Terrorism Risk Insurance Act (TRIA)

TRIA helps ensure a strong commercial/multifamily real estate market.

BACKGROUND

First signed into law by President George W. Bush on November 26, 2002, the Terrorism Risk Insurance Act (TRIA) established a federal backstop for insurance claims related to terrorism, in response to the events on September 11, 2001.

This public/private partnership is a critical component of a strong commercial/multifamily market. TRIA helps to effectively manage catastrophic risks that cannot be addressed by the private insurance market, and it provides coverage at little cost to taxpayers.

TRIA was most recently reauthorized in 2019 by Congress, almost unanimously extending its authorization until December 31, 2027.

ADVOCACY

The TRIA program had been set to expire on December 31, 2020. Because TRIA coverage is critical to CRE lending, MBA actively engaged with lawmakers to help ensure that Congress would reauthorize the program in a timely manner and provide a long-term extension. For example, MBA met with National Economic Council staff and with US Treasury officials; MBA joined a coalition of other real estate stakeholders to advocate for a timely and long-term extension of the TRIA program; and an MBA Commercial/Multifamily member presented MBA’s views on TRIA reauthorization at a TRIA Stakeholders Roundtable convened in New York City by Congresswoman Cheryl Maloney.

On December 20, 2019, that advocacy bore fruit when President Trump signed into law a bill that reauthorized TRIA program for seven years as part of a $1.4 trillion spending deal to avert a government shutdown – more than a year ahead of its expiration date.

MBA will again advocate for an additional long-term extension of the TRIA program ahead of that expiration date.

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For more information, visit mba.org or call (202) 557-2700.