



March 20, 2020

The Honorable Larry Hogan, Chair
The Honorable Andrew M. Cuomo, Vice Chair
National Governors Association
444 North Capitol St NW #267
Washington, DC 20001

Dear Governors Hogan and Cuomo,

Thank you for your continued leadership on the response to the COVID-19 global pandemic. Our nation's governors are the first line of defense of the health and well-being of their citizens.

As you know, many states across the country play an important role in the operation of the nation's financial services industry and the broader financial markets. Our industry¹ is committed to helping stop the spread of the COVID-19 virus and has taken aggressive actions to minimize our on-site work force by moving workers to their homes.

We understand that these are days of difficult choices, but we want to express our views on any potential "shelter-in-place" directives by state or local governments. It is vital that any such directive recognize that financial services firms are essential businesses and that some financial services workers must be onsite to ensure the functioning of – and customer access to – the financial markets. Strong examples of such orders that recognize the importance of these personnel include recent orders from Governor Cuomo in [New York](#) and Governor Newsom in [California](#).

It is imperative that financial services firms and personnel that are critical to maintaining financial market operations and that service institutional and/or retail clients be deemed essential – especially during a time when access to people's savings and investments are so important. Providing such a designation would be consistent with recent actions in other jurisdictions and previous national crises. While the financial sector has adapted and implemented work from home options as part of our Business Continuity Plans, firms must have limited essential personnel on site to maintain orderly market operations. Failure to provide an exemption for banks, broker-dealers and asset managers would unnecessarily and negatively impair market operations to the detriment of retail and institutional investors and the general economy.

As you know, the financial services sector is designated as critical infrastructure by the U.S. Department of Homeland Security. This designation correctly identifies that the disruption of the sector "would have a debilitating effect on security, national economic security, national public

¹ SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. Our principal role is to advocate on behalf of our members' interests before policy makers, regulators, the media and the public. Our primary focus is on legislation, regulation and business policy affecting retail and institutional investors, equity and fixed income markets and related products and services. SIFMA also serves as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development.

health and safety, or any combination thereof.” [Presidential Policy Directive 21](#) (PPD-21): Critical Infrastructure Security and Resilience advances a national policy to strengthen and maintain secure, functioning, and resilient critical infrastructure.

Just yesterday – March 19 – DHS issued further [guidance](#) specifically responding to the COVID-19 virus, to help state and local jurisdictions identify and manage their essential workforce. Recognizing that financial services are already considered essential infrastructure, this guidance provides expanded, non-exhaustive examples of participants in that sector –including workers who maintain systems for processing transactions (e.g. clearing, settlement and capital markets staff), those who provide consumer access to financial services, and those who support financial operations (e.g., data center and security staff).

In addition, limiting mass transportation options across major metropolitan areas could also create obstacles in getting essential personnel, who open markets every morning and maintain orderly operations, to their destinations. Any discontinuation of mass transportation would prevent the markets from opening and cause significant harm to the economy and may cause a crisis of public confidence in our financial system.

We encourage you to reach out to your NGA colleagues and ask them to declare financial services – as defined in PPD-21 – to be “essential businesses” in any “shelter-in-place,” “stay-at-home” or other quarantine directives. We are committed to working with you and other governors across the country to maintain the safety of all. Thank you for your time and consideration.

With kindest personal regards,

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Bentsen". The signature is fluid and cursive, with a large loop at the end.

Kenneth E. Bentsen, Jr.
President and CEO

CC: National Governors Association Members