

Opening Statement
Chairman Michael G. Oxley
Committee on Financial Services

H.R. 4100, the Louisiana Recovery Corporation Act
November 17, 2005

Good morning. Today we consider H.R. 4100, the Louisiana Recovery Corporation Act, authored by Capital Markets Subcommittee Chairman Baker to assist in the rebuilding efforts of the Louisiana areas devastated by Hurricanes Katrina and Rita.

First, I would like to take a moment and assess the active role this Committee and its members have undertaken in the hurricane relief efforts.

Upon Congress's return after the August recess and just days after Hurricane Katrina ravaged the Gulf Coast region, the Committee held a briefing to gauge the response of financial services companies and industry regulators to the hurricane's effects and the needs of the impacted community. The following week, the Committee held a briefing on the response of the insurance industry to Hurricane Katrina. And just this past week, the Capital Markets Subcommittee hosted a briefing on the insurance industry's response to Hurricanes Katrina, Rita, and Wilma.

Under the leadership of Chairman Ney, the Housing and Community Opportunity Subcommittee held three hearings and briefings on the national flood insurance program and the critical housing needs of the hurricane-ravaged areas.

In addition, the Housing Subcommittee has shepherded needed relief legislation to the House floor. The first week after the August recess, the House unanimously approved H.R. 3669, the National Flood Insurance Program Enhanced Borrowing Authority Act, introduced by Subcommittee Chairman Ney, Subcommittee Chairman Baker, and Congresswoman Brown-Waite to temporarily increase the borrowing authority of the National Flood Insurance Program to pay Hurricane Katrina-related claims.

Yesterday, the House passed similar legislation, H.R. 4133, the National Flood Insurance Program Further Enhanced Borrowing Authority Act, introduced by Congressman Fitzpatrick and passed in this Committee in late October to enhance borrowing authority for victims of all three hurricanes which have devastated the Gulf Coast region.

In addition, yesterday, the Committee passed a much-needed bill to reform and strengthen the National Flood Insurance Program, H.R. 4320, the National Flood Insurance Program Commitment to Policyholders and Reform Act, introduced by Ranking Member Frank and me.

In early October, the House passed three bills providing direct housing relief to survivors of Hurricanes Katrina and Rita: H.R. 3894, the Hurricane Katrina Emergency Housing Act, introduced by Congressman Alexander; H.R. 3895, the Rural Housing Hurricane Relief Act, and H.R. 3896, the Hurricane Katrina Emergency Relief CDBG Flexibility Act, both introduced by Capital Markets Subcommittee Chairman Baker.

On October 26, 2005, the House overwhelmingly approved GSE reform legislation, H.R. 1461, the Federal Housing Finance Reform Act, which included a housing fund provision granting priority to affordable housing proposals in hurricane-affected areas.

In mid-September, the Financial Institutions and Consumer Credit Subcommittee held a hearing focusing on legislative relief to aid hurricane victims' access to financial services. The testimony and discussion generated at this hearing provided the impetus for the consideration of three more financial services relief bills. On October 27, the House passed unanimously H.R. 3945, the Hurricane Katrina Financial Services Relief Act, introduced by Subcommittee Chairman Baker to provide relief to financial institutions affected by Hurricane Katrina.

That same day the Committee passed by voice vote a similar bill covering Hurricanes Rita and Wilma-affected institutions, H.R. 4146, Hurricanes Rita and Wilma Financial Services Relief Act, also introduced by Subcommittee Chairman Baker. The Committee also passed by voice vote H.R. 3909, the Hurricane Check Cashing Relief Act, introduced by Congresswoman Brown-Waite to reduce financial difficulties for hurricane victims devoid of personal identification and financial records and with limited access to financial services.

These are the efforts this Committee has undertaken over the past few months. Our work, however, does not stop here. I promise that this Committee will continue to help lead recovery and rebuilding efforts.

In closing, I would like to commend my fellow Committee members for their diligence, compassion, and bipartisan spirit in crafting relief for the individuals and communities who have suffered the effects of these devastating hurricanes.

I look forward to hearing from the witnesses their views on Mr. Baker's relief proposal, H.R. 4100, the Louisiana Recovery Corporation Act.

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