

## Delaware COVID-19 Emergency Order Restricts Normal Operations of Insurers, Lenders, Landlords and Utilities

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Delaware Governor John Carney's most recent emergency order addressing the COVID-19 threat incorporates restrictions on insurers, lenders, utilities and landlords designed to protect residents impacted by the pandemic. These restrictions remain in effect through at least May 15, 2020 or until the public health threat is eliminated.

Pertinent provisions of the order are:

**Insurers:** Absent court order, no insurer may lapse, terminate or cause to be forfeited a policy of insurance for health, life, disability, property, motor vehicle, commercial or business coverage because a covered policyholder does not pay a premium, or interest on a premium, that comes due during the state of emergency. The order defines "covered policyholder" as an individual who lost employment or a business that was required to close or suffered significant business loss because of the COVID-19 crises. The order does not relieve the obligation to pay premiums or satisfy other obligations under the policy.

**Lenders:** Lenders may not charge interest or late fees on residential mortgage payments or initiate foreclosure proceedings during the state of emergency. Pending foreclosure proceedings are stayed until the 31<sup>st</sup> day following termination of the emergency declaration. The order does not relieve the obligation to make mortgage payments or satisfy other obligations under the loan program. Commercial loans are not addressed by the order.

**Landlords:** Landlords may not charge interest or late fees on residential rent that is past due or initiate eviction proceedings during the state of emergency. Pending eviction proceedings are stayed until the 31<sup>st</sup> day following termination of the emergency declaration. Evictions may however be pursued if the continued tenancy will cause or is threatened to cause irreparable harm to person or property. The order does not relieve the obligation to pay rent or satisfy other obligations of the tenancy. Commercial tenancies are not addressed by the order.

**Utilities:** Residential utility providers may not cancel service to a dwelling or charge late fees or interest on payments coming due during the state of emergency. Statutes, rules and regulations are suspended to the extent they are inconsistent with this order. The order does not relieve the obligation to pay utility bills.

If you have any questions or would like additional information, please contact Marc Casarino ([casarinom@whiteandwilliams.com](mailto:casarinom@whiteandwilliams.com); 302.467.4520).

As we continue to monitor the novel coronavirus (COVID-19), White and Williams lawyers are working collaboratively to stay current on developments and counsel clients through the various legal and business issues that may arise across a variety of sectors. Read all of the updates [here](#).

This correspondence should not be construed as legal advice or legal opinion on any specific facts or circumstances. The contents are intended for general informational purposes only and you are urged to consult a lawyer concerning your own situation and legal questions.