

The Honorable John Boehner
Speaker of the House
House of Representatives

The Honorable Nancy Pelosi
Minority Leader
House of Representatives

Chairman Jeb Hensarling
Financial Services Committee
House of Representatives

Ranking Member Maxine Waters
Financial Services Committee
House of Representatives

September 10, 2014

Dear Leaders:

The undersigned trade organizations strongly support the long term reauthorization of the Terrorism Risk Insurance Program and urge the House to move forward in reauthorizing this critical public-private partnership as soon as possible. With the current federal terrorism insurance backstop set to expire at the end of this year, this legislation is crucial for the business customers of our organizations and for our nation's economic security. As part of any TRIA reauthorization, we also respectfully ask that H.R. 1155 (NARAB II) be included.

Today, TRIA protects taxpayers by making the private insurance market responsible for all but the most catastrophic attacks. Failure to keep TRIA in place would result in enormous public pressure for costly, direct federal ad hoc assistance in the aftermath of a major terrorist event. TRIA has cost taxpayers nothing in loss payments and has incurred negligible administrative costs. The program has provided for the availability of private terrorism insurance in the marketplace and has kept our economy protected.

In June, the House Financial Services Committee passed a TRIA reauthorization bill out of their committee. Included in that legislation was a NARAB II amendment (H.R. 1155) which was accepted by voice vote. NARAB II would achieve much-needed reciprocity in producer licensing and help policyholders by permitting greater competition among agents and brokers. NARAB II would build upon regulatory experience at the state level, promote greater consistency in agent and agency licensing and ease the burden many agents face in doing business across state lines. Last year the full House of Representatives passed NARAB II by an overwhelming, bipartisan vote of 397-6, and a version of NARAB II is present in the Senate-passed TRIA reauthorization bill. We therefore urge the House to keep its version of NARAB II in any TRIA reauthorization.

We remain committed to working with lawmakers as TRIA makes its way through the legislative process and we strongly urge Congress to reauthorize TRIA as soon as possible - with the inclusion of the House-passed NARAB II legislation.

Sincerely,

American Association of Managing General Agents
Council of Insurance Agents & Brokers
Independent Insurance Agents & Brokers of America
Insured Retirement Institute
National Association of Insurance & Financial Advisors
National Association of Professional Surplus Lines Offices