

110TH CONGRESS  
1ST SESSION

# H. R. 4299

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## AN ACT

To extend the Terrorism Insurance Program of the Department of the Treasury, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “Terrorism Risk Insurance Program Reauthorization Act  
4 of 2007”.

5 (b) TABLE OF CONTENTS.—The table of contents for  
6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definition of act of terrorism.
- Sec. 3. Reauthorization of the program.
- Sec. 4. Annual liability cap.
- Sec. 5. Enhanced reports to Congress.
- Sec. 6. Coverage of group life insurance.
- Sec. 7. Large event reset.
- Sec. 8. Availability of life insurance without regard to lawful foreign travel.
- Sec. 9. Program trigger.
- Sec. 10. Applicability.

7 **SEC. 2. DEFINITION OF ACT OF TERRORISM.**

8 Section 102(1)(A)(iv) of the Terrorism Risk Insur-  
9 ance Act of 2002 (15 U.S.C. 6701 note) is amended by  
10 striking “acting on behalf of any foreign person or foreign  
11 interest”.

12 **SEC. 3. REAUTHORIZATION OF THE PROGRAM.**

13 (a) TERMINATION DATE.—Section 108(a) of the Ter-  
14 rorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note)  
15 is amended by striking “2007” and inserting “2014”.

16 (b) ADDITIONAL PROGRAM YEARS.—Section 102(11)  
17 of the Terrorism Risk Insurance Act of 2002 (15 U.S.C.  
18 6701 note) is amended by adding at the end the following:

19 “(G) ADDITIONAL PROGRAM YEARS.—Ex-  
20 cept when used as provided in subparagraphs  
21 (B) through (F), the term ‘Program Year’

1 means, as the context requires, any of Program  
2 Year 1, Program Year 2, Program Year 3, Pro-  
3 gram Year 4, Program Year 5, or any of cal-  
4 endar years 2008 through 2014.”.

5 (c) CONFORMING AMENDMENTS.—The Terrorism  
6 Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is  
7 amended—

8 (1) in section 102(7)(F)—

9 (A) by inserting “and each Program Year  
10 thereafter” before “, the value”; and

11 (B) by striking “preceding Program Year  
12 5” and inserting “preceding that Program  
13 Year”;

14 (2) in section 103(e)(1)(A), by inserting “and  
15 each Program Year thereafter” after “Year 5”;

16 (3) in section 103(e)(1)(B)(ii), by inserting be-  
17 fore the period at the end “and any Program Year  
18 thereafter”;

19 (4) in section 103(e)(2)(A), by striking “of Pro-  
20 gram Years 2 through 5” and inserting “Program  
21 Year thereafter”;

22 (5) in section 103(e)(3), by striking “of Pro-  
23 gram Years 2 through 5,” and inserting “other Pro-  
24 gram Year”; and

1           (6) in section 103(e)(6)(E), by inserting “and  
2           any Program Year thereafter” after “Year 5”.

3 **SEC. 4. ANNUAL LIABILITY CAP.**

4           (a) IN GENERAL.—Section 103(e)(2) of the Ter-  
5 rorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note)  
6 is amended—

7           (1) in subparagraph (A)—

8                   (A) by striking “(until such time as the  
9           Congress may act otherwise with respect to  
10           such losses)”; and

11                   (B) in clause (ii), by striking “that  
12           amount” and inserting “the amount of such  
13           losses”; and

14           (2) in subparagraph (B), by inserting before  
15           the period at the end “, except that, notwithstanding  
16           paragraph (1) or any other provision of Federal or  
17           State law, no insurer may be required to make any  
18           payment for insured losses in excess of its deductible  
19           under section 102(7) combined with its share of in-  
20           sured losses under paragraph (1)(A) of this sub-  
21           section”.

22           (b) NOTICE TO CONGRESS.—Section 103(e)(3) of the  
23 Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701  
24 note) is amended—

1           (1) by adding at the end the following: “The  
2           Secretary shall provide an initial notice to Congress  
3           not later than 15 days after the date of an act of  
4           terrorism, stating whether the Secretary estimates  
5           that aggregate insured losses will exceed  
6           \$100,000,000,000.”; and

7           (2) by striking “and the Congress shall” and all  
8           that follows through the end of the paragraph and  
9           inserting a period.

10          (c) REGULATIONS FOR PRO RATA PAYMENTS; RE-  
11          PORT TO CONGRESS.—Section 103(e)(2)(B) of the Ter-  
12          rorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note)  
13          is amended—

14                 (1) by striking “For purposes” and inserting  
15                 the following:

16                         “(i) IN GENERAL.—For purposes”;

17                         and

18                 (2) by adding at the end the following:

19                         “(ii) REGULATIONS.—Not later than  
20                         240 days after the date of enactment of  
21                         the Terrorism Risk Insurance Program  
22                         Reauthorization Act of 2007, the Secretary  
23                         shall issue final regulations for deter-  
24                         mining the pro rata share of insured losses  
25                         under the Program when insured losses ex-

1           ceed \$100,000,000,000, in accordance with  
2           clause (i).

3           “(iii) REPORT TO CONGRESS.—Not  
4           later than 120 days after the date of en-  
5           actment of the Terrorism Risk Insurance  
6           Program Reauthorization Act of 2007, the  
7           Secretary shall provide a report to the  
8           Committee on Banking, Housing, and  
9           Urban Affairs of the Senate and the Com-  
10          mittee on Financial Services of the House  
11          of Representatives describing the process  
12          to be used by the Secretary for deter-  
13          mining the allocation of pro rata payments  
14          for insured losses under the Program when  
15          such losses exceed \$100,000,000,000.”.

16          (d) DISCLOSURE.—Section 103(b) of the Terrorism  
17          Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is  
18          amended—

19                 (1) by redesignating paragraphs (3) and (4) as  
20                 paragraphs (4) and (5), respectively; and

21                 (2) by inserting after paragraph (2) the fol-  
22                 lowing:

23                         “(3) in the case of any policy that is issued  
24                         after the date of enactment of the Terrorism Risk  
25                         Insurance Program Reauthorization Act of 2007,

1 the insurer provides clear and conspicuous disclosure  
2 to the policyholder of the existence of the  
3 \$100,000,000,000 cap under subsection (e)(2), at  
4 the time of offer, purchase, and renewal of the pol-  
5 icy;”.

6 (e) SURCHARGES.—Section 103(e) of the Terrorism  
7 Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is  
8 amended—

9 (1) in paragraph (7)—

10 (A) in subparagraph (C), by inserting  
11 “133 percent of” before “any mandatory  
12 recoupment”; and

13 (B) by adding at the end the following:

14 “(E) TIMING OF MANDATORY  
15 RECOUPMENT.—

16 “(i) IN GENERAL.—If the Secretary is  
17 required to collect terrorism loss risk-  
18 spreading premiums under subparagraph  
19 (C)—

20 “(I) for any act of terrorism that  
21 occurs on or before December 31,  
22 2010, the Secretary shall collect all  
23 required premiums by September 30,  
24 2012;

1                   “(II) for any act of terrorism  
2                   that occurs between January 1 and  
3                   December 31, 2011, the Secretary  
4                   shall collect 35 percent of any re-  
5                   quired premiums by September 30,  
6                   2012, and the remainder by Sep-  
7                   tember 30, 2017; and

8                   “(III) for any act of terrorism  
9                   that occurs on or after January 1,  
10                  2012, the Secretary shall collect all  
11                  required premiums by September 30,  
12                  2017.

13                  “(ii) REGULATIONS REQUIRED.—Not  
14                  later than 180 days after the date of en-  
15                  actment of this subparagraph, the Sec-  
16                  retary shall issue regulations describing  
17                  the procedures to be used for collecting the  
18                  required premiums in the time periods re-  
19                  ferred to in clause (i).

20                  “(F) NOTICE OF ESTIMATED LOSSES.—  
21                  Not later than 90 days after the date of an act  
22                  of terrorism, the Secretary shall publish an esti-  
23                  mate of aggregate insured losses, which shall be  
24                  used as the basis for determining whether man-  
25                  datory recoupment will be required under this

1 paragraph. Such estimate shall be updated as  
2 appropriate, and at least annually.”; and

3 (2) in paragraph (8)—

4 (A) in subparagraph (C)—

5 (i) by striking “(including any addi-  
6 tional amount included in such premium”  
7 and inserting “collected”; and

8 (ii) by striking “(D))” and inserting  
9 “(D)”; and

10 (B) in subparagraph (D)(ii), by inserting  
11 before the period at the end “, in accordance  
12 with the timing requirements of paragraph  
13 (7)(E)”.

14 **SEC. 5. ENHANCED REPORTS TO CONGRESS.**

15 (a) STUDY AND REPORT ON INSURANCE FOR NU-  
16 CLEAR, BIOLOGICAL, CHEMICAL, AND RADIOLOGICAL  
17 TERRORIST EVENTS.—Section 108 of the Terrorism Risk  
18 Insurance Act of 2002 (15 U.S.C. 6701 note) is amended  
19 by adding at the end the following:

20 “(f) INSURANCE FOR NUCLEAR, BIOLOGICAL, CHEM-  
21 ICAL, AND RADIOLOGICAL TERRORIST EVENTS.—

22 “(1) STUDY.—The Comptroller General of the  
23 United States shall examine—

24 “(A) the availability and affordability of  
25 insurance coverage for losses caused by terrorist

1 attacks involving nuclear, biological, chemical,  
2 or radiological materials;

3 “(B) the outlook for such coverage in the  
4 future; and

5 “(C) the capacity of private insurers and  
6 State workers compensation funds to manage  
7 risk associated with nuclear, biological, chem-  
8 ical, and radiological terrorist events.

9 “(2) REPORT.—Not later than 1 year after the  
10 date of enactment of the Terrorism Risk Insurance  
11 Program Reauthorization Act of 2007, the Comp-  
12 troller General shall submit to the Committee on  
13 Banking, Housing, and Urban Affairs of the Senate  
14 and the Committee on Financial Services of the  
15 House of Representatives a report containing a de-  
16 tailed statement of the findings under paragraph  
17 (1), and recommendations for any legislative, regu-  
18 latory, administrative, or other actions at the Fed-  
19 eral, State, or local levels that the Comptroller Gen-  
20 eral considers appropriate to expand the availability  
21 and affordability of insurance for nuclear, biological,  
22 chemical, or radiological terrorist events.”.

23 (b) STUDY AND REPORT ON AVAILABILITY AND AF-  
24 FORDABILITY OF TERRORISM INSURANCE IN SPECIFIC  
25 MARKETS.—Section 108 of the Terrorism Risk Insurance

1 Act of 2002 (15 U.S.C. 6701 note) is amended by adding  
2 at the end the following:

3 “(g) AVAILABILITY AND AFFORDABILITY OF TER-  
4 RORISM INSURANCE IN SPECIFIC MARKETS.—

5 “(1) STUDY.—The Comptroller General of the  
6 United States shall conduct a study to determine  
7 whether there are specific markets in the United  
8 States where there are unique capacity constraints  
9 on the amount of terrorism risk insurance available.

10 “(2) ELEMENTS OF STUDY.—The study re-  
11 quired by paragraph (1) shall contain—

12 “(A) an analysis of both insurance and re-  
13 insurance capacity in specific markets, includ-  
14 ing pricing and coverage limits in existing poli-  
15 cies;

16 “(B) an assessment of the factors contrib-  
17 uting to any capacity constraints that are iden-  
18 tified; and

19 “(C) recommendations for addressing  
20 those capacity constraints.

21 “(3) REPORT.—Not later than 180 days after  
22 the date of enactment of the Terrorism Risk Insur-  
23 ance Program Reauthorization Act of 2007, the  
24 Comptroller General shall submit a report on the  
25 study required by paragraph (1) to the Committee

1 on Banking, Housing, and Urban Affairs of the Sen-  
2 ate and the Committee on Financial Services of the  
3 House of Representatives.”.

4 (c) ONGOING REPORTS.—Section 108(e) of the Ter-  
5 rorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note)  
6 is amended—

7 (1) in paragraph (1)—

8 (A) by inserting “ongoing” before “anal-  
9 ysis”; and

10 (B) by striking “, including” and all that  
11 follows through the end of the paragraph, and  
12 inserting a period; and

13 (2) in paragraph (2)—

14 (A) by inserting “and thereafter in 2010  
15 and 2013,” after “2006,”; and

16 (B) by striking “subsection (a)” and in-  
17 serting “paragraph (1)”.

18 **SEC. 6. COVERAGE OF GROUP LIFE INSURANCE.**

19 (a) FINDINGS AND PURPOSE.—Section 101 of the  
20 Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701  
21 note) is amended—

22 (1) in subsection (a)—

23 (A) in paragraph (5), by striking “and” at  
24 the end;

1 (B) by redesignating paragraph (6) as  
2 paragraph (8); and

3 (C) by inserting after paragraph (5) the  
4 following new paragraphs:

5 “(6) group life insurance companies are impor-  
6 tant financial institutions whose products make life  
7 insurance coverage affordable for millions of Ameri-  
8 cans and often serve as their only life insurance ben-  
9 efit;

10 “(7) the group life insurance industry, in the  
11 event of a severe act of terrorism, is vulnerable to  
12 insolvency because high concentrations of covered  
13 employees work in the same locations, because pri-  
14 mary group life insurers do not exclude terrorism  
15 risks while most catastrophic reinsurance does ex-  
16 clude such risks, and because a large-scale loss of  
17 life would fall outside of actuarial expectations of  
18 death; and”;

19 (2) in subsection (b)(1), by inserting “and  
20 group life insurance” after “property and casualty  
21 insurance”.

22 (b) DEFINITIONS.—Section 102 of the Terrorism  
23 Risk Insurance Act of 2002 (15 U.S.C. 6701 note), as  
24 amended by the preceding provisions of this Act, is further  
25 amended—

1 (1) in paragraph (1)(B)(ii), by inserting “and  
2 group life insurance” before “losses”;

3 (2) in paragraph (5), in the matter preceding  
4 subparagraph (A)—

5 (A) by inserting “, or group life insurance  
6 to the extent of the amount at risk,” after  
7 “property and casualty insurance”;

8 (B) by inserting a comma after “insurer”;  
9 and

10 (C) by adding after and below subpara-  
11 graph (B) the following:

12 “Such term shall not include any losses of an in-  
13 surer resulting from coverage of any single certifi-  
14 cate holder under any group life insurance coverages  
15 of the insurer to the extent such losses are not com-  
16 pensated under the Program by reason of section  
17 103(e)(1)(D).”;

18 (3) in paragraph (6)—

19 (A) in subparagraph (A)(i), by inserting “,  
20 or group life insurance,” after “excess insur-  
21 ance”; and

22 (B) in subparagraph (B), by inserting “or,  
23 in the case of group life insurance, that receives  
24 direct premiums,” after “insurance coverage,”;

25 (4) in paragraph (7)—

1 (A) in subparagraph (F)—

2 (i) by striking the first comma and in-  
3 serting “(i) with respect to property and  
4 casualty insurance,”; and

5 (ii) by inserting before the semicolon  
6 the following: “(ii) with respect to group  
7 life insurance, the value of an insurer’s  
8 amount at risk for a covered line of insur-  
9 ance over the calendar year immediately  
10 preceding such Program Year, multiplied  
11 by 0.0351 percent”;

12 (B) in subparagraph (G)—

13 (i) by inserting “with respect to prop-  
14 erty and casualty insurance, and such por-  
15 tion of the amounts at risk with respect to  
16 group life insurance,” after “such portion  
17 of the direct earned premiums”; and

18 (ii) by inserting “and amounts at  
19 risk” after “such direct earned premiums”;

20 (5) by redesignating paragraph (16) as para-  
21 graph (18); and

22 (6) by inserting after paragraph (15) the fol-  
23 lowing new paragraphs:

24 “(16) GROUP LIFE INSURANCE.—The term  
25 ‘group life insurance’ means an insurance contract

1 that provides life insurance coverage, including term  
2 life insurance coverage, universal life insurance cov-  
3 erage, variable universal life insurance coverage, and  
4 accidental death coverage, or a combination thereof,  
5 for a number of individuals under a single contract,  
6 on the basis of a group selection of risks, but does  
7 not include ‘Corporate Owned Life Insurance’ or  
8 ‘Business Owned Life Insurance,’ each as defined  
9 under the Internal Revenue Code of 1986, or any  
10 similar product, or group life reinsurance or  
11 retrocessional reinsurance.

12 “(17) AMOUNT AT RISK.—The term ‘amount at  
13 risk’ means face amount less statutory policy re-  
14 serves for group life insurance issued by any insurer  
15 for insurance against losses occurring at the loca-  
16 tions described in subparagraph (A) of paragraph  
17 (5).”.

18 (c) MANDATORY AVAILABILITY.—Section 103(c) of  
19 the Terrorism Risk Insurance Act of 2002 (15 U.S.C.  
20 6701 note) is amended by striking “During each Program  
21 Year” and all that follows through “property and casualty  
22 insurance” in paragraph (2) and inserting the following:

23 “(1) AVAILABILITY OF COVERAGE FOR INSURED  
24 LOSSES.—During each Program Year, each entity  
25 that meets the definition of an insurer under section

1 102 shall make available, in all of its insurance poli-  
2 cies for property and casualty insurance and in all  
3 of its insurance policies for group life insurance,”.

4 (d) FEDERAL SHARE OF COMPENSATION.—Section  
5 103(e)(1) of the Terrorism Risk Insurance Act of 2002  
6 (15 U.S.C. 6701 note) is amended by adding at the end  
7 the following new subparagraph:

8 “(D) LIMITATION ON COMPENSATION FOR  
9 GROUP LIFE INSURANCE.—Notwithstanding any  
10 other provision of this Act, the Federal share of  
11 compensation under the Program paid by the  
12 Secretary for insured losses of an insurer re-  
13 sulting from coverage of any single certificate  
14 holder under any group life insurance coverages  
15 of the insurer may not during any Program  
16 Year exceed \$1,000,000.”.

17 (e) SEPARATE RETENTION POOL.—Section  
18 103(e)(6)(E) of the Terrorism Risk Insurance Act of 2002  
19 (15 U.S.C. 6701 note) is amended by striking clauses (i)  
20 and (ii) and inserting the following new clauses:

21 “(i) for property and casualty insur-  
22 ance, the lesser of—

23 “(I) \$27,500,000,000; and

1                   “(II) the aggregate amount, for  
2                   all such insurance, of insured losses  
3                   during such Program Year; and

4                   “(ii) for group life insurance, the less-  
5                   er of—

6                   “(I) \$5,000,000,000; and

7                   “(II) the aggregate amount, for  
8                   all such insurance, of insured losses  
9                   during such Program Year.”.

10           (f) SEPARATE RECOUPMENT.—Section 103(e)(7) of  
11 the Terrorism Risk Insurance Act of 2002 (15 U.S.C.  
12 6701 note), as amended by the preceding provisions of this  
13 Act, is further amended—

14           (1) in subparagraph (A)—

15                   (A) in clause (i), by inserting “applicable”  
16                   before “insurance”; and

17                   (B) in clause (ii), by striking “all insurers”  
18                   and inserting “all applicable insurers (pursuant  
19                   to subparagraph (G))”;

20           (2) in subparagraph (B)—

21                   (A) in the heading, by inserting “APPLICA-  
22                   BLE” before “INSURANCE”; and

23                   (B) by inserting “applicable” before “in-  
24                   surance”; and

1           (3) by adding at the end the following new sub-  
2 paragraph:

3                   “(G) SEPARATE RECOUPMENT.—“The Sec-  
4 retary shall provide that—

5                           “(i) any recoupment under this para-  
6 graph of amounts paid for Federal finan-  
7 cial assistance for insured losses for prop-  
8 erty and casualty insurance shall be ap-  
9 plied to property and casualty insurance  
10 policies; and

11                           “(ii) any recoupment under this para-  
12 graph of amounts paid for Federal finan-  
13 cial assistance for insured losses for group  
14 life insurance shall be applied to group life  
15 insurance policies.”.

16           (g) POLICY SURCHARGE FOR TERRORISM LOSS RISK-  
17 SPREADING PREMIUMS.—Section 103(e)(8) of the Ter-  
18 rorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note)  
19 is amended—

20                   (1) in subparagraph (A)—

21                           (A) in the matter preceding clause (i), by  
22 striking “Any” and inserting “Subject to para-  
23 graph (7)(G), any”;

24                           (B) in clause (i), by inserting “and group  
25 life insurance policies” after “policies”; and

1 (C) by striking clause (iii) and inserting  
2 the following new clause:

3 “(iii) be based on—

4 “(I) a percentage of the premium  
5 amount charged for property and cas-  
6 ualty insurance coverage under the  
7 policy; and

8 “(II) a percentage of the amount  
9 at risk for group life insurance cov-  
10 erage under the policy.”; and

11 (2) in subparagraph (C)—

12 (A) by inserting “with respect to property  
13 and casualty insurance,” after “annual basis,”;  
14 and

15 (B) by inserting before the period at the  
16 end the following: “and, with respect to group  
17 life insurance, the amount equal to 0.0053 per-  
18 cent of the amount at risk for covered lines  
19 under the policy”.

20 **SEC. 7. LARGE EVENT RESET.**

21 The Terrorism Risk Insurance Act of 2002 (15  
22 U.S.C. 6701 note) is amended—

23 (1) in section 102(7)—

24 (A) in subparagraph (F), by striking  
25 “and” at the end;

1 (B) in subparagraph (G), by striking the  
2 period at the end and inserting “; and”; and

3 (C) by adding at the end the following new  
4 subparagraph:

5 “(H) notwithstanding subparagraph (F)(i),  
6 if aggregate industry insured losses resulting  
7 from a certified act of terrorism exceed  
8 \$1,000,000,000, for any insurer that sustains  
9 insured losses resulting from such act of ter-  
10 rorism, the value of such insurer’s direct earned  
11 premiums over the calendar year immediately  
12 preceding the Program Year, multiplied by a  
13 percentage, which—

14 “(i) for the Program Year consisting  
15 of calendar year 2008 shall be 5 percent;  
16 and

17 “(ii) for each Program Year there-  
18 after, shall be 50 basis points greater than  
19 the percentage applicable to the preceding  
20 Program Year, except that if an act of ter-  
21 rorism occurs during any such Program  
22 Year that results in aggregate industry in-  
23 sured losses exceeding \$1,000,000,000, the  
24 percentage for the succeeding Program  
25 Year shall be 5 percent and the increase

1           under this clause shall apply to Program  
2           Years thereafter;  
3           except that for purposes of determining under  
4           this subparagraph whether aggregate industry  
5           insured losses exceed \$1,000,000,000, the Sec-  
6           retary may combine insured losses resulting  
7           from two or more certified acts of terrorism oc-  
8           curring during such Program Year in the same  
9           geographic area (with such area determined by  
10          the Secretary), in which case such insurer shall  
11          be permitted to combine insured losses resulting  
12          from such acts of terrorism for purposes of sat-  
13          isfying its insurer deductible under this sub-  
14          paragraph; and except that the insurer deduct-  
15          ible under this subparagraph shall apply only  
16          with respect to compensation of insured losses  
17          resulting from such certified act, or combined  
18          certified acts, and that for purposes of com-  
19          pensation of any other insured losses occurring  
20          in the same Program Year, the insurer deduct-  
21          ible determined under subparagraph (F)(i) shall  
22          apply.”; and  
23          (2) in section 103(e)(1)(B)—  
24                 (A) in clause (ii), by striking the period at  
25                 the end and inserting a semicolon; and

1 (B) by adding after and below clause (ii)  
2 the following:

3 “except that if a certified act of terrorism oc-  
4 curs for which resulting aggregate industry in-  
5 sured losses exceed \$1,000,000,000, the appli-  
6 cable amount for any subsequent certified act of  
7 terrorism shall be the amount specified in sec-  
8 tion 102(1)(B)(ii).”.

9 **SEC. 8. AVAILABILITY OF LIFE INSURANCE WITHOUT RE-**  
10 **GARD TO LAWFUL FOREIGN TRAVEL.**

11 Section 103(c) of the Terrorism Risk Insurance Act  
12 of 2002 (15 U.S.C. 6701 note), as amended by the pre-  
13 ceding provisions of this Act, is further amended by add-  
14 ing at the end the following new paragraph:

15 “(2) AVAILABILITY OF LIFE INSURANCE WITH-  
16 OUT REGARD TO LAWFUL FOREIGN TRAVEL.—Dur-  
17 ing each Program Year, each entity that meets the  
18 definition of an insurer under section 102 and any  
19 other entity that issues insurance contracts that pro-  
20 vide life insurance coverage shall make available, in  
21 all of its life insurance policies issued after the date  
22 of the enactment of the Terrorism Risk Insurance  
23 Program Reauthorization Act of 2007 under which  
24 the insured person is a citizen of the United States  
25 or an alien lawfully admitted for permanent resi-

1        dence in the United States, coverage that neither  
2        considers past, nor precludes future, lawful foreign  
3        travel by the person insured, and shall not decline  
4        such coverage based on past or future, lawful foreign  
5        travel by the person insured or charge a premium  
6        for such coverage that is excessive and not based on  
7        a good faith actuarial analysis, except that an in-  
8        surer may decline or, upon inception or renewal of  
9        a policy, limit the amount of coverage provided  
10       under any life insurance policy based on plans to en-  
11       gage in future lawful foreign travel to occur within  
12       12 months of such inception or renewal of the policy  
13       but only if, at time of application—

14                “(A) such declination is based on, or such  
15                limitation applies only with respect to, travel to  
16                a foreign destination—

17                        “(i) for which the Director of the Cen-  
18                        ters for Disease Control and Prevention of  
19                        the Department of Health and Human  
20                        Services has issued a highest level alert or  
21                        warning, including a recommendation  
22                        against non-essential travel, due to a seri-  
23                        ous health-related condition;

24                        “(ii) in which there is an ongoing  
25                        military conflict involving the armed forces

1 of a sovereign nation other than the for-  
2 eign destination to which the insured per-  
3 son is traveling; or

4 “(iii)(I) that the insurer has specifi-  
5 cally designated in the terms of the life in-  
6 surance policy at the inception of the pol-  
7 icy or at renewal, as applicable; and

8 “(II) with respect to which the insurer  
9 has made a good-faith determination  
10 that—

11 “(aa) a serious fraudulent situa-  
12 tion exists which is ongoing; and

13 “(bb) the credibility of informa-  
14 tion by which the insurer can verify  
15 the death of the insured person is  
16 substantially compromised; and

17 “(B) in the case of any limitation of cov-  
18 erage, such limitation is specifically stated in  
19 the terms of the life insurance policy at the in-  
20 ception of the policy or at renewal, as applica-  
21 ble.”.

22 **SEC. 9. PROGRAM TRIGGER.**

23 Section 103(e)(1)(B)(ii) of the Terrorism Risk Insur-  
24 ance Act of 2002 (15 U.S.C. 6701 note) is amended by  
25 striking “\$100,000,000” and inserting “\$50,000,000”.

1 **SEC. 10. APPLICABILITY.**

2       The amendments made by this Act shall apply begin-  
3 ning on January 1, 2008. The provisions of the Terrorism  
4 Risk Insurance Act of 2002, as in effect on the day before  
5 the date of the enactment of this Act, shall apply through  
6 the end of December 31, 2007.

      Passed the House of Representatives December 12,  
2007.

Attest:

*Clerk.*



110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

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**H. R. 4299**

**AN ACT**

To extend the Terrorism Insurance Program of the Department of the Treasury, and for other purposes.