

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 Federal Housing Finance Agency provided additional protections for owners and/or renters of multifamily properties by allowing servicers to extend existing forbearance agreements for up to three months, for a total forbearance period of up to six months specifically for loans backed by Fannie Mae and Freddie Mac.
- 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. 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.
- CDC Director Dr. Robert Redfield [announced](#) today that it will not revise its guidelines for reopening schools despite pressure to do so.
- House Speaker Nancy Pelosi rejected the White House's calls to limit the next coronavirus relief package to \$1 trillion dollars. In a press conference on July 9, 2020, the Speaker said that \$1 trillion does not come anywhere near enough given the recent surge in cases. Pelosi aims to clear the package by the end of the month and vowed to not to scale back worker protections.
- On July 9, 2020, the House of Representatives passed S. 4209, "Protecting Nonprofits from Catastrophic Cash Flow Strain Act of 2020." The bill was passed by the Senate on July 2, 2020. The next step is for the bill to be enrolled and sent to the White House for action by the President.
 - The legislation would provide cash-flow relief for tax-exempt organizations that "self-insure" and that now must reimburse states for employees that claimed unemployment insurance during the COVID-19 pandemic.

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.

- AIG joined 92 other U.S. Companies as a signatory to an amicus brief in support of the ratification of the Equal Rights Amendment to the U.S. Constitution.
- The Consumer Financial Protection Bureau (“CFPB”) issued a Factsheet on TRID title insurance disclosures and updates on TRID disclosures.

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.

- As organizations begin to plan for a post-pandemic world, businesses are focusing on a “Cyber Everywhere” mindset and embracing a culture of perpetual resilience. In order to thrive, organizations need strategies for managing cyber risk. This mindset provides understanding of the risks and shifts the focus to innovation and strategy, allowing organizations to move more quickly, effectively and securely.
- The IRS released an advance version of Notice 2020-54 as guidance for employers regarding the requirement to report amounts of qualified sick leave wages and qualified family leave wages paid to employees under the “Families First Coronavirus Response Act” (Pub. L. No. 116-127).
- Travel restrictions, social distancing protocols, and general disruptions have made it nearly impossible to hold in-person shareholder meetings in most jurisdictions. As such, there has been an unprecedented rise in the number of virtual shareholder meetings around the world.
- The Consumer Financial Protection Bureau issued an interim final rule which amends Regulation X by temporarily permitting mortgage servicers to offer loss mitigation options to borrowers impacted by the COVID-19 pandemic.
- The Biomedical Advanced Research and Development Authority (BARDA) is investing \$42 million to help Becton, Dickinson, and Company, ramp up its production of syringes and needles ahead of the future coronavirus vaccination push.
- The Baker-Polito Administration’s comprehensive plan to safely reopen the Massachusetts economy, get people back to work, and ease social restrictions while minimizing the health impacts of COVID-19, remains in Phase III, Step 1.

LITIGATION/CIVIL JUSTICE SYSTEM UPDATES AND ORDERS:

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

- Although Massachusetts courthouses physically reopened on July 13th, all courts will still conduct most business virtually – by telephone, videoconference and email. If you must go to the courthouse, [here is what you should know](#).
- The State of Connecticut Judicial Branch continues to suspend jury service.
- On July 9, 2020, the State of Connecticut Judicial Branch issued an Order extending foreclosure sale dates to October 3, 2020 and foreclosure committee bar dates to August 26, 2020.
- The New Hampshire Judicial Branch continues restricted physical access to courts; the Supreme, Superior, and Circuit Courts all have made adjustments to broaden court operations to allow more cases to be addressed telephonically, by video, and without in-person hearings.
- On July 10, 2020, New York Courts in the Tenth Judicial District (Nassau and Suffolk Counties) entered Phase Four of Expansion Operations.
 - Judges will continue to expand their use of virtual proceedings whenever legally permissible and logistically possible. Where an in-person proceeding involves an incarcerated individual, that individual shall appear virtually via electronic means unless otherwise ordered by the assigned judge.