



NATIONAL
ASSOCIATION of
REALTORS®

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The Honorable Mike Crapo
Chairman
U.S. Senate Committee on
Banking, Housing, And Urban Affairs
239 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sherrod Brown
Ranking Member
U.S. Senate Committee on
Banking, Housing, And Urban Affairs
503 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Crapo and Ranking Member Brown:

On behalf of the 1.4 million members of the National Association of REALTORS® (NAR) and its commercial affiliates, the CCIM Institute and the Institute of Real Estate Management (IREM), NAR is pleased to support S. 2877, the “Terrorism Risk Insurance Program Reauthorization Act of 2019,” sponsored by Senators Thom Tillis (R-NC) and Tina Smith (D-MN). This bipartisan legislation would extend the Terrorism Risk Insurance Program (TRIP) for seven years, providing stability to the current system which has successfully kept terrorism insurance available and affordable since 2002.

NAR’s membership includes thousands of commercial practitioners operating in markets across the country. They are involved in every sector of the industry: commercial development; sales of industrial, office, and retail buildings; hospitality and resort sales; commercial property management; and the leasing of commercial properties of all kinds. Their work is vital to the communities in which they live and work, and to the U.S. economy as a whole. To these members and their clients, terrorism risk insurance is often a necessary part of securing financing to close deals, build new developments, and open businesses, in turn creating jobs and attracting additional investment in these communities. Seventeen years after its creation, TRIP remains crucial toward keeping that coverage available and affordable for American businesses of all types and sizes.

The public-private risk-sharing partnership that TRIP provides ensures our nation’s business sector maintains adequate insurance coverage to effectively manage economic risks. Absent TRIP, it is likely the country will see a repeat of what happened in 2001, with many insurers no longer offering terrorism risk insurance coverage, or offering it only at significantly higher prices. Even the threat of TRIP not being reauthorized before its expiration at the end of 2020 could negatively impact the commercial real estate industry and the economy as a whole, which is why it is so important that Congress act early to reauthorize the program and provide stability in the market. Perhaps most importantly, this ten-year reauthorization does not make changes that weaken TRIP’s effectiveness, but rather improves it by including a requirement for a study on cyber terrorism, an emerging threat against the nation’s businesses.

REALTORS® thank you again your attention to this important issue well ahead of its expiration, which will provide stability to the commercial real estate industry, the U.S. economy, and our nation’s security for the next seven years.

Sincerely,

Vince Malta
2020 President, National Association of REALTORS®

cc: U.S. Senate Committee on Banking, Housing, And Urban Affairs



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