



2022 Issues of Focus

The PIA Government Relations staff has reviewed PIA's past policy positions and Congress's current priorities, and, in consultation with PIA members across the country, we have developed these 2022 Issues of Focus. While the items below are our top priorities for 2022, PIA is always working to promote the interests of our independent agent members, wherever those interests take us.

Flood Insurance: PIA supports the long-term reauthorization of the National Flood Insurance Program (NFIP). In the last Congress, PIA [endorsed](#) a legislative package that unanimously passed the House Financial Services Committee but stalled afterward and ultimately did not receive consideration by the full House or Senate. This year, PIA is encouraging the House Financial Services Committee to use that package as the starting point for this Congress's efforts to provide the NFIP with a long-term reauthorization. The NFIP was most recently reauthorized in December 2021 for a period of several weeks, and the program faces another prospective lapse on February 18, 2022 if Congress does not act.

PIA will seek Congressional action to prevent a lapse, but we will also advocate for Congress to pass a long-term reauthorization of the NFIP that includes key reforms and recognizes the essential role independent agents play in delivering the program to consumers.

For more details on PIA and flood insurance, visit the Flood Insurance section of the PIA Issues of Focus webpage [here](#).

Cannabis Safe Harbor: PIA strongly [supports](#) the Secure And Fair Enforcement (SAFE) Banking Act (H.R. 1996/S. 910), which would protect insurance agents and carriers from federal criminal liability for engaging in the business of insurance with cannabis-related entities in states where cannabis is legal. Initially conceived as a banking-specific bill, the SAFE Banking Act has been reintroduced in this Congress with several essential new insurance provisions meant to protect agents, brokers, and insurers.

PIA views its position as respectful of state insurance laws; PIA and its members seek to protect independent agents from criminal liability for engaging in business activities that are legal pursuant to state law. PIA will advocate for Congress to include insurance agent protections in any cannabis safe harbor legislation it considers.

For more details on PIA and cannabis safe harbor, visit the Cannabis Safe Harbor section of the PIA Issues of Focus webpage [here](#).

Tax Issues: PIA supports the [Main Street Tax Certainty Act](#) (H.R. 1381/S. 480), which would make permanent the 20 percent tax deduction available to some S corporations, also known as passthrough corporations. Following the passage of the 2017 tax reform law, which established a deduction of up to 20 percent for “agents,” PIA successfully [advocated](#) for insurance agents to be identified in regulation as eligible for the deduction. Since then, eligible independent agencies have used this deduction to strengthen their businesses and provide for their families, despite an unprecedented economic downturn brought on by the pandemic.

Unfortunately, in contrast to the tax benefits provided to C corporations by the 2017 law, which are permanent, the passthrough deduction is temporary. The tax deduction for passthroughs will expire on December 31, 2025, unless Congress acts to extend it. PIA will ask Congress to provide certainty and consistency to eligible independent agencies by making permanent this important tax relief provision.

PIA has also been working to protect agents from new tax liabilities contained in proposals being considered in the budget reconciliation spending package, named “Build Back Better” by its proponents. We will continue to voice our opposition to the imposition of onerous new tax burdens on small businesses as the reconciliation process continues.

For more details on PIA and tax issues, visit the Tax section of the PIA Issues of Focus webpage [here](#).

Crop Insurance: Presidents of both parties have historically tried to cut crop insurance funding using the budget and appropriations process. Along with industry allies, PIA has aggressively worked to protect the crop insurance program from such cuts. Our advocacy paid off last year, when, in a victory for our crop insurance agent members, the [budget released](#) by the White House [sought](#) \$27.8 billion for the Agriculture Department—which represented a 16 percent increase—and, importantly for PIA’s crop insurance agents, included no cuts to the crop insurance program. This victory was especially welcome because billions of dollars in cuts to crop insurance have been included in presidential budget requests for most of the last decade.

This year, PIA will to advocate to protect the crop insurance program. In addition, with the Farm Bill up for reauthorization at the end of 2023, PIA will continue its work to ensure policymakers understand the critical role PIA’s independent agent members play in delivering this vital program to consumers.

For more details on PIA and crop insurance, visit the Crop Insurance section of the PIA Issues of Focus webpage [here](#).

Repeal of the Federal Insurance Office (FIO): PIA supports legislation to repeal the Federal Insurance Office (FIO) (S. 524/H.R. 4866). The FIO was created by the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act and is an ongoing threat to the successful state insurance regulatory system.

The mandate of the FIO has already been expanded by the Biden administration's [Executive Order \(EO\) on Climate-Related Financial Risk](#), which directed the Treasury Secretary to task the FIO with assessing "climate-related issues or gaps in the supervision and regulation of insurers." More recently, ostensibly in response to the EO, the Treasury Secretary issued a [Request for Information on the Insurance Sector and Climate-Related Financial Risks](#), and PIA [registered its objections](#) to this increase in the scope of the FIO's mandate.

To prevent the continued expansion of the FIO's power and scope, and to prevent its further encroachment on the authority of states to regulate the business of insurance, the FIO must be fully repealed. We will continue to encourage support for the FIO repeal legislation in both chambers.

For more details on PIA and the FIO, visit the FIO section of the PIA Issues of Focus webpage [here](#).

For more information on any of PIA's 2022 Issues of Focus, please contact Jon Gentile, PIA's vice president of government relations, at jgentile@pianational.org.