

# Congress of the United States

May 1, 2020

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

Dear Speaker Pelosi and Leader McCarthy,

The United States remains in battle with an unprecedented enemy in the form of the COVID-19 virus. While our constituents have been dealing with the personal hardships and losses resulting from this deadly disease, there has been a small glimmer of hope that we have been able to see from this tragedy. That hope is when we see people, communities, and organizations of every background coming together in these hard times to help their neighbors, friends and even strangers get through this struggle. It is this unity that we must harness in order to fully confront the medical, social, and economic peril we are in.

Over the last several weeks, members of both parties have been able to come together, hash out our differences, and enact legislation that truly helps all Americans confront this pandemic. With increased funding for medical research, and the creation of economic programs such as the Payment Protection Program (PPP) and Small Business Administration (SBA) loans, we are providing effective relief for individuals and businesses both big and small. Unfortunately, however, we have seen in recent weeks a couple of legislative and regulatory proposals which, while well-intentioned, we fear could begin to divide that sense of unity that we have been leveraging in our ongoing efforts.

Specifically, we are referring to calls for providing economic relief to a relatively small number of businesses by forcing insurance companies to pay claims for Business Interruption (BI) policies for losses that are not covered. To be clear, insurance companies must fulfill their obligations to their policyholders where pandemic losses are covered by the contract; and there must be stringent oversight to ensure that this occurs in the normal course of business.

However, after speaking with State insurance commissioners, consumer advocates, as well as several major property and casualty insurance companies, we have come to realize that only a small portion of companies purchase BI policies, and all but a very small portion of those policies exclude pandemic coverage. Further, the take-up rate for such policies decrease the smaller the business is.

Based on these facts, we believe that retroactively altering pre-existing insurance contracts to require pay outs for losses caused by COVID-19 (even if such coverage is paid for by the Federal Government) would only benefit a few and would ultimately not provide the broad relief for smaller businesses that we have continued to advocate for.

Therefore, we urge the Administration and Congress to continue to come together to advocate for solutions to ensure that all businesses, employers, and workers that have been impacted by COVID-19 are provided the support that they need, whether that is a continuation and expansion of the PPP, further direct economic support to individuals, a creation of a new economic recovery program or a combination of all of those efforts.

We can get through this while remaining together as the United States of America.



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Wm. Lacy Clay



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Ron Kind




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Vicente Gonzalez



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Emanuel Cleaver



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Gwen Moore



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Denny Heck



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