



2025 Policy Priorities

This year, as always, PIA is continuing to advocate on behalf of independent insurance agents. While we have identified the issues below as our top priorities for this year, PIA always works to promote the interests of our independent agent members, wherever those interests take us.

- I. 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. It will expire on December 31, 2025, unless Congress extends it. PIA will continue to urge Congress to make this tax benefit permanent, providing eligible independent agencies with much-needed financial certainty and stability.

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

- II. 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, known as “Dodd-Frank,” 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. 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 level of granularity. Fortunately, the National Association of Insurance Commissioners (NAIC) has assumed responsibility for the data

call and rendered it more circumscribed than it was when FIO was handling it in the absence of state insurance commissioners.

However, the FIO remains a perpetual threat to the primacy of state-based insurance regulation, and the continued expansion of its authority must be stopped. To prevent its further intrusion on states' power to regulate the business of insurance, PIA supports H.R. 643, the FIO Elimination Act, which would fully repeal the office.

In addition, PIA strongly supports efforts like the Insurance Data Protection Act (not yet introduced in the 119th Congress), which would reform the office by significantly narrowing the scope of its power. This legislation would meaningfully weaken 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.

- III. Crop Insurance:** PIA supports the federal crop insurance program, a highly technical program that relies on the expertise of independent insurance agents. The program requires private-sector insurance carriers to offer crop coverage to eligible growers interested in purchasing it. However, since the Risk Management Agency's (RMA) decision to stop providing the administrative and operating (A&O) inflation adjustment in 2016, crop insurance agent compensation has effectively been cut each year.

For that reason, PIA strongly supports the bipartisan Ensuring Access to Risk Management Act (not yet introduced in the 119th Congress) to require RMA to reinstate the A&O inflation adjustment for crop agents if RMA continues its refusal to reinstate the inflation adjustment via regulatory action. The process of reauthorizing the Farm Bill, which includes the federal crop insurance program, is ongoing. PIA will continue to urge policymakers to recognize the critical role PIA's independent agent members play in providing crop insurance and, on that basis, to incorporate the Ensuring Access to Risk Management Act into the Farm Bill as its reauthorization process moves forward.

As always, PIA will also 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.

- IV. 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 passed the House Financial Services Committee unanimously but stalled afterward and was never considered by the full House or Senate.

First, PIA is committed to preserving the crucial role independent agents play in the NFIP. Independent flood agents are the most reliable source of accurate information about flood insurance for consumers seeking trustworthy sources of flood insurance

information. They serve as the face of the NFIP to consumers in need of flood insurance and serve as FEMA's salesforce for its NFIP policies. Independent agents protect consumers from the information imbalance inherent in flood insurance's complexity. FEMA's direct-to-consumer (D2C) model threatens to rob consumers of the expertise they desperately need to make educated decisions about their flood insurance needs.

Ultimately, FEMA is overestimating the ease with which consumers can obtain the information they need to generate valid quotes or bind policies. PIA will continue to work with Congress to prevent any implementation of D2C that would limit consumer access to independent agent resources.

PIA is also urging Congress to pass a long-term reauthorization with needed reforms. The NFIP has been extended 32 times since 2017, and the program is set to expire again on March 14, 2025. With another deadline looming, more short-term extensions are likely throughout 2025.¹ PIA will continue to demand that Congress reauthorize the NFIP long-term to minimize the likelihood of future lapses and provide policyholders and members of industry with the certainty they all need. We will also advocate for key programmatic improvements to be included in any long-term reauthorization.

Finally, 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.

¹ See Issues for Reauthorization and Reform of the National Flood Insurance Program (Jan. 2, 2025), available at <https://crsreports.congress.gov/product/pdf/IF/IF12810> (last viewed on January 22, 2025).