

March 18, 2020

The Honorable Nydia M. Velazquez  
Chair  
House Committee on Small Business  
2302 Rayburn House Office Building  
Washington, DC 20515

Dear Chair Velazquez:

We, the undersigned trades, thank you for your correspondence of earlier today. We share your commitment to identifying and implementing solutions to the ongoing economic challenges caused by COVID-19 and to providing immediate liquidity and economic support to those in need.

COVID-19 has unleashed tidal waves of disruption and introduced tremendous amounts of uncertainty in the global economy, causing a real impact on the wallets of all Americans. It is these individuals and families that so many small businesses serve as customers and depend on. Many of our members also are small businesses and have been deeply affected by government closures and other restrictions, labor force limitations, supply chain interruptions, and the curtailment of ordinary activities.

In recent days, many of our members have received inquiries about the ability of the insurance industry to compensate businesses for economic losses stemming from this global health emergency and about the nature and applicability of business interruption insurance. Standard commercial insurance policies offer coverage and protection against a wide range of risks and threats and are vetted and approved by state regulators. Business interruption policies do not, and were not, designed to provide coverage against communicable diseases such as COVID-19. The U.S. insurance industry remains committed to our consumers and will ensure that prompt payments are made in instances where coverage exists.

Separate from our responsibilities in administering the insurance contracts with or policyholders, we also recognize our role as members of our respective communities. It is in this role that our members have begun to work with our customers on issues such as flexibility in the premium payments. Additionally, our members are active in several charitable efforts to address several of the hardships of our neighbors and consumers.

We recognize the extraordinary challenges our country is facing -- our member businesses, our employees, and our families are confronting the same trials. The U.S is in the midst of a national crisis that will require federal assistance that provides funding directly to those American individuals and businesses most in need. Our organizations stand ready to work with Congress on solutions that provide the necessary relief as soon as possible.

Thank you very much for your leadership in these difficult times.

Sincerely,

Mr. Charles Chamness, President and Chief Executive Officer, National Association of Mutual Insurance Companies

Mr. Bob Rusbuldt, President and Chief Executive Officer, Independent Insurance Agents & Brokers of America

Mr. Ken Crerar, President and Chief Executive Officer, Council of Insurance Agents and Brokers

Dr. David Sampson, President and Chief Executive Officer, American Property Casualty Insurance Association

CC: The Honorable Andy Kim, Member of Congress  
The Honorable Brian Fitzpatrick, Member of Congress  
The Honorable Grace Napolitano, Member of Congress  
The Honorable Marc Veasey, Member of Congress  
The Honorable Scott H. Peters, Member of Congress  
The Honorable Alcee L. Hastings, Member of Congress  
The Honorable Max Rose, Member of Congress  
The Honorable Jim Hagedorn, Member of Congress  
The Honorable Kathleen M. Rice, Member of Congress  
The Honorable Rashida Tlaib, Member of Congress  
The Honorable Rick Crawford, Member of Congress  
The Honorable Gilbert R. Cisneros, Jr., Member of Congress  
The Honorable Joe Cunningham, Member of Congress  
The Honorable French Hill, Member of Congress  
The Honorable Steve Womack, Member of Congress  
The Honorable Andy Levin, Member of Congress  
The Honorable Bruce Westerman, Member of Congress