

April 24, 2014

The Honorable Tim Johnson
Chairman
Committee on Banking, Housing,
& Urban Affairs
United States Senate
534 Senate Dirksen Office Building
Washington, DC 20510

The Honorable Michael D. Crapo
Ranking Member
Committee on Banking, Housing,
& Urban Affairs
United States Senate
534 Senate Dirksen Office Building
Washington, DC 20510

The Honorable Jeb Hensarling
Chairman
Committee on Financial Services
United States House of Representatives
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
United States House of Representatives
2129 Rayburn House Office Building
Washington, DC 20515

RE: Reauthorization of the Terrorism Risk Insurance Act

Dear Chairman Johnson, Chairman Hensarling, Ranking Member Crapo and Ranking Member Waters:

On behalf of the American Council on Education and the undersigned higher education associations, we write to urge you to reauthorize the Terrorism Risk Insurance Act (TRIA), currently scheduled to expire this year, as soon as possible. Together, we represent approximately 4,300 traditional two- and four-year nonprofit public and private colleges and universities. We strongly believe that the Terrorism Risk Insurance Program created by TRIA is critically important to protecting and preserving our nation's higher education system.

More than a decade since the tragic events of Sept. 11, America's colleges and universities remain vulnerable. Campuses nationwide are open to the public and are visited by scores of individuals every day, whether for educational purposes, community, political, cultural or sports gatherings, or research in sophisticated laboratories—and thus they are potential "soft targets" for terrorism.

A fine example of public-private partnership, the Terrorism Risk Insurance Program provides a national plan enabling colleges and universities to responsibly manage their risk. Without TRIA reauthorization, colleges and universities would most likely not be able to obtain adequate, reasonably priced insurance covering such events.

Letter supporting reauthorization of Terrorism Risk Insurance Act.

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Without TRIA, many colleges and universities will be faced with very difficult and unwelcome choices: either going without terrorism insurance or purchasing more limited coverage at higher costs. If they chose to opt out, they would expose themselves to great financial risk, and in the event of a catastrophe, would have to rely on government grants or private charitable gifts to recover. If they chose to purchase more expensive insurance, the costs would be absorbed into their operating budgets, diverting resources away from academic programs, reducing services to students, and possibly passing the costs onto students and their families through higher tuition.

Given the importance of colleges and universities to our long-term economic growth and to helping sustain our vibrant society, it is critical that TRIA be reauthorized this year.

Thank you for your attention to this matter.

Sincerely,



Molly Corbett Broad
President

MCB/ldw

On behalf of:

American Association of Community Colleges

American Association of State Colleges and Universities

American Council on Education

Association of American Universities

Association of Jesuit Colleges and Universities

Association of Public and Land-grant Universities

College and University Professional Association for Human Resources

EDUCAUSE

National Association of College and University Business Officers

National Association of Independent Colleges and Universities

cc: Members of Senate Committee on Banking, Housing & Urban Affairs
Members of House Committee on Financial Services