

Crop Insurance

✓ **OPPOSE Cuts to the Federal Crop Insurance Program**

- Congress included \$3 billion in cuts in the October 2015 budget agreement.
- While these cuts were removed due to intense advocacy by PIA members and our allies, we are concerned by these recent attempts to cut the program.
- The 2014 Farm Bill should not be reopened or renegotiated through the budget or appropriations process. The proper venue for changes to any title of the Farm Bill is the next reauthorization in 2018.

Status: In March of 2014, the Farm Bill was enacted into law. The law provides subsidies for farmers who purchase crop insurance. Despite this, the Obama administration continues to propose cuts to the program, asking for over \$18 billion in cuts over ten years in the Fiscal Year 2017 (FY17) budget request.

Explain the role independent agents play in delivering the program.

Health Care

- ✓ **COSPONSOR** the bipartisan **Access to Professional Health Insurance Advisors Act** (H.R. 815/S.1661) introduced by Representatives Billy Long (R-MO) and Kurt Schrader (D-OR); and Senators Chris Coons (D-DE) and Johnny Isakson (R-GA).
 - Provides that certain compensation for agents and brokers is exempt from the medical loss ratio (MLR) calculation under the healthcare law.
 - The MLR formula limits the amount a health insurance company can spend on administrative costs, which includes agent compensation. As a result, agent compensation has been slashed leading to an exodus of qualified agents and brokers.

- ✓ **COSPONSOR** the **Middle Class Health Benefits Tax Repeal Act** (H.R. 2050/S. 2045), introduced by Rep. Joe Courtney (D-CT) and Senator Dean Heller (R-NV).
 - Repeals the “Cadillac Tax,” which has been delayed to 2020 due to bipartisan opposition to it. The Cadillac tax is a 40% excise tax on so-called overly generous plans; in reality it will impact a majority of employer based plans as time goes on.

Status: MLR bill in the House Energy and Commerce/Senate Health, Education, Labor, and Pensions Committees. Cadillac Tax repeal bill in the House Ways and Means/Senate Finance Committees.

Explain the role and value you bring to the health insurance industry.

Insurance Regulation

- ✓ **PASS** the **Transparent Insurance Standards Act** (H.R. 5143/No Senate Bill), introduced by Rep. Blaine Luetkemeyer (R-MO).
 - The legislation, sets objectives for U.S. negotiators regarding international insurance standards to ensure that the U.S. doesn't enter into an agreement that would disrupt the domestic insurance industry
 - Requires that Congress has 90 days to approve or reject any proposed agreement; mandates that any draft agreement be published in the Federal Register; and provides for a 30-day public comment period.
 - Notably, the legislation also prohibits the U.S. from entering into an international covered agreement that would grant the Federal Insurance Office (FIO) any authority to supervise or regulate the business of insurance.

- ✓ **OPPOSE** Any federal regulations or international standards that would destabilize or supplant state-based regulations.

Status: H.R. 5143 has passed the House Financial Services Committee. There is no Senate companion bill yet.

Explain your interactions with your state regulators and describe how it works.

Flood Insurance

- ✓ **SUPPORT a reauthorization** of the NFIP that:
 - Recognizes the *key role* agents play in delivering the program.
 - Is long-term and brings the *gradual implementation of risk based rates*.

- ✓ **Pass the Flood Insurance Market Parity and Modernization Act** (H.R. 2901/S. 1679) introduced by Reps. Dennis Ross (R-FL) and Patrick Murphy (D-FL) and Senators Dean Heller (R-NV) and Jon Tester (D-MT).
 - This legislation *defines private flood insurance* as a policy that provides flood insurance coverage issued by an insurance company that is licensed and approved by the state insurance regulator while allowing for the **continuous coverage** of flood insurance.

Status: The NFIP is up for reauthorization in September 2017. H.R. 2901 has passed the House of Representatives 419-0. Its Senate companion, S. 1679, is awaiting action in the Senate Banking, Housing, and Urban Affairs Committee.

Explain the role independent agents play in delivering the program.