NORTH CAROLINA
Rate Bureau

August 12, 2026

CIRCULAR LETTER TO ALL WORKERS COMPENSATION MEMBER COMPANIES

Re: WC2026-02
ESTABLISHMENT OF NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2019 (WC 00 01 16)

Summary – This filing establishes an endorsement to address the pending reauthorization of the Terrorism Risk Insurance Program and provides for the following:

- Notification to policyholders of the impending expiration of TRIPRA which may be extended in some form.
- Advises that premium charge may either continue to apply or change from current amount.
- Is optional for voluntary carriers; mandatory for assigned risk carriers.

The North Carolina Rate Bureau has filed, and the North Carolina Commissioner of Insurance has approved Filing No. WC2026-02. This filing establishes an endorsement to notify policyholders of the impending changes associated with the Terrorism Risk Insurance Program Reauthorization Act.

Attached are complete copies of the WC2026-02 Filing Memorandum and endorsement form WC 00 01 16 for your review. The endorsement will become effective for new and renewal policies on January 1, 2027, and for in-force policies as of December 31, 2026.

If you have any questions, contact Regulatory Manager, Jodi Webb at 919-719-3028 or via email at JLW@ncrb.org.

Sincerely,

Jarred Chappell
Chief Operating Officer

JC:ko
Attachment
C-26-5

North Carolina Rate Bureau
Filing Memorandum
Filing WC2026-02
Comparable to NCCI Item P-1420

ESTABLISHMENT OF NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2019

PURPOSE

This item establishes the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2019 (WC 00 01 16) in NCCI's *Forms Manual of Workers Compensation and Employers Liability Insurance (Forms Manual)*.

BACKGROUND

The Terrorism Risk Insurance Act (TRIA) took effect on November 26, 2002. It provided for a temporary program under which the federal government would share in the payment of insured losses caused by certain acts of terrorism. Congress renewed TRIA as the Terrorism Risk Insurance Extension Act in 2005 and as the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) in 2007, 2015, and 2019. Absent US Congressional action to extend, update, or otherwise reauthorize TRIPRA, in whole or in part, TRIPRA is scheduled to expire on December 31, 2027.

It is currently unknown whether Congress will act regarding TRIPRA. Meanwhile, exposure to acts of terrorism remains. Therefore, NCCI is establishing an endorsement for carriers to use in the event TRIPRA expires.

PROPOSAL

This item proposes that the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2019 be established. This endorsement notifies policyholders of the impending expiration of TRIPRA; TRIPRA may be extended in the same form or some other form. The premium charge for terrorism losses that may occur in the event of certain acts of terrorism may either continue to apply or change from the amount currently applied.

While the use of this endorsement is optional for voluntary carriers, it must be used by assigned carriers in North Carolina where it receives regulatory approval. The continued application of the premium charged by carriers for terrorism losses is subject to regulatory review in accordance with the applicable state law.

IMPACT

No statewide premium impact will result from the establishment of an endorsement that notifies the policyholder that TRIPRA is scheduled to expire on December 31, 2027.

The premium charge for coverage provided on a workers compensation and employers liability insurance policy for terrorism losses is shown in Item 4 of the policy Information Page or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 C) Schedule that is attached to the policy. In the event TRIPRA expires, this amount may continue or change.

COMMENTS AND IMPLEMENTATION SUMMARY

Exhibit Comments	Implementation Strategy
Displays the establishment of the Notification Endorsement of the Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2019. Note: While the use of this endorsement if optional for voluntary carriers, it must be used by assigned carriers in North Carolina where it receives regulatory approval.	This item is to become effective for: • New and renewal policies with effective dates on and after 12:01 a.m. on January 1, 2027, and • Any in-force policies as of December 31, 2026.

Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2019

This endorsement is being attached to your workers compensation and employers liability insurance policy. This endorsement does not replace the separate Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 C) that is attached to your current policy and which remains in effect as applicable.

The Terrorism Risk Insurance Act of 2002, as subsequently amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015 and the Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA 2019), each providing for a program under which the federal government shares in the payment of insured losses caused by certain acts of terrorism. Absent affirmative US Congressional action to extend, update, or otherwise reauthorize TRIPRA 2019, in whole or in part, TRIPRA 2019 is scheduled to expire on December 31, 2027.

Because the timetable for any further Congressional action regarding TRIPRA 2019 is presently unknown and exposure to acts of terrorism remains, we are providing policyholders with relevant information concerning their workers compensation policies in the event TRIPRA 2019 expires.

Your policy provides coverage for workers compensation losses caused by acts of terrorism and includes workers compensation benefit obligations dictated by state law, except in Pennsylvania where injuries or deaths resulting from certain war-related activities are excluded from workers compensation coverage. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy.

The premium charge for the coverage that your policy provides for terrorism losses is shown in Item 4 of the policy Information Page or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 C) Schedule that is attached to your policy. This amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2027, in the event TRIPRA 2019 expires, subject to regulatory review in accordance with applicable state law.

You need not do anything further at this time.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective	Policy No.	Endorsement No.
Insured		Premium

Insurance Company

Countersigned by ______________________________