



## 2025 Policy Priorities

In 2025, PIA will continue its advocacy on behalf of independent insurance agents. While we have identified the issues below as our top priorities for the coming year, PIA always works to promote the interests of our independent agent members, wherever those interests take us.

**Tax Issues:** PIA supports the [Main Street Tax Certainty Act](#) to 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 made available a deduction of up to 20 percent for “agents,” PIA successfully [advocated](#) for insurance agents to be included among those eligible for the deduction. Since then, eligible independent agencies have used this deduction to strengthen their businesses and provide for their families. The deduction was an enormously valuable benefit during the unprecedented economic downturn brought on by the pandemic.

Unfortunately, unlike the permanent tax cuts provided to C corporations by the 2017 law, the passthrough deduction as passed is temporary and will expire on December 31, 2025, unless Congress extends it. PIA will continue to urge Congress to provide eligible independent agencies with much-needed financial certainty and stability by making this tax benefit permanent.

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

**Repeal or Reform of the Federal Insurance Office (FIO):** PIA supports legislation to repeal or reform the Federal Insurance Office, a federal body overseen by the Treasury Department. Congress created the FIO in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act, and it is an ongoing threat to the successful state insurance regulatory system.

The mandate of the FIO was substantially 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.” In 2022, the Treasury Secretary issued a notice and request for comment on a proposed [“climate-related financial risk data collection.”](#) PIA registered [its objections](#) to this proposal, noting its potential to unnecessarily duplicate state-based regulatory data collection and the burdensome nature of its unusual granularity.

Most recently, the FIO issued a revised version of its data collection proposal for public review and comment; the revised proposal also sought the approval of the Office of Management and

Budget for the FIO to implement its proposed data collection. PIA [reiterated](#) its longstanding objections to the plan on the basis that it will impose an undue burden on small and regional insurers, it is poorly designed for nationwide analysis, and it is duplicative of existing efforts by state regulators to collect similar but more useable data.

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, PIA supports the FIO Elimination Act to fully repeal the office.

In addition, PIA strongly supports efforts to reform the office by significantly narrowing the scope of its power. The Insurance Data Protection Act. This legislation will meaningfully reform the FIO by removing the FIO Director's subpoena power.

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

**Crop Insurance:** PIA supports the federal crop insurance program, a highly technical program which 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. However, since the Risk Management Agency's (RMA) decision to cease the administrative and operating (A&O) inflation adjustment in 2016, crop insurance agent compensation has effectively been cut. To that end, PIA strongly supports the bipartisan Ensuring Access to Risk Management Act to require RMA to reinstate the A&O inflation adjustment for crop agents.

The process of reauthorizing the Farm Bill, which includes the federal crop insurance program, will be ongoing throughout 2025. PIA will continue to help policymakers understand the critical role PIA's independent agent members play in providing crop insurance and will urge the inclusion of the Ensuring Access to Risk Management Act as the Farm Bill reauthorization process moves forward.

PIA will continue to monitor the budget and appropriations process to ensure the crop insurance program is not subjected to budget cuts.

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 continues to support the long-term reauthorization of the National Flood Insurance Program (NFIP). In 2019, PIA [endorsed](#) a legislative package that unanimously passed the House Financial Services Committee but stalled afterward and was never considered by the full House or Senate.

This year, PIA is urging Congress to pass a long-term reauthorization with needed reforms. The NFIP has been extended over 30 times on a short-term basis since 2017, and more short-term extensions will likely be needed throughout 2024. PIA will continue to request that Congress reauthorize the NFIP long-term to minimize the likelihood of future lapses and provide

policyholders and industry participants with the certainty they need. We will also advocate for a long-term reauthorization to include key reforms.

Additionally, PIA is committed to preserving the crucial role independent agents play in the NFIP as the most reliable source for consumers seeking accurate information about flood insurance and will work with Congress to prevent FEMA from further implementing its direct-to-consumer (D2C) model without such consumer protection.

PIA will continue to monitor the budget and appropriations process to ensure the NFIP is not subjected to budget cuts.

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.