

VLP Partner Melissa Krasnow Quoted in the Bloomberg Law Article "Insurance, Regulatory Ripples Likely After Colonial Pipeline Hack"

VLP Partner **Melissa Krasnow** was quoted in the Bloomberg Law Article "Insurance, Regulatory Ripples Likely After Colonial Pipeline Hack."

The article discusses impacts of the Colonial Pipeline ransomware attack.

This ransomware attack is likely to increase costs for cyber insurance and may prompt legislators to push tougher standards for critical infrastructure.

According to Ms. Krasnow: "The impact of the attack is likely going to ripple and drive up the cost of cyber liability insurance across the board...[t]he cost of insurance is going up, and the coverage is less...[t]hat trend is likely going to continue after a large-scale attack like this."

This ransomware attack against Colonial Pipeline isn't the first hit against critical infrastructure, though it is one of the biggest. Bad actors have also targeted water plants, hospitals, municipal governments, and schools in recent years.

Ms. Krasnow said that the Colonial Pipeline incident fits into a broader uptick in ransomware attacks over 2020 and 2021.

According to Ms. Krasnow: "The pressure to pay a ransom and get systems back online may be more acute for critical infrastructure companies that provide services such as oil transportation, water treatment, and energy production."

Ms. Krasnow said that companies facing ransomware attacks must keep in mind guidance from the U.S. Department of the Treasury's Office of Foreign Assets Control which issued an **advisory** in October alerting companies that they risk sanctions if they facilitate ransomware payments with certain actors.

Click [here](#) to read the entire article.