

MELICK & PORTER, LLP COVID-19 MEMO:

Melick & Porter, LLP provides you with the below update regarding the impact of COVID-19 on issues relating to insurance in the United States. The below is not meant to be all-inclusive, but provides an overview as to the trends in the United States. If you have any questions regarding any of the updates below, please do not hesitate to contact us.

SUMMARY OF IMPORTANT LEGISLATION AND EMERGENCY ORDERS AND DIRECTIVES:

Below we provide an overview as to the types of legislative actions that have been occurring, both on a federal and state level.

- The Paycheck Protection Program has more than \$100 billion in funding left as of last Saturday, with a day remaining until the SBA stops taking new applications on June 30, 2020. There is currently a debate in Congress about what to do with the leftover PPP money, and how to reach those businesses as the economy reopens in the midst of new virus outbreaks across the country.
- The Congressional Oversight Commission released its second report, which describes key actions the Treasury Department and Federal Reserve have taken under Subtitle A of the CARES Act and answers many of the questions the Commission raised in its first report. According to the report, the Treasury and Federal Reserve's pandemic relief efforts boosted the corporate bond market but may be falling short in helping small businesses and state and local governments' access loans.
- A bipartisan group of House members introduced a pair of bills designed to prevent price gouging related to any potential COVID-19 vaccine.
- The governors of New York, New Jersey and Connecticut issued travel advisories on Wednesday, that require people arriving from states with high coronavirus rates to quarantine for 14 days. The advisory, applies to anyone coming from a state with a transmission rate above 10 per 100,000 people on a seven-day rolling average or 10 percent of the total population-testing positive on a seven-day rolling average.

INSURANCE AND COVERAGE RELATED NEWS AND ORDERS/LEGISLATION:

Below we provide an update as to regulations, news, and litigation specifically related to insurance and potential coverage

- Health and Human Services Secretary Alex Azar's refusal to open a special enrollment period for people to buy health insurance on federally operated health exchanges during the COVID-19 pandemic is dangerous, 14 attorneys general told a federal court. In an

[amicus brief](#) filed on Monday, June 22, 2020, the coalition argues that there is both a critical need for and a legal obligation to create a special enrollment period on HealthCare.Gov to help the millions of individuals that have lost coverage as a result of the pandemic.

BUSINESS AND COMMERCE NEWS AND LEGISLATION RELATED TO COVID-19:

Below we discuss news regarding the economic impact of COVID-19 and measures being taken to address that.

- In response to the COVID-19 pandemic, non-essential businesses across the United States faced executive orders by state Governors instructing them to close or significantly limit all in-person operations. States are now considering how best to reopen their economies, balancing the desire to permit businesses to operate with the need to continue to slow the spread of COVID-19.
 - The federal government has unveiled its Guidelines for Opening Up America Again, a three-phased approach intended to help state and local officials determine when and how to reopen their economies while continuing to protect Americans from the spread of COVID-19.
- The Consumer Financial Protection Bureau issued an interim final rule on June 23, 2020, which temporarily permits mortgage servicers to offer to borrowers impacted by the coronavirus pandemic certain loss mitigation options based on the evaluation of an incomplete loss mitigation application.
- The New York Attorney General announced an application process for persons or businesses that owe non-medical and non-student debts to the State of New York that have been referred to the Office of the Attorney General for collection and litigation.
 - Any such person or business, or their dependents, which have been financially impacted by COVID-19 or the international, national, and state responses, designed to prevent its spread, may complete and submit the application to be considered for relief. Including relief from collection activity, interest accrual, and the assessment of collection fees on nonmedical and non-student debts to the State of New York.
- New York Governor Andrew Cuomo issued an executive order expanding the Tax Commissioner's authority to allow the Commissioner to abate interest on quarterly sales and use tax filings and remittances with a due date of March 20, 2020 for those who were unable to timely file and pay as result of the COVID-19 virus, such as:
 - Taxpayers seeking interest and penalty abatements for COVID-related filing and payment delays may request relief by visiting the Department's website at:

<https://www.tax.ny.gov/press/alerts/sales-tax-relief-for-covid-19.htm>.

LITIGATION/CIVIL JUSTICE SYSTEM UPDATES AND ORDERS:

Below we highlight additional judicial orders related to the COVID-19 pandemic.

- The Supreme Judicial Court of Massachusetts issued its third updated order on June 24, 2020, regarding court operations under the exigent circumstances created by the COVID-19 pandemic, effective July 1, 2020:
 - Courthouses will physically reopen to the public for certain limited purposes on July 13, 2020.
 - To limit the number of persons entering the courthouses, all courts will still conduct most court business virtually in both civil and criminal cases.
 - Trial Court departments shall thereafter begin, in two initial phases, to conduct in-person proceedings in emergency and non-emergency matters that either can be handled more effectively or efficiently in person, or cannot be handled virtually because a virtual proceeding is not practicable or would be inconsistent with the protection of constitutional rights.
 - The first phase of additional in-person proceedings will begin on July 13, 2020 and will be further expanded in the second phase beginning August 10, 2020.
 - Until July 13, 2020, all court clerks', registers' and recorder's offices shall continue to conduct business virtually unless, in an emergency matter, the filing of pleadings cannot be accomplished virtually.
 - All jury trials, in both criminal and civil cases, scheduled to commence in Massachusetts state courts at any time from March 14, 2020, through September 4, 2020, have been continued to a date no earlier than September 8, 2020.
- The State of Maine has released the State of Maine Judicial Branch COVID-19 Phased Management Plan. The plan creates a five-phased process for reopening Maine Courts and is based on the most recent scientific data available from the Maine Center for Disease Control (CDC) and Prevention and stakeholder input.
- The State of Connecticut Judicial Branch is expanding its remote capabilities.
- The Supreme Court of Rhode Island issued an order In re Article IV of the Supreme Court Rules. In further Response to COVID-19, Annual Registration deadlines were extended to September 1, 2020.