

NY Department of Financial Services Issues Emergency Regulation to Help Businesses Affected by Looting

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New York's Governor Cuomo announced a new directive on June 4, 2020 affecting how New York insurers must respond to businesses claiming loss as a result of looting that occurred during recent protests. The Department of Financial Services is directing insurers to expedite claims from businesses that were looted, provide free mediation of disputes, and accept photos as reasonable proof of loss so that businesses do not have to wait for police reports.

The emergency regulation is intended to provide expedited relief to businesses that have been damaged by looting and vandalism, particularly small businesses which were already suffering in areas that shut down due to the COVID-19 pandemic. Many business insurance policies contain coverage for property damage and loss of income caused by looting or rioting, subject to specific exclusions or coverage requirements. However, such policies contain specific proof of loss requirements in order to initiate the claim process. Failure to abide by proof of loss provisions can result in a delay in payment, or a denial of the claim. Governor Cuomo's directive may conflict with the specific requirements contained in the proof of loss provisions.

More information can be found [here](#). If you have questions or would like additional information, please contact Andrew I. Hamelsky (hamelskya@whiteandwilliams.com; 212.631.4406) or Jenifer A. Scarcella (scarcellaj@whiteandwilliams.com; 212.714.3064).

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