EXTENSIONS OF REMARKS

RESPECTING THE FINE SERVICE OF THE GOVERNMENT PRINTING OFFICE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. DINGELL. Mr. Speaker, the amendment to cut 100 additional employees from the U.S. Government Printing Office, offered and accepted during debate last week on the Legislative Appropriations bill, was an impulsive and arbitrary maneuver with no focus whatsoever on the quality of services rendered by this public service agency.

The amendment was another example of legislating in haste with uncertain results, which failed to take into account the tremendous record of personnel reductions that has occurred at GPO. In the past 20 years, GPO has reduced the number of its employees by more than half, from 8,000 in 1976, to 3,800 today. Last year, the House voted for additional reductions and the Appropriations Committee recommended a cut of 50 full-time employees for fiscal year 1997.

This work force reduction was accomplished by efforts of not just Congress, but also the GPO leadership, to bring the agency into the modern world of communications, and they have succeeded in doing that through a transition to electronic technologies while maintaining the traditional quality of printed Government documents.

I want to commend GPO's employees for their hard work and dedication to their jobs, which includes making this body run in a sound and effective manner. Without GPO, the nearly instantaneous transmission and publication of the CONGRESSIONAL RECORD and other vital documents could not be relied upon in an institution where swift access to information is crucial.

The amendment approved last week is not the result of any careful study or performance review. Rather, it is one of those across-the-board types of reductions we have seen offered by the majority party for a number of years to make more difficult the delivery of taxpayer-paid Government services.

Mr. Speaker, GPO has taken steps to keep up with the ever-changing nature of the information age and has done so in a cost-effective way. It should be given the necessary discretion to continue to implement needed management changes, including a reduction in unnecessary or duplicative employee positions as they occur, without interference by those who would rather enact arbitrary and across-the-board cuts. I commend the dedicated work of our GPO employees, and believe my colleagues would do the same when they come to know of the fine service they deliver.

DISASTER INSURANCE BILL

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 16, 1996

Mr. McCOLLUM. Mr. Speaker, it seems that virtually everyone in America is going to see a movie about the threat of aliens destroying our country. The real threat this summer is the destructive force of another major hurricane, like the one bearing down on the coast of North Carolina as we speak.

Hurricane Bertha has already taken lives and caused millions in property damage in Puerto Rico and the Virgin Islands. The threat caused by these destructive natural disasters is all too real. We face it every year and will continue to experience growing loss of life and property until we try to confront the destructive forces in a better way.

Mr. Speaker, I have a great interest in legislation that my good friend, Mr. Emerson, has introduced to reduce the impact of such catastrophic disasters. Mr. Emerson was aware that we at the Federal level need to encourage high risk areas of our country to better prepare for such events. Homeowners and businesses in States like Florida need more reliable disaster insurance protection. I would like to put the following article that appeared in today's Wall Street Journal in the RECORD. This article describes the insurance crisis that is occurring in my home State of Florida.

Currently, legislation to address these problems is under consideration in the House Transportation Committee in the form of H.R. 2873, the Natural Disaster Protection Act. I urge my colleagues to support committee action on this critical issue during the 104th Congress.

I am pleased to note that the Transportation Committee has been engaged in the process of revising the bill to address concerns raised in the hearing process, and the Senate has undertaken a similar effort.

Although this legislation certainly will not completely solve this problem of disaster insurance and will not eliminate the Federal burden relief, I believe it is a good first up on which to build future efforts. My State is taking actions on its own which will complement the programs in the proposed Federal bill and I understand that the insurance industry is examining other private sector options to increase insurance availability in high risk areas like Florida.

I would like to compliment the work of Chairman SHUSTER and his staff. We must support their efforts to report a revised bill out of committee as soon as possible. Mr. Speaker, for Congress to wait until the next major disaster to act on this issue would be a tragedy.

[From the Wall Street Journal, July 12, 1996]

FLORIDA HOMEOWNERS FIND INSURANCE PRICEY, IF THEY FIND IT AT ALL

(By Leslie Scism and Martha Brannigan)

The swath of South Florida devastated four years ago by Hurricane Andrew is in far better shape these days. But the state's insurance industry, devastated by the same storm and wary of another direct hit, is still a disaster.

Florida's homeowner-insurance business is like none other in the country: Rates, once absurdly cheap, have more than doubled in many coastal areas since Andrew, with double-digit annual increases likely in the future. Some big companies are so anxious to shed high-risk customers that they are openly touting the merits of their smaller competitors and even paying them bounties. Meanwhile, the state now operates an underwriting agency that, though it has rapidly become Florida's second-largest home insurer, is thought by many to be underfunded and incapable of handling a major disaster.

All of this comes at a time when the Atlantic is churning forth bigger hurricanes, more frequently, than at any time in decades. Last year's hurricane season was the busiest since 1933, and the march of Hurricane Bertha toward the East Coast today reminds Floridians that they are just one storm away from a disaster that could leave them homeless and underinsured.

FLIRTING WITH DISASTER

''Insurance companies and buyers have not yet fully come to terms with the new reality of megacatastrophes in the 1990s, and nowhere in the U.S. is this issue seen more dramatically than in Florida,'' says Sean Mooney, an economist with the Insurance Information Institute, a trade group.

This was inconceivable in the boom years of the 1980s. Hurricanes were rare, and those that hit the mainland tended to stay far from the state's two most densely populated coastal zones, the stretch from Miami to Palm Beach and the St. Petersburg-Tampa area. The insurance firms were relying on primitive models that didn't anticipate multibillion-dollar losses. The companies competed ferociously to insure the thousands of homes being built every year in the nation's third-fastest growing state.

Then came Aug. 24, 1992. Hurricane Andrew swept through south Dade County, about a dozen miles from downtown Miami. It was the most expensive natural disaster in U.S. history, causing about $16 billion in insured losses—more than half of that incurred by homeowners.

BILLION-DOLLAR LOSSES

Insurance firms took a huge hit. According to the state, 10 companies, most of them small, went broke from storm-related losses. Others also felt Andrew's punch. State Farm Group, which held policies on more the 30% of Florida's insured homes, sustained $3 billion in losses.

Some agencies couldn't make it. Scott Johnson, executive vice president of the Florida Association of Insurance Agents, says that since the storm, nearly 100 members of the group went out of business, reducing its ranks to 1,155 members. Many other agencies that weren't members also failed.

Meanwhile, the companies that stayed in Florida immediately sought to reduce their market share, especially in risky coastal areas. They dropped old customers and refused to insure new ones. One company, Prudential Insurance Co. of America, even paid many of its own policyholders a year's worth of premiums to take their business elsewhere. The cost to Prudential: about $15 million.
