

Congress of the United States

Washington, DC 20515

June 30, 2005

Hon. Michael Oxley
Chairman
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

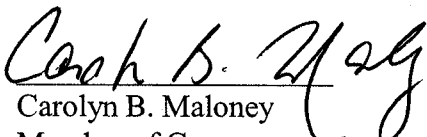
Dear Mr. Chairman:

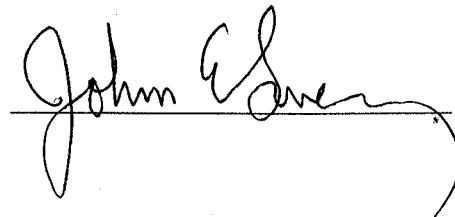
As members of the New York delegation, we are particularly concerned about the need to extend the Terrorism Risk Insurance Act (TRIA) for the immediate future while government and industry work on a permanent solution to make available terrorism insurance. The Treasury Report on TRIA issued today confirms the need for Congress to move forward to extend TRIA.

The report concludes that TRIA has been effective in achieving its intended purposes of ensuring continued availability and affordability of terrorism coverage and in allowing the private sector to stabilize, resume pricing of terrorism insurance, and build capacity to absorb future losses. The report concludes that "the immediate effect of the removal of the TRIA subsidy is likely to be less terrorism insurance written by insurers, higher prices and lower policyholder takeup."

Nonetheless, the Administration has concluded that it will oppose extension of TRIA without significant changes, such as a huge increase in the size of the event that triggers coverage, to \$500 million, and elimination of certain lines of insurance. We oppose these changes and in fact, support extending TRIA to include group life insurance.

The Financial Services Committee has before it H.R. 1153, a bill which tracks the bipartisan negotiated bill to renew TRIA reported to the House by the Financial Services Committee in the last Congress. We urge you to move this bill forward by scheduling a hearing and markup in the Committee, and using your influence to move the bill to the Floor as soon as possible.


Carolyn B. Maloney
Member of Congress



Gregor W. Muel

Gerold Nadler

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Theresa M. Valigorsky

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Tracy B.

Erick L. Enger

Carolyn McCarty

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Ann Kelly

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