



## LAW ALERT

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**RMF**  
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### Proposed Legislation in New York Requiring Insurers to Cover Business Interruption Claims

On March 27, 2020, Assemblymember Robert Carroll introduced a bill to the New York State Assembly that would require insurance carriers within New York State, which provide Business Interruption Insurance, to cover claims for Business Interruption, regardless of: (i) “direct physical loss or damage”; and (ii) provisions excluding coverage caused by viruses. According to the bill:

- Every policy insuring against loss or damage to property, which includes the loss of use and occupancy and business interruption, shall be construed to include among the covered perils, coverage for Business Interruption during the COVID-19 pandemic.
- The legislation would apply to policies issued to insureds with less than 100 eligible employees (meaning full-time employees who work normal work weeks of 25 or more hours).
- Insurance carriers paying Business Interruption claims pursuant to the legislation would seek reimbursement from the DFS.
- The proposed legislation would allow the DFS to fund the program by charging insurance companies throughout the state in proportion with the premiums collected during the preceding year.

For a complete copy of the legislation, visit <https://rmfpc.com/wp-content/uploads/2020/04/A10226.pdf>

**If you have any questions, please contact**  
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