Mr. SMITH. The other point I wanted to bring to the attention of the Committee regarding this all-encompassing power under the Tydings proposal and the Patten Amendment would be that if a program is established under the law and it gives the Commissioner this power, you have your insurance companies coming in and operating under the program, and then under the Tydings bill or the Patten Amendment the Commissioner can change the rules of the game and we can't do anything about it, and we think this leaves the companies at a disadvantage.

Mr. DOWDY. Let me pursue that a little bit. Under the example you gave that leaves $2 million that has not been paid. Who pays that?

Mr. SMITH. I think my example brought it out so it came out on the nose $42 million, Mr. Chairman.

Mr. DOWDY. All right.

Mr. FUQUA. Do you have any breakdown as to how it would come out in the District of Columbia as a result of the April disorders?

Mr. SMITH. We have not made a breakdown of that. There was something like a $20 million or $25 million loss here. But you could apply this formula to the District of Columbia and come out with the breakdown. I am sorry we have not done that for the committee.

I would add one further comment about the manner in which this Patten Amendment was brought about. The Tydings bill, as we understand, was hastily drafted in order to have it attached to the Omnibus Housing Bill when it came up in the Senate. We were given a one-day notice to comment on it. We indicated we would not have sufficient time to give proper consideration to the bill because, as you can appreciate, this is a highly complex situation. So the Senate District Committee did not clear the bill in time for it to be attached to the Senate Omnibus Housing Bill. Then further hearings were scheduled by the Senate District Committee and we had a chance to consult with the staff further and we had a chance to appear and present our views. As a result of these conferences—I am not saying just with us but with the entire insurance industry—the bill was improved. When we said we did not have a chance to study the bill we were told to come up anyhow and it could be cleared up in the House. You know what happened in the House. I personally do not think this is the proper manner in which national legislation which affects an industry the size of the insurance industry or anyone else should be drafted, and it is not a proper process to bypass Committees of Congress. I offer that for whatever value it may have.

Mr. SISK. The thing that concerns me a little bit on this—and I hope you understand there is no implication in the comparison I make—but it seems to me one of the main concerns you have, as well as the main concern Mr. Nangle had, is really who will be the policeman in the case. I am not being critical of the insurance industry because they are a very necessary segment of American lives, but for the first time we have a situation where you are getting your hand in the Federal till—by "you" I mean the insurance industry—in meeting a need that we all know exists. If you will permit the use of a term that is perhaps not too good, you people are concerned about who will police this program. I, for one, have very strong feelings about it if we are going to put the Federal Government and the District of Columbia in the business of financing these programs. I share your concern about law