September 17, 2019

TO THE MEMBERS OF THE UNITED STATES CONGRESS:

The undersigned organizations, representing a wide variety of business interests, urge Congress to work swiftly to pass a long-term reauthorization of the Terrorism Risk Insurance Act (TRIA) which is currently set to expire at the end of 2020.

The tragic terrorist attacks on September 11, 2001, fundamentally changed the landscape for insuring against the risk of terrorism in the United States. Struck with an inability to model frequency, location, and the potentially devastating scale of modern terrorism, insurers were forced to pull out of the marketplace, and in the months following the attacks, the inability of 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, TRIA has served as a vital public-private risk sharing mechanism, ensuring that private terrorism risk insurance coverage remains available to commercial businesses, educational institutions and non-profit organizations at virtually no cost to the taxpayer. According to a 2019 Marsh study, the education, media, financial institutions, real estate, hospitality and gaming, and health care sectors had the highest 'take-up' rates among the 17 industry segments surveyed – all above 70%. TRIA fosters certainty in the marketplace and allows all of these interconnected elements of the economy to continue to move forward.

In 2018, the Treasury Department reported that “the Program has made terrorism risk insurance available and affordable in the United States, and the market for terrorism risk insurance has been relatively stable for the past decade.” Absent TRIA, there is not sufficient insurance and reinsurance capital available to provide comprehensive terrorism coverage to U.S. insurance buyers.

To this end, the undersigned organizations urge Congress to promptly enact a “clean” long-term extension of this vital program. Previous reforms to the program have minimized taxpayer exposure making further reforms unnecessary. In fact, the key “dials” are already effectively indexed to premium growth at both the company and industry level, and the federal share will continue to decrease in future years even if Congress makes no changes to the program beyond a simple change of the expiration date.

Making changes to the TRIA mechanism to increase insurer retentions could affect the ability of many insurers, particularly smaller and mid-sized companies, to write risks or markets altogether, which ultimately impacts the ability of policyholders to secure adequate coverage. Maintaining a workable federal terrorism insurance mechanism is vital for our nation’s economic security, and without adequate coverage, our ability to mitigate further economic fallout in the
event of an attack would be greatly impaired. There is no homeland security without economic security.

The American business community remembers all too well the twelve-day lapse in the program in early 2015 and the disruption that lapse played in a variety of markets. We urge Congress to help provide much needed certainty by passing a long-term reauthorization of this important program without delay.

Sincerely,

A.I.M. Mutual Insurance Companies
ACIG Insurance Company
Alliance Security
Allianz Global Corporate & Specialty
American Association of Port Authorities
American Bankers Association
American Council of Engineering Companies
American Council on Education
American Family Insurance
American Gaming Association
American Property Casualty Insurance Association
American Public Power Association
American Resort Development Association
American Short Line and Regional Railroad Association
Anderson Area Chamber of Commerce
Aon
Apache Junction Chamber of Commerce and Visitor Center
ARCTRUST

Argo Group
Arrow Mutual Liability Insurance Company
Associated General Contractors of America
Associated Wire Rope Fabricators
Association of American Railroads
Atlantic Charter Insurance Company
AvalonBay Communities Inc.
AXA XL
Ballard Spahr LLP
Barron Mutual Insurance Company
Barton Mutual Insurance Company
Beacon Capital Partners, LLC
Beaver Creek Mutual Insurance Company
Benton Mutual Insurance Association
Black Hawk Mutual Insurance Company
Bloomfield Mutual Insurance Company
Boise Metro Chamber
Bolingbrook Area Chamber of Commerce
Boston Properties
Bradford Victor-Adams Mutual Insurance Company
Bremer Mutual Insurance Association
Broad Reach Retail Partners, LLC
Brookfield Properties
Broome Co-operative Insurance Company
Brotherhood Mutual Insurance Company
Buckeye Valley Chamber of Commerce
Bucksbaum Properties
Builders Mutual Insurance Company
California Association of Boutique & Breakfast Inns
California Hotel & Lodging Association
Camarillo Chamber of Commerce
CapSpecialty
CCIM Institute
Celina Mutual Insurance Company
Central Illinois Mutual Insurance Company
Century Mutual Insurance Association
Chautauqua Patrons Insurance Company
Chester County Chamber
Chubb (Pennsylvania)
CM Group
CNA Financial
Coalition to Insure Against Terrorism (CIAT)
Columbia Insurance Group
Community Associations Institute

Community Insurance Company
Co-operative Insurance Companies
Corporate Office Properties Trust
Cousins Properties
Decatur Chamber of Commerce
CRE Finance Council
CSX
Cumberland Mutual Fire Insurance Company
CUNA Mutual Group
Cushman & Wakefield Inc.
Davis Chamber of Commerce
Donahue Schiber Realty Group
Draper Area Chamber of Commerce
Dundee Mutual Insurance Company
Dunham & Chemung Mutual Insurance Company
East Tennessee Mutual Insurance Company
Eastern Iowa Mutual Insurance Association
EastGroup Properties
Edison Electric Institute
Edwardsville/Glen Carbon Chamber of Commerce
El Centro Chamber of Commerce
El Dorado County Chamber of Commerce
Electric Insurance Company
Erie Insurance
Essex Property Trust, Inc.
Extra Space Storage
Falls City Mutual Insurance Company Inc.
Farmers Home Fire Insurance Company of West Virginia, Inc.
Farmers Home Insurance Company
Farmers Insurance Company of Flemington
Farmers Mutual Fire Insurance Company of Marble
Farmers Mutual Insurance Company
Farmers Mutual Insurance Company Manchester
Farmers Pioneer Mutual Insurance Company
Farmers Protective Mutual Insurance Company
Farmers Union Mutual Insurance Company (AR)
Farmers Union Mutual Insurance Company (ND)
Farmers’ and Mechanics’ Mutual Insurance Company
Farmland Partners Inc.
First Maxfield Mutual Insurance Association
Food Marketing Institute
Foodservice Equipment Distributors Association (FEDA)
Forreston Mutual Insurance Company
Forward Mutual Insurance Company
Frankenmuth Mutual Insurance Company
Frederick Mutual Insurance Company
Gallagher Real Estate & Hospitality Services
General Reinsurance Corporation
German-American Farm Mutual Insurance Company
Gilroy Chamber of Commerce
Governmental Interinsurance Exchange
Grange Insurance
Great American Insurance Group
Greater Boca Raton Chamber of Commerce
Greater Coachella Valley Chamber of Commerce
Greater Conejo Valley Chamber of Commerce
Greater Flagstaff Chamber of Commerce
Greater New York Mutual Insurance Company
Greater Phoenix Chamber of Commerce
Greater Springfield Chamber of Commerce
Greater Yakima Chamber of Commerce
Grinnell Mutual Reinsurance Company
Hamel Mutual Insurance Company
Hamlet Mutual Insurance Company
Hanover Area Chamber of Commerce
Harding & Perkins Farm Mutual Insurance Company
Harford Mutual Insurance Company
Hawaii Employers Mutual Insurance Company
Heritage Mutual Insurance Association
Hilton Hotels & Resorts
Hochheim Prairie Farm Mutual Insurance Association
Horse Prairie Mutual Insurance Company
Host Hotels & Resorts
Hotel Association of Los Angeles
Household & Commercial Products Association
Hueneme Chamber of Commerce
Humboldt Mutual Insurance Association
Hutensky Capital Partners
International Council of Shopping Centers (ICSC)
IFG Companies
Illinois Association of Mutual Insurance Companies
Illinois Chamber of Commerce
IMT Insurance Company
Independence Realty Trust
Independent Insurance Agents & Brokers of America
Indiana Chamber of Commerce
Innovative Signal Analysis
International Franchise Association
International Speedway Corporation
International Safety Equipment Association
Island Insurance Companies
Jo Daviess Mutual Insurance Company
Kane County Mutual Insurance Company
Kilroy Realty Corporation
Kite Realty
Lake Havasu Area Chamber of Commerce
Lamar Advertising Company
Lansing Regional Chamber of Commerce
LaPrairie Mutual Insurance Company
Laredo Chamber of Commerce
Las Vegas Metro Chamber of Commerce
Lexington Chamber of Commerce
Liberty Mutual Insurance
Liberty Property Trust
Lincoln City Chamber of Commerce
Lititz Mutual Insurance Company
Livingston Mutual Insurance Company
Lloyd's of London
Lodi Chamber of Commerce
Loews Hotels & Co
Long Beach Area Chamber of Commerce
Long Beach Hospitality Alliance
Los Angeles Area Chamber of Commerce
Lubbock Chamber of Commerce
LWD Inc.
Marana Chamber of Commerce
Marriott International
Marshalltown Area Chamber of Commerce
Medical Properties Trust, Inc.
Mendota Mutual Insurance Company
Mennonite Mutual Insurance Company
Merchants Mutual Insurance Company
Mesa Chamber of Commerce
MetLife
MFS Mutual Insurance Company
MGM Resorts International
Mid-State Farmers Mutual Insurance Company
Millers Mutual Group
Monmouth Real Estate Investment Corporation
Mortgage Bankers Association
Mound Prairie Mutual Insurance Company
Mower County Farmers Mutual Insurance Company
MS & AD Insurance Group
Munich Reinsurance America, Inc.
Muscatine Mutual Insurance Association
Mutual of Indiana Insurance Company
Mutual of Wausau Group
NAMA—The National Automatic Merchandising Association
National Association of Real Estate Investment Trusts (Nareit)
National Apartment Association
National Association for Stock Car Auto Racing (NASCAR)
National Association of College and University Business Officers (NACUBO)
National Association of Home Builders
National Association of Mutual Insurance Companies (NAMIC)
National Association of Professional Employer Organizations
National Association of REALTORS®
National Association of Surety Bond Producers
National Association of Wholesaler-Distributors
National Black Chamber of Commerce
National Electrical Contractors Association
National Fire & Casualty Company
National Fire & Indemnity Exchange
National Hockey League
National Investor Relations Institute
National Multifamily Housing Council
National Restaurant Association
National Retail Federation
National Rural Electric Cooperative Association
National Waste & Recycling Association
Nationwide Mutual Fire Insurance Company
New Prague-Ceska-Louisville Mutual Insurance Company
New Vienna Mutual Insurance Association
Nonprofits Insurance Alliance
Norfolk & Dedham Mutual Fire Insurance Company
North Country Chamber of Commerce
North Orange County Chamber
North Star Mutual Insurance Company
Northern Finnish Mutual Insurance Company
Norwegian Mutual Insurance Association
Nuclear Energy Institute (NEI)
Oakwood Mutual Insurance Company
Ohio Mutual Insurance Group
OneBeacon Insurance Group, LLC
Orthopaedic Research Society
Oxnard Chamber of Commerce
Palm Desert Area Chamber of Commerce
Park Hotels & Resorts
Partnership for New York City
Pasadena Chamber of Commerce
Patriot Insurance Company
Pella Mutual Insurance Company
Penn Charter Mutual Insurance Company
Penn National Insurance
Pennsylvania Chamber of Business and Industry
Pennsylvania Lumbermens Mutual Insurance Company
Peoples Mutual Insurance Association
Peru Waltham Mutual Insurance
Pharmacists Mutual Insurance Group
Pioneer State Mutual Insurance Company
PMA Companies
Poweshiek Mutual Insurance Association
Prescott Valley Chamber of Commerce
Prophetstown Farmers Mutual Insurance Company
Rayonier, Inc.
Real Estate Board of New York
Regional Chamber of Commerce - San Gabriel Valley
Reinsurance Association of America
Reno + Sparks Chamber of Commerce
Restoration Risk Retention Group, Inc.
Riverton Chamber of Commerce
Rockford Mutual Insurance Company
Rolling Meadows Chamber
Rudin Management Company, Inc.
Safety National Casualty Corp.
Safety Specialty Insurance Company
San Gabriel Valley Economic Partnership
Schuylkill Chamber of Commerce
Seaview Investors LLC
SeaWorld Parks & Entertainment
SECUra Insurance Companies
Selma and Dallas County Chamber of Commerce and Tourism Information
Seneca, Sigel Mutual Insurance Company
Sentry Insurance
Shelbyville Mutual Insurance Company
Shelter Insurance
Shopping Center Interests, LLC
Sierra Vista Area Chamber of Commerce
Securities Industry and Financial Markets Association (SIFMA)
Society Insurance, A Mutual Company
South Jordan Chamber of Commerce
Southeast Mutual Insurance Company
Southern Company
Southwest California Legislative Council
Southwest Iowa Mutual Insurance Association
Spirit Realty Capital
Spring Vale Mutual Insurance Company
Starr Companies
Steele Traill County Mutual Insurance Company
Stephenson County Mutual Insurance Company
Sterling Insurance Company
Stirling Properties, LLC
STORE Capital
Surprise Regional Chamber of Commerce
Svea Mutual Insurance Company
Sverdrup Mutual Insurance Company
Swiss Re Americas
Tama County Mutual Insurance Association
Taubman Centers
Tenaska
Texas Hospital Insurance Exchange
The Building Owners and Managers Association (BOMA) International
The Chamber of Medford/Jackson County
The Council of Insurance Agents and Brokers
The Durst Organization
The Gray Insurance Company
The Hanover Insurance Company
The Hartford
The Macerich Company
The MEMIC Group
The Philadelphia Contributionship
The Port Authority of New York, New Jersey
The Real Estate Roundtable
The Taubman Company
The Travelers Companies, Inc.
The Victor Chamber of Commerce
The Walt Disney Company
Torrance Area Chamber of Commerce
Tucson Metro Chamber
Tulsa Regional Chamber
U.S. Chamber of Commerce
U.S. Travel Association
UDR, Inc.
UJA-Federation of New York
United Mutual Insurance Company
Upland Mutual Insurance, Inc.
Utica First Insurance Company
Utica National Insurance Group
Valley Mutual Insurance Association
W. R. Berkley Corporation
Watseka Mutual Insurance Company
Wayne Mutual Insurance Company
Weingarten Realty Investor
Welltower, Inc.
Western Iowa Mutual Insurance Association
Western National Mutual Insurance Company
Westfield
Westfield insurance Company
Westminster American Insurance Company
Wholesale & Specialty Insurance Association
Wisconsin Association of Mutual Insurance Companies
Zurich North America