



## Newsroom **BANKING COMMITTEE LEADERS LAUD SENATE TRIA PASSAGE**

July 17, 2014

Washington, DC – Today, the United States Senate approved S. 2244, the Terrorism Risk Insurance Program Reauthorization Act of 2014 (TRIA), by a strong bipartisan vote of 93-4. This bill extends the existing TRIA program for seven years while taking steps to further protect taxpayers.

“I am pleased that my colleagues on both sides of the aisle in the Senate came together today to pass this critical, bipartisan reauthorization, which passed out of the Banking Committee unanimously,” said Senate Banking Committee Chairman Tim Johnson. “This long-term, seven year extension of TRIA promotes national security, economic growth, market certainty and job creation across the country all while protecting the taxpayer.”

“Getting terrorism risk insurance right is important in order to protect taxpayers and to limit the economic and physical impact of any future terrorist attack on the U.S.,” said Ranking Member Crapo. “This bill will help us maintain a properly balanced terrorism risk insurance program that increases the nation’s economic resilience to terrorism. I thank Chairman Johnson, and Senators Schumer, Kirk, and Heller for their partnership in passing this reauthorization.”

In the aftermath of the tragic September 11th terrorist attacks on our country, there were major disruptions in the commercial property sector making it difficult for businesses to obtain financing and terrorism risk insurance. The lack of coverage had a destabilizing effect on our economy. In response to this, Congress stepped in and created the Terrorism Risk Insurance Program to provide a narrow and targeted government backstop for this critical insurance coverage. The program has since been reauthorized by Congress twice.

This bipartisan compromise on TRIA reauthorization adds two additional changes that will further protect taxpayers. It gradually raises both the insurer co-payment from 15% to 20%, and the mandatory recoupment threshold from \$27.5 billion to \$37.5 billion. The Senate bill, however, does not raise the trigger – which would drive smaller insurers out of the market and reduce the availability and affordability of coverage for businesses nationwide – nor does it give preferential treatment under the program to certain kinds of terrorist attacks that are perpetrated on the United States.

In June, the Senate Banking Committee voted to report the bill to the floor by a unanimous and bipartisan 22 to 0 vote. Stakeholders, including the U.S. Chamber of Commerce, American Hotel and Lodging Association, Mortgage Bankers Association, National Association of Mutual Insurance Companies, NCAA, Property Casualty Insurers Association of America, Real Estate Roundtable, and Realtors just to name a few, also strongly support the Senate’s bipartisan approach to extending TRIA.

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## July 2014 Majority Press Releases

*Current record*

July 15th [JOHNSON STATEMENT AT MONETARY POLICY HEARING](#)

July 9th [JOHNSON HOLDS EQUITY MARKET STRUCTURE HEARING](#)

**U.S. Senate Committee on Banking, Housing, and Urban Affairs**

534 Dirksen Senate Office Building

Washington, D.C. 20510

P: (202) 224-7391

F: (202) 224-5137