

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

December 10, 2014

Dear Leaders:

The undersigned trade organizations strongly support the House Amendment to S. 2244, the Terrorism Risk Insurance Program Reauthorization Act. This legislation would extend the Terrorism Risk Insurance Act (TRIA) for six years and increase the trigger from the current \$100 million to \$200 million, among other provisions. With the current federal terrorism insurance backstop set to expire in a matter of days on December 31, this legislation is crucial for the business customers of our organizations and our nation's economic security. We urge all House members to vote for this common-sense legislation when it comes to the floor today.

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.

Importantly, the legislation also includes the National Association of Registered Agents and Brokers (NARAB II) legislation that has now passed the House of Representatives overwhelmingly three separate times. NARAB II is a top priority for our organizations. It would achieve much-needed reciprocity in producer licensing and help policyholders by permitting greater competition among agents and brokers. Earlier this Congress the full House of Representatives passed NARAB II by an overwhelming, bipartisan vote of 395 – 6. The Senate-passed version of S.2244 also includes the NARAB II legislation.

Finally, the bill also contains the "Business Risk Mitigation and Price Stabilization Act" by Reps. Michael Grimm (R-NY) and Gary Peters (D-MI). This legislation would change one provision of the Dodd-Frank Act that would do away with a mandate requiring non-financial companies known as "end users" to follow the same derivative rules as banks. While the undersigned organizations have no position on the subject matter, it is worth noting that the House earlier this year passed this legislation by a vote of 411 – 12.

We urge members of the House to vote for the House Amendment to S. 2244 today and will also urge the Senate to pass this legislation as quickly as possible.

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