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AMENDMENT TO H.R. 2761, AS REPORTED
OFFERED BY MR. FRANK OF MASSACHUSETTS

Strike section 102(1)(C) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, and insert the following:

1 "(C) CERTIFICATION OF ACT OF NBCR
2 TERRORISM.—Where a certified act of terrorism
3 is carried out by means of a nuclear, biological,
4 chemical, or radiological weapon or similar in-
5 strumentality, the Secretary shall further cer-
6 tify such act of terrorism as an act of NBCR
7 terrorism. If a certified act of terrorism involves
8 any other weapon or instrumentality, the Sec-
9 retary, in concurrence with the Secretary of
10 State, the Secretary of Homeland Security, and
11 the Attorney General of the United States, shall
12 determine whether the act of terrorism meets
13 the definition of NBCR terrorism in this sec-
14 tion. If such determination is that the act does
15 meet such definition, the Secretary shall further
16 certify that such act as an act of NBCR ter-
17 rorism. Nothing in this subparagraph shall pro-
18 hibit the Secretary from determining that a sin-

1 gle act of terrorism resulted in both NBCR and
2 non-NBCR insured losses.".

In section 102(11)(I)(ii)(II) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, strike "and" at the end.

In section 102(11)(J)(i) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, add "and" at the end.

In section 102(11)(J) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, strike the period at the end and insert "; and".

At the end of section 102(11) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, add the following:

3 "(K) for the fifth additional Program Year
4 and any Additional Program year thereafter,
5 notwithstanding subparagraph (I)(i), if aggre-
6 gate industry insured losses resulting from a
7 certified act of NBCR terrorism exceed
8 $1,000,000,000, for any insurer that sustains
9 insured losses resulting from such act of NBCR
10 terrorism, the value of such insurer's direct
11 earned premiums over the calendar year imme-

1 diately preceding the Program Year, multiplied
2 by a percentage, which—
3 "(i) for the fifth additional Program
4 Year shall be 5 percent; and
5 "(ii) for each additional Program
6 Year thereafter, shall be 50 basis points
7 greater than the percentage applicable to
8 the preceding additional Program Year, ex-
9 cept that if an act of NBCR terrorism oc-
10 curs during the fifth additional Program
11 Year or any additional Program Year
12 thereafter that results in aggregate indus-
13 try insured losses exceeding
14 $1,000,000,000, the percentage for the
15 succeeding additional Program Year shall
16 be 5 percent and the increase under this
17 clause shall apply to additional Program
18 Years thereafter;
19 except that for purposes of determining under
20 this subparagraph whether aggregate industry
21 insured losses exceed $1,000,000,000, the Sec-
22 retary may combine insured losses resulting
23 from two or more certified acts of NBCR ter-
24 rorism occurring during such Program Year in
25 the same geographic area (with such area deter-

1 mined by the Secretary), in which case such in-
2 surer shall be permitted to combine insured
3 losses resulting from such acts of NBCR ter-
4 rorism for purposes of satisfying its insurer de-
5 ductible under this subparagraph; and except
6 that the insurer deductible under this subpara-
7 graph shall apply only with respect to com-
8 pensation of insured losses resulting from such
9 certified act, or combined certified acts, and
10 that for purposes of compensation of any other
11 insured losses occurring in the same Program
12 Year, the insurer deductible determined under
13 subparagraph (I)(i) shall apply.".

In section 102(13) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, strike "involves nuclear, biological" and all that follows and insert "involves or triggers nuclear, biological, chemical, or radiological reactions, releases, or contaminations, but only if any aggregate industry insured losses that result from such reactions, releases, or contaminations exceed the amount set forth in paragraph (1)(B)(ii).".

In section 103(c)(4)(A)(iii)(II)(aa) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended

by section 3(a)(1) of the bill, strike "unlawful" and insert "fraudulent".

In section 103(c)(4)(A)(iii)(II)(bb) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, after "insured person is" insert "substantially".

In section 103(e)(1)(B)(ii) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, insert "result from any such reactions, releases, or contaminations and that" after "such insured losses that" .

In section 103(e)(1)(B)(ii)(I) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, strike "exceeds" and insert "exceed".

In section 103(h)(1) of the Terrorism Risk Insurance Act of 2002, in the matter preceding subparagraph (A), as proposed to be amended by section 3(a)(1) of the bill, strike "an appropriate index" and all that follows through the colon and insert "the Consumer Price Index for All Urban Consumers (CPI-U), as published by the Bureau of Labor Statistics of the Department of Labor, during the 12-month period preceding such program year, each of the dollar amounts set forth in this title (as

such amount may have been previously adjusted), including the following amounts:".

Strike subparagraph (B) of section 103(h)(1) of the Terrorism Risk Insurance Act of 2002, as proposed to be amended by section 3(a)(1) of the bill, and insert the following:

1 "(B) The dollar amounts in subparagraphs
2 (J) and (K) of section 102(11) (relating to an
3 insurer deductible threshold based on the
4 amount of aggregate industry insured losses).".

In section 3 of the bill, redesignate subsection (c) as subsection (d).

In section 3 of the bill, after subsection (b) insert the following new subsection:

5 (c) REGULATIONS ON CERTIFICATION OF AN ACT OF
6 NBCR TERRORISM.—The Secretary of the Treasury shall
7 issue the regulations to carry out subparagraph (C) of sec-
8 tion 102(1) of the Terrorism Risk Insurance Act of 2002,
9 as amended by subsection (a)(1) of this section, not later
10 than the expiration of the 180-day period beginning upon
11 the date of the enactment of this Act.