



S. 2244, the Terrorism Risk Insurance Program Reauthorization Act of 2014

The key provisions of S.2244 as passed by the Senate on July 17, 2014 would continue the federal government's current terrorism risk insurance program through 2021. It would increase insurance companies' co-pay to 20% from 15% and raise the mandatory recoupment threshold to \$37.5 billion from \$27.5 billion. In addition, the NARAB II amendment was adopted under which NARAB would sunset two years after it issues its first producer license and could only continue if reauthorized by Congress. Following is a chart comparing S.2244 to the current program.

Provision	TRIA 2007	S.2244
Duration	7 years	7 years
Deductible	20% of earned premium	No change from current law
Program Trigger	\$100m	No change from current law
NBCR Distinction	No distinction	No distinction
Co-Pay	15%	Increases by 1% per year until it reaches 20%
Domestic Terrorism	Foreign & domestic	No change from current law
Certification Time-Line	No requirement to make a decision	Mandatory Treasury study and rulemaking
NARAB	None	NARAB II adopted with 2 year sunset
Mandatory Recoupment Thresholds	\$27.5b	\$37.5b
Recoupment Amount	133% of federal payments	135.5% of federal payments
Recoupment Timing	Artificial 5/10 year repayment	No change from current law
Cap on Annual Liability	\$100b	No change from current law
Notice to P/H of Coverage	Current law requires notice at offer, purchase and renewal	No change from current law
Small Insurer Opt-Out	N/A	N/A
Treasury Data Gathering	N/A	N/A
Risk Sharing	N/A	Establishes an advisory committee on terrorism risk-sharing mechanisms
Federal Reserve Board	N/A	Requires the Federal Reserve Board to have a member with community bank expertise