I can. First, let me thank the majority leader. We are here today because the majority leader has created some time for us to do this. This is an interest in which all of us should have a deep concern and deep interest; I note with obvious importance my colleague from Alabama and others in the Gulf State areas.

Flood insurance is a critical issue for the coastal region of the country as well as other areas. This is a vitally important piece of legislation we are considering, S. 2284. It is the Flood Insurance Reform and Modernization Act of 2007. As I have indicated, it is a strong bipartisan bill that enhances the long-term viability of the National Flood Insurance Program, helping to provide critical insurance coverage for millions of homes and business owners throughout the country.

The substitute amendment, which I will offer later, will be offered by myself and Senator SHELBY, and contains two parts, both of which passed the Committee on Banking, Housing and Urban Affairs with the support of every

member of the committee, Republican and Democrat. The substitute amendment contains the flood insurance reform package exactly as was passed by the committee as well as a bill to establish a Commission on Natural Catastrophe Risk Management and Insurance.

This is a very important issue, I might point out to Members. The unanimous votes on these bills clearly show the importance of flood insurance and the strength of the bill we are considering.

Senator SHELBY and I have joined to urge our colleagues to support our efforts to strengthen flood insurance for three key reasons. The first reason is this bill provides much needed relief to hard-working Americans who have paid flood insurance premiums for years and through no fault of their own will face new stiff premium increases to reduce the massive debt owed by FEMA as a result of Hurricanes Katrina, Rita, and Wilma.

This bill is fiscally responsible, No. 2, and greatly reduces the exposure of the Federal taxpayer under the flood program. No. 3, this bill creates environmentally sound flood policy which is needed to preserve our Nation's most precious natural resources.

I want to touch on each of these three points because I think too often we get so into the details we miss the larger picture that is involved with a piece of legislation such as this. This bill is complicated and it makes a number of significant reforms, but taken all together, it contains key policies that truly help millions of our fellow citizens.

As I said, this bill is needed to provide relief for those who suffered flood losses as a result of the 2005 hurricanes. These home and business owners did exactly what they were supposed to do. They purchased flood insurance and paid premiums—some had done so for decades—to cover their losses in the event of a flood. If we lay the entire \$17 billion debt now owed by FEMA at their feet, we will force many of them out of the program. To pay the interest on the debt alone, rates would have to nearly double, and they would have to increase many times over to make a dent in that debt.

Skyrocketing premiums will create massive disincentives to purchasing flood insurance at exactly the time we need to encourage participation. At this time of increased hurricane activity, our efforts should be focused on getting as many people to purchase flood insurance as possible, so they will be able to rebuild after a storm and not have those larger costs be spread out to people across the country.

Discouraging the purchase of flood insurance would also increase the future liability of the American taxpayer. Those who flood will be underinsured or have no insurance at all, and they will turn to the Federal Government for disaster assistance.

Prior to the inception of the National Flood Insurance Program, that is ex-

actly what happened year after year after year. After severe flooding in the 1950s, Congress established the National Flood Insurance Program because there was no private flood insurance and the lack of coverage resulted in significant Federal disaster aid payments.

The flood program was designed to provide insurance while requiring safer development so people were better protected from nature's wrath. And while we are now looking at a significant debt, I want to underscore the fact that the flood program has historically been self-sustaining, paying claims, for the most part, through premiums.

Hurricane Katrina, and the storms that followed, devastated the entire gulf region and produced flooding unlike any other storm in our lifetime. Millions of people were driven from their homes and over 1,800 people were killed.

There was no mechanism in the Federal flood program to pay for the losses of the magnitude experienced in the 2005 storms, so it borrowed funds from the U.S. Treasury to meet those obligations and ensure that families in Louisiana, Mississippi, Texas, Florida, and Alabama could rebuild.

We are now faced with a choice, to forgive the debt so that flood insurance continues to be available to home and business owners throughout the country or substantially raise premiums on all policyholders, an action which would hurt the very people who are trying desperately to rebuild their lives after these hurricanes. The bill before us makes what I believe is the right choice.

The second reason this bill is necessary is that it establishes fiscally responsible policies to ensure that flood insurance will continue to be available, while reducing the likelihood that taxpayers would be on the hook for those flood losses. This bill strengthens flood insurance so the next time a hurricane hits, whether it be in Mississippi, Florida, Texas, Alabama, Connecticut, or any other State that borders on our coasts, flood claims can be paid without relying on taxpayer funds across the country.

It does this by requiring flood insurance in additional at-risk areas, moving the program toward actuarial soundness and requires the program to build up reserves to pay for losses. These changes will help guarantee additional premium income while maintaining affordability for most homeowners.

As I also indicated, this bill contains environmentally sound flood policies. These reforms, especially to the flood mapping program, will allow communities, homes, and business owners throughout the country to accurately assess their flood risk and will encourage responsible and environmentally friendly development decisions.

Communities cannot make decisions to protect fragile areas along our coasts and riverbeds if maps are not accurate and risks are unknown. The

mapping provisions contained in this bill ensure that flood maps will be accurate, up to date, and readily available. No longer should communities and homes and business owners have to rely on outdated and inaccurate information.

Senator REED of Rhode Island is to be commended for his work on the mapping provisions of this bill that are critical to the flood insurance program.

This is a strong and needed bill which will extend the flood insurance program for 5 additional years, put it in a financial position to be able to continue to make flood insurance available to the millions of families at risk throughout our Nation, while at the same time reducing the risk of taxpayer assistance.

I want to take a moment to let my colleagues know of the range of support for this bill. This is a very diverse and somewhat unique coalition of organizations that has come out in support of this piece of legislation. These organizations, I believe, are worth mentioning because of their diversity.

We have the support of the following: The Consumer Federation of America, the American Insurance Association, the Council for Citizens Against Government Waste, the Competitive Enterprise Institute, the Defenders of Wildlife, the Environmental Defense Fund, the Financial Services Roundtable, Freedom Works, Friends of the Earth, the National Association of Mutual Insurance Companies, the National Wildlife Federation, the Property Casualty Insurers of America, the Reinsurance Association of America, and Taxpayers for Common Sense.

That is not normally a coalition you put together around a piece of legislation, covering the financial services industry as well as environmental groups and consumer groups as well.

I commend all of them for working with us, going through the long process of developing this bill in the way we figure comprehensively deals with this issue. I realize these groups are not normally united in the support of a single piece of legislation, but they have all come out in favor of a reasonable, balanced approach that we have taken to the flood insurance program.

As I said earlier, the substitute amendment we will be offering also establishes a Commission on Natural Catastrophe Risk Management and Insurance. There has been a good deal of discussion about adding wind and other risks to the flood insurance program. These are arguments hard to answer because there is a very strong and legitimate claim to be made.

However, it was the judgment of the Banking Committee that while these ideas have merit—and I strongly indicate and support that—they deserve further study so we can understand the implications of what a major shift would be in this program and how the natural catastrophes are insured.

To that end, the committee unanimously passed legislation to establish

a blue ribbon commission that would in very short order examine the availability and affordability of natural catastrophe insurance and make recommendations posthaste to the Congress and to the administration on whether, how, and to what extent additional Federal action in this area would be appropriate. Until we have that information, I honestly could not stand before my colleagues and give them any idea of the magnitude of the cost of this program. We would literally be in the dark entirely if we tried to expand it. That is not to suggest there is not legitimacy to the request. But we ought to deal with it in as thoughtful a manner as we can so we are not here again next year or the year after, once again forgiving debt, trying to come up with another program to deal with the result of a massive infusion of taxpayers' dollars to deal with disasters with which people are coping. To that end the committee unanimously passed the legislation to establish this commission.

What is clear is that millions of Americans, some of whom were devastated by hurricanes, have seen increased premiums and constrained availability of insurance. We are all committed to doing everything we can to ensure that people at risk are able to insure their homes and businesses. We believe this commission will provide the information we need to undertake that effort in a sensible and effective way.

I thank Senator SHELBY and his staff who worked so closely with us on this bill. Senator SHELBY has been a very strong advocate of flood insurance. Under his leadership and chairmanship of the committee, the Banking Committee passed a similar bill in the last Congress. I also thank Senators REED of Rhode Island, BUNNING, and CARPER for their work on the legislation, particularly on the flood insurance portion. The status quo on flood insurance is not an option. Families in every State rely on flood insurance to rebuild when they are flooded out. The national flood insurance program must be reformed and strengthened. I urge my colleagues to support this legislation so that our constituents can continue to rely on a strong and stable national flood insurance program.

I urge colleagues who have amendments and ideas to offer to this legislation to please let us know of these ideas immediately so we can consider them and put them in a proper order for consideration when we resume consideration of the legislation tomorrow.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise in support of the managers' amendment. It is a bill that combines the Flood Insurance Reform Act of 2008 with the Catastrophic Commission Act of 2008 that Senator DODD has just outlined. Senator DODD and I worked very closely to develop this important legislation

in the Banking Committee, which the Senate Banking Committee, by the way, unanimously passed last year.

The legislation places the national flood insurance program on a stronger financial footing because it requires those living and working in areas vulnerable to flooding to assume more of the financial risk, as it should be. The bill also addresses many other structural and fiscal weaknesses in the program itself.

In addition, the managers' amendment creates a commission to study the current market for catastrophic insurance. The results of this commission should provide Congress with a factual basis for future legislative action, if we deem it necessary.

To fully appreciate the need for significant reform of the national flood insurance program, we must first consider the program's history. The flood insurance program was established in the Congress in 1968 to provide policyholders with some insurance for flood-related damage. The intent of the program was to generate enough revenue through premium dollars to prevent taxpayers from paying for flood-related losses during an average flood loss year. At the inception of this program, Congress included explicit subsidies for business properties and homes known as preflood insurance rate map or pre-FIRM structures. It was determined that it was not fair for the owners of such structures immediately to pay actuarial prices because they received no notice regarding the new mandatory purchase rules.

That said, it was also believed that many, if not all, of the pre-FIRM structures would quickly become ineligible for the subsidies. For this reason, Congress never included a subsidy elimination mechanism. This oversight has had significant financial consequences for the current flood insurance program.

More than 40 years later, a large number of these properties still receive explicit subsidies. Many of these properties have made the greatest claims on the program after suffering repetitive losses. In fact, the Congressional Budget Office has valued the explicit subsidy for grandfathered homes at \$1.3 billion per year. There are other key factors beyond the poorly designed financial structure of the program that need to be addressed. For example, the size of the program has expanded exponentially since its inception. In 1978, 10 years after the program started, the program had 1.4 million policyholders and \$50 billion in risk exposure. Today there are more than 5 million policyholders and over \$1 trillion in risk exposure.

Finally, the maps used to determine the rates for the program are largely out of date just about everywhere. Antiquated maps do not represent accurately the risk that covered structures face.

Without up-to-date maps and, hence, an accurate risk assessment, price is

simply reduced to guesswork. Often these guesses have been too low, and the taxpayers have been forced to make up the difference, oftentimes to very wealthy people. This program currently generates \$3 billion in premiums, spends roughly \$1 billion on administration, and has a liability exposure of more than \$1 trillion. Let me repeat that. The program has a liability exposure of more than \$1 trillion. In fact, the financial deficiencies of the program are so great that the Government Accountability Office placed it on a list of high-risk programs because it does not generate enough money to cover its liabilities.

Furthermore, Robert Hunter, who is recognized as one of the key individuals in getting the program started, has stated:

The integrity of the program [must be] restored . . . [or] consideration must be given to ending this . . . hopelessly administered program.

Mr. Hunter was with the Consumer Federation of America for many years. Mr. Hunter's prescription for restoring the program's integrity is requiring greater mitigation efforts and moving toward actuarial soundness. This is what we have attempted to do today.

I recognize that reforming the flood insurance program presents the Congress with difficult choices. We could end the program, we could dramatically increase fees on program beneficiaries, or we could do nothing. Each of those choices would be unacceptable. That is why Senator DODD and I have crafted a bill that addresses what we believe are the most significant financial weaknesses of the program without dismantling its core features. We struck a realistic balance between the needs of the program's beneficiaries and the taxpayers on the hook for the program's shortfalls.

The legislation before us strengthens the program by immediately eliminating subsidies on vacation homes, businesses, and severe repetitive-loss properties. It then paves the way for eliminating all subsidies in the future. It proceeds in such a way, however, that recognizes immediate elimination of all subsidies is not prudent because flood maps will not be updated for some time.

To address the mapping deficiencies, the bill creates stringent standards that the program must use to complete the map modernization process. Once we have the most accurate and up-to-date flood mapping possible, homeowners will better understand and mitigate their risks.

The program will also transition to more accurate pricing. In addition to eliminating subsidies, the bill requires State-chartered lending institutions to maintain flood insurance coverage for all mortgages located within the 100-year flood plain. It increases enforcement tools available to bank regulators at both the Federal and State levels by requiring escrow of flood insurance premiums throughout the life

of the mortgage. The civil monetary penalties that regulators may levy against lenders for failure to comply are also increased. The bill creates a mandatory reserve fund to cover the cost of unusual events. This provision is intended to limit future reliance on the American taxpayer. The bill requires a rulemaking to ensure that the "write your own" carriers are being reimbursed solely for their expenses.

Finally, the legislation creates a commission that Senator DODD outlined earlier to study the effects of natural disasters on our insurance system. The commission must report its findings within 9 months.

Some have suggested that we should add wind insurance coverage to the already bankrupt Federal flood insurance program. I remind my colleagues of certain facts: The Insurance Information Institute estimates that by adding wind as a covered peril, the program will take on an additional \$14 to \$19 trillion worth of risk exposure. In addition, a Towers-Perrin report indicates that adding wind coverage to the flood program could lead to an additional annual program deficit as high as \$1 billion.

Both of these studies point out exactly why we should have a complete understanding of all of the facts before we even contemplate expanding the Federal Government's role as an insurance provider.

Before I conclude, I will take a moment to recognize Senator BUNNING for all of his efforts to reform this program for the past several years. As Senator DODD did, I also recognize Senator JACK REED of Rhode Island and his staff for their efforts to create accurate and up-to-date flood maps which are essential for this program in the future. Lastly, I thank my colleague, Senator DODD, chairman of the committee, and his staff for their efforts in crafting this bipartisan legislation.

I repeat something I said earlier: Reform of the program involves tough choices. We must make these tough choices, however, if this program is going to survive. For the good of the program beneficiaries and the taxpayer, I urge my colleagues to support this legislation.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WICKER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. MCCASKILL). Without objection, it is so ordered.

Mr. WICKER. Madam President, this week the Senate will consider the reauthorization of the National Flood Insurance Program. Today, I have filed an amendment to this reauthorization legislation which is of critical need, not only to the gulf coast but to the entire country. My amendment would

add a multiple peril insurance provision to create a new option in the National Flood Insurance Program of offering coverage of both wind and flood risk in one policy.

The proposal would require premiums for this new coverage to be risk-based and actuarially sound, so that the program would be required to pay for itself. Indeed, the Congressional Budget Office has estimated that the multiple peril program:

. . . would increase premium receipts and additional claims payments by about the same amount—resulting in no significant net budgetary impact.

By covering wind and flood risk in one policy, the multiple peril option would allow coastal homeowners to buy insurance and know that hurricane damage would be covered regardless of whether that damage is caused by wind or water.

It has been just over 2½ years since Hurricane Katrina hit the gulf coast with its 30-foot storm surge and winds over 125 miles an hour. Katrina was the most devastating natural disaster ever to hit North America.

The people of Mississippi and Louisiana have made great progress in rebuilding the communities along the gulf coast. Everyone knows the Federal Government's response was not perfect, but the Government and this Congress have done a lot to help to rebuild communities, homes, businesses, and lives along the gulf coast.

As much as the Government and this Congress have done, there is still more work to be done. There are still too many destroyed homes left uninhabited, too many slabs of concrete that represent all that is left of what used to be homes and businesses. A major contributing factor to this problem is the cost and availability of insurance. Since the day I became a Member of this body, the cost of insurance has become an issue I continually hear about. As I stated in my maiden speech, if you can't insure it, you can't build it or finance it. It is that simple. The problem is harming the efforts of small businesses to rebuild and grow and succeed, and it is driving rental rates beyond affordability. It is increasing the cost of home ownership and, in many cases, making it impossible for people who lost their homes to Katrina to rebuild.

Congress needs to act to find a workable solution to this problem, and the National Flood Insurance Program reauthorization gives us an opportunity to do so. I say this not only for the good of the people of Mississippi and Louisiana but also for every single American taxpayer and for every person who lives along the American coastline.

This is not just an issue for the gulf coast. From Bar Harbor, ME, to Brownsville, TX, millions of Americans live on a coastline in the path of future hurricanes. As the Biloxi Sun Herald noted this week in an editorial in support of my amendment:

More than half of the Nation's population lives within 50 miles of a coastline, and 50 miles is well within harm's way when a major storm makes landfall.

We have not always had a national flood insurance program. In 1968, Congress was forced to act to address the problems associated with flooding from hurricanes. Now the same problem that led to the National Flood Insurance Program is happening with wind. As it did in the past, Congress needs to act to address the problem. The National Flood Insurance Program was created because insurance companies quit offering coverage for flood damage caused by hurricanes. With competing wind and flood policies, the same has happened to wind insurance in these same areas.

Wind versus water—that is the debate which still occurs today in courtrooms on the Mississippi gulf coast between insurance companies and storm victims. It is a debate that necessitated the multibillion-dollar supplemental appropriations package this body approved after Katrina. Unless Congress changes the law, the wind versus water debate will result in a multibillion-dollar supplemental appropriations package after the next big hurricane wherever in the United States it may land. This is driving more and more homeowners and business owners into a State-sponsored wind pool, which is required to provide coverage. But this is not a reasonable long-term solution because too much risk is being placed in too small of a pool. What was initially conceived to be the last resort has now become the only resort for many Mississippians living along the gulf coast. The reality is that State wind pools, especially in my home State of Mississippi, are unable to spread the risk to balance the claims.

As the Government Accountability Office has pointed out, these competing wind and flood policies provide a conflict of interest in determining who is responsible to pay these claims. The flood insurance companies say it was wind. The wind insurance companies say just the opposite. Because of this, my constituents on the gulf coast are paying thousands of dollars to the State wind pool. That doesn't count flood insurance or homeowners insurance on top of that.

The picture I am painting here is quite clear: The unaffordability of insurance is driving people from their homes.

Some of my colleagues may point out that every homeowner can purchase wind insurance. I would argue that, as a practical matter, they cannot. As I mentioned before, this is not just a Mississippi problem, nor is it just a gulf coast problem. For instance, in Massachusetts, since 2003, 10 insurance companies have dropped homeowner coverage in the Cape Cod coastal area. This affects approximately 44,000 homeowners in Massachusetts. The Massachusetts State insurance backstop is now insuring 44 percent of the market.

I hope my colleagues from the following States, in addition to Mississippi and Louisiana and Massachusetts, will pay attention to this debate. States such as New York, Maryland, Virginia, South Carolina, Florida, Alabama, and Texas have all experienced the same problem. In North Carolina, for example, the State insurance plan known as the "BEACH Plan" saw its liability increase over 260 percent in just 4 years. I assure you, I would prefer that the private market write these policies, but this simply is not happening. Every day, more and more liability is being thrust upon the shoulders of the States.

To help address this problem, the best solution available is to allow homeowners to purchase wind and flood insurance coverage in the same policy. This would spread the risk outside of defined State borders and would ensure available, affordable, and total insurance for coastal homeowners. That is exactly what my multiple peril insurance amendment does.

Multiple peril insurance will allow property owners to buy both wind and flood coverage from the National Flood Insurance Program. Residential coverage would be \$500,000 for structures and \$150,000 for contents and the loss of use. For nonresidential, it would be \$1 million for structures and \$750,000 for contents and business interruption.

Under this amendment, property owners would be able to buy insurance and know in advance that hurricane damage would be covered without disputes over the cause of damage. No longer would home and business owners have to go to court to try to prove it was either wind or it was water that destroyed their property.

The premiums for this new single coverage would be risk-based and actuarially sound, according to the terms of my legislation. The CBO has agreed that the program will, over the long run, pay for itself.

Windstorm insurance would be available under my amendment only where local governments adopt and enforce the international building code or equivalent building standards. This Federal multiple peril program will spread risk geographically to form a stable insurance pool, compared to State pools that cover only a small area.

Again, I state this issue doesn't just impact the gulf coast. It impacts most directly the 55 percent of our country's population that lives within 50 miles of a hurricane-prone coastline.

Beyond that, however, this is a good-government issue that affects every single taxpayer. Multiple peril coverage would also protect the taxpayers by saving them from having to pay for another giant emergency relief package the next time a hurricane hits. It is not a question of if but when it happens and, I might add, where it happens again.

With the legislation before us, the reauthorization of the National Flood In-

surance Program, we have been provided an opportunity to take action to begin to correct this inequality. I believe my multiple peril amendment is a good start.

I realize there are several philosophies about solving the coastal insurance crisis, and I am not wedded to any single approach. I would simply point out that this amendment has already been adopted by the House of Representatives in an amendment offered by my friend and former colleague, Representative Gene Taylor of Mississippi. What I am committed to is providing my constituents relief before the next hurricane hits. I do not believe Congress should take over the entire private market of all insurance. I believe in free market principles, and I believe Congress should look seriously at the State-by-State rate regulatory structure that forces insurers to set their rates on the basis of geographical boundaries within individual States in which they are admitted to do business. I believe Congress should consider other thoughtful proposals such as the one being advanced by the St. Paul Travelers Insurance Company, which would allow limited rate regulation relief for the purpose of creation of a coastal band. This is simply one of a number of good ideas that deserve consideration. But the status quo does not work, and that is what we have an opportunity to correct this week.

Some of my colleagues will argue against my amendment for a number of what they see as problems. Very seldom is legislation error-free or exactly correct at the outset, and my amendment is no different. We should not, however, let the perfect be the enemy of the good.

I ask my colleagues to remember all of the places along the coast of North America and perhaps invite them again to visit Hancock County, in my State of Mississippi, ground zero, where Katrina made landfall, and see for themselves why action is needed now and why we should not miss this opportunity on the reauthorization of the National Flood Insurance Program.

This amendment is badly needed. At the appropriate time during consideration of amendments, I will urge my colleagues to adopt the amendment.

Madam President, I yield the floor.

Mr. COCHRAN. Madam President, I am pleased to support the amendment offered by my colleague from Mississippi. The amendment of Senator WICKER will benefit not only constituents in Mississippi but anyone who lives in the path of future hurricanes.

Two-and-a-half years ago, the most devastating natural disaster in the history of our country, Hurricane Katrina, made landfall on the Mississippi, Louisiana, and Alabama coasts. The devastation that was caused was indescribable.

The people of our State have made significant and impressive progress toward recovery since that fateful day, August 29, 2005, but there is still much

work to be done. There are far too many vacant lots and empty slabs that remain around our gulf coast for our recovery to be considered complete.

Mississippians are appreciative of the assistance the Federal Government has provided to aid in their recovery from Hurricane Katrina. However, a significant additional opportunity to assist that recovery will have been lost if the issue of affordable wind insurance is not addressed.

One of the most significant impediments to the recovery of the Mississippi gulf coast is the availability of affordable homeowners insurance. There are many coastal residents who simply cannot afford to insure their homes, and homes cannot be rebuilt until they have secured insurance.

One of the most expensive components of these homeowners insurance premiums is coverage for damage caused by wind.

Most coastal Mississippians are currently being forced to buy their wind coverage from the State-run wind pool. This wind pool is necessary because the private insurance industry has largely discontinued selling wind policies in these coastal communities.

So a program that was designed as an insurer of last resort has become the only available option. Those who are able to buy coverage from this State wind pool have found their premiums increased dramatically over the last 2 years.

Unfortunately, this is a shortsighted solution. There is simply too much risk, in too small of a pool, concentrated into a small geographic area. This is not a problem that is unique to Mississippi. Most State wind pools face the same problem of not being able to spread the risk wide enough to avoid an overwhelming loss in the event of a significant hurricane.

I wish to be clear. This is not only an amendment for those who were impacted by Hurricane Katrina. This amendment would benefit millions of Americans who live on our vast coastlines and face the potential of a future catastrophic hurricane.

This amendment would allow homeowners to buy insurance and know in advance of the storm that they will be covered without a prolonged dispute over whether the damage was caused by wind or water.

This wind coverage will be available only where local governments enforce strict building standards to minimize future loss. The premiums for this coverage would be actuarially sound and would not expose the Federal Government to undue financial risk.

A great deal of thought has gone into my recommendation of this amendment. I urge a vote in support of the amendment. If private insurers or the State-run wind pools could adequately address this problem, then I would not as vigorously advocate the Federal Government expanding its role in the business of insurance.

But Senator WICKER's amendment provides the best available solution for this very serious problem.

As the 2008 hurricane season approaches, I believe we should not miss this opportunity to address this growing problem. The Wicker amendment provides us with the best opportunity to make certain affordable wind insurance is available for those living near our coastlines.

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

The PRESIDING OFFICER (Mr. SALAZAR.) The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

(The remarks of Mr. CASEY pertaining to the introduction of S. 2980 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MENENDEZ). Without objection, it is so ordered.

Mr. REID. Mr. President, I have been very patient today. I so wanted to come to the floor, after the FAA bill was destroyed, wiped out by the Republicans not letting us go to that legislation, one of the most important pieces of legislation we could deal with. The reason I had to calm myself down, I listened to a number of Republican Senators say: Well, if we could have offered amendments. I did everything I could to allow people to offer amendments: Agree to a list of amendments; could we see your amendment; we will take down the tree; we will do anything you want; offer amendments.

Finally, I spoke to one of the Republican leaders. I said: It is obvious the only reason you are not supporting this is because of the New York money, the final installment of the \$20 billion promised the city of New York, the State of New York, by the President of the United States, George Bush. I said: It is in the President's budget.

One of the Republican leaders said: We still oppose it.

Then, if that were not enough, we now come to an important piece of legislation, flood insurance. This is a result of what happened in Katrina and the other devastating floods we have had in this country in recent years. Insurance companies have gone broke. Individual companies have gone broke. Individual homeowners have suffered significantly. So after months of working on this piece of legislation on a bipartisan basis—Senators DODD and SHELBY are the ones who worked to get the bill here—we bring the bill to the floor. We file cloture on a motion to

proceed so we can start offering amendments. It passes 90 to 1. We have been waiting since 3 o'clock today to start legislating. People are waiting to offer amendments. I can't imagine how the Republicans can sleep at night, stopping this country from legislating on most important issues. They act as if it is not important. So in the morning I am going to come here, and we are going to ask consent if we can start legislating on this bill, or do we have to wait until 9 o'clock tomorrow night until the 30 hours runs out before we can start legislating on flood insurance. We are going to finish flood insurance this week. If we have to work Thursday night, Friday, Saturday, and Sunday, we are going to finish this bill.

People will have an opportunity to offer amendments. Maybe they can't start offering amendments until 9 o'clock tomorrow night, but if that is the case, then we are going to start working at 9 o'clock tomorrow night so people can offer their amendments, because tomorrow is Wednesday. We wasted all day today not being able to offer amendments. I am told there are only a couple amendments people want to offer—three or four. It is an issue of whether this legislation should include also wind. That is an issue we can debate and vote on. But we are going to make a decision sometime tomorrow as to when we file cloture, whether we do it Thursday and have a Saturday cloture vote, do it tomorrow and have a Friday cloture vote. We are going to finish this bill this week.

We have so much to do. We have the farm conference coming. We have the consumer product safety conference coming. We have to do the budget. We have the supplemental appropriations bill and a number of other measures we have to do.

I hope we can start moving to allow people to offer amendments. It seems not a very good legislative process dictated by the minority, the Republicans, when you pass something 90 to 1, and they still hold it up.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators allowed to speak therein for up to 10 minutes each.

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

HONORING OUR ARMED FORCES

FIRST LIEUTENANT MATTHEW R. VANDERGRIFT

Mr. SALAZAR. Mr. President, I rise today to honor the service and sacrifice of Marine 1Lt Matthew Vandergrift, of Littleton, CO. Lieutenant Vandergrift was assigned to 2nd Battalion, 10th Marine Regiment, 2nd Marine Division, II Marine Expeditionary Force, out of Camp Lajeune, NC. He was recently killed in Basra, Iraq, by a bomb that exploded near his humvee. He was 28 years old.