

**A**s the federal government exercises more and more power over small business, the future of our industry becomes greatly dependent upon our ability to become engaged in the federal political process. The U.S. Congress regularly considers legislation that directly affects the livelihood of independent agents – from taxes, healthcare, and flood insurance to the overhaul of the insurance regulatory system. We are fortunate to have a strong federal government affairs team working for us through our membership in the Independent Insurance Agents & Brokers of America (IIABA). However, they can't do it alone. It is vital that we, as small business owners and agents, play an active role in shaping the public policy debate and ultimately the laws that come out of Washington, D.C.

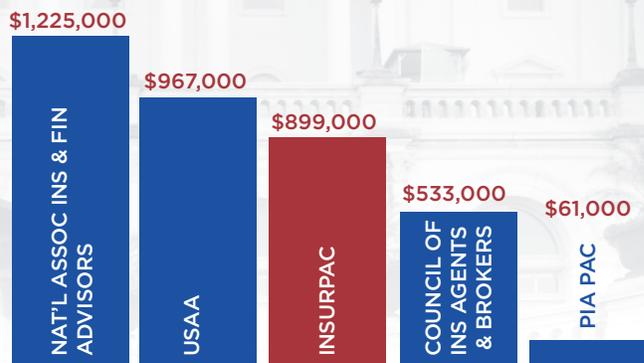
At the federal level our government affairs team fights for us by getting in front of legislators and their staff, and educating them about legislation that is both detrimental and beneficial to independent agents. For example, as the Dodd-Frank Wall Street Reform Act made its way through Congress, IIABA was successful in maintaining insurance as a state-regulated business. Unlike banking and securities regulation which were drastically changed by Dodd-Frank, the insurance implications of the legislation were modest. IIABA was also actively engaged as Congress passed the Patient Protection and Affordable Care Act (PPACA) and limited some of the bill's negative impact on independent agents. They continue to fight back against some of its negative provisions, including the Medical Loss Ratio (MLR) and its downward pressure on agent commissions. To that end, IIABA has worked with Congress to introduce legislation that would exclude agent commissions from the MLR calculations. Among many other things, IIABA continues to be at the forefront to extend and reform the National Flood Insurance Program, protect crop insurance commissions and limit small business taxes.

Through constant dialogue with Members of Congress and participation in numerous Congressional meetings, hearings and events, our

federal government affairs staff has forged an impressive list of achievements. Obviously, they have done an excellent job developing relationships with many influential policymakers in the Nation's Capitol. That has been made possible in large part due to InsurPac, our federal political action committee. It solicits voluntary, personal contributions from agents throughout the country, and then distributes that money to Congressmen, Senators and candidates for federal office who support small business and the independent agency system. It allows our federal advocates to attend fundraising events nearly every day of the week, constantly developing relationships with legislators and their staff and delivering results for agents.

Fortunately, InsurPac is one of the largest federal PACs in the insurance industry, and is by far the largest property-casualty agent PAC. In the 2010 election cycle, more than 5,000 independent agents came together to support InsurPac, helping it raise \$1.9 million. InsurPac distributed over \$1.7 million to a total of 265 races, winning 248 of them for an amazing 93% victory rate. Because InsurPac is so large, it is able to carry over a healthy balance each election cycle and "hit the ground running" with each new respective Congress. Opinions on issues are being shaped every day and we must continue to have a seat at the table to educate Members of Congress. That seat at the table is made possible, largely due to InsurPac. It is THE federal PAC for independent agents.

## 2011 AGENT & P/C GROUPS



Source: Federal Election Commission