



March 23, 2020

To: The Honorable Laura Kelly, Governor
The Honorable Vicki Schmidt, Commissioner of Insurance

From: Dave Hulcher, Executive Director, Kansas Association of Insurance Agents
Kristy Wilson, President, Kansas Association of Insurance Agents

Subject: Covid-19 Essential Business Service Request

Governor Kelly and Commissioner Schmidt,

The Kansas Association of Insurance Agents (KAIA) recognizes the challenging circumstances our state and local communities are faced with in attempting to contain and mitigate the impact of Covid-19. During these times the state is being forced to make difficult decisions regarding the closure of nonessential business services, similar to the orders issued by the Counties of Johnson, Wyandotte and Douglas.

KAIA asserts that independent insurance agencies and brokerages are essential service providers on the front lines dealing with families and business clients impacted by losses or those seeking to address critical coverages or claims. It is our opinion that insurance agencies should be considered an “essential business service” within the terms of any Executive Order or Directive from the Office of the Governor due to the essential services they provide to the public, including:

- Receiving first reports from policyholders of incidents for which they make claims against their insurance coverages
- Acting as intermediaries between insurance claimants and the insurers providing coverages
- Obtaining insurance for businesses and households in immediate need of coverage (for example, individuals who must quickly obtain Homeowners Insurance for closings on home mortgage loans)
- Issuing Automobile Liability Insurance identification cards for purchasers of new and used motor vehicles, who must produce the cards to the Department of Motor Vehicles at the time of vehicle registration
- Answering questions from the public about their insurance coverages, particularly as those coverages pertain to the present crisis
- Helping businesses understand and adapt to the Families First Act and how that law will integrate with their employee benefit plans. (Primarily navigating leave laws with federal cobra law and helping businesses navigate these times so they do not breach their contracts).

KAIA asks that if state level action is taken, independent insurance agencies and brokerages be deemed 'essential businesses or entities providing essential services or functions'. Insurance policyholders rely on their independent agents and brokers to provide services whenever they need them. Consequently, it is critical that agencies and brokerages have sufficient staff on hand to provide these services. It's imperative that agencies



have the flexibility to determine the right staffing plan for their business that allows for safety of employees and clients while serving the needs of their customers.

We understand these are unique and trying times. We thank you for your leadership. Our members are on the front lines with parties negatively impacted by this pandemic and we respectfully request that our services not be restricted to the point that we cannot serve those who are most in need.

Respectfully submitted,

Dave Hulcher
Executive Director
Kansas Association of Insurance Agents

Kristy Wilson
President
Kansas Association of Insurance Agents