

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, shelter-in-place orders, mandated business closures, and staggered re-openings are imposing tremendous financial losses on many businesses as a result of declining sales, operational challenges, and financial uncertainty; and

WHEREAS, economists estimate that nearly 30 million Americans are unemployed as a result of the closure of many businesses from various industries and the continuing economic uncertainty arising from the COVID-19 pandemic; and

WHEREAS, businesses that currently hold business interruption insurance, which helps replace lost income and covers operating expenses, including payroll, have recently learned that their policies do not cover government-ordered business shutdowns caused by a national emergency or viral pandemic; and

WHEREAS, many small businesses purchased business interruption insurance with the expectation that it would supplement financial losses in times of economic uncertainty; and

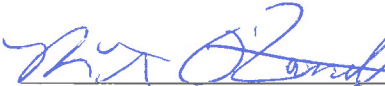
WHEREAS, currently pending before the U.S. Congress, H.R. 6494 (Thompson), the Business Interruption Insurance Coverage Act of 2020, would make insurance coverage available for business interruption losses arising from viral pandemics, forced closures of businesses, mandatory evacuations, and public safety power shut-offs; and

WHEREAS, the Business Interruption Insurance Coverage Act of 2020 could help businesses address damaging gaps in insurance coverage and help bolster economic resilience following the COVID-19 pandemic; and

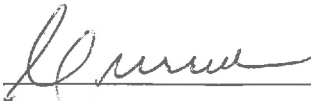
WHEREAS, the gaps in coverage from business interruption insurance combined with the expiration of federal aid programs will lead to the continuing closure of small businesses and loss of jobs that are essential to the City's economic recovery following the coronavirus pandemic;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 Federal Legislative Program SUPPORT for H.R. 6494 (Thompson), the Business Interruption Insurance Coverage Act of 2020; which would make insurance coverage available for business interruption losses arising from viral pandemics, forced closures of businesses, mandatory evacuations, and public safety power shut-offs.

PRESENTED BY:


MITCH O'FARRELL
Councilmember, 13th District

SECONDED BY:




AUG 26 2020

ORIGINAL