

**COVID-19 Business Interruption Coverage Legislative Summary**



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State/ Fed	Bill/Res.	Status	Language	Applies To	Carrier Relief	Applicability of Exclusions/Coverage Defenses	
<a href="#">Federal Govt</a>	H.R. 6494 (04/14/2020)	Referred to the House Committee on Financial Services	<p>"[E]ach insurer that offers or makes available business interruption insurance coverage</p> <p>(1) shall make available, in all of its policies providing business interruption insurance, coverage for losses resulting from</p> <p>(A) any viral pandemic;</p> <p>(B) any forced closure of businesses, or mandatory evacuation, by law or order of any government or governmental officer or agency, including the Federal Government and State and local governments; or</p> <p>(C) any power shut-off conducted for public safety purposes; and</p> <p>(2) shall make available business interruption insurance coverage for losses specified in paragraph (1) that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than those specified in paragraph (1).</p>	Defines "business interruption" as "property and casualty insurance coverage provided or made available for losses resulting from periods of suspended business operations, whether provided under broader coverage or separately."	N/A	<p>"Any exclusion in a contract for business interruption insurance that is in force on the date of the enactment of this Act shall be void to the extent that it excludes [these] losses."</p> <p>"Any State approval of any exclusion of losses from a contract for business interruption insurance that is in force on the date of the enactment of this Act shall be void to the extent that it excludes [these] losses"</p> <p>*Note: this bill also allows for reinstatement of voided exclusions due to lack of payment of increased premiums with adequate notice of same.</p>	
<a href="#">Federal Govt</a>	H.R. 6497 (04/14/2020)	Referred to the House Committee on Financial Services	No Text or summary available, but captioned as follows:				"To make available insurance coverage for business interruption losses due to national emergencies, and for other purposes."
<a href="#">LA</a>	Senate Bill No. 477 (03/31/2020)	Introduced in the Senate on March 31. Read by title and placed on the Calendar for a second reading.	"[E]very policy of insurance in force in this state on March 11, 2020, and thereafter insuring against loss or damage to property that includes the loss of use, loss of occupancy, or business interruption shall be construed to include among the perils covered under that policy, coverage for business interruption due to imminent threat posed by COVID-19 as provided in Proclamation Number 25 JBE 2020, declaring the existence of a statewide public health emergency."	"[E]very policy of insurance in force in this state on March 11, 2020, and thereafter insuring against loss or damage to property that includes the loss of use, loss of occupancy, or business interruption"	N/A	Requires every policy of insurance covering business interruption to include a form notice prescribed by the commissioner, which shall be signed by the named insured. That form "shall be conclusively presumed to become a part of the policy or contract when issued and delivered, irrespective of whether physically attached thereto. A properly completed and signed form creates a rebuttable presumption that the insured knowingly contracted for coverage with the stated exclusions."	
<a href="#">LA</a>	House Bill No. 858	Currently pending House Referral	"[E]very policy of insurance insuring against loss or damage to property, which includes the loss of use and occupancy and business interruption in force in this state on [March 11, 2020], shall be construed to include among the covered perils under such a policy, coverage for business interruption due to global virus transmission or pandemic, as provided in the Emergency Proclamation Number 25 JBE 2020 and the related supplemental proclamations concerning the coronavirus disease 2019 pandemic."	"[P]olicies issued to insureds with less than one hundred full-time employees, in this state, and in force on [March 11, 2020]."	N/A	N/A	
<a href="#">MA</a>	Senate Docket No. 2888 (3/24/2020)	On April 6, 2020, referred to Joint Committee on Rules	"[E]very policy of insurance insuring against loss or damage to property, notwithstanding the terms of such policy (including any endorsement thereto or exclusions to coverage included therewith) which includes, as of the effective date of this act, the loss of use and occupancy and business interruption in force in the commonwealth, shall be construed to include among the covered perils under such policy coverage for business interruption directly or indirectly resulting from the global pandemic known as COVID-19, including all mutated forms of the COVID-19 virus."	Applies only to policies issued to insureds with 150 or fewer full-time equivalent employees in the commonwealth, and which are in force on the effective date of this act, or that become effective prior to the date on which executive order number 591 is rescinded.	An insurer that is required to provide coverage to an insured that has filed a claim may apply to the commissioner of insurance for relief and reimbursement from funds collected and made available for such purpose. The commissioner of insurance is authorized to make one or more assessments in each fiscal year against licensed insurers in the commonwealth that sell business interruption insurance as may be necessary to recover the amounts paid, or estimated to be paid, to insurers pursuant to Section 2 of this act. The amount to be so assessed shall be made against all licensed domestic companies and foreign companies in proportion to their net premiums written and annuity considerations in the commonwealth as shown in the annual report of each of said insurers filed with the Division of insurance.	"[N]o insurer in the commonwealth may deny a claim for the loss of use and occupancy and business interruption on account of (i) COVID-19 being a virus (even if the relevant insurance policy excludes losses resulting from viruses); or (ii) there being no physical damage to the property of the insured or to any other relevant property."	

NJ	Assembly Bill No. 3844 (Introduced 03/16/2020)	Bill was read to Assembly, but pulled down prior to vote. Remains pending in the Assembly	"[E]very policy of insurance insuring against loss or damage to property, which includes the loss of use and occupancy and business interruption in force in this State on the effective date of this act, shall be construed to include among the covered perils under that policy, coverage for business interruption due to global virus transmission or pandemic, as provided in the Public Health Emergency and State of Emergency declared by the Governor in Executive Order 103 of 2020 concerning the coronavirus disease 2019 pandemic."	Policies issued to insureds with less than 100 eligible employees, in the State of New Jersey. Eligible employee means FT employee who works a normal week of 25 or more hours.	Carrier may apply to the Commissioner of Banking and Insurance for relief by the commissioner from funds collected and made available for this purpose. Commissioner of Banking and Insurance is authorized to impose upon, distribute among, and collect from the companies engaged in this business amounts as may be necessary to recover the amounts paid to insurers. This apportionment shall be distributed in the proportion that the net written premiums received by each company.	N/A
NY	Assembly Bill 10226A (03/27/2020)	Amended and recommitted to insurance committee	"[E]very policy of insurance insuring against loss or damage to property, which includes, but is not limited to, the loss of use and occupancy and business interruption, shall be construed to include among the covered perils under that policy, coverage for business interruption during a period of a declared state emergency due to the coronavirus disease 2019 (COVID-19) pandemic."	Policies issued to insureds with less than 250 eligible employees in force on the effective date of this act. "Eligible employee" means a full-time employee who works a normal work week of 25 or more hours.	Carrier may apply to the Superintendent for relief by the commissioner from funds collected and made available for this purpose. The Superintendent is authorized to impose upon, distribute among, and collect from the companies engaged in this business amounts as may be necessary to recover the amounts paid to insurers. This apportionment shall be distributed in the proportion that the net written premiums received by each company.	Section 1.(c): "Any clause or provision . . . which allows the insurer to deny coverage based on a virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease illness, or physical distress shall be null and void . . . ."
NY	Senate Bill S8178 (04/13/2020)	Referred to Senate Committee on Insurance	"[E]very policy of insurance insuring against loss or damage to property, which includes the loss of use and occupancy and business interruption in force in this State on the effective date of this act, shall be construed to include among the covered perils under that policy, coverage for business interruption due to global virus transmission or pandemic, as provided in the Public Health Emergency and State of Emergency declared by the Governor in Executive Order 103 of 2020 concerning the coronavirus disease 2019 pandemic."	Policies issued to insureds with less than 100 eligible employees, in the State of New Jersey. Eligible employee means FT employee who works a normal week of 25 or more hours.	Carrier may apply to the Commissioner of Banking and Insurance for relief by the commissioner from funds collected and made available for this purpose. Commissioner of Banking and Insurance is authorized to impose upon, distribute among, and collect from the companies engaged in this business amounts as may be necessary to recover the amounts paid to insurers. This apportionment shall be distributed in the proportion that the net written premiums received by each company.	N/A
OH	House Bill No. 589 (03/24/2020)	Introduced in the House on March 24, 2020.	"[E]very policy of insurance insuring against loss or damage to property, which includes the loss of use and occupancy and business interruption, in force in this state on the effective date of this section, shall be construed to include among the covered perils under that policy, coverage for business interruption due to global virus transmission or pandemic during the state of emergency."	Policies that insure against loss or damage to property, which includes the loss of use and occupancy and business interruption, issued to businesses located in Ohio that employ one hundred or fewer employees.	Carrier may apply to the Superintendent for relief by the commissioner from funds collected and made available for this purpose. The Superintendent is authorized to impose upon, distribute among, and collect from the companies engaged in this business amounts as may be necessary to recover the amounts paid to insurers. This apportionment shall be distributed in the proportion that the net written premiums received by each company.	N/A