



July 17, 2014

U.S. Senate
Washington, D.C. 20510

Dear Senator:

On behalf of Associated Builders and Contractors (ABC), a national construction industry association with 70 chapters representing nearly 21,000 members, I am writing to express our support for S. 2244, the Terrorism Risk Insurance Program Reauthorization Act of 2014. The bill, introduced by Sen. Chuck Schumer (D-N.Y.), would extend the Terrorism Risk Insurance Act (TRIA) for seven years beyond the current expiration date of December 14, 2014, ensuring the construction industry will be able to secure sufficient terrorism insurance.

Following the tragic attacks on our country on September 11, 2001, terrorism insurance rates skyrocketed and many contractors were unable to secure insurance, forcing projects to be put on hold, costing jobs and hindering economic development. The attacks had a particularly devastating impact on the construction industry: more than one million jobs were lost and \$15 billion in real estate transactions were canceled.

In 2002, President Bush signed TRIA into law, immediately providing much needed assurance to builders and lenders. TRIA acted as a spark to help our economy recover in the face of continued terrorist threats by allowing contractors across the country to secure this commercially necessary product.

Since 2002, TRIA has been reauthorized twice in overwhelmingly bipartisan fashion and has continued to act as a public-private partnership to ensure the stability of the terrorism insurance marketplace. The seven year extension contained in S. 2244 would provide a long term backstop that is necessary to ensure the construction industry's future success. Without the extension, banks will be less inclined to lend necessary funds to new construction projects and companies may be forced out of the industry because of financial risks, costing jobs and putting a roadblock in our nation's drive to economic recovery.

In the wake of a recession in which our industry faced a 27.2 percent unemployment rate, the construction economy cannot sustain the uncertainty and disruption that the expiration of TRIA would trigger.

ABC and its members fully support the extension of TRIA, and urges all Senators to support S. 2244.

Sincerely,

Geoffrey Burr
Vice President, Government Affairs