

November 18, 2024

The Honorable James Comer  
U.S. House of Representatives  
2410 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Jamie Raskin  
U.S. House of Representatives  
2242 Rayburn House Office Building  
Washington, D.C. 20515

Dear Representatives Comer and Raskin:

The Council of Insurance Agents and Brokers (“The Council”) and the Reinsurance Association of America (RAA) are proud to endorse the **Taxpayer Exposure and Risk Reduction Act**, an important piece of legislation pertaining to credit risk transfer. This bill would specifically clarify that federal agencies are able to – but in no instance are required to – purchase insurance, reinsurance, insurance-linked securities, or other related alternative risk-transfer products to help mitigate costs for the federal government.

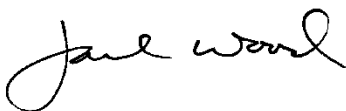
The Council and RAA support the use of Credit Risk Transfer (CRT) transactions as an effective means to transfer risk from American taxpayers to (re)insurers and the capital markets. Through our combined membership community – which is made up of leading insurance and reinsurance brokerages and (re)insurers around the globe – we have seen success with CRT programs used by Fannie Mae, Freddie Mac, the National Flood Insurance Program and the Export-Import Bank. The Taxpayer Exposure and Risk Reduction Act would create a necessary legal path for other agencies to implement similar CRT programs, if and when they decide it is in the best interest of the taxpayer.

By way of background, The Council represents the largest and most successful property/casualty insurance and employee benefits brokerages in the world. Council member firms annually place more than \$300 billion in commercial insurance business in the United States and abroad. Our member firms conduct business in more than 30,000 locations and employ upwards of 350,000 people worldwide. Council members specialize in a wide range of insurance products and risk management services for business, industry, government and the public sector.

The RAA is a national trade association representing reinsurance companies doing business in the United States. RAA membership includes reinsurance underwriters and intermediaries licensed in the U.S. and those that conduct business on a cross-border basis. The RAA also has life reinsurance company affiliates.

We strongly believe that Credit Risk Transfer programs are a useful financial tool that should be explored and implemented in federal agencies where practical. We commend the authors of this bill and urge its passage in committee.

Sincerely,



Joel Wood  
President/ Chief Executive Officer  
The Council of Insurance Agents & Brokers



Franklin W. Nutter  
President  
Reinsurance Association of America