

AMENDMENT TO H.R. 2761
OFFERED BY MR. MANZULLO OF ILLINOIS
[NBCR small insurer exemption]

Page 24, after line 13, insert the following:

1 “(4) NBCR EXEMPTION FOR CERTAIN INSUR-
2 ERS.—Notwithstanding the requirements of para-
3 graph (3):

4 “(A) ELIGIBILITY.—Upon request, the
5 Secretary may provide an exemption from the
6 requirements of subparagraph (B) of subsection
7 (c)(1) in the Program to an entity that other-
8 wise meets the definition of an insurer under
9 this title if—

10 “(i) such insurer’s direct earned pre-
11 mium is less than \$50,000,000 in the cal-
12 endar year immediately preceding the cur-
13 rent additional Program Year; and

14 “(ii) the Secretary makes the deter-
15 mination set forth in subparagraph (D).

16 “(B) INSURER GROUP.—For purposes of
17 subparagraph (A)(i), the direct earned premium
18 of any insurer shall include the direct earned
19 premiums of every affiliate of that insurer.

1 “(C) INFORMATION AND CONSULTATION.—
2 Any insurer requesting an exemption pursuant
3 to this paragraph shall provide any information
4 the Secretary may require to establish its eligi-
5 bility for the exemption. In developing stand-
6 ards for evaluating eligibility for the exemption
7 under this paragraph, the Secretary shall con-
8 sult with the NAIC.

9 “(D) DETERMINATION.—In making any
10 determination regarding eligibility for exemp-
11 tion under this paragraph, the Secretary shall
12 consult with the insurance commissioner of the
13 State or other appropriate State regulatory au-
14 thority where the insurer is domiciled and de-
15 termine whether the insurer has demonstrated
16 that it would become insolvent if it were re-
17 quired, in the event of an act of NBCR ter-
18 rorism, to satisfy—

19 “(i) its deductible and maximum ap-
20 plicable share above the deductible pursu-
21 ant to sections 102(11)(I) and
22 103(e)(1)(B), respectively, for such act of
23 NBCR terrorism resulting in aggregate in-
24 dustry insured losses above the trigger es-
25 tablished in section 103(e)(1)(C); or

1 “(ii) its maximum payment obliga-
2 tions for insured losses for such act of
3 NBCR terrorism resulting in aggregate in-
4 dustry insured losses below the trigger es-
5 tablished in section 103(e)(1)(C).

6 “(E) WORKERS’ COMPENSATION AND
7 OTHER COMPULSORY INSURANCE LAW.—In
8 granting an exemption under this paragraph,
9 the Secretary shall not approve any request for
10 exemption with regard to State workers’ com-
11 pensation insurance or other compulsory insur-
12 ance law requiring coverage of the risks de-
13 scribed in subparagraph (B) of subsection
14 (c)(1).

15 “(F) EXEMPTION PERIOD.—

16 “(i) IN GENERAL.—Any exemption
17 granted to an insurer by the Secretary
18 under this paragraph shall have a duration
19 of not longer than 2 years.

20 “(ii) EXTENSION.—Notwithstanding
21 clause (i), the Secretary may, upon appli-
22 cation by an insurer granted an exemption
23 under this paragraph, extend such exemp-
24 tion for additional periods of not longer
25 than 2 years.”.

Page 57, after line 11, insert the following:

1 (c) REGULATIONS ON NBCR EXEMPTIONS.—The
2 Secretary of the Treasury shall issue the regulations to
3 carry out paragraph (4) of section 103(a) of the Terrorism
4 Risk Insurance Act of 2002, as amended by subsection
5 (a)(1) of this section, not later than the expiration of the
6 180-day period beginning upon the date of the enactment
7 of this Act.