



## CASUALTY ISSUES

Alert No. 2019-C-9

December 19, 2019

### U.S. Congress Passes Federal Budget Bill with Flood Insurance and Terrorism Risk Provisions

The U.S. Senate passed an omnibus [bill](#) today to fund the federal government through Fiscal Year 2020. Included in the legislation is a provision for a short-term extension of statutory authority for the National Flood Insurance Program (NFIP), as well as a seven-year extension for the Terrorism Risk Insurance Program (TRIP). The legislation, which was passed by the U.S. House of Representatives on Dec. 17, is now under consideration by the President for his signature.

Along with funding the operations of the U.S. government, the legislation extends the NFIP, which was previously due to expire on Dec. 21, through Sept. 30, 2020. This marks the 15th short-term extension of the program since its last expiration Sept. 30, 2017. As with previous extensions of the NFIP, Congress did not address any proposals to make substantive changes to the NFIP. Instead, the legislation simply provides another stop-gap extension of the current program, allowing for more consideration regarding how the program should be structured in the longer term. Over the past year, neither chamber has taken significant action to substantively change the NFIP. In September, the Academy's Extreme Events and Property Lines Committee updated and reissued its [monograph](#), *The National Flood Insurance Program: Challenges and Solutions*.

The spending bill also includes [S. 2877](#), which reauthorizes the Terrorism Risk Insurance Act for an additional seven years through Dec. 31, 2027. The legislation directs the Department of the Treasury to include an evaluation of the availability and affordability of terrorism risk insurance in its biennial report on TRIA. It also directs the Government Accountability Office (GAO) to analyze and address the vulnerabilities and potential costs of cyber terrorism and to make recommendations for future legislation. In October, the Academy's Casualty Practice Council (CPC) submitted comment letters to the [U.S. Committee on Financial Services](#) and the [U.S. Senate Committee on Banking, Housing, and Urban Affairs](#) in support of a long-term extension of TRIA and identifying cyber risk as an area that needed further assessment.

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