

There are other features perhaps in the bill which would prevent the District from taking full advantage of the National Re-Insurance Program.

Mr. DOWDY. What is the other bill you were going to discuss?

Mr. KNEIPP. The Brasco-O'Konski bill. This bill goes part way toward allowing the District to participate in the national program but not quite so far as does Title II of the Housing bill. For that reason the District recommends against the enactment of 17607 or the Brasco Bill.

Finally, I did not hear whether you would offer for the record the letter of transmittal submitted by the District Government under date of May 31, 1968, forwarding to the Speaker the draft bill which has been introduced as H.R. 17647. The District supports that draft bill and recommends its enactment.

Mr. DOWDY. That was placed in the record. There were three letters and that was one of them. There is a letter of May 31 and others.

Mr. HECHINGER. Mr. Chairman, just in very much of a layman's language I have seen the difference between the so-called model bill and the Title 11 of the omnibus bill. There are three things involved. One, there is no force to make the setup that the bill purports to provide, contrary to the Omnibus Housing Bill which is mandatory.

Secondly, the provisions within the bill are subject only to the veto of the Commissioner of Insurance.

Thirdly, the Commissioner is made a free agent.

If I am not mistaken, Mr. Kneipp, I believe the Commissioner, the Mayor of the District, has indicated he will appoint the Commissioner of Insurance to be the authority to administer this reinsurance act.

However, within the bill, as I understand it, there is some removal, it makes him a free agent, which is undesirable in relationship to a major department head being under the Mayor.

Mr. KNEIPP. The Mayor has indicated, and I do not recall whether it was a letter to the Senate or this body, that he intends to delegate to the Superintendent of Insurance, in like manner as he has delegated all other power relating to insurance that are vested in the Commissioner today under existing law, the Mayor intends to delegate to the Superintendent of Insurance the authority which is vested in the Mayor by either the Tydings bill or Title 11 of the Housing Bill, so there is just a matter of really conforming with the scheme of the reorganization of the District Government under which all powers are vested in the Commissioner of the District of Columbia with authority to delegate those powers to various administrators of one kind or another.

Obviously, I think, there is every intention that the Commissioner fully intends to delegate to the Superintendent of Insurance the authority contained in the Title 11. However, just as a practical matter all of these powers are placed in the Commissioner with authority to delegate rather than to create a separate statutory entity as the so-called model bill would do. (See appendix, p. 51.)

Mr. DOWDY. You mentioned there is no compulsion in the model bill with regard to insurance companies joining in the insurance placement plan.

Mr. KNEIPP. No provision for fine, no—