

MEMORANDUM

TO: Members of the Committee on Financial Services

FROM: Committee Majority Staff

DATE: September 12, 2025

SUBJECT: September 17, 2025, Subcommittee on Housing and Insurance Hearing: “The Reauthorization of the Terrorism Risk Insurance Act of 2002”

On Wednesday September 17, 2025, at 10:00 a.m., EDT, the Subcommittee on Housing and Insurance will hold a hearing in Room 2128 of the Rayburn House Office Building titled “The Reauthorization of the Terrorism Risk Insurance Act of 2002.” The following witnesses will testify:

- **Mr. Baird Webel**, Specialist in Financial Economics, Congressional Research Service
- **Mrs. Elizabeth Heck**, Chairman, President, and CEO, Greater New York Insurance Companies, on behalf of the National Association of Mutual Insurance Companies
- **Ms. Michelle Sartain**, President, Marsh U.S. and Canada
- **Mr. Jason Schupp**, Founder and Managing Member, Centers of Better Insurance, LLC
- **Commissioner Andrew N. Mais**, Connecticut Insurance Department, on behalf of the National Association of Insurance Commissioners

Congress enacted the *Terrorism Risk Insurance Act of 2002* (P.L. 107-297), commonly known as *TRIA*, in response to the devastating terrorist attacks of September 11, 2001. In addition to the horrific loss of life, those attacks resulted in nearly \$60 billion of insurance losses in 2024-adjusted dollars. In response, the insurance market for terrorism risk insurance had essentially evaporated, leaving policyholders exposed and unable to find available and affordable insurance products to meet their needs.

TRIA created a temporary three-year federal backstop for insurance companies, who were required to make terrorism risk coverage available within certain lines of commercial property and casualty insurance. Following an act of terrorism that has been certified by the Treasury Secretary as a qualifying event and upon reaching certain economic loss thresholds, *TRIA* makes payments to insurers to cover a portion of any losses due to terrorism they may experience above a minimum deductible. The requisite levels regarding *TRIA* payments have varied over time as the program has evolved.

As the expiration of the original *TRIA* program neared, in 2005, the program was extended for two additional years. Then, in 2007, the program was again extended for seven years through the end of 2014. In 2015, the authorization for *TRIA* was once again extended for six years through the end of 2020. Later, in 2019, the program was further extended through its current expiration date of December 31, 2027. This reauthorization hearing is designed to provide Members an opportunity to examine *TRIA*’s structure and operations.

Legislation Noticed

1. **H.R. _____, the *TRIA Program Reauthorization Act of 2025*:** This discussion draft reauthorizes the current Terrorism Insurance Program through the end of 2035.