

InsurePAC 2020 In Review

The 2020 elections are in the distant past and a new session of the U.S. Congress has begun. While there are numerous issues to tackle under a new Biden Administration and new Congress, it's important to look back at some of the things that were accomplished last year. If those victories are any indication, independent agents are well positioned with a strong federal advocacy team, ready to go to bat on anything and everything.

When it comes to advocacy, perhaps the most important thing is relationships; relationships that will open doors to make our case when important legislation is being considered. InsurPac, your federal political action committee (PAC) exists for that very purpose. It is our \$2.5 million federal political arm that supports the campaigns of U.S. Congressmen, Senators and candidates for federal office who are supportive of our livelihood. And in doing so, it established relationships with those elected officials. Last election cycle InsurPac disbursed over \$2 million and won 93% of the races that it supported. Among those victories were three independent agents elected to the U.S. Congress for the first time, as well as one U.S. Senator.

Relationships developed and sustained vis a vis InsurPac helped the Big "I" to weigh in and win some important issues last year, including but not limited to:

1. Several legislators were taking direct aim at our industry over the issue of business interruption (BI) insurance. They argued that Congress should retroactively void exclusions in contracts and force insurers to pay claims for something that was never priced and for which a premium was never collected. According to industry estimates, a haphazard response such as this would have cost between \$255-\$431 billion in claims per month. This was not just a "company" issue. Agent commissions, contingency compensation, and even the fate of our profession were in play. The Big "I" successfully pushed back on these legislative proposals and took wind out of their sails.
2. Congress passed legislation that would require nearly every small business with fewer than 20 employees to file new reports on their "beneficial ownership" with the Treasury Department's Financial Crimes Enforcement Network (FinCEN). The penalties for failure to comply are quite severe with civil penalties of up to \$10,000 and criminal penalties of up to three years in prison. The Big "I" was the only producer group to advocate on behalf of agents and brokers, and successfully secured an exemption.
3. The Big "I" successfully advocated for legislation, including the Paycheck Protection Program (PPP), to support our agent members and their clients cope with the COVID-19 pandemic and is continuing to do so.
4. The Big "I" was successful in securing a year-long extension of the National Flood Insurance Program (NFIP), which is up for reauthorization at the end of September.
5. Working with industry partners, the Big "I" put forward a plan for how Congress could structure a program to deal with future pandemics.

Clearly, the Big "I" and InsurPac had our backs last congress and will continue to advocate for agents and our livelihood at every turn. If you would like to learn more about InsurPac please visit www.insurpac.com.