

1 [Supporting COVID-19 Orders for Business Interruption As Necessary Due to Physical
2 Property Loss or Damage]

3 **Resolution supporting the COVID-19 orders by civil authority interrupting and**
4 **prohibiting access to businesses as necessary, due to physical property loss or**
5 **damage; and urging the California Insurance Commissioner to consider it a material**
6 **misrepresentation to deny in any public filing that the Coronavirus does not have the**
7 **propensity to cause property loss or damage.**

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9 WHEREAS, On February 25, 2020, San Francisco Mayor London N. Breed, under her
10 civil authority, issued a Proclamation Declaring the Existence of a Local Emergency,
11 establishing the existence of an emergency within the City and County of San Francisco due
12 to the ongoing spread of a novel coronavirus, referred to as Coronavirus Disease 2019 or
13 "COVID-19"; and

14 WHEREAS, On March 6, 2020, the City and County of San Francisco Health Officer
15 ("Health Officer") under his civil authority declared a Local Health Emergency based on the
16 scientific literature, facts, and circumstances described in documents on file with the Clerk of
17 the Board of Supervisors in File No. 200265, finding an imminent and proximate threat to
18 public health from the introduction of Coronavirus in the City and County of San Francisco;
19 and

20 WHEREAS, On March 16, 2020, the Health Officer under his civil authority issued a
21 Public Health Order, requiring all San Francisco residents to shelter in place to slow the
22 spread of the novel Coronavirus in the community, and requiring all businesses to cease
23 operations, except for those deemed essential businesses; and

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1 WHEREAS, On March 31, 2020, the Health Officer under his civil authority issued a
2 Public Health Order, extending and expanding sheltering in place, further limiting essential
3 business activities, and further ceasing non-essential business operations; and

4 WHEREAS, The need for current and future business interruption and restrictions that
5 were placed upon businesses is in response to the risk of the rapid spread of the Coronavirus
6 due to its propensity to spread between people via inanimate surfaces, contaminated hands,
7 and respiratory droplets; and

8 WHEREAS, A March 2020 study by Kampf, et. al, Persistence of Coronaviruses on
9 Inanimate Surfaces, in The Journal of Hospital Inspection states that coronaviruses can
10 persist on inanimate surfaces like metal, glass or plastic for up to nine days; and

11 WHEREAS, The Center for Disease Control in its study of the Diamond Princess
12 Cruise ship reported that the novel Coronavirus was identified on a variety of surfaces in
13 cabins up to 17 days after cabins were vacated; and

14 WHEREAS, Business entities--including many small businesses and restaurants--have
15 business interruption insurance that protect them from direct physical loss or damage, or
16 closure due to a civil authority; now, therefore, be it

17 RESOLVED, That the Board of Supervisors supports the orders by civil authority
18 interrupting businesses and prohibiting access to businesses because they are necessary to
19 protect the public from the Coronavirus, its propensity to spread from person to person, and
20 the physical property loss or damage due to its proclivity to adhere to surfaces for prolonged
21 periods of time; and, be it

22 FURTHER RESOLVED, That the Board of Supervisors declares the proclivity of the
23 virus to adhere to the surfaces of property for prolonged periods of time, physically causing
24 property loss or damage, to be an extreme danger to the public; and, be it

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1 FURTHER RESOLVED, That the Board of Supervisors urges the California Insurance
2 Commissioner to consider it a material misrepresentation for any entity or business
3 transacting business in the State, including domestic and foreign insurers, to deny in any
4 public filing that the Coronavirus does not have the propensity to cause property loss or
5 damage by adhering to the surfaces of property, which causes an extreme danger to the
6 public; and, be it

7 FURTHER RESOLVED, That the Board of Supervisors urges the California Insurance
8 Commissioner to consider it a material and dangerous misrepresentation for any insurer to
9 claim that the Coronavirus has not caused property loss or damage in the San Francisco area
10 as a means to deny civil authority coverage under any policy of insurance; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors of the City and County of San
12 Francisco directs the Clerk of the Board to transmit copies of this Resolution to Insurance
13 Commissioner Ricardo Lara and the California Department of Insurance, the State
14 Legislature, and the City Lobbyist upon passage with a request to take all action necessary to
15 achieve the objectives of this Resolution.

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