



Alerts

Proposed Federal Business Interruption Relief Act Introduced, But Text Not Submitted Yet

July 9, 2020

Insights for Insurers

On June 30, 2020, Rep. Mike Thompson (CA-05) announced that he has introduced H.R. 7412, the Business Interruption Relief Act of 2020. The Business Interruption Relief Act would create a voluntary program for insurers. Insurers purportedly could choose to pay out claims to businesses and be reimbursed by the federal government. Reportedly, eligible businesses would be limited to those with (a) business interruption insurance that (b) includes civil authority shutdowns but (c) excludes virus-related damages. As of the close of business on July 8, the text of the bill has not been made available or placed on the congressional website. However, the reaction from insurance organizations that apparently have seen draft language has not been favorable.

Attorneys

Scott M. Seaman