

THE NEW ENGLAND COUNCIL

November 13, 2019

Dear Member of the House New England Delegation:

I write today to urge you to support H.R. 4634, the *Terrorism Risk Insurance Program Reauthorization Act of 2019*, which would reauthorize the Terrorism Risk Insurance Act (TRIA) for seven years. It is an essential backstop for the nation's economy.

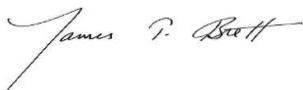
As you know, the Terrorism Risk Insurance Act that was signed into law following the September 11th terrorist attacks, reauthorized in 2015, and is due to expire at the end of 2020. The devastation from those attacks produced insured losses of about \$32.5 billion at the time (\$47 billion in 2019 dollars), the largest insured losses from a non-natural disaster on record. This caused the cost of terrorism risk insurance to skyrocket or become unavailable for businesses across the country. Because TRIA only covers losses more than \$5 million, terrorism risk insurance provided by private carriers has continued to be affordable and available in case of any other terrorist attack, protecting policy holders and insurers throughout the New England region.

The New England Council supports H.R. 4634, the seven-year extension of TRIA that was unanimously passed by the House Financial Services Committee this month. The seven-year extension will provide certainty and stability for insurers, policyholders, and the government in any case of a future terrorist attack. Absent a reauthorization of TRIA, it is likely the country will see a repeat of what occurred in 2001, with many insurers no longer offering terrorism risk insurance coverage, or offering it only at significantly higher prices.

At the end of the day, this bill ensures that TRIA does not expire at the end of 2020, and provides the long-term reauthorization of the program that many legislators, and New England Council members, have continued to be in favor of. We strongly encourage the House of Representatives to act on this reauthorization of TRIA as soon as possible, avoiding widespread negative consequences and significant disruption across the global and New England economy.

If you have any questions regarding this letter, please contact me at 617-723-4009, or Griffin Doherty at gdohertry@newenglandcouncil.com.

Sincerely,



James T. Brett
President & CEO

The New England Council

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