

“BIG” INSURANCE RELIEF ACT

PURPOSE

- Mandatory Civil authority shutdowns have adversely impacted businesses throughout the nation, the American economy relies in part upon an investment in and expectation of insurance benefits that back business assets and workforce.
- Many businesses paid policy premiums for business interruption policies and in particular coverage for civil authority shutdown of business.
- Many businesses who purchased business interruption coverage and Civil Authority Shutdown did so in expectation that insurance would protect the temporary shutdown of their workforce, prevent layoffs and furlough, and allow an orderly restart of operations.
- State laws mandate an orderly and prompt payment procedure of first party insurance claims and insurers have claim management resources with the expertise and skills to timely manage claim payment and distribution of funds according to expected and relied upon guidelines and benefits outlined in policy benefits that policyholders had the expectation to receive.
- *The act* is designed to encourage and support insurers who timely pay business interruption coverage to policyholders adversely impacted by the coronavirus.
- *The act* provides a voluntary program for insurers who collected premiums for business interruption and civil authority coverage.

BENEFITS & OPERATION

This act provides a voluntary program for insurers to participate into a federal insurance subsidy program. Those that opt in must pay B.I. claims on policies without virus exclusions. If they do so, Insurers can apply and receive reimbursement for B.I. claims and claim expense that are subject to a virus exclusion.