

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
CHIEF POLICY OFFICER

1615 H STREET, NW
WASHINGTON, DC 20062
(202) 463-5310

October 16, 2019

The Honorable Emanuel Cleaver
Chairman
Subcommittee on National Security,
International Development and
Monetary Policy
Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

The Honorable Steve Stivers
Ranking Member
Subcommittee on National Security,
International Development and
Monetary Policy
Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

The Honorable Lacy Clay
Chairman
Subcommittee on Housing, Community
Development and Insurance
Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Clay, Chairman Cleaver, and Ranking Member Stivers:

The U.S. Chamber of Commerce thanks you for holding the hearing entitled, “Protecting America: The Reauthorization of the Terrorism Risk Insurance Program,” and strongly supports H.R. 4634, the “Terrorism Risk Insurance Program Reauthorization Act of 2019.”

In the months following the terrorist attacks on September 11, 2001, the inability for insurance policyholders to secure terrorism risk insurance contributed to a paralysis in the economy, especially in the construction, travel and tourism, and real estate finance sectors. Since its initial enactment in 2002, the Terrorism Risk Insurance Act (P.L. 107-297) has served as a vital public-private risk sharing mechanism, ensuring that private terrorism risk insurance coverage remains commercially available and that the U.S. economy would more swiftly recover in the event of a terrorist attack.

Catastrophic terrorism remains an uninsurable risk because its frequency and location cannot be accurately predicted, and its potential scale could be devastating. Over the past 17 years, because of the hard work of our nation’s national security professionals, TRIA has very fortunately never had to be called into service. During that time, the program has reached a true equilibrium – balancing increasing private sector involvement with taxpayer protection – while ensuring that this coverage is widely available to the policyholders that rely on it. In addition, the program’s most recent reauthorization included a provision to index several of the key “levers” to growth which will automatically ensure that equilibrium for the foreseeable future with nothing but a change to the program’s expiration date.

While TRIA is currently set to expire at the end of 2020, businesses across the country are already beginning to negotiate insurance contracts that extend beyond the current expiration of TRIA. It is vital that Congress work swiftly to reauthorize this important program as soon as possible to help inject certainty into the market, especially since this program was allowed to lapse for twelve days during the last reauthorization.

Last month, 345 organizations from across the country sent a [letter](#) to Congress urging for a clean, long-term reauthorization of the program. The Chamber applauds the bipartisan introduction of H.R. 4634, which would provide a ten-year, clean extension of this critical program.

The Chamber thanks you for holding this important hearing and looks forward to working with the Committee to ensure a swift reauthorization of TRIA.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil Bradley", with a stylized flourish at the end.

Neil Bradley

cc: Members of the Committee on Financial Services