



2021 LEGISLATIVE PROGRAM RECAP

★ FEBRUARY 9, 2021 ★

2021 LEGISLATIVE PROGRAM BY THE NUMBERS

777
TOTAL
ATTENDEES

175
DIFFERENT
FIRMS

PRESENTING SPEAKERS

Rep. Nancy Pelosi
(D-CA) Speaker of the House

Rep. Kevin McCarthy
(R-CA) Minority Leader

Sen. Chuck Schumer *(D-NY)*

Rep. John Barrasso *(R-WY)*

Rep. Richie Neal
*(D-MA), Chair, House Committee
on Ways & Means*

Rep. Jim Himes *(D-CT)*

Sen. Deb Fischer *(R-NE)*

Rep. Dan Crenshaw *(R-TX)*

BENEFITS PANELISTS

Jim Klein, *Executive Director, American Benefits Council*
David Smith, *CEO/Founder, Third Horizon Strategies*

P/C PANELISTS

Glenn Westrick, *SVP, Government Affairs, Travelers*
Francis Bouchard, *Group Head of Public Affairs and Sustainability,
Zurich Insurance Group*

OVERVIEW

This year, The Council's Legislative Program went virtual with top Congressional leaders discussing the priorities of the 117th Congress and industry leaders sharing their perspectives in various panels. Members from both chambers of Congress spoke, addressing key topics including a potential stimulus package, healthcare, budget reconciliation, climate change and more. The Council's Government Affairs team and two panels also discussed these same issues in more detail. The new virtual format made for record-breaking program attendance and allowed first-time attendees to gain a more personal, in-depth understanding of the goings-on of Capitol Hill and how those decisions directly affect the commercial insurance brokerage industry.



Overview from The Council's Government Affairs Team

Joel Wood, *SVP, Government Affairs*

Joel Kopperud, *VP, Government Affairs*

Blaire Bartlett, *Director, Government Affairs*

The legislative stage was set with the narrowest of Democratic majorities in the House and Senate, and the Biden administration is currently focused on two primary priorities: beating COVID-19 and economic recovery. With rampant partisanship and COVID-19 relief taking up most of current legislative oxygen, there is plenty left uncertain in terms of what issues could reach the table. With this in mind, the Government Affairs team is confident that The Council's most relevant and pertinent items will revolve around tax changes, preserving employer-sponsored insurance, infrastructure and COVID-19 relief. Budget reconciliation will be the medium by which legislative decisions are made in 2021, and look for the Byrd Rule to become dinner table conversation.



OPENING REMARKS WERE PROVIDED BY THREE LEGISLATIVE LEADERS

Senate Majority Leader Chuck Schumer *(D-NY)*, Speaker of the House Nancy Pelosi *(D-CA)*, and House Minority Leader Kevin McCarthy *(R-CA)*.



KEY TOPICS AT THE 2021 LEGISLATIVE PROGRAM

★ ON BIPARTISAN EFFORTS



Rep. Jim Himes
(D-CT)

In a political climate where everyone seems jarred by infighting, Rep. Himes reminded listeners that the purpose of legislative procedures remains compromise, noting, "I don't want unity; I want compromise." His words serve as an ode to the purpose of representative democracy – finding common ground in differing interests, not creating homogeneity in the interests themselves.



House Minority Leader Kevin McCarthy
(R-CA)

McCarthy called to light the three things Congress needs to focus on bipartisan basis:

1. American Jobs – 10 Million Americans are out of jobs
2. Getting children back in school
3. Ensuring the COVID-19 vaccine is available to every American who wants one



Senator Chuck Schumer
(D-CA)

"The most important thing we can do for our economy is to defeat this pandemic once and for all. But even as we chart this path we can't neglect the other challenges that face our economy: the strengthening of our nation's healthcare. I will work with members of both sides of the aisle to stabilize our healthcare system and support policies that will strengthen the individual marketplaces, lower prescription drug prices and work to implement President Biden's Proposal"

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"The commercial insurance industry is critical for keeping our economy running during these times"

SENATOR CHUCK SCHUMER

★ ON RETIREMENT SECURITY



Rep. Richie Neal
(D-MA)

The SECURES Act, championed by Rep. Richie Neal (D-MA) was signed into law on Jan. 1, 2020, a little over a year after it was passed by unanimous vote. While pleased with this progress, Rep. Neal urged listeners to remember that the work on retirement security is not done: "The retirement crisis in America is real and is only going to worsen unless we make savings easier and do more to encourage workers to begin planning for retirement."

★ ON INFRASTRUCTURE



Senator Deb Fischer
(R-NE)

There is an undercurrent of concern from several conservative speakers who fear that cramming policy through reconciliation will undermine the ability to compromise over the next four years. "I don't think a big infrastructure package is the way to approach it; we need to take it segment by segment. Let's address highways, broadband, ports and airports, individually. Infrastructure means long-term planning. It takes a long time to build, and you need a long-term consistent revenue stream to pay for it." stated Fischer.

Infrastructure remains a point of common interest amongst the parties, with **Rep. Richie Neal** calling it "the real stimulus".



★ ON BUDGET RECONCILIATION

Congressional Republicans were not optimistic about bipartisanship efforts in the face of Budget Reconciliation, which requires only a simple majority, and its potential effects on the ability to compromise across party lines over the next four years.

Some of the concerns about going immediately to reconciliation:

- The Democrats will challenge the Byrd Rule
- Reconciliation is a way around the filibuster

★ ON HEALTHCARE



Rep. Dan Crenshaw
(R-TX)

Rep. Crenshaw views healthcare in three tiers: Primary Care, Insurance, and Catastrophic. He sees premium support models as the way to solve the many issues Americans face in affording and accessing their healthcare. He stated that in a post-repeal-the-ACA environment, Congress needs to put its goals into a coherent set of principled solutions which can be easily understood, reinforcing that 'repeal and replace,' was never a good message to send to the public.

★ ★ ★

"I prefer the warfare of my previous job to the warfare I engage in now."

REP. DAN CRENSHAW



Senator John Barasso
(R-WY)

Senator Barasso underscored that there are plenty of issues with solutions that have reached bipartisan support in Congress, but those issues do not garner as much media attention. He is particularly confident that Congress will be able to reach a conclusion about lowering prescription drug prices, citing the bipartisan support behind surprise medical billing as evidence of their ability to come together. However, he noted that it "won't be easy."



PANEL DISCUSSIONS

Two groups of panelists representing both the property/casualty and employee benefits insurance brokerage communities discussed Congressional efforts on pandemic insurance, climate change and healthcare legislation.

★ P/C PANEL DISCUSSION

Glenn Westrick

SVP, Government Affairs, Travelers

Francis Bouchard

Group Head of Public Affairs and Sustainability, Zurich Insurance Group

MODERATED BY

Scott Sinder

Chief Legal Officer, Steptoe & Johnson

ON PANDEMIC INSURANCE

- Pandemic exposure in its current form is not manageable. The sheer scope and level of risk is beyond the industry's ability to underwrite.
- There is merit in harnessing the expertise of the insurance industry to protect against future pandemics, but Congress has been rushed and is now putting out legislation that the panelists found inappropriate to address the problem.

ON CLIMATE CHANGE

- "We need to bring our expertise along in that space and to play our role in the mitigation space in the big climate issues that they want to address. We see an important spot for the U.S. insurance industry to be involved," commented Glenn Westrick

★ BENEFITS PANEL DISCUSSION

Jim Klein

Executive Director, American Benefits Council

David Smith

CEO/Founder, Third Horizon Strategies

MODERATED BY

Kate Jensen

Associate, Steptoe & Johnson

ON HEALTHCARE LEGISLATION

- Healthcare legislation is somewhat stalled pending the Supreme Court decision in California v. Texas, which will rule on whether the lack of an individual mandate negates the viability of the Affordable Care Act. Due to this pending ruling, a proposal of substance is unlikely to emerge until late summer or early fall.
- The fight against COVID-19 likewise constricts much of the breathing room for other healthcare legislation; however, Smith and Klein agree that potential changes such as increased subsidies, drug price reform, ICRA's, value-based care, and cost sharing will remain viable points for bipartisan action.



Save the Date

FEBRUARY 7-9, 2022

