



**STATE OF NEW HAMPSHIRE**  
**OFFICE OF THE GOVERNOR**

**CHRISTOPHER T. SUNUNU**  
Governor

March 23, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate

The Honorable Nancy Pelosi  
Speaker  
United States House of Representatives

The Honorable Chuck E. Schumer  
Minority Leader  
United States Senate

The Honorable Kevin McCarthy  
Republican Leader  
United States House of Representatives

Dear Majority Leader McConnell and Speaker Pelosi:

While Congress is working to pass a stimulus package that responds to the most pressing needs that Americans are experiencing as a result of the COVID-19 outbreak, I write to request consideration of measures urgently needed to help small businesses survive.

Many small businesses secure commercial insurance coverage for business interruptions. This coverage pays for loss of business income sustained due to the necessary suspension of operations during a period of "restoration" necessitated by damage caused by direct physical loss, damage, or destruction to the business property. A "direct, physical loss" has been interpreted to exclude economic losses unaccompanied by a distinct and demonstrable loss of the physical use of the business property.

Moreover, after the SARS epidemic in the early 2000s, carriers typically exclude viral outbreaks from standard coverage because insurers do not have enough data to understand the potential impact of pandemic-related claims and how to rate the policy accordingly.

In the long term, we can hope that Congress will work with both state regulators and the insurance industry to develop a more permanent solution to this coverage problem. The National Flood Insurance Program and the Terrorism Risk Insurance Act are examples of such efforts. Now, however, what is needed is a short term and temporary solution that goes beyond the Economic Injury Disaster Loan Program administered by the Small Business Administration.

In addition to loans, grant funds—direct cash assistance—should be made available to small businesses to help defray at least a portion of their documented losses. Such a temporary program, if implemented quickly enough, might help to ensure that small business can make it

through this crisis and continue their vital role in supporting our economy, both in New Hampshire and nationally.

Sincerely,



Christopher T. Sununu  
Governor