

**OPENING REMARKS OF THE HONORABLE RUBEN HINOJOSA
COMMITTEE ON FINANCIAL SERVICES
SUBCOMMITTEE ON CAPITAL MARKETS
TERRORISM RISK INSURANCE
SEPTEMBER 27, 2006**

Mr. Chairman, while it is true that nuclear, biological, chemical and radiological threats present unique risks in both size and scope, conventional terrorism, like that at the World Trade Center, still remains a threat.

In addition, the contention that TRIA is crowding out private market solutions to the reinsurance situation is absolutely false. TRIA not only is not crowding out private market solutions, it seems to have resulted in more market innovation. Furthermore, TRIA has not negatively impacted the amount of reinsurance available since we last renewed the Act.

Mr. Chairman, based on what I have read and heard here today, I think it remains extremely important that we, the federal government, continue to collaborate with the private sector, in some form, on this issue. It is absolutely necessary that we maintain a public-private partnership for these risks in order to keep this insurance coverage available.

Additionally, I hope that, in the future, we will revisit the flood insurance legislation and the impact the 100 year floodplain mapping will have on one of the poorest counties in the country - Hidalgo County – located in my district, the fifteenth district of Texas.

I yield back the remainder of my time.