

BIG I | KENTUCKY

November 23, 2020

Honorable Andy Beshear
Commonwealth of Kentucky
700 Capitol Avenue, Suite 100
Frankfort, KY 40601

Dear Governor Beshear:

Insurance is essential and the need for it never sleeps. We understand that many industries are suffering, but at all hours of the day or night, car accidents will continue, water heaters will fail, houses will burn and people will get sick. Insurance is there to pick up the pieces when there are storms and catastrophic life events.

Unfortunately, due to Executive Order 2020-968, many of our agents will be forced to close for all practical purposes.

The 33% staffing reduction is disproportionately impactful on small businesses like insurance agencies. 65% of Kentucky agencies have less than 5 employees and 84% have less than 10 employees. The simple arithmetic of EO 2020-968 will leave nearly half of all agencies with one person in the office to answer calls, service policies, submit claims, prepare applications, along with the many other tasks that must be done in an insurance agency, not to mention putting the employee's safety at risk.

Thus, we ask that you consider one of these options to help us meet the guidelines that you need met, while protecting consumers and agents:

Retail Exemption - We have heard you say that you are trying to preserve retail operations and want retail businesses, especially small retail businesses, to stay open and survive. Insurance agencies **are retail businesses** that sell essential products and services and are used by consumers every day, in every town in Kentucky. If car dealers are selling cars or realtors are selling houses, then they will need their insurance as required by law or a lending institution. We understand and distinguish the retail side of insurance agencies from large insurance companies that might have a lot of employees in an office park in a larger city. Insurance companies and the average size agency are vastly different in their resources, means to comply and abilities to work from home. We ask you to also understand and distinguish these basic differences.

The Big I would like to request insurance agencies be considered a retail service and thus exempt from the Governor's Executive Order.

Minimum Number Exception - Would it be possible to issue a minimum number of employee exception? Half of our membership has many 3 employee shops and, on most days, cannot function with 1 person in the office. They have a constant flow of phone calls to answer, policies to service, claims to submit, applications to prepare, etc. These things simply cannot be done by one person in the office as many do not have elaborate computer and phone systems.

Square Footage Exception - In lieu of 33% of employees, could you utilize square footage of a building to determine the acceptable number of employees allowed? It would offer the ability to mask and social distance in a larger environment and keep everyone safe.

We are not seeking these exceptions to avoid the law or ignore the threat of COVID-19. On the contrary, we are searching for ways to provide an essential service and to comply with the law. We appreciate the tough decisions you are making because we have been there. Independent Insurance agents hold your hand in your darkest hour and protect you from financial hardship. However, we must be open to serve and protect those who depend on our service.

Sincerely,



Tara T. Purvis
President & CEO

cc: Sharon Clark, Rocky Adkins, Zach Dembo



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