



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

December 11, 2007
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2761 – Terrorism Risk Insurance Program Reauthorization Act of 2007

(Rep. Capuano (D) Massachusetts and 31 cosponsors)

The Administration believes that the Terrorism Risk Insurance Act (TRIA) should be phased out in favor of a private market for terrorism insurance. The most efficient, lowest-cost, and most innovative methods of providing terrorism risk insurance will come from the private sector. Therefore, the Administration has set forth three key elements for an acceptable extension of TRIA: (1) the Program should be temporary and short-term; (2) there should be no expansion of the Program; and (3) private sector retentions should be increased.

The Administration continues to believe that any TRIA reauthorization should satisfy these three key elements. However, the Administration will not oppose the version of H.R. 2761 passed by the Senate on November 16, 2007. The Administration strongly opposes any amendments that move the Senate-passed version of the bill away from the Administration's key elements.

Accordingly, if H.R. 2761 were presented to the President in the form to be considered by the House, his senior advisors would recommend that he veto the bill.

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