

Maintain Small Business Tax Fairness & Incentivize Mitigation Through Tax Credits

The Big “I” supports legislation which would make permanent the 20% small business deduction (Section 199A) passed as part of the 2017 Tax Cuts & Jobs Act. The deduction, which is scheduled to expire at the end of 2025, is heavily relied upon by many Big “I” members and their clients to expand their small businesses, hire more employees, and better serve their communities. Pass-through entities have factored this deduction into their operations so its expiration would result in a tax increase on many small businesses. Such an increase would create an unlevel playing field and put pass-throughs at a disadvantage to those businesses filing taxes at the corporate rate. Additionally, we ask Congress to support legislation that encourages risk mitigation by providing targeted tax credits to individuals and businesses that proactively strengthen their homes and buildings against damages caused by natural disasters, such as wildfire, flood, and wind.

Ensure State Implementation of Federal Data Privacy Standards

Congress established data privacy standards for insurance agencies, insurers, and other financial institutions with the passage of the Gramm-Leach-Bliley Act (GLBA) in 1999. That statute requires financial entities to disclose information-sharing policies and inform consumers of their ability to stop the sharing of protected information with certain third parties. GLBA adopted a framework based upon functional regulation that appropriately empowered state insurance commissioners to implement and enforce these privacy protections for the insurance market. Congress is now considering significant revisions to these requirements, and it is critically important to leave implementation and enforcement of federal privacy standards in our industry to state insurance regulators and not cede authority to federal regulators. Additionally, federal privacy legislation must not include a private right of action, which would allow trial lawyers and judges to become de facto regulators and enforce the law through litigation. Finally, any new mandates must be clear, reasonable, and workable as well as recognize the differences between large and small businesses.

Extend & Reform the National Flood Insurance Program (NFIP)

With the NFIP extended through September 30 of 2023, the Big “I” supports a long-term reauthorization of a modernized NFIP that would increase take-up rates, both in the NFIP and the private market. Specifically, the Big “I” supports H.R. 900, which would allow for private flood insurance to satisfy continuous coverage requirements and ensures that if consumers leave the NFIP for the private market and later must return, they can do so without penalty. The Big “I” also supports allowing refunds for unearned premiums for the mid-term cancellation of NFIP policies if a consumer elects to purchase a policy from the private flood insurance market. The Big “I” opposes any policies that would harm the Write-Your-Own (WYO) Program (including WYO reimbursement reductions) and undercut the valuable and trusted role that independent agents play in the sale and servicing of flood insurance. Finally, with Risk Rating 2.0 now implemented, it is essential for FEMA to clearly communicate with agents so they can explain rate setting and changes in premiums to their customers.

Protect the Federal Crop Insurance Program (FCIP)

The current Farm Bill expires on September 30 of 2023. As Congress negotiates a new 5-year bill, it is critical to support policies strengthening the stability and effectiveness of the FCIP. Over the past several years, crop insurance has helped farmers navigate the challenges posed by weather disasters, supply chain disruptions, and uncertain markets. The Big “I” supports a strong and robust FCIP that provides certainty for our farmers and communities and will continue to oppose legislative and regulatory efforts to weaken the efficient and effective private sector delivery of crop insurance. Specifically, the Big “I” asks Congress to oppose any cuts to crop insurance.

Oppose Federal Trade Commission (FTC) Non-Compete Proposal

The FTC has proposed a national prohibition on the use of most non-compete agreements. Although this proposal is targeted at employment agreements that block workers from securing employment or starting a competing business and is not intended to apply to other restrictive covenants utilized by many insurance agencies, the FTC’s actions are concerning. This sweeping proposal is unprecedented and would preempt the laws of nearly every state. The FTC is asserting it has the power to issue this and similar rules regulating competition, but only Congress can enact such significant changes in the law and never empowered the FTC in this manner. The Big “I” urges Congress to use its oversight authority to closely examine FTC’s proposed rulemaking and guard against unauthorized regulatory overreach.

