(4) in subparagraph (G), as so redesignated, by striking ''through (D)'' and all that follows through ''Year 3''and inserting the following: ''through (F), for the Transition Period or any Program Year''.

SEC. 4. INSURED LOSS SHARED COMPENSATION.

Section 103(e) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note; 116 Stat. 2328) is amended—

(1) in paragraph (1)—

(A) by inserting ''through Program Year 4'' before ''shall be equal''; and

(B) by inserting '', and during Program Year 5 shall be equal to 85 percent,'' after ''90 percent''; and

(2) in each of paragraphs (2) and (3), by striking ''Program Year 2 or Program Year 3'' each place that term appears and inserting ''any of Program Years 2 through 5''.

SEC. 5. AGGREGATE RETENTION AMOUNTS AND RECOUPMENT OF FEDERAL SHARE.

(a) AGGREGATE RETENTION AMOUNTS.—Section 103(e)(6) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note; 116 Stat. 2329) is amended—

(1) in subparagraph (B), by striking ''and'' at the end;

(2) in subparagraph (C), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(D) for Program Year 4, the lesser of—

''(i) $25,000,000,000; and

''(ii) the aggregate amount, for all insurers, of insured losses during such Program Year; and

''(E) for Program Year 5, the lesser of—

''(i) $27,500,000,000; and

''(ii) the aggregate amount, for all insurers, of insured losses during such Program Year.''.

(b) RECOUPMENT OF FEDERAL SHARE.—Section 103(e)(7) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note; 116 Stat. 2329) is amended—

(1) in subparagraph (A), by striking '', (B), and (C)'' and inserting ''through (E)''; and

(2) in each of subparagraphs (B) and (C), by striking ''subparagraph (A), (B), or (C)'' each place that term appears and inserting ''any of subparagraphs (A) through (E)''.

SEC. 6. PROGRAM TRIGGER.

Section 103(e)(1) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. note, 116 Stat. 2328) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following:

''(B) PROGRAM TRIGGER.—In the case of a certified act of terrorism occurring after March 31, 2006, no compensation shall be paid by the Secretary under subsection (a), unless the aggregate industry insured losses resulting from such certified act of terrorism exceed—

''(i) $50,000,000, with respect to such insured losses occurring in Program Year 4; or

''(ii) $100,000,000, with respect to such insured losses occurring in Program Year 5.''.

SEC. 7. LITIGATION MANAGEMENT.

Section 107(a) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note; 116 Stat. 2335) is amended by adding at the end the following:

''(6) AUTHORITY OF THE SECRETARY.—Procedures and requirements established by the Secretary under section 50.82 of part 50 of title 31 of the Code of Federal Regulations (as in effect on the date of issuance of that section in final form) shall apply to any cause of action described in paragraph (1) of this subsection.''.

SEC. 8. ANALYSIS AND REPORT ON TERRORISM RISK COVERAGE CONDITIONS AND SOLUTIONS.

Section 108 of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note; 116 Stat. 2336) is amended by adding at the end the following:

''(e) ANALYSIS OF MARKET CONDITIONS FOR TERRORISM RISK INSURANCE.—

''(1) IN GENERAL.—The President's Working Group on Financial Markets, in consultation with the National Association of Insurance Commissioners, representatives of the insurance industry, representatives of the securities industry, and representatives of policy holders, shall perform an analysis regarding the long-term availability and affordability of insurance for terrorism risk, including—

''(A) group life coverage; and

''(B) coverage for chemical, nuclear, biological, and radiological events.

''(2) REPORT.—Not later than September 30, 2006, the President's Working Group on Financial Markets shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on its findings pursuant to the analysis conducted under subsection (a).''.

SA 2690. Mr. FRIST (for Mr. MCCAIN) proposed an amendment to the bill S. 1892, to amend Public Law 107–153 to modify a certain date; as follows:

On page 1, line 6, strike ''2005'' and insert ''2000''.

AUTHORITIES FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on December 16, 2005, at 10:30 a.m., in closed session to receive a classified briefing regarding future naval force structure requirements.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet in open Executive Session during the session on Friday, December 16, 2005, immediately following a vote on the Senate Floor, tentatively scheduled to occur at 11:30 a.m., in the President's Room, S–216 of the Capitol, to consider favorably reporting the nominations of Antonio Fratto, to be Assistant Secretary of the Treasury for Public Affairs, U.S. Department of the Treasury, Washington, DC; David M. Spooner, to be Assistant Secretary of Commerce for Import Administration, U.S. Department of Commerce, Washington, DC; David Steele Bohigian, Assistant Secretary of Commerce, Market Access and Compliance, U.S. Department of Commerce, Washington, DC; and, Richard T. Crowder, to be Chief Agricultural Negotiator, Office of the United States Trade Representative, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. ISAKSON. Mr. President, I ask unanimous consent that Tom Cremins, a fellow on the Commerce Committee staff, and Michael Dodson, a fellow on the staff of Senator NELSON of Florida, be granted the privilege of the floor for the debate on the NASA conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the aide to our committee clerk for the Science and Space Subcommittee be permitted the privilege of the floor, Tom Cremins.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, we will be finishing tonight. I say that because we will be leaving the floor tonight, but there is a lot of work going on here in the Nation's Capital as we try to bring to closure the Nation's business for this first session. So a lot of work is going on—productive work.

All of our colleagues are wondering when they will be able to leave and go back to their States. The Democratic leader and I were talking about that. As soon as we have some schedule, we will let our colleagues know.

I will have more to say on the schedule shortly.

STEM CELL THERAPEUTIC AND RESEARCH ACT of 2005

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 256, H.R. 2520, the cord blood stem cell bill.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2520) to provide for the collection and maintenance of human cord blood stem cells for the treatment of patients and research, and to amend the Public Health Service Act to authorize the C.W. Bill Young Cell Transplantation Program.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2688) was agreed to.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The bill (H.R. 2520), as amended, was read the third time and passed.

Mr. FRIST. Mr. President, this bill, the Stem Cell Therapeutic and Research Act of 2005, is a hugely important bill that is now passed and, once signed by the President, will save lives.

There is amazing, remarkable work with these cord blood transplants. Cord blood is basically blood cells that are gathered from the placenta after birth.

The power of these cells is truly remarkable, as we treat diseases such as leukemia, sickle cell anemia, and a range of very rare genetic disorders.

This bill establishes a registry of about 150,000 units initially all over the country that people will be able to access instantaneously in order to have this tissue that will bring, literally, lifesaving therapy to individuals who are currently waiting for transplants. So it is with a great deal of pride that we pass this particular bill in the Senate.

TERRORISM RISK INSURANCE ACT OF 2005

Mr. FRIST. I ask unanimous consent the Chair now lay before the Senate the House message to accompany S. 467, a bill to extend the applicability of the Terrorism Risk Insurance Act of 2002.

The Presiding Officer laid before the Senate the following message from the House of Representatives:

Resolved that the bill from the Senate S. 467 entitled " An Act to extend the applicability of the Terrorism Risk Insurance Act of 2002," do pass with an amendment.

Mr. REID. Mr. President, make a few remarks about final passage of the Terrorism Risk Insurance Extension Act of 2005. Let me start by thanking Senators SARBANES, DODD, SHELBY and BENNETT for their tireless effort in the last several months to pass this critical piece of legislation. These Senators worked through significant differences on the substance of this bill and ultimately reached a compromise with the House that extends the basic structure of this important program for another 2 years, and I commend them for those efforts.

The Terrorism Risk Insurance Act, commonly referred to as TRIA, has proven to be an effective program that has made terrorism risk insurance available to commercial propertyholders and has provided businesses meaningful access to coverage in a post-9/11 world. The program has made sure that the American economy and markets function in the face of a still-present threat of a terrorist attack. In my home State of Nevada, large construction projects and jobs were threatened because of uncertainty in the terrorism insurance market created by TRIA's imminent expiration. Extending TRIA will eliminate that uncertainty and provide an economic backstop in the event of another terrorist attack in this country.

Our Nation's economy will be more stable now that TRIA will be extended, but I remind my colleagues that this legislation only extends the program through the end of 2007. Fortunately, the legislation mandates that the President's Working Group on Financial Markets consult with other stakeholders and come up with an analysis of the long-term availability and affordability of terrorism risk insurance. I look forward to future discussions and continued work on crafting a permanent solution to these problems.

Mr. SARBANES. Mr. President, I join my colleagues in support of the Terrorism Risk Insurance Extension Act of 2005. This legislation represents a bipartisan, bi-cameral compromise to extend the Terrorism Risk Insurance Act of 2002 for 2 years, through December 31, 2007. I want to take this opportunity to congratulate my colleagues, as it is through the hard work of Banking Committee Chairman SHELBY and Senators DODD and BENNETT, along with the House negotiators, led by Financial Services Committee Chairman OXLEY and ranking member FRANK, that we have been able to work out this compromise and ensure that TRIA continues.

As I said when the Senate first considered a TRIA extension bill in November of this year, the original TRIA was designed to address the adverse impact on the terrorism insurance marketplace of the sudden lack of terrorism reinsurance after the September 11th attacks. Reinsurance is a mechanism by which insurance companies spread their own risks, allowing them to write more policies; without it, insurers' capacity to offer coverage for losses due to terrorism shrank considerably. By all accounts, the federal backstop provided by TRIA achieved its goal of making terrorism insurance coverage available and affordable once again. The Treasury Department reported this summer, "TRIA was effective in terms of the purposes it was designed to achieve. TRIA provided a transitional period during which insurers had enhanced financial capacity to write terrorism risk insurance coverage. . . . More generally, TRIA provided an adjustment period allowing both insurers and policyholders to adjust to the post-September 11th view of terrorism risk."

However, after the Treasury Department released its report, serious disagreements emerged as to what would be the most efficient, effective, and equitable way to assure the continued availability of terrorism insurance. This is an issue that deserves careful analysis, which is why this extension bill contains a requirement for a study by the President's Working Group on Financial Markets on the long-term availability and affordability of terrorism risk insurance. I hope that this requirement will result in a thorough examination of the issues and will include input from all stakeholders, which will help us answer the question of how to insure against terrorism over the long-term.

To allow time for that examination to take place, this compromise legislation continues the TRIA program for 2 additional years, with certain modifications, which I will briefly summarize.

Following the model of the extension bill passed by the Senate in November of this year, this legislation narrows the scope of the TRIA program, further targeting the program toward the types of terrorism insurance that are the most difficult to provide. Under the terms of the extension, the federal backstop will no longer be available for insurance policies covering commercial automobiles, professional liability, burglary and theft, farm owners, multiple peril, and surety.

Just as the original TRIA did, this extension places more of the risk on the insurance industry, and correspondingly less on the Federal Government, in each year. For example, in 2005, under the current program, the amount of terrorism losses that an insurer must cover before federal assistance becomes available is 15 percent of the premiums collected by that insurer in lines covered by the TRIA program. Under this extension, this "insurance company deductible" will rise to 17.5 percent of premiums in 2006, and 20 percent of premiums in 2007. Moreover, the amount that insurers must pay above their deductible also increases, rising from 10 percent of losses in 2006, to 15 percent of losses in 2007.

In addition to the individual insurance companies' deductible, the insurance industry as a whole must cover a certain amount of losses before federal assistance becomes available. In 2005, the last year of the current TRIA program, that amount is $15 billion. Under this legislation, that amount will rise to $25 billion in 2006, and $27.5 billion in 2007, an increase from the amounts included in the legislation originally passed by the Senate in November.

Also, after March 31, 2006, no federal assistance will be available at all under the program for a terrorist attack in which total losses do not exceed $50 million, a level which rises to $100 million in 2007. The starting date for this increase in the trigger level is later than it was in the bill passed by the Senate in November, to allow the insurance industry and policyholders a grace period in which to adapt to the new level.

Finally, I want to emphasize that this compromise legislation, like the extension bills passed by both the Senate and the House earlier this year, retains a critically important piece of the current TRIA program: the requirement that insurers make terrorism coverage available to policyholders in all of the lines covered by TRIA.

These provisions follow the framework of the existing TRIA program, keeping the federal backstop in place so that insurers will continue writing terrorism policies, while placing progressively more of the costs onto the industry itself. As with any compromise product, no one would say that