Honorable Theodore F. Green
United States Senate
Washington, D. C.

Dear Senator Green:

The recent floods -- which cost home owners and businessmen in our area over two billion dollars in destructive damage for which they had no insurance protection -- reconfirmed the necessity for Congressional action on some program of nation-wide flood insurance, to spread the risks of future losses, to soften the destructive blows such disasters bring, and to make possible earlier rehabilitation of flood areas.

Although flood damage in the past two decades -- particularly in the basins of the Ohio, Missouri, Mississippi and Columbia Rivers, and in the Northeastern, Southeastern and Southwestern states regions -- has created a heavy demand for this type of insurance, private insurance companies have concluded that they are unable to provide sufficient coverage at rates both reasonable and adequate. If this problem is to be met, without heavy federal subsidies, increased relief expenditures, and continued loss of homes, productive facilities, and morale, Congress must establish some kind of federal flood insurance and reinsurance program, beginning as we did with the crop and war risk insurance programs on a small experimental basis.

Our purpose in preparing this proposal is to focus Congressional attention on this very serious and difficult subject. Other catastrophes wrought by nature - tornadoes, hurricanes, earthquakes - have, like floods, caused great damage to our nation in the past. Relief from such disasters also deserves careful and thoughtful study by the Congress.
The reason for our bringing this draft of our Flood Insurance Bill, with an explanatory memorandum outlining its background and key features, to your attention at this time is to permit early consideration in the next session of Congress by allowing, in the interval, review by members of Congress, Federal officials, insurance spokesmen and other experts. We would welcome your co-sponsorship of the bill and your suggestions for its improvement. If possible, we would appreciate hearing from you in regard to this matter before the end of the year, in order to make possible introduction of the bill early in January.

With every good wish,

Sincerely yours,

John F. Kennedy, U.S.S.

Leverett Saltonstall, U.S.S.