

Reyes	Serrano	Tierney
Ross	Sherman	Towns
Rothman	Skelton	Udall (CO)
Roybal-Allard	Slaughter	Udall (NM)
Rush	Smith (WA)	Van Hollen
Ryan (OH)	Snyder	Velázquez
Sabo	Solis	Vislosky
Salazar	Spratt	Wasserman
Sánchez, Linda	Stark	Schultz
T.	Strickland	Waters
Sanders	Stupak	Watson
Schakowsky	Tancredo	Watt
Schiff	Tanner	Waxman
Schwartz (PA)	Tauscher	Wexler
Scott (GA)	Thompson (CA)	Woolsey
Scott (VA)	Thompson (MS)	Wu

NOT VOTING—19

Baker	Emerson	Oliver
Berkley	Hyde	Sanchez, Loretta
Brady (TX)	Maloney	Taylor (MS)
Butterfield	McCrery	Weiner
Buyer	Melancon	Young (AK)
Conaway	Napolitano	
Cubin	Oberstar	

□ 1156

Mr. RAHALL and Ms. WASSERMAN SCHULTZ changed their vote from “aye” to “no.”

Mr. LANGEVIN changed his vote from “no” to “aye.”

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later today.

NATIONAL FLOOD INSURANCE PROGRAM ENHANCED BORROWING AUTHORITY ACT OF 2005

Mr. NEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3669) to temporarily increase the borrowing authority of the Federal Emergency Management Agency for carrying out the national flood insurance program.

The Clerk read as follows:

H.R. 3669

*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 “National Flood Insurance Program Enhanced Borrowing Authority Act of 2005”.

**SEC. 2. INCREASE IN BORROWING AUTHORITY.**

The first sentence of subsection (a) of section 1309 of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)) is amended by inserting before the period at the end the following: “; except that, through September 30, 2008, clause (2) of this sentence shall be applied by substituting ‘\$3,500,000,000’ for ‘\$1,500,000,000’”.

The SPEAKER pro tempore (Mr. RYAN of Wisconsin). Pursuant to the rule, the gentleman from Ohio (Mr.

NEY) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in support of H.R. 3669, the National Flood Insurance Program Enhanced Borrowing Authority Act of 2005.

This is an important bill. This legislation increases FEMA’s borrowing authority for flood insurance by \$2 billion and will go a long way in helping the Department’s flood insurance response. This bill will ensure the program has sufficient funding on a cash basis in the short term. It will also allow FEMA to continue payment of the initial claims resulting from Hurricane Katrina while the administration further evaluates the extent of the damage and the most appropriate means to cover all potential claims.

□ 1200

In the aftermath of Hurricane Katrina, the Federal and local governments now face the Herculean task of coordinating the relocation of thousands upon thousands of individuals and families whose lives have been torn apart by devastation and rising floodwaters.

There are more than 78,000 people now in shelters who will be requiring short-term and long-term-range housing solutions. In fact, today we had a roundtable with the gentleman from North Carolina (Mr. MILLER) and the gentleman from Massachusetts (Mr. FRANK) and the gentlewoman from California (Ms. WATERS), and this very issue was talked about and the magnitude of it and the importance of it and the urgency of it.

In addition, it has been estimated that up to 360,000 residential mortgages could be negatively affected by the damage caused by the hurricane across the gulf region. Conservative estimates on residential and commercial property damage are in the range of \$20 billion.

Floods have been and continue to be one of the most destructive and most costly natural hazards to our Nation. During this past year alone, there have been three major floods in my area in Ohio. All three of these incidents qualified for Federal relief, granted by the President. Recent flooding in January this year resulted in historic levels in several local dams, and in Tuscarawas County, a community I represent, 7,000 people were displaced and forced to evacuate. So I have witnessed firsthand what floods can do. But I will tell my colleagues that, of course, the magnitude of what is going on down south is beyond belief.

Last Congress, the Committee on Financial Services spent considerable time and effort on legislation to reauthorize and reform the National Flood Insurance Program. On June 30, 2004, President Bush signed into law the

Flood Insurance Reform Act. This legislation reauthorizes the National Flood Insurance Program, NFIP, through September 2008.

The major goal of the Flood Insurance Reform Act last Congress was to reauthorize and reform the program with an eye toward maintaining the financial viability of the NFIP. While some provisions were included to address administrative and procedural concerns regarding it, we did not focus on issues that were procedural in nature such as the filing of claims, the timeliness of response to the claims filing, policyholder education, and insurance agent sales and training. Consequently, the Subcommittee on Housing and Community Opportunity has continued to review the National Flood Insurance Program in an effort to determine what changes need to be made to address the program’s shortcomings.

In addition to a request for a GAO study, our subcommittee has conducted three hearings this year on this important program, including a field hearing 2 weeks ago in rural Ohio. As the damage assessments and insurance claims begin to come in from the gulf coast region, we will be continuing our oversight of the NFIP and to look for possible legislative solutions that make this program as efficient and responsive as it can be.

The National Flood Insurance Program is a valuable tool in addressing the losses incurred to this country due to floods. It assures that businesses and families have access to affordable flood insurance that would not be available on the open market. Clearly, we need to continue our review of this program and to take steps to make sure it is meeting the needs of those for whom it was intended.

In times like these, it is more important than ever for Americans to stand united in helping our fellow citizens. The House of Representatives will continue to stand with the people of the gulf coast and our colleagues who represent those areas throughout this effort, and we encourage Americans who want to help to contact charitable organizations in their areas.

America has overcome challenges in the past. As Members of the House and, specifically, the Committee on Financial Services, we are prepared to roll up our sleeves and do the hard work to overcome this tragedy. Increasing FEMA’s borrowing authority for the National Flood Insurance Program is just one step in the process of helping those who have been affected by Katrina’s waters.

I would like to thank the gentleman from Ohio (Chairman OXLEY) for his expeditious work in sending this bill to the floor. I would also like to thank the gentleman from Louisiana (Chairman BAKER), the gentlewoman from California (Ms. WATERS), the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), the gentleman from Alabama (Mr. DAVIS), and especially

thank the gentleman from Massachusetts (Mr. FRANK) for helping us to move this legislation.

I urge the adoption of this important piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, preliminarily, I yield myself 1 minute just to introduce as our first speaker the gentleman from Oregon (Mr. BLUMENAUER).

The gentleman from Ohio correctly noted that we made our committee and the Congress follow some very substantial improvements from the standpoint both of fiscal responsibility and environmental sensitivity to the flood insurance program. Now, we obviously did not have in mind at that point something of this particular disastrous consequence, but we did put into the law, for the first time really, some of the environmentally important issues that should be there. I am hoping that elsewhere, as we go through the appropriations process, that program will be fully funded, particularly in the proposals for mitigation.

But on our side, it was a genuinely bipartisan issue. The former Member, the gentleman from Nebraska (Mr. Bereuter), collaborated with the gentleman from Oregon (Mr. BLUMENAUER).

Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. BLUMENAUER), who was the main co-author of that important reform in flood insurance.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in permitting me to speak and allowing this to move forward. I appreciate his leadership and partnership with the gentleman from Ohio (Chairman OXLEY) and the gentleman from Ohio (Chairman NEY) for the follow-through on the important flood insurance reform that was, as he mentioned a moment ago, enacted this last year.

The committee has been focused on making sure that the promise of flood insurance reform is, in fact, realized. While our hearts go out to those who have suffered what has happened in the gulf region, I think the spotlight of this terrible catastrophe will help us follow through on the important work that we have started with the committee and in terms of dealing with the flood insurance program.

I acknowledge that what we are doing here today is an important, necessary step. The additional \$2 billion in borrowing authority is unprecedented, but the floods are unprecedented. I think we should acknowledge on the floor that this is just the down payment; that the \$2 billion, by no stretch of the imagination, is likely to be enough. We are probably going to be back asking for another \$2 billion or \$4 billion before we are done, but it is important to allow FEMA to move forward at this point.

I hope that this will enable us to provide a platform for further reform. I

hope, and I appreciate the prodding that the subcommittee did earlier with FEMA and its performance. It is appalling to me that FEMA never pushed forward requesting the mitigation funds that were authorized. Now we have the money in the House version of the appropriations bill, but we need to move forward to see to it that this Congress puts money in place that will move people out of harm's way.

I hope the committee will work with us to look at other adjustments that may be necessary in the flood insurance program. Certainly the notion that people who live protected by levees, and I use the term "levee protection" advisedly, may not need flood insurance. Well, I think we are seeing an example of where, in fact, they probably do need flood insurance.

I think there are other questions that we need to explore. I know the Committee on Financial Services is exploring other aspects; and I appreciate consultation with the gentleman from Massachusetts (Ranking Member FRANK), is about issues in terms of the viability of small financial institutions that have been wiped out. Well, I hope that with the same spirit of necessary reform and accommodation, we can look at how we finance the flood insurance. Can we afford to put \$2 billion, \$4 billion, \$6 billion of additional flood losses on the backs of 4 million policyholders? It seems to me from a distance that that would be both unfair and undesirable.

I hope that this is the first step to be able to move forward with these longer-term reforms. I appreciate the work that the committee is doing. I appreciate moving forward with this expeditiously, but our work has just begun, and I look forward to working with my colleagues on these next important steps.

Mr. NEY. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia (Mrs. JO ANN DAVIS).

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I would like to engage in a colloquy with the gentleman from Ohio (Chairman NEY).

Is it the gentleman's understanding that Congress should and will continue to assess and address ongoing problems with the National Flood Insurance Program?

Mr. NEY. Mr. Speaker, if the gentleman will yield, yes, that is my understanding.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, as the gentleman knows, this legislation will allow FEMA to provide much-needed relief to the residents of the Gulf Coast as they rebuild their homes and their lives, as well it should.

However, many residents in my district are still struggling to rebuild following Hurricane Isabel which struck Virginia in 2003. Some are still living in FEMA trailers and many have been shattered to learn that the flood insurance will not cover their losses. I have spoken to many misled policyholders who have had their claims mismanaged

by the National Flood Insurance Program.

I would like to work with the gentleman to see that my constituents are treated fairly and to fix the system so that victims of Katrina do not have the same problems that we have seen in my district and other districts across the country.

Mr. NEY. Mr. Speaker, I agree with the gentlewoman, and I also want to commend her for her work product and the time that she has put in on the Committee on Financial Services. She has definitely added to and benefited us to be able to work through these programs and to make these reforms, and we have appreciated all of that input from the gentlewoman. It has been invaluable. The gentlewoman's testimony earlier this year regarded the lingering effects of Hurricane Isabel and the numerous problems that her constituents had in processing claims and payments of the National Flood Insurance Program.

I share the gentlewoman's concerns that these problems will increase in the wake of this recent hurricane, no doubt; and I anticipate that we will need to conduct further oversight hearings on FEMA's administration of the program. The committee has already held three hearings on the NFIP this year and, as I mentioned, most recently one in my district in Ohio. We have heard numerous stories about inaccurate flood maps, delayed and inaccurate claim payments, and misunderstandings about the nature and extent of flood policy coverage. I know the gentlewoman has heard about that too and has done her level best to respond to her constituents, which I know they appreciate.

As a result, we have asked the GAO to conduct a study of the NFIP, and I pledge to continue to ensure that the program meets the needs of the people it was designed to assist. I really look forward to working with the gentlewoman to meet those ends to do what is right for your constituents and the Nation when it comes to continuing to reform and work with this program.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I thank the gentleman from Ohio, and I look forward to continuing to work with him on issues related to the National Flood Insurance Program.

Mr. NEY. Mr. Speaker, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Obviously, there is a great degree of support in the Congress for getting the money out right away. We have people who were victims of this flood, and they have been victims in a number of ways. This is one small piece of the compensation that goes to them. There will be people who will be uncompensated, people who did not have flood insurance, people who are not able to make the kind of partial payment that is required, but the least we can do is to make this payment.

But as we vote quickly to send this money, we need to work in the next few weeks and months to deal with and resolve some broader questions.

I believe that the country has suffered over the past decade, and it is particularly suffering now, from a philosophy that has undervalued the need for us as a civilized people to come together and work together on some things. We are a society run, to a great extent, according to the principles of the free market of private capital. It is a wonderful system for generating wealth. The goods and services that are produced through the free market system benefit all of us, and that free market system leads to the best possible production.

The problem comes with people who are so enamored of that system that they value it not only for what it does, but for what it does not do, is not supposed to do, and should not be burdened with trying to do. That is, there are in this society a number of very important values that we have as civilized people with a moral commitment to each other's well-being that can only be done if we pool our resources.

Let us take the specific issue we are now talking about: insurance. The insurance industry is a private industry. It is an industry that provides important services to people, that provides jobs for people, that pools resources and provides investment capital. But even in the area of insurance, we have recognized historically, there are some gaps.

The very existence of the Federal Flood Insurance Program, which we are here today financing, is an acknowledgment that there are limits to the private system. Private insurance, we have decided as a society, cannot handle the flood question, so the government must step in. I say that because it has become fashionable to denounce government, to take credit for less government. Well, less government, what does that mean? Less FEMA, less flood insurance, less for the Corps of Engineers?

This is an example. We are here today to provide more government. We are here today to provide public resources, \$2 billion. By the way, this \$2 billion, we are authorizing the flood insurance program to borrow it. They are going to borrow it from the Treasury. They will be borrowing it from the Treasury which will, of course, in turn borrow it from the capital markets, from the American people, from China, and from everybody else who lends us money. That is the second point I want to make.

As we now acknowledge after this terrible disaster and an inadequate response to the disaster, partly caused by a failure to appreciate the importance of our coming together through government to perform important functions, we will be spending a great deal of additional money. We are adding this \$2 billion, I assume, to the deficit, let us be clear.

□ 1215

We are not having any offsets. And this is a very small part of what we are doing. The time has come to recognize that we have over these past years left this Federal Government with too little in the way of resources to carry out our purposes. And we talk a lot about values and about the moral purposes we seek to achieve. I believe strongly that morality ought to be an element of public policy. I believe that we have not fulfilled our moral duty to the poorest people and working people and lower middle income people in New Orleans and elsewhere who have not been treated fairly as they were victimized.

That is a moral question. It is a moral question when people are left behind because they do not have the resources to leave and other people leave. It is a moral question when people are not rescued when they could be rescued. It is a moral question when we let people live now in conditions brought about by this flood that are not decent conditions for human beings.

And part of the answer, not all of the answer, but a necessary part of the answer is for the government to have the resources. And those who subscribe to the view that we must here in this House carry out our moral duty to each other should understand one of our moral duties right now is to go to people in need, to people who are frail, who are ill, who are young, who are old, who are in good health, but who have been reduced by physical forces to circumstances that no one of us would want to live in.

And only if we come together through this mechanism called government, and only if we give this mechanism called government resources, tax money, because that is where the money comes from, will we have the capacity to discharge our fundamental moral duty. We talk a lot about family values. Let us value the families that have been so badly battered by this hurricane and whose condition was exacerbated by an inadequate response by the rest of the country.

I cannot think of a better demonstration of family values than to go to the families living in Astrodomes and Superdomes and other places, hardly adequate for a family to live in. Let us go show our family values by doing whatever we can. We can never make people whole in the situation, but let us try to alleviate their misery.

Well, again, we are borrowing \$2 billion today, and I am glad we are doing that because we need to get to their aid. But it is a very small part of what we need to do. But I hope that this \$2 billion will not stay borrowed. This \$2 billion, a very small piece of what we need to do, underlines the importance of our, let me put it this way.

We have, I think, a greater recognition of the value of government than we used to. I have not heard anybody today boast about how much they have reduced government. Indeed, I have

heard virtually universal insistence that the government has got to do more in housing. We have got to do a better job with the Corps of Engineers, and we have got to do a better job with the EPA to deal with the terrible environmental problems that will result from this. We have to increase Medicaid funding at the Federal level for some of the States that are receiving people. We have to provide more funding for education. We are going to have to rebuild streets; we are going to have to pay police officers overtime.

There will be enormous demands on this government for money. And what does that mean? It means enormous demands that we recognize our moral obligation to each other and each other's families to alleviate the effects of the disaster. Let us not just borrow that money. Let us not just add it to the deficit. The time has come to say that we have left ourselves inadequately prepared to deal with this.

For anyone, an individual, a company, a nonprofit institution or a government to live deliberately and consciously on the edge is irresponsible, but that is what we have done to ourselves in this country. We have so reduced the resources available to this Federal Government that when this terrible disaster hit, we left ourselves inadequately prepared financially to deal with it. We did not do enough because of financial problems in the past.

But let us now say, okay, we now understand this. There is a war going on in Iraq. I opposed it, but the war is there, and it imposes costs on us. There is still an effort in Afghanistan which I supported. Now we have this disaster. The time has come to recognize that this government, the instrument of our collective moral capacity in this instance, and volunteers will be very helpful, and I salute the volunteers who have done this.

But no one thinks that individual volunteerism is going to resolve this crisis. There needs to be a common effort, coordinated and organized; and that means government. So for those who have joined in the insistence that we spend more, we have spent \$50 billion in the supplemental, \$2 billion here, and then we will do more in housing. And the gentleman from Ohio (Mr. NEY), who has been a great leader for us in the housing area, his committee. As we sit here today and stand here today, in another part of this complex a meeting is going on. The gentleman from Ohio, to his credit, convened all of the groups dealing with housing, low-income advocates, public officials, manufactured housing, homebuilders, people who finance housing. They are giving us an important set of ideas about how to respond.

Now, some of them can be done by cutting red tape and by giving flexibility. They do not all cost money. But some of them cost money. You cannot take people who have lost physical homes and house them decently without money. So we have in every area

virtually where the Federal Government is involved a need to spend more money. The height of irresponsibility would be, it seems to me, to join in this insistence on spending more money and to refuse to address the revenue problems of the government.

How can you be in favor of spending hundreds of billions perhaps, certainly well over a hundred billion extra in addition to everything else we have been spending, but say, oh, and by the way let us cut some more revenue from the government. Let us leave the government less able to do this. And understand that people said, well, it will be a deficit and we can live with a deficit.

This absence of resources puts a constraint on spending. Of course spending should not be wasteful. But it is clear, if you look, I have been here, we have done these appropriations, and appropriations chairman after appropriations chairman has come up and said, you know, I agree, we do not have enough money here. I wish we had more money for housing. I wish we had more money for transportation. I wish we could have done more for medical research. I wish we could have done more for environmental cleanup. But given the budgets, that is all we could do.

In other words, the self-imposed restriction has hurt us. Previously, it was maybe a philosophical debate. Today, it is a moral necessity. It simply is not, it seems to me, morally acceptable, it is not in consonance with family values to continue to deprive ourselves of the resources we need to meet these needs. And so I support this two billion, and I will support many billions more, tens of billions more. But I will also support changing some of the policies of the past.

The wealthiest people in this country, people who make more than \$500,000 a year in income, I think it is reasonable for us to say to them, you know, over the past few years, your taxes have been reduced and you have profited. The time has come for us to undo some of those tax breaks. Leave in place everything up to \$500,000, if that is what you want to do. I would change it even further. But at the very least can we not say that people's incomes above \$500,000 should no longer get the tax reduction they got? None of them will be hurting. None of them will be competing for space in the shelters. None of them will need any reconstruction of their homes. And if we do not do that, no matter how much we say, oh, we do not care, we will just add it to the deficit. We do not care. We will care because nobody is so irresponsible as to totally disregard that deficit impact.

And so if we are going to be true to what we have been saying we want to do, if we are true to our own moral profession, then we have two obligations, one, sensibly, thoughtfully, not wastefully, to spend the resources it is going to take to deal with this problem. And by the way, let us be clear. We do not

want to alleviate this problem by exacting others. We do not want people from this area to go and take housing that is already scarce and knock other people out or knock other people's schools out or compete for scarce Medicaid dollars.

We need to increase what we are doing. We need to do a better job of preparing for this in the future. This will take, we all agree, a very large amount of money. It may be fun to spend the money, or at least it is popular. It would not be morally appropriate to spend all this money and to take credit for spending the money without going back and undoing some of the tax reductions so that some of the wealthiest people in this country who have enjoyed great prosperity lose a little of their tax breaks and contributed so at the very least this additional spending will not add to the deficit, will not be a burden for the future; and the fact that it is a deficit will not be a constraint on our willingness to spend what is necessary.

Mr. Speaker, I reserve the balance of my time.

Mr. NEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again, I want to thank the gentleman from Massachusetts (Mr. FRANK) for supporting this and the reforms that we have had. Let me also say something. The gentleman mentioned about what is going on in the rest of the complex. And we are hearing things and looking at a bigger picture in some long-term eyes, but also some short-term eyes. And I think as we go down this path, just to go off of this bill for a second because we are talking about money today and we are going to spend two billion more, but as we also go down this path in the near weeks to come, I think that the Congress is going to have to put its fingerprints, and we are going to work together, but it is going to have to put its fingerprints on some things.

You just take the current system and you throw some money into it and you say here is another X amount of billion dollars, and we do not consider the human need, basic need right now for housing, for transitional housing, to do something about the shelters, the gentlewoman from California (Ms. WATERS) mentioned that today in the meeting. But we are going to have to put our fingerprints on some of it.

We just cannot let it be up to the standard system of here is the money, and the government agency will then decide what it is going to do. Yes, there are certain monies they can do that. There is also going to be certain things that we are going to have to take a good look at and be able to think outside the box for a situation that is very dramatic for people, and it is going to have to be done soon.

Mr. Speaker, I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I look forward to continuing to work with the gentleman from Ohio

who has been one of the Members who has not been willing to give up our responsibility, and we will work together.

Mr. OXLEY. Mr. Speaker, I rise today in support of H.R. 3669, a bill that would temporarily increase the borrowing authority of the Federal Emergency Management Agency's National Flood Insurance Program.

This bill was introduced by my friend and colleague from Ohio, Mr. NEY, in response to the terrible destruction that has resulted from Hurricane Katrina. Communities across the Gulf Coast from Louisiana, Mississippi, and Alabama have been wiped out. Massive numbers of people are virtual refugees in their own country. And though it will take weeks to determine the full extent of this tragedy, it is likely that thousands of our fellow citizens lost their lives.

For those who survive, the task has turned towards recovery. One of the first things many will be thinking about is whether or not their homes and possessions will be covered by insurance.

Though standard homeowners insurance policies do not cover flood damage, many residents of the areas affected by Katrina were required to purchase flood insurance because their homes were located on a floodplain. As a result, FEMA's National Flood Insurance Program, NFIP, will soon begin the difficult task of assessing damages and paying claims.

Under the National Flood Insurance Act of 1968, FEMA has the authority to borrow up to \$1.5 billion from the Treasury in order to pay flood claims. FEMA has exercised its borrowing privileges in the past and has always repaid the Treasury in full. This \$1.5 billion will be used to ensure that the program has sufficient funding on a cash basis in the short term. Clearly, this will not be enough.

H.R. 3669 will allow the National Flood Insurance Program to borrow an additional \$2 billion, if necessary, to make payments on initial claims while the full extent of the damage is assessed. This borrowing authority is temporary. Like all other such funds requested by the NFIP from Treasury, this money will be paid back in full once the NFIP has had time to recover from the hurricane.

In the meantime, the Financial Services Committee will continue our oversight of the NFIP and work to address any changes that may be necessary in light of Katrina. We in the Congress have put in a great deal of work over the past several years to ensure the viability of the program, culminating in the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004. This Act expanded the use of mitigation grants and requires homeowners to participate in flood mitigation programs to prevent frequent flood losses. We are now faced with a situation that will surely test the NFIP's ability to quickly verify policies, assess damages, and pay claims. I look forward to working with my colleagues on the Committee, particularly Mr. NEY and Mr. BAKER, to ensure that Americans continue to have access to affordable and effective flood insurance.

I urge my colleagues to join me in assisting Hurricane Katrina victims by supporting final passage of H.R. 3669.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. RYAN of Wisconsin). The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and pass the bill, H.R. 3669.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### GENERAL LEAVE

Mr. NEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3669, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### STUDENT GRANT HURRICANE AND DISASTER RELIEF ACT

Mr. BOUSTANY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3668) to provide the Secretary of Education with waiver authority for students who are eligible for Federal student grant assistance who are adversely affected by a major disaster.

The Clerk read as follows:

H.R. 3668

*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 "Student Grant Hurricane and Disaster Relief Act".

##### SEC. 2. WAIVERS OF STUDENT GRANT ASSISTANCE REPAYMENT BY STUDENTS AFFECTED BY DISASTERS.

Section 484B(b)(2) of the Higher Education Act of 1965 (20 U.S.C. 1091b(b)(2)) is amended by adding at the end the following new subparagraph:

"(E) WAIVERS OF GRANT ASSISTANCE REPAYMENT BY STUDENTS AFFECTED BY DISASTERS.— In addition to the waivers authorized by subparagraph (D), the Secretary may waive the amounts that students are required to return under this section with respect to any other grant assistance under this title if the withdrawals on which the returns are based are withdrawals by students—

"(i) who were residing in, employed in, or attending an institution of higher education that is located in an area in which the President has declared that a major disaster exists, in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170);

"(ii) whose attendance was interrupted because of the impact of the disaster on the student or the institution; and

"(iii) whose withdrawal ended within the academic year during which the designation occurred or during the next succeeding academic year."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. BOUSTANY) and the gentleman from Michigan (Mr. KILDEE) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. BOUSTANY).

#### GENERAL LEAVE

Mr. BOUSTANY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3668.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOUSTANY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this bill to provide additional relief to students whose higher education plans have been put on hold as a result of the devastation caused by Hurricane Katrina.

Yesterday, the House unanimously approved a bill to ensure that students who were forced to withdraw from college because of a natural disaster are not forced to repay Pell grant aid. I think that bill will provide critical relief to students who are already facing tremendous hardships as a result of this tragedy.

I am pleased today to be taking the next critical step by providing this type of flexibility and protection for students receiving all types of grant aid under title IV of the Higher Education Act.

□ 1230

We need to provide the Secretary of Education the utmost flexibility to meet the needs of students who have lost their homes and communities, and that is exactly what this bill will do.

Each year millions of American students gain access to higher education with the help of Federal student aid. The Federal Government is providing more than \$73 billion in direct financial aid to students for fiscal year 2005 in order to ensure college access for students from all walks of life. I am proud of our tremendous investment in higher education.

Unfortunately, the tragic events of the scope like that which we are seeing on the Gulf Coast were not anticipated in the structure of the Federal student aid programs. The Department of Education lacks the flexibility to waive student aid repayment requirements for students who are forced to withdraw from higher education as a result of a natural disaster.

Waiver authority does exist within student loan programs, and yesterday we provided similar flexibility within the Pell grant program. Today, we are addressing the remaining discrepancy for other types of student financial aid that play a critical role in providing college access to low- and middle-income students.

The bill will protect students from being forced to repay other types of

grant aid under title IV of the Higher Education Act. Some examples of the types of programs protected under this bill would be TRIO, GEAR UP, and the Supplemental Educational Opportunity grants.

Mr. Speaker, this bill is but one small step in what will be a comprehensive, long-term relief effort. However, for many students and families this bill will provide critical relief as they work to rebuild their homes and lives and, ultimately, as they do return to higher education in the future.

Mr. Speaker, I urge my colleagues to join me in support of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, yesterday I supported the Keller bill to offer relief to Pell grant recipients affected by natural disasters. I rise today to support the Jindal bill to offer relief to those benefiting from other Title IV grant programs like TRIO, LEAP and HEP/CAMP.

It is vital that grant recipients affected by this tragedy be spared the further hardship of repaying a grant they were never able to benefit from. This bill represents a good first step and I am pleased to be a cosponsor.

There is no question that we need to reassess what students and families can actually pay for college after the disaster, since many have lost jobs, homes, resources and valuables. In addition, we must also address the needs of student borrowers stuck paying loans despite job loss, lost income, and other financial hardship.

The 100,000 low- and middle-income students who depend on loans will feel the financial crunch of Katrina. Furthermore, we must address the needs of students with parents in the affected area, but who are attending schools in other parts of the country. Thousands of affected students and graduates will be unable to make payments on their Stafford or Perkins loans.

Currently, Mr. Speaker, students in repayment who are suffering from economic hardship can seek deferment, but we must cut the red tape by allowing any student impacted by a natural disaster to receive an automatic deferment of both the accumulation of interest and the payments.

The Miller/Kildee Katrina College Relief Act does just that. This change would save the average borrower much over the life of their loan.

Graduates already struggling to dig themselves out of their student loan debt must not be penalized because of this tragedy. Enrolled students who are currently receiving Federal aid had their financial aid package calculated based on their expected family contributions, the so-called EFC, which includes parent contributions and contributions of working students. With hundreds of thousands unemployed, including the one in five undergraduates