



2023 Policy Priorities

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 our 2023 Policy Priorities. While the items below are our top priorities for 2023, PIA is always working to promote the interests of our independent agent members, wherever those interests take us.

Crop Insurance: PIA supports the federal crop insurance program, which is a highly technical program that relies on the expertise of independent insurance agents. The program requires private-sector insurance carriers to offer crop insurance to eligible growers who are interested in purchasing it.

The Farm Bill, which includes the federal crop insurance program, is up for reauthorization in September 2023. PIA plans to continue its work ensuring policymakers understand the critical role PIA's independent agent members play in providing crop insurance as the Farm Bill process moves forward. We will also monitor the federal budget and appropriations process to ensure the program is not subjected to budget cuts.

In addition, PIA supported provisions that were included in the year-end FY 2023 appropriations package to address the inflation adjustment issues that have affected crop insurance agents for the last seven years. These provisions made explicit Congress's view that the USDA's Risk Management Agency (RMA) has the legal authority to provide administrative and operating (A&O) inflation adjustment relief for crop insurance agents. PIA will continue to urge the USDA to restore the inflation adjustment and urge Congress to address the inflation issue during the Farm Bill reauthorization process if the USDA does not promulgate regulations to address it.

For more details on PIA's advocacy in the area of crop insurance, please visit the [Crop Insurance section of the PIA Policy Priorities webpage](#).

Flood Insurance: PIA supports the long-term reauthorization of the National Flood Insurance Program (NFIP). In the past, PIA [endorsed](#) a legislative package that unanimously passed the House Financial Services Committee but stalled afterward and ultimately was not considered by the full House or Senate.

This year, PIA is encouraging Congress to pass a long-term reauthorization with needed reforms. The NFIP, which has been extended over 20 times on a short-term basis since 2017, will expire again on September 30, 2023.

PIA will continue to seek Congressional reauthorization of the NFIP to prevent a lapse. We will also advocate for the passage of 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's advocacy in the area of flood insurance, please visit the [Flood Insurance section of the PIA Policy Priorities](#) webpage.

Cannabis Safe Harbor: PIA strongly [supports](#) the Secure And Fair Enforcement (SAFE) Banking Act, 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 was reintroduced in the 117th Congress with several essential new provisions meant to protect agents, brokers, and insurers.

PIA's position respects 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. This issue is broadly bipartisan; the SAFE Banking Act has passed the House 7 times total; 4 of those times were during the last Congress. Unfortunately, the legislation stalled in the Senate each time. PIA will continue to advocate for its passage during this Congress.

For more details on PIA's advocacy in the area of cannabis financial services, please visit the [Cannabis Safe Harbor section of the PIA Priorities](#) webpage.

Tax Issues: PIA supports the [Main Street Tax Certainty Act](#) (not yet introduced in the 118th Congress), 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 unequivocally 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 permanent tax cuts provided to C corporations by the 2017 law, the passthrough deduction has always been temporary; it will expire on December 31, 2025, unless Congress extends it. PIA will ask Congress to provide eligible independent agencies with much-needed tax liability certainty and stability by making permanent this important provision.

For more details on PIA's advocacy on tax issues, please visit the [Tax section of the PIA Policy Priorities](#) webpage

Repeal of the Federal Insurance Office (FIO): PIA supports legislation to repeal the Federal Insurance Office (FIO). 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. PIA has been working to have it repealed since 2016.

The mandate of the FIO has already been expanded by the Biden administration's 2021 [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, the Treasury Secretary issued a notice and request for comments on a proposed "[climate-related financial risk data collection](#)." PIA registered [its objections](#) to this proposed data collection with greater specificity, noting that it has the potential to unnecessarily duplicate state-based regulatory data collections and will impose an unnecessary burden on proposed respondents.

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

For more details on PIA's efforts to repeal the FIO, please visit the [FIO section of the PIA Policy Priorities](#) webpage.

Healthcare Issues: PIA supports policies that improve independent agents' ability to sell health insurance and demonstrates the value of employer-sponsored health coverage to the health insurance industry.

The Centers for Medicare and Medicaid Services (CMS) recently finalized a rule that made significant changes to existing marketing requirements for both Medicare Advantage and Medicare Part D plans. PIA, along with other agent groups, strongly [opposed the final rule](#), which imposes an additional demand on licensed agents and brokers attempting to assist Medicare beneficiaries in choosing suitable health care and prescription drug plans. The rule could discourage licensed agents from representing Medicare Advantage and Part D Plans, until they can develop compliant processes and procedures. For the foreseeable future, this could leave millions of Medicare beneficiaries without access to the high-quality assistance with the enrollment process that can only come from licensed professionals.

In 2022, [legislation](#) (not yet reintroduced in the 118th Congress) was [introduced](#) that would have narrowed the third-party marketing organization (TPMO) recording requirement in the Medicare rule by removing agents from the definition of TPMO. PIA strongly [supports](#) this legislation and will seek to have it reintroduced in the 118th Congress this year.

For more details on PIA's advocacy efforts on [healthcare](#), please visit the [Healthcare section of the PIA Policy Priorities](#) webpage.

Consumer Data Privacy: The midterm elections resulted in the Republicans regaining control of the House and its Financial Services Committee, now chaired by Rep. Patrick McHenry (R-NC). Chairman McHenry has indicated that passing a data privacy bill will be among his top priorities early on in the new Congress.

At the same time, the National Association of Insurance Commissioners (NAIC) is currently updating its consumer data privacy-related model laws by combining two of them. In accordance with [our longstanding support of the existing structure of state-based insurance oversight](#), PIA plans to provide feedback to the NAIC as it undertakes this important project.

PIA will also work to prevent Congress from passing intrusive federal law in this area; the development of a prescriptive federal legislative regime that would preempt existing state law would be disastrous for the state-based insurance regulatory structure. It would undermine existing state law, the NAIC's existing and future models, and the entire state-based insurance regulatory structure, which has effectively protected insurance consumers and cultivated innovation for over a century.

For more details on PIA's advocacy efforts on data privacy, please visit the [Consumer Data Privacy section of the PIA Policy Priorities](#) webpage.

For more information on any of PIA's 2023 Policy Priorities, please contact Jon Gentile, PIA's vice president of government relations, at jgentile@pianational.org.