

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
Federal	<p>A Pandemic Risk Insurance Act, 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.</p> <p>On April 14, 2020 US Congressman Mike Thompson (CA-05) announced the introduction of H.R. 6494, the Business Interruption Insurance Coverage Act of 2020. The bill has bipartisan support and, if passed, would require each insurer “that offers or makes available business interruption insurance coverage” to “make available, in all of its policies providing business interruption insurance, coverage for losses resulting from . . . any viral pandemic . . . any forced closure of businesses, or mandatory evacuation . . . or . . .any power shut-off conducted for public safety</p>				<p>On April 13, 2020, Representative Pramila Jayapal sent a letter to the CEO’s of several insurance companies expressing “concern about reports that commercial insurance companies are declining to cover COVID-19 related claims filed by small and medium-sized businesses.” She further wrote that she believes “that commercial insurance companies should honor all clearly covered coronavirus-related losses; work closely with the office of state Attorneys General to resolve disputes; and set up accessible means by which policyholders can get answers on their coverage and resolve disputes quickly without having to resort to time-consuming and expensive litigation.”</p> <p>On April 10, 2020 President Trump weighed in on the issue of business interruption coverage, stating during a two-hour coronavirus briefing that he</p>

	<p>purposes.” The bill further provides that any exclusions in force on the date of the enactment of the act “shall be void, to the extent” they exclude the above-specified losses. Policy exclusions may be reinstated if authorized in writing by the insured or if the insured fails to pay any increased premium charged by the insurer for providing the business interruption coverage. Insurers must provide 30 days’ notice of the increased premium or reinstatement of the exclusions. (NEW)</p>				<p>“would like to see the insurance companies pay if they need to pay” and opining that while some policies may include exclusions for pandemics, in a lot of cases policies do not include such an exclusion.</p> <p>U.S. Congressional Representatives have written a letter to insurance industry groups 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.”</p>
<p>Alabama</p>			<p>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 physical loss covered by their policy’s business interruption provisions.</p> <p>On April 7, 2020, Sharecropper LLC dba Ollie Irene filed suit 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</p>		

			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.		
Alaska					
Arizona					
Arkansas		The Arkansas Insurance Department issued Bulletin No. 9-2020 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.			
California		<p>On March 26, 2020, California directed insurance 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 understanding the scope of insured and uninsured business losses.</p> <p>The California Department of Insurance also published a series of FAQ’s relating to business interruption coverage for COVID-19 related claims.</p> <p>On April 14, 2020 the California Insurance Commissioner issued a</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 Insurance Company in California state court. Plaintiffs seek a declaratory judgment 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</p>		

		<p>Notice to Insurance Companies to “ensure that all agents, brokers, insurance companies, and other licensees accept, forward, acknowledge, and fairly investigate all business interruption insurance claims submitted by businesses.”</p> <p>On April 14, the California Insurance Commissioner issued a Notice requiring all “insurance companies to fairly investigate all business interruption claims caused by COVID-19.” April 17, the California Department of Insurance hosted a “Small Business Tele-TownHall” addressing issues including the availability of insurance coverage for COVID-19 related business interruption claims. The Commissioner purportedly encouraged all business owners impacted by the COVID-19 pandemic to submit claims for business interruption coverage, if they haven’t done so already, noting that not all policies are the same and insurers have an obligation to fully investigate all claims.</p>	<p>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>On April 13, 2020 Moda LLC a company affiliated with shoe designed Mark Fisher Footwear LLC filed suit in California state court against its insurer, The Hartford Fire Insurance Co. Plaintiff alleges that The Hartford has wrongfully denied coverage for more than \$40 million in COVID-19 related business interruption losses.</p> <p>On April 15, 2020 John’s Grill, a San Francisco restaurant in business since 1908 filed suit against its insurers, including The Hartford Financial Services Group, Inc. in California state court. Plaintiff alleges it was forced to close as a result of the San Francisco</p>		
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			Closure Orders, that it filed a claim for business interruption coverage, and that the Hartford wrongfully denied the claim. The Complaint alleges several claims including breach of contract, bad faith denial of insurance claim, unfair business practices and unjust enrichment. Plaintiff seeks declaratory and injunctive relief providing that Plaintiff is entitled to payment on its claim.		
Colorado				On April 8, 2020, the Governor of Colorado issued Executive Order D 2020 032 "Amending and Extending Executive Order D 2020 003 Declaring a Disaster Emergency Due to the Presence of Coronavirus Disease 2019 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."	On April 21, 2020 the town council of Basalt, Colorado, reportedly asked the Colorado legislature to require insurance companies to cover losses for business interruption due to COVID-19. Thus far, the legislature has not acted on the request.
Connecticut		Connecticut Insurance Department Issues Guidance on Business Interruption Insurance and COVID-19 to both consumers and insurers. It also issued a series of FAQ's regarding business interruption insurance coverage.			
Delaware		The Delaware Department of Insurance has published COVID-19 Insurance FAQ's advising insureds that "[t]ypically, policies require physical damage to the property for payment, and many policies have specific			

		exclusions for viral infections, like COVID-19.” Insureds are encouraged to review their policies carefully to determine the scope of coverage.			
District of Columbia	On April 30, the Council of the District of Columbia issued a Memorandum requesting to place certain measures on the agenda for the May 5 th Legislative Meeting, including changes to the law that would impose “new requirements for business interruption insurance to pay for certain business closures during the pandemic.” (NEW)	The District of Columbia Department of Insurance, Securities and Banking provides information to insureds regarding business interruption coverage relating to COVID-19. Insureds are advised that “Mayor Bowser’s Order 2020-053 would not trigger [business interruption] coverage, however, because a pandemic peril is not a specified event that causes physical damage to a property.”	On April 8, 2020, Proper 21, a downtown D.C. sports bar filed suit against its insurer Seneca Insurance Company, Inc. in the Superior Court of the District of Columbia. Plaintiff alleges that Seneca wrongfully denied its business interruption claim for coverage relating to the COVID-19 pandemic. Plaintiff argues that its policy’s virus exclusion does not apply because Plaintiff was forced to close due to a Civil Authority order.		
Florida		On April 24, the Florida Office of Insurance Regulation Commissioner reportedly informed a committee of the Governor’s Re-Open Florida Task Force that while all business interruption policies are written differently, most will not provide coverage for losses related to the COVID-19 pandemic.	On April 2, 2020 Prime Time Sports Grill Inc. filed suit 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. 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 for claims pertaining to losses arising out of the coronavirus pandemic.		

			<p>On April 9, 2020 El Novillo 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> <p>On April 14, 2020 Malaube LLC dba Spris Artisan Pizza filed suit in Florida state court against its insurer Greenwich Insurance Co. Plaintiff alleges that it has suffered a covered loss due to business shutdown caused by the coronavirus pandemic.</p> <p>On April 22, SA Palm Beach LLC initiated a class action against its insurance underwriters at Lloyd’s London in federal district court. Plaintiffs seek both declaratory relief establishing plaintiffs rights to business interruption coverage, civil authority coverage, and extra expense coverage triggered by state-mandated business closures under the policy as well as damages for breach of contract. Plaintiff seeks to certify both a nationwide class and a Florida sub-class. The case is <i>SA Palm Beach et al</i></p>		
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			<p><i>v. Certain Underwriters at Lloyd's London et al.</i>, No. 9:20-cv-80677 (S.D. Fla.)</p> <p>On April 24, First Community Insurance Co. filed suit against its insured in Florida state court seeking a declaratory judgment that it is not required to provide coverage for loss of business income resulting from the COVID-19 pandemic. (NEW)</p>		
Georgia		On March 17, 2020, Georgia's Office of Insurance and Safety Fire Commissioner issued a bulletin on business interruption insurance describing the purpose of business interruption insurance and civil authority coverage.			
Hawaii		The Hawaii Department of Commerce and Consumer Affairs has posted FAQs explaining that business interruption and business income coverage generally protects against losses sustained "due to direct physical loss or damage" and "it is questionable whether . . . business interruption or business income polic[ies] specifically protect[] against virus and bacteria losses."			
Idaho		On April 23, the Idaho Department of Insurance issued Bulletin No. 20-08 in which it notes that "all business interruption policies are not identical, and the coverage provided by a given policy depends on the specific wording			

		<p>of the contract.” However, the Department notes that “policies typically pay” when four criteria are met, including that “[t]he policyholder has sustained physical damage to insured property.” (NEW)</p>			
<p>Illinois</p>		<p>The Illinois Department of Insurance has published FAQ's discussing the availability for business interruption coverage for COVID-19 related claims. Insureds are advised that “[m]ost business interruption insurance coverage contains a virus and bacteria exclusion that specifically excludes losses that result from any virus.” Insureds are further advised to refer to their policies for specific coverage questions.</p>	<p>On March 27, 2020 a group of Chicago restaurants and theaters brought suit 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 suit 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> <p>On April 14, 2020, Maillard Tavern, LLC filed suit against its insurer Society</p>	<p>On March 13, 2020 the Illinois Governor issue a Proclamation declaring a continuing disaster within the State of Illinois and noting that “the circumstances surrounding COVID-19 have resulted in the occurrence and threat of widespread and severe damage, injury, and loss of life and property under Section 4 of the Illinois Emergency Management Agency Act.” It is unclear whether this language is also intended to trigger business interruption and civil authority coverage for insureds in Illinois.</p>	

			<p>Insurance, Inc. in Illinois state court. Plaintiff alleges that Society has wrongfully failed to honor its obligations under the commercial insurance policy because it denied coverage for business interruption losses relating to Governor Pritzker’s closure orders and the COVID-19 pandemic.</p> <p>On April 19, 2020, PGB Restaurant Inc. filed suit against its insurer Erie Insurance Company, alleging that the insurer wrongfully denied plaintiffs claims for lost business income due to the COVID-19 pandemic. Plaintiff seeks relief on behalf of all similarly situated Illinois businesses. The case is <i>PGB Restaurant Inc. v. Erie Insurance Company</i>, 1:20-cv-2403 (N.D. Ill.)</p>		
<p>Indiana</p>		<p>The Indiana Department of Insurance has published guidance for insureds explaining that “[b]usiness interruption insurance coverage may vary depending on the type of policy you have” and that “[e]vents that are not listed on, or not described in, the policy are typically not covered. (NEW)</p>	<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> <p>On April 10, 2020, Crossville Fabric Chile S.A. initiated a class action against Zurich American Insurance Company in Indiana state court seeking a ruling that defendant owes insurance coverage for financial damages suffered by plaintiffs because of the COVID-19 pandemic.</p>		

			<p>On April 13, 2020, DRA Inc. dba Pure Eatery filed suit in Indiana state court against its insurer Society Insurance alleging that Society wrongfully failed to pay plaintiffs for financial damages suffered as a result of the COVID-19 pandemic.</p>		
Iowa			<p>On April 24, 2020 Palmer Holdings and Investments Inc. dba Palmer’s Delis and Markets filed suit against its insurer, Integrity Insurance Co., alleging that Defendant denied coverage for business income losses sustained as a result of COVID-19 related closure. The case is <i>Palmer Holdings and Investments Inc. v. Integrity Ins. Co., et al.</i>, No. 05771 LACL 147787 (Polk Cnty. Dist. Ct., Iowa) (NEW)</p>		
Kansas		<p>On March 30, 2020, Kansas Insurance Department Issues Directives (Health Insurance, Business Interruption Insurance and Licensing) in Connection with COVID-19 and describes business interruption insurance policies.</p> <p>On April 29, the Kansas Insurance Department issued an updated COVID-19 FAQ explaining that “it is the Department’s understanding that it is unlikely that a business policy would cover losses related to COVID-19, as most business policies have communicable disease exclusions.” (NEW)</p>	<p>On April 24, 2020 Promotional Headwear International initiated a class action against its insurer, the Cincinnati Insurance Company Inc. alleging that defendant wrongfully denied coverage for business income losses resulting from the slow-down induced by the COVID-19 pandemic. The case is <i>Promotional Headwear Int’l, et al., v. The Cincinnati Ins. Co., Inc.</i>, 2:20-cv-2211 (D.Kan.) (NEW)</p>		

<p>Kentucky</p>			<p>On April 28, 2020, Goodwood Brewing LLC filed suit against its insurer United Fire Group alleging that Defendant denied Plaintiff’s claim for business income loss sustained during the COVID-19 pandemic. The case is <i>Goodwood Brewing LLC v. United Fire Grp., et al.</i>, 3:20-cv-306 (W.D. Ky.) (NEW)</p>		
<p>Louisiana</p>	<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>HB858 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>SB 477 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 Guidance to Consumers on Health, Travel and Business Disruption Insurance on whether businesses can claim business interruption insurance.</p> <p>The Louisiana Department of Insurance has explained that, based upon its review of the policy forms of seven admitted insurers “[p]erils or causes of loss that are neither listed on, nor described in, the policy are typically not covered” by business interruption policies. (NEW)</p>	<p>On March 16, Oceana Grill, a popular New Orleans restaurant, filed a first-of-its kind lawsuit 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>New Orleans 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>	

<p>Maine</p>		<p>On April 7, 2020 the Maine Superintendent of Insurance issued Bulletin 443 directed to the attention of property casualty insurers, amongst others. In the Bulletin, the Superintendent noted that it had come to his “attention that some insurers have notified their policyholders that their policies will not cover COVID-19 risks” and that while “[t]his would be acceptable if the policy at issue clearly and unambiguously excludes these risks . . . no admitted or surplus lines insurer may use COVID-19 as a reason to attempt to narrow or cancel the coverage of a policy already in effect.” The Superintendent will consider any such action by insurers to be a violation of Maine’s Trade Practices and Frauds law. (NEW)</p>			
<p>Maryland</p>		<p>On March 18, 2020, Maryland Insurance Administration Issues Advisory on Business Interruption Insurance and how it is typically applied.</p>			
<p>Massachusetts</p>	<p>On March 24, 2020, Senator Eldridge and Senator Elugardo proposed S.D. 2888, 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</p>				

	commonwealth with 150 or fewer full-time employees, as long as the policies were in place by March 10 th .				
Michigan	On April 24, the Michigan House Insurance Committee introduced Bill 5739 , which if passed would mandate that any “insurer that delivers, issues for delivery, or renews in this state a business interruption policy shall include in the business interruption insurance policy coverage for business interruption due to the novel coronavirus (COVID-19). The bill further provides that coverage under the section “ must indemnify the insured . . . for any loss of business or business interruption for the duration of the declaration of state of emergency under Executive Order No. 2020-04. ” The bill would apply to any policy effective on the date the bill were to be passed, provided that the insured has less than 100 full-time employees.				
Minnesota	On March 19, 2020, the Minnesota Department of Commerce issued a Consumer Alert describing business interruption insurance, whether it applies to a business, and how a state of emergency affects the coverage. The Department has also published a series of FAQs regarding business interruption insurance and COVID-19.				
Mississippi	On April 24, 2020 the Mississippi Insurance Commissioner issued an				

		<p>article entitled “Comm. Mike Chaney: Understanding Business Interruption Insurance. The commissioner explains that “[u]nder the business interruption or business income policy, there is likely no coverage as losses occurring as a result of a virus or bacteria are typically excluded by admitted companies.” Business owners are advised to read their policies and contact their insurer for answers to specific questions.</p>			
Missouri		<p>The Missouri Department of Insurance has issued a Consumer Alert explaining business interruption coverage in relation to COVID-19. The Alert explains that while many policies contain exclusions for viruses, such exclusions are not universal.</p> <p>The Missouri Department of Insurance has advised consumers that the most common “trigger” for business interruption coverage “is when an insured property sustains a ‘direct physical loss’ from a disaster such as a tornado” and further notes that [i]f a type of event is not listed in [a] policy, then it is probably not covered.” (NEW)</p>	<p>On April 27, Zwilllo V. Corp dba Westport Flea Market Bar & Grill initiated a purported class action in the United States District Court for the Western District of Missouri against its insurer Lexington Insurance Co., alleging that the insurer wrongfully denied Plaintiffs’ and class members’ claims for business interruption coverage relating to certain “stay at home” orders. Plaintiff seeks to represent nationwide declaratory judgment, injunctive relief, and breach of contract classes as well as a Missouri subclass. The case is <i>Zwilllo V. Corp. v. Lexington Insurance</i>, No. 4:20-cv-339 (W.D. Mo.) (NEW)</p>		
Montana					
Nebraska					
Nevada					
New Hampshire		<p>New Hampshire Insurance Department posted Guidance on Business Disruption Insurance and COVID-19 coverage-how it works, what it covers,</p>			

		and how a state of emergency would impact coverage.			
New Jersey	<p>On March 16, 2020, New Jersey lawmaker, Roy Freiman introduced a bill that would force insurers to pay certain COVID-19 business interruption claims. The Bill was voted out of committee 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 Roy Freiman explained 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 & Insurance Encouraged Regulated Entities 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 indicated that they have not yet filed a claim with Liberty Mutual.</p>		
New Mexico					
New York	<p>On March 27, 2020 New York proposed a bill 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>NYDFS mandated all insurers of commercial property to disclose certain information regarding business interruption coverage related to coronavirus.</p> <p>New York also posted an FAQ on business interruption insurance that describes coverage, whether businesses can still purchase coverage, and other resources on understanding coverage.</p>			

<p>North Carolina</p>		<p>On April 17, 2020 North Carolina Insurance Commissioner Mike Causey sent a letter to business owners explaining that the “issue with commercial property insurance, specifically business interruption insurance, presents a . . . difficult problem.” He explains that “[s]tandard business interruption policies are not designed to provide coverage for viruses, diseases, or pandemic-related losses because of the magnitude of potential losses.” Finally, the Commissioner notes that paying business interruption claims for COVID-19 related claims “could cripple the insurance industry causing many companies to fail, which would put the protection of homes, automobiles, and businesses at risk.” Therefore, the North Carolina Department of Insurance has advised that it cannot “legally force insurers to cover a risk which they didn’t intend to cover” but that they are “looking for ways to protect businesses in the future.”</p>			
<p>North Dakota</p>		<p>The North Dakota Department of Insurance has issued guidance on COVID-19 and business interruption coverage and explains that it is unlikely that insureds will find coverage through their business disruption policies.</p>			
<p>Ohio</p>	<p>On March 24, 2020, Ohio Legislature introduces HB 589 which requires certain insurance carriers to provide business interruption coverage for pandemic losses. The legislation applies to companies with 100 or</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</p>		

	<p>fewer full-time employees, provided the policies were issued by March 9.</p>		<p>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> <p>On April 15, 2020, Torre Rossa LLC filed a purported nationwide class action in Ohio state court against its insurer Liberty Mutual Insurance. Plaintiff alleges that policy exclusions for virus and bacteria do not apply to global pandemics, and that the insurer's denial of coverage constitutes a breach of contract and bad faith under Ohio law.</p> <p>On April 15, 2020, System Optics, Inc. dba Novus Clinics filed suit against its insurers Twin City Fire Insurance Company and Hartford Financial Services Group in Ohio state court. Plaintiff alleges that it was forced to close pursuant to the governor's Closure Orders and that its insurers breached their insurance contract by wrongfully denying Plaintiff's claims for business interruption coverage.</p> <p>On April 22, Dakota Girls LLC dba The Goddard School of Grove City and</p>		
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Oklahoma		<p>The Oklahoma Insurance Department has published FAQs explaining business interruption coverage in the context of COVID-19. The Department explains that the state’s emergency declaration is “unlikely to trigger business interruption coverage” but that “[s]ome policies may cover loss of income due to a pandemic/epidemic, but only for a limited amount of time.”</p>	<p>On March 24, 2020 the Chickasaw Nation Department of Commerce and the Choctaw Nation of Oklahoma each filed separate lawsuits 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 infection. These complaints follow the March 16 complaint by Oceana Grill in Louisiana state court.</p>		
Oregon	<p>As of March 23, 2020, Governor Kate Brown is considering legislation on business interruption insurance.</p>	<p>Oregon Division of Financial Regulation Website Offers Guidance on business interruption insurance coverage.</p>			
Pennsylvania	<p>State Representative Driscoll requested Pennsylvania House of</p>		<p><i>LH Dining LLC v. Admiral Indemnity Co.</i>, 2:20-cv-01869 (E.D. Pa.). Plaintiff</p>		

	<p>Representatives to reimburse insurers for voluntarily paid COVID-19 related business interruption claims.</p> <p>On Friday, April 3, a bipartisan group of 37 Pennsylvania lawmakers introduced House Bill 2372 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.</p> <p>On April 15, 2020 the Pennsylvania Senate introduced Senate Bill 1114, which if passed would mandate that all policies insuring against loss related to property damage “shall be construed to include among the covered perils coverage for loss or property damage due to COVID-19 and coverage for loss due to a civil authority order” related to the COVID-19 pandemic. The bill provides that Insureds classified as small business would receive 100% of the policy limit for eligible claims. All other businesses would receive 75% of the policy limit for eligible claims. The act would apply to all policies in effect prior to March 6, 2020. The Senate Bill follows a similar bill introduced by the Pennsylvania house, as well as bill introduced in South Carolina, Rhode Island, Louisiana, New York, New Jersey, Massachusetts, and Ohio. Note that</p>		<p>restaurant alleges that its policy’s virus and bacteria exclusions do not apply, because Plaintiff was forced to close its doors as a result of both state and local civil authority orders.</p> <p>On April 17, 2020 Newchops Restaurant Comcast LLC filed suit against its insurer Admiral Indemnity Company seeking a declaration that its policy covers business interruption losses due to COVID-19 and that the policy’s virus and bacteria exclusions do not apply because coverage was triggered by civil authority orders. Plaintiff has joined several others in a Motion to Transfer and Consolidate, requesting the creation of an MDL. The motion is pending before the Judicial Panel on Multidistrict Litigation. The case is <i>Newchops Restaurant Comcast LLC v. Admiral Indemnity Company</i>, 2:20-cv-1949 (E.D. Pa.)</p>		
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	New Jersey's bill was pulled from consideration prior to the General Assembly vote.				
Puerto Rico					
Rhode Island	Rhode Island lawmakers have proposed introducing legislation that would require insurers to provide coverage for business interruption claims relating to the Coronavirus.				
South Carolina	South Carolina lawmakers introduced bill S. 1188 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 insureds with fewer than 150 full-time employees.	South Carolina Department of Insurance Issues Guidance 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 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		The Tennessee Department of Commerce & Insurance has issued FAQs encouraging businesses to review their policies and contact their insurance companies for answers to questions regarding whether business interruption coverage is available for COVID-19 related claims. However, the FAQs note that "[i]n general, business interruption insurance policies require a direct physical loss/damage to a property caused by a			

		<p>covered peril . . . for business interruption coverage to apply.”</p>			
<p>Texas</p>		<p>The Texas Department of Insurance has provided information on its website relating to Business interruption coverage related to COVID-19.</p>	<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 & Gents Grooming, LLC filed suit against their insurer State Farm Lloyds in Texas state court alleging breach of insurance contract, bad faith and violations of the Texas Insurance Code. Plaintiffs argue that the insurer wrongfully denied their claims for business interruption coverage and misrepresented policy provisions.</p> <p>On April 14, 2020 Talanco Enterprises Inc. filed suit against its insurer Western Surplus Lines Inc. Co. in Texas state court. Plaintiff alleges that it has incurred substantial losses resulting</p>		

			from state stay-at-home orders and the COVID-19 outbreak and that such losses ought to be covered under its insurance contract. Plaintiff seeks a declaratory judgment construing the insurance coverage and declaring that its insurer must indemnify Plaintiff for its COVID-19 related business losses.		
Utah		On March 23, 2020 The Utah Insurance Department issued Bulletin 2020-2 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 guidance document 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 guidance 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	On April 21, Jennifer Nguyen initiated a class action against insurer Travelers		

		series of questions relating to business interruption coverage for COVID-19 related claims on its website .	Casualty Insurance Company of America alleging that as a result of the COVID-19 pandemic and state mandated business closure, plaintiff has been unable to provide dentistry services; however, she was allegedly informed by the insurer that losses resulting from the closure will not be covered under her Travelers Businessowners' Policy. Plaintiff seeks both declaratory relief and damages for breach of contract, and intends to seek certification of nationwide Business Income Coverage, Extra Expense Coverage, Extended Business Income Coverage, and Civil Authority Coverage classes. The case is <i>Nguyen et al. v. Travelers Casualty Insurance Company of America</i> , No. 2:20-cv-597 (W.D. Wash.)		
West Virginia		On March 26, 2020 the West Virginia Insurance Commissioner issued Bulletin No. 20 – 08 , 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 Brief Guide to Business Interruption Coverage,” 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	On April 24, Bilrite Furniture, Inc. initiated a purported class action in the United States District court for the Eastern District of Wisconsin against its insurer, Liberty Mutual Insurance Company. Plaintiff seeks damages for alleged breach of contract and a declaratory judgment that confirms whether the civil authority closure		

		wrongfully denied coverage, they are encouraged to review the OCI's complaint procedures.	orders trigger business interruption coverage or civil authority coverage. Plaintiff seeks to represent both a nationwide class and a Wisconsin subclass. The case is <i>Bilrite Furniture v. Liberty Mutual Insurance Company</i> , No.2:20-cv-00656 (E.D. Wis.) (NEW)		
Wyoming					

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