legislation that has passed, and the District feels it is the only one that will permit the District to move forward in properly solving the insurance problems.

Mr. McMillan. I discussed this matter with the counsel and I think he should speak on that.

Mr. Garber. When you say this bill or the model bill does not call for any FAIR Plan, will you show us what you mean in light of the plain language of Section 6?

Mr. Denenberg. There is a FAIR Plan and industry placement facility in the joint association contemplated by the National Act and by the Hughes Panel.

Mr. Dowdy. What does the FAIR Plan do that the industry placement facility would not do in the bill?

Mr. Denenberg. The FAIR Plan requires that no one can be turned down on insurance or sold insurance at surcharge rates without an inspection of his property and without the insured coming forward and either giving him some reason for not insuring him or giving him the insurance.

This is in the National bill and in the Hughes Panel. It is not in H.R. 18541.

Mr. McMillan. Who will subsidize this insurance, the Federal Government, the District Government, or who?

Mr. Denenberg. What insurance, sir?

Mr. McMillan. I am talking about private companies not taking it. If they do not, the Government will.

Mr. Denenberg. Under the FAIR Plan the only people getting insurance are those with insurable property and no subsidy will be necessary. This is sound property which can be insured and the company should insure it and are now able to insure it.

Mr. McMillan. It has been only two months since the riots caused all this trouble. I think we should take a little time and go a little slow before we pass something we know so little about. I don't know what the rush is.

We certainly cannot hold sufficient hearings on this proposal in such brief time.

The reason I object to hanging this legislation on to some other bill is because we have had no bill before us.

Mr. Hechinger. In regard to the timing, I must again point out, as I did earlier, that the rate of cancellation within our city and the need to rebuild is really tied so vitally into some reinsurance plan and some enabling act to tie us into this because we are losing the insurance possibility in these various areas and peripheral areas and it is spreading. This is the urgency.

Mr. McMillan. If we do not get law enforcement in Washington, we will lose not only the businesses, but hotels and motels and everything else.

I certainly favor helping out these people. I want to see to it that they get insurance. I want an insurance plan where the Federal Government and the District Government will not have to pick up all the tabs.

Mr. Garber. On page 2, paragraph 4, how do you interpret that? It states one of the purposes of the bill is to establish a FAIR Plan, fair access to insurance requirements.