



## Alerts

### U.S. Congress Members Call for Business Interruption Coverage for COVID-19 Losses

March 20, 2020

*Insights for Insurers*

In a March 18, 2020 letter to insurance industry and broker associations, a bi-partisan group of United States Congress Members urged commercial property insurers to provide business interruption coverage for COVID-19-related losses. [The letter](#), signed by 16 members of Congress, referenced current and prospective shelter-in-place orders and curfews and stated:

Business interruption insurance is intended to protect businesses against income losses as a result of disruptions to their operations and recognizing income losses due to COVID-19 will help sustain America's businesses through these turbulent times, keep their doors open, and retain employees on the payroll. During times of crisis, we must all work together. We urge you to work with your member companies and brokers to recognize financial loss due to COVID-19 as part of policyholders' business interruption coverage.

In their [March 18, 2020 joint response](#), the American Property Casualty Insurance Association, the Council of Insurance Agents and Brokers, the Independent Insurance Agents & Brokers of America, and the National Association of Mutual Insurance Companies stated:

Standard commercial insurance policies offer coverage and protection against a wide range of risks and threats and are vetted and approved by state regulators. Business interruption policies do not, and were not designed to, provide coverage against communicable diseases such as COVID-19. The U.S. insurance industry remains committed to our consumers and will ensure that prompt payments are made in instances where coverage exists.

[As we have reported](#), legislation intended to require insurers to provide business interruption coverage to certain New Jersey businesses was recently introduced, but appears to have stalled, in the New Jersey Assembly.

We will continue to monitor and report on legislative initiatives and other developments concerning insurance coverage for COVID-19 losses.

#### Attorneys

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