

# CIAT COALITION TO INSURE AGAINST TERRORISM

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## **Lack of Terrorism Insurance Puts Businesses and Economy at Risk, Treasury Secretary Tells Policyholders**

Washington, D.C. – The final passage of terrorism insurance legislation is critical to the U.S. economic recovery, Treasury Secretary Paul O’Neill told representatives of the Coalition to Insure Against Terrorism (CIAT) in a meeting Wednesday.

“We must remember that most American businesses had insurance policies effective against terrorism on 9/11/01,” Secretary O’Neill told the CIAT members, who represent policyholders from the transportation, real estate, manufacturing, construction, entertainment and retail sectors. “A year later, that is no longer the case,” the Secretary said, referring to a survey by the not-for-profit Risk Insurance and Management Society (RIMS) released earlier this week. The RIMS survey showed that 71 percent of American businesses said that obtaining adequate terrorism coverage was “very difficult or impossible,” and that 84 percent of companies said they do not feel confident their companies would be sufficiently covered in the event of another attack.

“The lack of comprehensive and affordable terrorism insurance leaves too many of our nation’s public and private places uncovered, and puts the country’s economic health at needless risk,” Secretary O’Neill told the CIAT members. “The risk of another catastrophic attack remains a real possibility, and while we continue to recover from the terrorist attacks of a year ago, too many leases remain unsigned, too many development projects are on hold, and too many construction workers are unemployed because businesses can’t get the coverage they need,” O’Neill said.

The Real Estate Roundtable, a trade group representing companies in real estate finance, development and management, reported to the Secretary current results from its ongoing member survey showing that over \$15.5 billion in real estate transactions have been delayed or cancelled in the past year due to the ongoing lack of terrorism insurance coverage. The delays have occurred across the country, from large states such as New York and California to smaller including like Alabama and Nevada. To date, the Roundtable reported, 17 states have been affected.

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Secretary O'Neill's comments on the subject echo those of President Bush, who on the anniversary of the terrorist attacks reiterated the Administration's support for national terrorism insurance backstop legislation and again called on Congress to finish work on the issue before the adjourn for the year.

The House of Representatives overwhelmingly passed terrorism insurance legislation in November 2001, and the Senate passed its version of the legislation in June by a vote of 84-14. "The Coalition to Insure Against Terrorism appreciates the efforts of the President, the Treasury Secretary, and all those in the Congress who have worked so hard to protect and insure the places where Americans live, work and shop," said Marty DePoy, a spokesman for CIAT. "The House and Senate have acted. We need the Conference Committee to finish the job."

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*The Coalition to Insure Against Terrorism represents a wide range of businesses and organizations throughout the transportation, real estate, manufacturing, construction, entertainment and retail sectors. These groups have banded together to speak for business insurance policyholders as part of a continuing effort to win passage of a terrorism insurance plan on Capitol Hill. Visit our web site at [insureagainstterrorism.org](http://insureagainstterrorism.org).*