



116TH CONGRESS  
2D SESSION

# H. R. 6494

To make available insurance coverage for business interruption losses due to viral pandemics, forced closures of businesses, mandatory evacuations, and public safety power shut-offs, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2020

Mr. THOMPSON of California (for himself, Mr. LARSON of Connecticut, Mr. HASTINGS, Mrs. NAPOLITANO, Mr. ROGERS of Alabama, Mr. MCNERNEY, Mr. CISNEROS, Mr. COX of California, Mr. GARAMENDI, and Mr. SOTO) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To make available insurance coverage for business interruption losses due to viral pandemics, forced closures of businesses, mandatory evacuations, and public safety power shut-offs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Business Interruption  
5 Insurance Coverage Act of 2020”.

1 **SEC. 2. BUSINESS INTERRUPTION COVERAGE REQUIRE-**  
2 **MENTS.**

3 Effective upon the date of the enactment of this Act,  
4 each insurer that offers or makes available business inter-  
5 ruption insurance coverage—

6 (1) shall make available, in all of its policies  
7 providing business interruption insurance, coverage  
8 for losses resulting from—

9 (A) any viral pandemic;

10 (B) any forced closure of businesses, or  
11 mandatory evacuation, by law or order of any  
12 government or governmental officer or agency,  
13 including the Federal Government and State  
14 and local governments; or

15 (C) any power shut-off conducted for pub-  
16 lic safety purposes; and

17 (2) shall make available business interruption  
18 insurance coverage for losses specified in paragraph  
19 (1) that does not differ materially from the terms,  
20 amounts, and other coverage limitations applicable  
21 to losses arising from events other than those speci-  
22 fied in paragraph (1).

23 **SEC. 3. PREEMPTION AND NULLIFICATION OF PRE-EXIST-**  
24 **ING EXCLUSIONS.**

25 (a) **GENERAL NULLIFICATION.**—Any exclusion in a  
26 contract for business interruption insurance that is in

1 force on the date of the enactment of this Act shall be  
2 void to the extent that it excludes losses specified in sec-  
3 tion 2(1).

4 (b) GENERAL PREEMPTION.—Any State approval of  
5 any exclusion of losses from a contract for business inter-  
6 ruption insurance that is in force on the date of the enact-  
7 ment of this Act shall be void to the extent that it excludes  
8 losses specified in section 2(1).

9 (c) REINSTATEMENT OF EXCLUSIONS.—Notwith-  
10 standing subsections (a) and (b) or any provision of State  
11 law, an insurer may reinstate a preexisting provision in  
12 a contract for business interruption insurance that is in  
13 force on the date of the enactment of this Act and that  
14 excludes coverage for losses specified in section 2(1)  
15 only—

16 (1) if the insurer has received a written state-  
17 ment from the insured that affirmatively authorizes  
18 such reinstatement; or

19 (2) if—

20 (A) the insured fails to pay any increased  
21 premium charged by the insurer for providing  
22 such business interruption coverage; and

23 (B) the insurer provided notice, at least 30  
24 days before any such reinstatement, of—

1 (i) the increased premium for such  
2 business interruption coverage; and

3 (ii) the rights of the insured with re-  
4 spect to such coverage, including any date  
5 upon which the exclusion would be rein-  
6 stated if no payment is received.

7 **SEC. 4. DEFINITIONS.**

8 For purposes of this Act, the following definitions  
9 shall apply:

10 (1) BUSINESS INTERRUPTION INSURANCE COV-  
11 ERAGE.—The term “business interruption insurance  
12 coverage” means property and casualty insurance  
13 coverage provided or made available for losses result-  
14 ing from periods of suspended business operations,  
15 whether provided under broader coverage or sepa-  
16 rately.

17 (2) INSURER.—The term “insurer” has the  
18 meaning given such term in section 102 of the Ter-  
19 rorism Risk Insurance Act of 2002 (15 U.S.C. 6701  
20 note).

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