

1 HOUSE RESOLUTION

2 WHEREAS, Terrorism will continue to be a major focus in
3 the second session of the 107th Congress and the
4 Administration's budget reflects the continued priority this
5 matter will receive; and

6 WHEREAS, The impact of the September 11th terrorist
7 attacks on this nation are being felt throughout the economy
8 and the effects are growing; and

9 WHEREAS, Terrorism is a risk of national scope, not
10 limited to any single region, state, or city; and

11 WHEREAS, Terrorism is a risk which cannot be anticipated
12 and underwritten using accepted insurance and actuarial
13 methods; and

14 WHEREAS, Following the attacks, the global reinsurance
15 industry has curtailed and in many cases eliminated
16 reinsurance coverage for acts of terror, creating an
17 unacceptable concentration of liability and financial
18 exposure for states and the insurance industry; and

19 WHEREAS, Insurers, in the absence of reinsurance, have
20 been forced to exclude coverage to limit their financial
21 exposure, wherever possible; and

22 WHEREAS, These exclusions do not include
23 statutorily-required coverages such as workers compensation,
24 "fire-following", and personal lines coverages, creating
25 potentially catastrophic financial risk for insurers and
26 self-insured businesses; and

27 WHEREAS, The impact of exclusions on businesses, both
28 large and small, creates contingent liabilities affecting
29 their ability to meet their obligations to employees,
30 suppliers, shareholders, and the public; and

1 WHEREAS, The absence of needed insurance coverage retards
2 economic growth, increases uncertainty, lowers available tax
3 revenues, and puts state budgets at risk and will result in
4 higher debt-financing costs for states and municipalities;
5 and

6 WHEREAS, The power and means to address this problem
7 rests only with the Federal Government; therefore, be it

8 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
9 NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
10 we find that it is in the best interest of the nation for the
11 Congress of the United States to consider terrorism
12 reinsurance legislation on an expedited basis; and be it
13 further

14 RESOLVED, That the members of the Illinois House of
15 Representatives urge that the Congress enact and the
16 President sign legislation quickly in which the federal
17 government becomes the ultimate insurer of catastrophic
18 terrorism risks; and be it further

19 RESOLVED, That suitable copies of this resolution be
20 presented to the President of the United States, the
21 President Pro Tempore of the United States Senate, the
22 Speaker of the United States House of Representatives, and
23 each member of the Illinois Congressional delegation.