

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:

- In the U.S., [332 million vaccine doses](#) have been administered. In the last week, an average of 604,380 vaccine doses per day were administered.
- [President Biden](#) signed an Executive Order to promote competition in the American economy, which will lower prices for families, increase wages for workers, and promote innovation and even faster economic growth.
 - The Executive Order established a whole-of-government effort to promote competition in the American economy. The Order includes 72 initiatives by more than a dozen federal agencies to tackle some of the most pressing competition problems across our economy.
- The [WHO](#) classified the Lambda variant of the COVID-19 virus as a variant of interest. The Lambda variant has been reported in 29 countries, and accounts for less than 1% of samples sequenced in the United States.
- The [CDC](#) updated its COVID-19 school guidance to emphasize in-person schooling as a priority this fall. The agency said students, teachers, and staff who are fully vaccinated do not need to wear masks at school.
- [Pfizer and BioNTech](#) announced plans to seek FDA authorization for a booster dose of their COVID-19 vaccine. Pfizer and BioNTech say initial results from an ongoing booster trial show that a third shot given six months after the initial two shots can bring antibody levels to a point that should increase protection against the disease.
 - However, a [joint statement](#) issued by the CDC and FDA contends that booster shots are not necessary at this time. The statement read that people who are fully vaccinated are protected from severe disease and death, including from the variants currently circulating.
- Fans have been banned from the [Tokyo Olympics](#) which open in two weeks. The ban came after a state of emergency in the capital city declared by Japan's Prime Minister Yoshihide Suga to contain rising COVID-19 cases.

- According to two [Boston doctors](#), Dr. Jeremy Faust and Dr. Katie Dickerson Mayes, vaccinating children against COVID-19 is worth the exceedingly small risk of short-term side effects.
- In many urban and suburban communities, [COVID-19](#) cases continue to plummet. The rate of new daily cases has fallen below 3 per 100,000 residents in large cities like Atlanta, Boston, Chicago, New York, Philadelphia, San Francisco, and Washington.
 - However, in less populated areas the virus is surging. The states with the most outbreaks are Arkansas, Missouri, Florida, Nevada, Wyoming, and Utah.
- Governor [Charlie Baker](#) is pushing to immediately use some of the roughly \$5 billion in recent direct federal COVID-19 relief funds to address the racial homeownership gap. Massachusetts has one of the largest racial homeownership gaps in the country.
- Effective May 29, 2021, [Massachusetts](#) lifted all COVID-19 industry restrictions. Face coverings are still required while using public and private transportation as well as in facilities housing vulnerable populations.
- [New Hampshire](#) released Universal Best Practices which replaced all existing “Safer at Home 2.0” business operations guidance put in place in March 2020.
 - [Governor Chris Sununu](#) closed both the State Emergency Operations Center and Join Information Center on June 30, 2021. Ongoing pandemic operations transitioned to the New Hampshire Department of Health and Human Services.
- [Maine](#) lifted all capacity limits and physical distancing requirements in outdoor and indoor settings, individuals who are not vaccinated are urged to continue wearing face masks.
 - [Governor Janet Mills](#) ended Maine’s State of Civil Emergency on June 30, 2021. The face covering requirement for indoor prek-12 schools and child care facilities also ended on June 30, 2021.
- As of May 19, 2021, all [Connecticut](#) business sector rules enacted to prevent the spread of COVID-19 have been lifted with the exception of certain mask requirements.

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.

- The [U.S. Court of Appeals for the Eighth](#) Circuit delivered a ruling in the first appellate court case regarding pandemic-related business interruption coverage.

- The Eighth Circuit ruled in *Oral Surgeons PC v. The Cincinnati Insurance Co.* that the lower court did not err in dismissing the suit brought by Oral Surgeons on the basis it failed to plead any physical alteration to the property.
- The Eighth Circuit determined that Oral Surgeons failed to state claims for breach of contract and bad faith because the complaint alleged no facts to show that they suspended activities due to direct accidental physical loss or accidental physical damage.
- The court rejected Oral Surgeons' argument that the loss of business income and extra expense sustained were caused by direct loss to the property.

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.

- The [SBA](#) will host 2021 National SBIR week on July 19 through July 23 for small business innovators. The virtual event will connect entrepreneurs working on advanced technology to the country's largest source of early-stage funding.
- The [SBA](#) announced the closure of the Restaurant Revitalization Fund program. The program provided much needed economic aid to restaurants. The Fund provided relief to more than 100,000 restaurants and other food and beverage businesses.
- The [IRS](#) posted [answers to questions](#) that certain transportation companies may have regarding Treasury grants and related taxes.
 - The Coronavirus Economic Relief for Transportation Services (CERTS) Act of the Consolidated Appropriations Act of 2021 authorizes the Department of the Treasury to provide grants to transportation service providers.
- The [IRS](#) and partners in non-profit organizations, churches, community groups, and others will host events in 12 cities this weekend to help people who don't normally file a federal tax return to register for the monthly Advance Child Tax Credit (AdvCTC) payments.
- Massachusetts opened all industries with no restrictions on May 29, 2021. Learn more about reopening Massachusetts here: <https://www.mass.gov/info-details/reopening-massachusetts>

LITIGATION/CIVIL JUSTICE SYSTEM UPDATES AND ORDERS:

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

- As of May 18, 2021, All [New Hampshire](#) courts clerks' offices in all courts and committees' offices are open to the public. Face coverings are not required; though unvaccinated individuals are urged to wear a mask.
- Beginning June 1, 2021, the [Connecticut](#) Judicial Branch resumed summoning jurors to courthouses throughout the state to restart the jury trial process. No person is permitted to enter a Judicial Branch courthouse or facility without a face covering. All Judicial Branch Law Libraries reopened to patrons on June 16, 2021.
- Effective July 1, 2021, individuals who are fully vaccinated are not required to wear face masks in [Maine](#) Judicial Branch facilities. Any individual who is not vaccinated must wear an approved face mask.
- State Guidance on Foreclosure proceedings:
 - Connecticut - <https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-10A.pdf>
 - Rhode Island
<https://www.courts.ri.gov/Courts/SupremeCourt/SupremeExecOrders/20-12.pdf>
 - Massachusetts - [COVID-19 Eviction Information / Reliance on CDC Federal Moratorium through 06.30.2021](#)
 - New Hampshire - <https://courts-state-nh-us.libguides.com/evictions>