March 8, 1956

Honorable Thomas H. Kuchel
United States Senate
Washington, D. C.

Dear Tom:

Thank you very much for your letter of March 2nd and the attached letter from the American Mutual Alliance.

You make some very interesting observations. This material will be most useful for the record. I have directed that it be inserted into the record of the recent hearings.

What you found reflects, I am afraid, the situation with regard to several natural disasters against which insurance companies claim there is now adequate private insurance. I would certainly not consider insurance, at these rates and under the conditions offered, to be the kind of "availability" which is really significant.

However, I do not know quite how to go about setting a standard so that the Administrator could, if he so chose, offer insurance to cover a risk which, from the facts you cite, seems to be so inadequately protected against by private insurance. I can only promise you that we will study the matter when we get into Executive Session. Probably it needs more study than we can give it at this time.

Thank you again for having done this "research" and for having contributed to my sum of knowledge and understanding of this aspect of the matter. I am sure the Committee will likewise benefit from this information.

With kind personal regards.

Yours very sincerely,

Herbert H. Lehman
United States Senate