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The California Association of Port Authorities is comprised of the state's eleven publicly-owned, commercial ports and is dedicated to maintaining a vigorous and vital port industry in California. CAPA is committed to promoting the interests of California's ports, maintaining the state's leading role in the maritime industry, and leading the way in innovative and cutting edge environmentally-friendly port operations.

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S. 2244: Terrorism Risk Insurance Act – Support –

The Terrorism Risk Insurance Act (TRIA) was enacted by Congress in 2002 in the wake of the September 11, 2001 tragedy. After 9/11, terrorism insurance became unavailable or extremely costly for port authorities to obtain. Developed to assist the market in recovering from 9/11, TRIA created an incentive for a private terrorism insurance market by providing government reinsurance coverage to insurance companies for catastrophic terrorist attack losses. Specifically, TRIA provides a transparent system of shared public and private compensation for insured losses resulting from acts of terrorism, according to the U.S. Secretary of the Treasury, which oversees the program. This program was first extended in 2005, then again in 2007. Under current law, TRIA will expire on December 31, 2014.

TRIA is a necessary and critical program for California's and the nation's security. Terrorism remains a constant threat, and according to a recent RAND study, increasing the availability of terrorism insurance would improve national security. In another RAND study, it was found that in the absence of a terrorist attack, TRIA costs taxpayers relatively little, and in the event of a terrorist attack comparable to any experienced before, it is expected to save taxpayers money.

As TRIA is set to expire at the end of 2014, CAPA supports S. 2244, the proposed TRIA Reauthorization legislation, by Senator Schumer (D-NY). The reauthorization extends the current program by seven years, increases the insurer co-pay to 20 percent incrementally over five years, and increases the threshold for mandatory recoupment of taxpayer dollars to \$37.5 billion. The continuation of TRIA with these increases modernizes and updates our state and national security policies, while cost-effectively protecting our citizens and public resources.

