

The COVID-19 pandemic has elicited a range of responses from federal and state lawmakers and regulators, as well as a wave of state and federal litigation relating to the COVID-19 pandemic and potential business interruption and civil authority coverage. The information provided in the chart below is intended to provide a high-level overview of the legislative activities, regulatory guidance, and court filings related to business interruption coverage for COVID-19 related claims.

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Jurisdiction	Legislative Action	Regulatory Department Action	Filed Litigation	Executive Orders	Other Developments
<b>Federal</b>	A <a href="#">Pandemic Risk Insurance Act</a> , modeled after the TRIA, has been under consideration by the US House Financial Services Committee since Mid-March. Thus far, a draft bill is unavailable.				U.S. Congressional Representatives have written a <a href="#">letter to insurance industry groups</a> asking that they work with member companies and brokers to recognize financial loss due to COVID-19 as part of policyholders' business interruption insurance. Industry Groups have responded noting that while they will work with insurers to make sure prompt payments are made where coverage exists, business interruption policies "do not and were not designed to, provide coverage against communicable diseases such as COVID-19."
<b>Alabama</b>			On April 6, 2020, Wagner Shoes LLC filed suit against its insurer Auto-Owners Insurance company in the US District Court for the Northern District of Alabama. Plaintiff alleges that the coronavirus is contaminating property and therefore gives rise to direct		

			<p>physical loss covered by their policy's business interruption provisions.</p> <p>On April 7, 2020, Sharecropper LLC dba Ollie Irene filed <a href="#">suit</a> against its insurer Farmers Insurance Exchange Inc. dba Farmers Insurance in Alabama state court. Plaintiff alleges that it was forced to close to dine-in services as a result of the coronavirus pandemic and Farmer's denied its claim for business interruption coverage. Plaintiff seeks a declaration that its losses are covered losses under its policy. Notably, Plaintiff argues that because it lost use of its premises as a result of the civil closure order, its policy's virus exclusion is inapplicable.</p>		
Alaska					
Arizona					
Arkansas		<p>The Arkansas Insurance Department issued <a href="#">Bulletin No. 9-2020</a> providing consumers information about Business Interruption Insurance in the context of the state's COVID-19 health emergency. It explains that typically virus and disease are not an insured peril and that civil authority coverage is also likely to be unavailable.</p>			
California		<p>On March 26, 2020, California <a href="#">directed insurance</a> companies to submit data to the California Department of Insurance on their coverage of business interruption relating to the COVID-19 outbreak. California will analyze the data to assist policymakers in</p>	<p>On March 25, 2020 French Laundry Partners, KRM, Inc. and Yountville Food Emporium, LLC, the operators and managing entities for three restaurants in Napa California filed a joint Complaint against Hartford Insurance Company and Trumbull</p>		

		<p>understanding the scope of insured and uninsured business losses.</p> <p>The California Department of Insurance also published a series of <a href="#">FAQ's</a> relating to business interruption coverage for COVID-19 related claims.</p>	<p>Insurance Company in California state court. Plaintiffs seek a <a href="#">declaratory judgment</a> from the Court declaring that the March 18, 2020 Stay-At-Home order of the health officer of Napa County triggered coverage under their policy's Civil Authority provisions, and that business losses are otherwise covered losses under the policy because the policy does not exclude losses incurred as a result of a viral pandemic.</p> <p>On April 9, 2020, several lawsuits, including <i>837 Foothill Blvd., LLC v. The Travelers Indemnity Company of Connecticut, et al.</i>, were filed by the same attorney against Travelers Indemnity Company of Connecticut and Los Angeles Mayor Eric Garcetti in California state court in connection with the Mayor's stay-at-home order and resulting business losses. Plaintiffs have sued the mayor and insurer as co-defendants alleging that the mayor's order prohibits access to the plaintiffs' businesses resulting in covered business interruption losses and that Travelers has collected policy premiums with no intention of providing coverage under the Policies' Civil Authority Coverage sections.</p>		
<p>Colorado</p>				<p>On April 8, 2020, the Governor of Colorado issued <a href="#">Executive Order D 2020 032</a> "Amending and Extending Executive Order D 2020 003 Declaring a Disaster Emergency Due to the Presence of Coronavirus Disease 2019</p>	

				in Colorado.” The Order explicitly states that “COVID-19 . . . physically contributes to property loss, contamination, and damage due to its propensity to attach to surfaces for prolonged periods of time.”	
Connecticut		Connecticut Insurance Department Issues <a href="#">Guidance</a> on Business Interruption Insurance and COVID-19 to both consumers and insurers. It also issued a series of <a href="#">FAQ's</a> regarding business interruption insurance coverage.			
Delaware					
District of Columbia					
Florida			<p>On April 2, 2020 Prime Time Sports Grill Inc. filed <a href="#">suit</a> against Lloyd’s of London in the Middle District of Florida alleging that the insurer wrongfully denied Prime Time’s claims for business interruption and civil authority coverage after it was forced to close in response to Governor DeSantis’s order requiring non-essential businesses to close.</p> <p>On April 6, 2020, Mace Marine Inc., the owner and operator of Conch Republic Dive Shop in the Florida Keys brought suit against its insurer Tokio Marine Specialty Insurance Co. in Florida state court. Mace Marine alleges that the insurer breached the policy when it denied business interruption coverage</p>		

			<p>for claims pertaining to losses arising out of the coronavirus pandemic.</p> <p>On April 9, 2020 El Novio Restaurant initiated a class action lawsuit against its insurance underwriters at Lloyd’s of London in the U.S. District Court for the Southern District of Florida. Plaintiff seeks a declaratory judgment on behalf of itself and all similarly situated policyholders declaring that policyholders were forced by civil authority orders to close their premises and that losses resulting from such closures are covered losses under the policy terms. Plaintiff also seeks a declaration that the policies at issue do not include an exclusion for viral pandemic. Case No. 1:20-cv-21525-UU (S.D. Florida).</p>		
Georgia		<p>On March 17, 2020, Georgia’s Office of Insurance and Safety Fire Commissioner issued a <a href="#">bulletin</a> on business interruption insurance describing the purpose of business interruption insurance and civil authority coverage.</p>			
Hawaii					
Idaho					
Illinois			<p>On March 27, 2020 a group of Chicago restaurants and theaters brought <a href="#">suit</a> against Society Insurance Co. for wrongful denial of business interruption coverage claims related to COVID-19 and a state-mandated closure order.</p>		

			<p>On March 31, 2020 Billy Goat Tavern brought <a href="#">suit</a> against its insurer Society Insurance on behalf of itself and “all others similarly situated.” This is one of the first purported class-action lawsuits alleging breach of contract for wrongful denial of business interruption coverage in connection with state-government mandated business closures.</p> <p>On April 6, 2020 Sandy Point Dental PC filed suit against its insurer, The Cincinnati Insurance company in the U.S. District Court for the Northern District of Illinois. Sandy Point alleges that its insurer wrongfully denied its claims for business interruption losses incurred because the State ordered it to stop most of its operations.</p>		
<b>Indiana</b>			<p>On April 3, 2020, the Indiana Repertory Theatre Inc. brought suit against its insurer, The Cincinnati Casualty Company in Indiana state court. Indiana Repertory seeks a declaratory judgment ruling that the insurer is required to cover damages sustained as a result of being forced to close in connection with the COVID-19 pandemic.</p>		
<b>Iowa</b>					
<b>Kansas</b>		<p>On March 30, 2020, Kansas Insurance Department Issues <a href="#">Directives</a> (Health Insurance, Business Interruption Insurance and Licensing) in Connection with COVID-19 and describes business interruption insurance policies.</p>			

Kentucky					
Louisiana	<p>Both the Louisiana House and Senate have proposed bills purporting to mandate that insurers provide coverage for business interruption claims related to the COVID-19 pandemic.</p> <p><a href="#">HB858</a> states that “[n]otwithstanding any other provisions of law to the contrary, every policy of insurance insuring against loss or damage to property . . .in force in this state on the effect date of this Act, shall be construed to include among the covered perils under such a policy, coverage for business interruption due to global virus transmission or pandemic.” The bill would apply to policies issued to insureds with less than one hundred full-time employees and would be applied retroactively to March 11, 2020.</p> <p><a href="#">SB 477</a> is nearly identical, except that it applies to all policies issued in the State, not just those issued to businesses with fewer than 100 employees.</p>	<p>Louisiana Department of Insurance Issues <a href="#">Guidance</a> to Consumers on Health, Travel and Business Disruption Insurance on whether businesses can claim business interruption insurance.</p>	<p>On March 16, Oceana Grill, a popular New Orleans restaurant, filed a first-of-its kind <a href="#">lawsuit</a> against its insurance carrier seeking confirmation that it’s commercial property insurance policy underwritten by Lloyd’s London provides business interruption and civil authority coverage for claims relating to COVID-19.</p>	<p><a href="#">New Orleans</a> issued a civil authority shutdown order that explicitly provides that COVID-19 may spread from “surface to person . . . causing property loss and damage in certain circumstances.” These provisions appear calculated to provide future litigants with a plausible hook to argue for business interruption coverage where such coverage is contingent on the existence of “physical damage.”</p>	
Maine					
Maryland		<p>On March 18, 2020, Maryland Insurance Administration Issues <a href="#">Advisory</a> on Business Interruption Insurance and how it is typically applied.</p>			
Massachusetts	<p>On March 24, 2020, Senator Eldridge and Senator Elugardo proposed <a href="#">S.D.</a></p>				

	<p><a href="#">2888</a>, an “act concerning business interruption insurance.” The Bill prohibits insurers in Massachusetts from denying a claim for business interruption coverage on grounds that COVID-19 is a virus or because there was no physical damage to property, even if the policy includes an explicit virus or pandemic exclusion. The legislation applies to policies sold to businesses in the commonwealth with 150 or fewer full-time employees, as long as the policies were in place by March 10<sup>th</sup>.</p>				
Michigan					
Minnesota		<p>On March 19, 2020, the Minnesota Department of Commerce issued a <a href="#">Consumer Alert</a> describing business interruption insurance, whether it applies to a business, and how a state of emergency affects the coverage.</p>			
Mississippi					
Missouri					
Montana					
Nebraska					
Nevada					
New Hampshire		<p>New Hampshire Insurance Department posted <a href="#">Guidance</a> on Business Disruption Insurance and COVID-19 coverage-how it works, what it covers, and how a state of emergency would impact coverage.</p>			

<p><b>New Jersey</b></p>	<p>On March 16, 2020, New Jersey lawmaker, Roy Freiman <a href="#">introduced a bill</a> that would force insurers to pay certain COVID-19 business interruption claims. The Bill was <a href="#">voted out of committee</a> prior to being voted on by the full assembly. It may be modified and reconsidered at a later date.</p> <p>While the Bill passed the house, it was pulled from consideration before going to the New Jersey Senate. Assemblyman <a href="#">Roy Freiman explained</a> that, instead of passing the bill, lawmakers had decided to give insurers the opportunity to provide coverage or incur reputational harm for failing to do so.</p>	<p>On March 20, 2020, the New Jersey Department of Banking &amp; Insurance <a href="#">Encouraged Regulated Entities</a> to Assist Residents and Businesses Affected by Disruptions Due to COVID-19. Specifically, New Jersey asked insurance companies and banking companies to relax due dates for payments.</p>	<p>On April 3, 2020, Restaurant Nicholas filed suit against Liberty Mutual Insurance in New Jersey Superior Court seeking a declaratory judgment from the court that Liberty Mutual is obligated to pay for business interruption losses under business income, extra expense, and civil authority coverages. Restaurant Nicholas’s attorney <a href="#">indicated</a> that they have not yet filed a claim with Liberty Mutual.</p>		
<p><b>New Mexico</b></p>					
<p><b>New York</b></p>	<p>On March 27, 2020 New York proposed a <a href="#">bill</a> requiring that “certain perils be covered under business interruption insurance during the coronavirus disease 2019 pandemic.” The bill would require every policy of insurance against loss or damage to property to cover coronavirus-related business interruption claims so long as the policy was issued to an insured with fewer than 100 employees and was in force on the effective date of the act.</p>	<p><a href="#">NYDFS mandated all insurers</a> of commercial property to disclose certain information regarding business interruption coverage related to coronavirus.</p> <p>New York also posted an <a href="#">FAQ</a> on business interruption insurance that describes coverage, whether businesses can still purchase coverage, and other resources on understanding coverage.</p>			

North Carolina					
North Dakota		<p>The North Dakota Department of Insurance has issued <a href="#">guidance</a> on COVID-19 and business interruption coverage and explains that it is unlikely that insureds will find coverage through their business disruption policies.</p>			
Ohio	<p>On March 24, 2020, Ohio Legislature introduces <a href="#">HB 589</a> which requires certain insurance carriers to provide business interruption coverage for pandemic losses. The legislation applies to companies with 100 or fewer full-time employees, provided the policies were issued by March 9.</p>		<p>On April 8, 2020, Somco LLC dba J3 Clothing Company filed suit against Lightning Rod Mutual Insurance Company in Ohio state court seeking a declaratory judgment from the court that it is entitled to business interruption coverage for losses associated with the coronavirus pandemic and executive orders issued by the Governor of Ohio.</p> <p>On April 9, Millenia Hospitality Group LLC Rose Mar LTD dba The Lockkeepers brought suit against The Cincinnati Insurance Company in Ohio state court. Plaintiff seeks a declaration that it is entitled to coverage for business losses incurred as a result of the COVID-19 pandemic and the executive orders issued by the Governor of Ohio.</p>		
Oklahoma			<p>On March 24, 2020 the Chickasaw Nation Department of Commerce and the Choctaw Nation of Oklahoma each filed separate <a href="#">lawsuits</a> in Oklahoma state court against their property insurers and underwriters. The Nations seek a declaratory judgment from the court declaring that their insurance policies cover the Nations' business losses and expenses related to the COVID-19 pandemic and</p>		

			infection. These complaints follow the March 16 complaint by Oceana Grill in Louisiana state court.		
<b>Oregon</b>	As of March 23, 2020, Governor Kate Brown is <a href="#">considering legislation</a> on business interruption insurance.	Oregon Division of Financial Regulation Website Offers <a href="#">Guidance</a> on business interruption insurance coverage.			
<b>Pennsylvania</b>	State Representative Driscoll requested Pennsylvania House of Representatives to reimburse insurers for voluntarily paid COVID-19 related business interruption claims.  On Friday, April 3, a bipartisan group of 37 Pennsylvania lawmakers introduced <a href="#">House Bill 2372</a> which would require insurers that provide coverage for business interruption to include “coverage for business interruption due to global virus transmission or pandemic.” It would apply to policies in force as of March 6 provided to businesses with fewer than 100 full-time employees.				
<b>Puerto Rico</b>					
<b>Rhode Island</b>	Rhode Island lawmakers <a href="#">have proposed</a> introducing legislation that would require insurers to provide coverage for business interruption claims relating to the Coronavirus.				
<b>South Carolina</b>	South Carolina lawmakers introduced bill <a href="#">S. 1188</a> that, if passed, would require insurers to provide coverage for business interruption claims relating to the Coronavirus. The bill would apply to all policies issued to	South Carolina Department of Insurance Issues <a href="#">Guidance</a> on Business Interruption Insurance and Civil Authority coverage in Connection with COVID-19.	On March 27, 2020, the law firm Coffey & McKenzie LLC brought suit for breach of contract in South Carolina state court against its insurer Twin City Fire Insurance Company dba The Hartford. Plaintiffs allege that		

	insureds with fewer than 150 full-time employees.		Hartford wrongfully declined to pay its business interruption insurance claim after the South Carolina Supreme Court issue an order suspending all court operations in South Carolina due to the COVID-19 virus.		
South Dakota					
Tennessee					
Texas		The Texas Department of Insurance has provided information on its <a href="#">website</a> relating to Business interruption coverage related to COVID-19.	<p>On March 26, 2020, Barbara Lane Snowden dba Hair Goals Club filed suit for breach of contract in Texas against Twin City Fire Insurance Company, a Hartford Company. Plaintiff alleges that it “has sustained and will sustain covered losses during the Covid-19 outbreak and subsequent Harris County Order” and that Hartford wrongfully denied Plaintiff’s claim for business interruption coverage.</p> <p>On April 2, 2020, Sean Boutros, M.D. filed a lawsuit against Sentinel Insurance Co d/b/a The Hartford in Texas seeking declaratory judgment as to whether The Hartford has a duty to Indemnify Plaintiff for business interruption losses related to the COVID-19 pandemic.</p> <p>On April 8, 2020, a group of barbershops led by Outlaws &amp; Gents Grooming, LLC filed suit against their insurer State FarmLloyds in Texas state court alleging breach of insurance contract, bad faith and violations of the Texas Insurance Code. Plaintiffs argue that the insurer wrongfully</p>		

			denied their claims for business interruption coverage and misrepresented policy provisions.		
Utah		On March 23, 2020 The Utah Insurance Department issued <a href="#">Bulletin 2020-2</a> urging “insurers to promptly process and pay claims related to earthquake or COVID-19—particularly claims for business interruption losses.”			
Vermont		The Vermont Department of Financial Regulation issued a <a href="#">guidance document</a> addressing business interruption coverage in the context of the COVID-19 pandemic. It explains that typically, such policies “cover[] direct physical loss to covered property” and therefore, “if there is no damage to the building or business personal property, there would be no coverage for loss of income in most business policies.”			
Virginia		On March 24, 2020, the Virginia Bureau of Insurance issued <a href="#">guidance</a> explaining that typically, “[b]usiness interruption policies . . . exclude viruses and bacteria and/or communicable disease” from the covered perils.			
Washington		Washington’s Office of the Insurance Commissioner provides answers to a series of questions relating to business interruption coverage for COVID-19 related claims on its <a href="#">website</a> .			
West Virginia		On March 26, 2020 the West Virginia Insurance Commissioner issued <a href="#">Bulletin No. 20 – 08</a> , which explains that “[b]usiness interruption policies			

		were generally not designed or priced to provide coverage against communicable diseases, such as COVID-19, and therefore usually include exclusions for that risk.”			
Wisconsin		Wisconsin’s Office of the Commissioner of Insurance released <a href="#">“A Brief Guide to Business Interruption Coverage.”</a> It encourages business owners to review their policies for explicit exclusions for viral infections and to file a claim if they are unsure about whether they have coverage. If businesses believe they have been wrongfully denied coverage, they are encouraged to review the OCI’s complaint procedures.			
Wyoming					

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