

Congress of the United States
Washington, DC 20515

March 31, 2020

Commissioner Ricardo Lara
Insurance Commissioner
300 Capitol Mall, 17th Floor
Sacramento, CA 95814

Dear Commissioner Lara:

We urge you to exercise all authority to ensure the insurance companies comply with their business interruption policies. During this crisis, we must do everything possible to mitigate the devastating impact on small businesses due to the coronavirus pandemic.

As you know, many businesses have in good faith purchased and paid for business interruption insurance to cover the loss of business income sustained due to a necessary suspension of the business operations. However, some insurers are choosing to deny these business interruption claims and not uphold their responsibility to help cover these insured losses. Without immediate action to address the denial of business interruption insurance claims, many businesses like our local restaurants, hotels, bars, small tourist shops and countless other businesses that are staples of our local communities will simply never resume service. California in particular has been battered year after year by earthquakes and fires and small businesses have not fully recovered from those previous disasters.

The coronavirus poses significant challenges to many small businesses and we are urging you to exercise all authority to have insurance companies comply with their business interruption insurance to cover losses caused by a California statewide business shutdown ordered to prevent the spread of coronavirus. During this crisis, we must do what it takes to work together to help our small businesses survive and recover. We appreciate your strong support to help California small business owners remain solvent during the coronavirus pandemic and keep employees on payroll until things stabilize.

Thank you for your leadership attention to this urgent matter. We look forward to working with you until this crisis is resolved.

Sincerely,

MIKE THOMPSON
Member of Congress

GILBERT R. CISNEROS, JR.
Member of Congress

TJ COX
Member of Congress

DOUG LAMALFA
Member of Congress

ERIC SWALWELL
Member of Congress

JOSH HARDER
Member of Congress

GRACE F. NAPOLITANO
Member of Congress

KEN CALVERT
Member of Congress

ALAN LOWENTHAL
Member of Congress

JERRY MCNERNEY
Member of Congress

JIMMY PANETTA
Member of Congress

BARBARA LEE
Member of Congress

ZOE LOFGREN
Member of Congress

JIM COSTA
Member of Congress

J. LUIS CORREA
Member of Congress

ADAM B. SCHIFF
Member of Congress

NORMA J. TORRES
Member of Congress

RAUL RUIZ M.D.
Member of Congress

NANETTE DIAZ BARRAGÁN
Member of Congress

JULIA BROWNLEY
Member of Congress

JACKIE SPEIER
Member of Congress

DORIS MATSUI
Member of Congress

RO KHANNA
Member of Congress

JIMMY GOMEZ
Member of Congress

TONY CÁRDENAS
Member of Congress

ANNA G. ESHOO
Member of Congress

TED W. LIEU
Member of Congress

TOM MCCLINTOCK
Member of Congress

JARED HUFFMAN
Member of Congress

MIKE LEVIN
Member of Congress

AMI BERA, M.D.
Member of Congress

JUDY CHU
Member of Congress

KATIE PORTER
Member of Congress