

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.

- On May 28, 2020, President Donald Trump issued Executive Order 13925 preventing online censorship.
- On May 28, 2020, Governor Andrew Cuomo issued Executive Order No. 202.34 continuing temporary suspension and modification of laws relating to the disaster emergency.
- The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) has issued an alert listing steps employers can follow to implement social distancing in the workplace and to help protect workers from exposure to the coronavirus.
- The House passes the Paycheck Protection Flexibility Act (HR 7010) on May 28, 2020, by 417-1 vote. The bipartisan bill proposes to modify some restrictions on small business loans under the Paycheck Protection Act. A similar proposal is pending in the Senate.
- The U.S. Department of Defense, in support of the U.S. Department of Health and Human Services, has signed a \$2.2 million contract with Hollingsworth & Vose to increase U.S. domestic production of 27.5 million N95 ventilator filters, and 3.1 million N95 respirators per month, starting in August.

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 Massachusetts Division of Insurance issued Bulletin 2020-17 to provide information to all insurance companies issuing commercial property and casualty coverage in Massachusetts about the Division's expectations regarding the steps they are to take to help address vacancy provision during the COVID-19 public health crisis.
- The State of New Hampshire Insurance Department issued Bulletin Ins. 20-034-AB extending deadlines for insurance producer license renewals to June 30, 2020.

- The State of Maine Bureau of Insurance is encouraging insurers to work with customers whose credit has been affected by the COVID-19 pandemic and reminding insurers of their obligations under Maine's Fair Credit Reporting Act.

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.

- New York Governor Andrew Cuomo issued an Executive Order No. 202.36 allowing low-risk; outdoor recreational activities and businesses to open in regions that have met the metrics required for phase one.
- As of June 1, 2020, offices in the City of Boston became eligible to reopen, subject to their ability to comply with all mandatory safety standards. On May 29, 2020, the Baker-Polito Administration provided an update on the Reopening Massachusetts plan and preparations for Phase II. The Administration will determine the start of Phase II on June 6th.
- The Dow Jones industrial average jumped nearly 230 points, or 0.9 percent, at the opening bell. The Standard & Poor's 500 index advanced 0.7 percent while the tech-centric Nasdaq composite gained 0.3 percent. The gains come after the broad-based S&P 500 clocked its highest close in three months and pulled within 10 percent of its all-time high.
- The CDC updated or released guidance for reopening:
 - [Institutes of Higher Education](#);
 - [K-12 Schools and Child Care Programs](#);
 - [Youth sports](#);
 - [Public pools](#);
 - [Dental Settings](#)
 - [Workplaces](#);
 - [Restaurants and bars](#);
 - [Mass transit](#); and
 - [Youth Programs/ Camps](#).
- On May 27, 2020, the Internal Revenue Service (the "IRS") released Notice 2020-41 updating the IRS guidance on the start-of-construction rules for the production tax credit ("PTC") and energy investment tax credit ("ITC") by extending the continuity safe harbor for projects that began construction in either calendar year 2016 or 2017.
 - Additionally, it provides relief under the "3 ½ Month Rule" where payments were made on or after September 16, 2019, but the services or property were not expected to be provided until 2020, as long as they are actually received by October 15, 2020.

- The Securities and Exchange Commission (SEC) has issued relief to investment companies and investment advisers from certain requirements under both the Investment Company Act of 1940, as amended (the 1940 Act), and the Investment Advisers Act of 1940, as amended (the Advisers Act). The relief issued for investment companies has thus far included:
 - Exemption from the requirement that certain votes by investment company boards be cast in person;
 - Relief from timely filing of Forms N-CEN and N-PORT;
 - Relief from requirements to transmit timely annual and semi-annual reports to shareholders; and
 - Relief from timely prospectus delivery requirements for additional share purchases by current shareholders of an investment company.

LITIGATION/CIVIL JUSTICE SYSTEM UPDATES AND ORDERS:

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

- The Massachusetts Superior Court issued [Clerk of Court Policies on Filing in the Superior Court](#), effective June 1, 2020.
- The Massachusetts District Court issued Standing Order 6-20 on May 29, 2020, which outlines Court operations under the exigent circumstances created by COVID-19 and the procedures for hearings and non-emergency matters.
- The Supreme Judicial Court has approved several amendments to Rule 1:25: Massachusetts Rules of Electronic Filing that were proposed by the Trial Court. Rule 1:25 relates to general procedures of electronic filing in Massachusetts trial and appellate courts. The amendments are intended to facilitate the system-wide implementation of e-filing and streamline court procedures.
- The Connecticut Judicial Branch issued a [notice](#) on May 28, 2020 expanding its remote capabilities.
- The Connecticut Judicial Branch is targeting the partial resumption of operations in the Middlesex Judicial District Courthouse in Middletown, Rockville's Geographical Area No. 19 Courthouse, and the Litchfield Judicial Courthouse at Torrington, starting Monday, June 8, 2020.