The alternate bill which is now being considered by this Committee does not contain the key features needed in an adequate reinsurance program for the District. I urge, therefore, that the original District Government Bill be enacted by Congress which the American Insurance Association has endorsed.

As far as I am able to determine, the House and Senate conferees have not yet completed their work on the Omnibus Housing Bill. I hope, therefore, that members of the House District Committee will do everything possible to assure that the District of Columbia Insurance Act included in the House passed version of the larger bill, is included in the Housing Bill presented to Congress for passage.

Mr. Chairman, Mr. Robert Kneipp of the Corporation Counsel's Office, and Dr. Herbert Denenberg, a professor at the University of Pennsylvania who is an expert consultant to the District on property insurance, will be able to provide more detailed information on the insurance needs of the District.

Thank you.

Mr. DOWDY. The State of New Jersey has passed a bill that conforms to the recommendations of the Hughes Panel. Does that New Jersey plan require the additional industry assessment as provided in H.R. 17647?

Mr. HECHINGER. It is my belief it is identical. I will ask Dr. Denenberg to reply to that.

Mr. DENENBERG. Yes. We have a copy of that bill and it follows the assessment approach. The Hughes bill follows the same procedure for assessment as was included by the House as Title XI of the Omnibus Housing Bill.

Mr. DOWDY. I have been informed that the District of Columbia Government, in the preparation of this bill, did not consult the Superintendent of Insurance of the District at all.

Mr. HECHINGER. I cannot answer that.

Mr. KNEIPP. Mr. Chairman, I would like to correct a number of misconceptions. First, the so-called Tydings bill and the Diggs bill were initiated by the Superintendent of Insurance of the District of Columbia. When this matter cames up the Superintendent of Insurance suggested that we draft legislation that would enable the District of Columbia to participate in the national legislation. He sent copies of the proposed Virginia and Pennsylvania legislation and a draft of legislation to enable him to participate. This developed into Title XI of the Housing Bill. Essentially this is what the Superintendent of Insurance recommended be done. He has been in on the process. It was proposed at his initiative.

Mr. Smith has indicated the insurance industry did not have an opportunity to consider the Tydings bill and the Diggs bill.

Mr. DOWDY. Is the Diggs bill the same as the Patten Amendment?

Mr. KNEIPP. Essentially. The Diggs bill is identical with Title XI of the Omnibus Housing Bill except for some minor modifications that were made, but it is my understanding the Tydings-Diggs bill is identical with Title XI. The early drafts of the Tydings bill were personally delivered to representatives of the insurance industry and I think I took them myself to Mr. Smith's office. So when Mr. Smith informed the Committee they had only one day's notice, I am afraid that is not quite true. They had several day's notice of what is essentially before you today.