



NATIONAL  
MEETING  
FALL  
2021

# Welcome to the Cannabis Insurance Working Group!

Our meeting will begin shortly  
Dec. 1, 2021



- ✓ Participate via WebEx by clicking JOIN in your Outlook meeting invite
- ✓ All audio will be muted upon entry
- ✓ Unmute yourself to speak
- ✓ Use the "chat" feature for questions, comments or assistance
- ✓ If you have joined by phone, to mute and unmute your line, press\*6
- ✓ For any issues, use Slack Channel # service desk



# NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Date: 11/30/21

## CANNABIS INSURANCE (C) WORKING GROUP

Wednesday, December 1, 2021

12:00 – 1:30 p.m. ET / 11:00 a.m. – 12:30 p.m. CT / 10:00 a.m. – 11:30 a.m. MT / 9:00 a.m. – 10:30 a.m. PT

### ROLL CALL

Ricardo Lara, Chair	California	Gennady Stolyarov	Nevada
Michael Conway, Vice Chair	Colorado	Marlene Caride	New Jersey
Lori K. Wing-Heier	Alaska	Glen Mulready	Oklahoma
Jimmy Harris	Arkansas	Andrew Stolfi	Oregon
Christina Miller	Delaware	Michael Humphreys	Pennsylvania
Angela King	District of Columbia	Elizabeth Kelleher Dwyer	Rhode Island
CJ Metcalf	Illinois	Karla Nuissl	Vermont
Robert Baron	Maryland	Michael Walker	Washington

NAIC Support Staff: Anne Obersteadt/Aaron Brandenburg

### AGENDA

1. Hear a Presentation on Emerging Scientific Issues in the Cannabis Space — *Cinnamon Bidwell, Ph.D. (University of Colorado)* Attachment 1
2. Hear a Presentation on the Integration of Adult-Use and Medical Cannabis Operations — *Gillian Schauer Ph.D., MPH (CANN-RA)* Attachment 2
3. Consider Adoption of its Oct. 21, 2021, Minutes—*Commissioner Ricardo Lara (CA)* Attachment 3
4. Hear an Update on the Drafting of the *Understanding the Market for Cannabis Insurance White Paper Appendix*—*Commissioner Ricardo Lara (CA)*
5. Discuss the Potential to Collaborate with the Producer Licensing (D) Task Force —*Commissioner Ricardo Lara (CA)*
6. Any Other Matters—*Commissioner Ricardo Lara (CA)*

[CannabisAgenda.docx](#)

# Hear a Presentation on Emerging Scientific Issues in the Cannabis Space

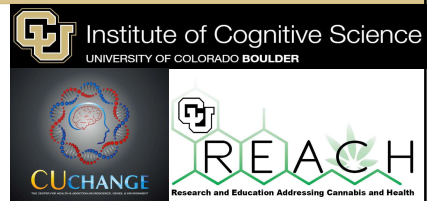
— *Cinnamon Bidwell, Ph.D. (University of Colorado)*

Attachment 1



# Understanding Cannabis on the Legal Market: Cannabinoids and Potency

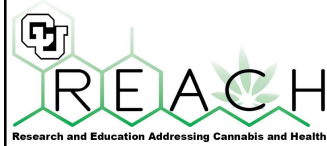
L. Cinnamon Bidwell, Ph.D.  
University of Colorado Boulder



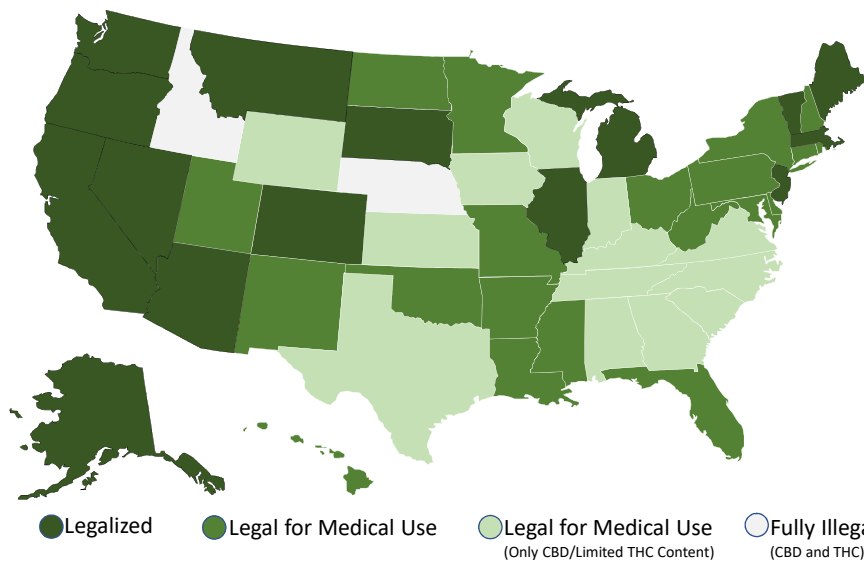


## Funding Disclosure & Conflict of Interest Statement

Dr. Bidwell does not have any conflict of interest to declare.



### 2021 - Cannabis legality by state



## Limited Relevance of Prior Literature

Legal Market Cannabis



Government Grown Cannabis



Bidwell et al, 2013, *Journal of Studies on Alcohol and Drugs*

# Limited Relevance of Prior Literature

Legal Market Cannabis

Government Grown Cannabis



- Early evidence suggests that government-grown cannabis has the psychiatric and cognitive risks

## Cannabis is more than one thing

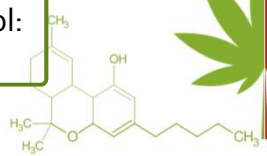
- Diversity of reported effects
  - From euphoria to paranoia
- Consists of 100+ compounds: cannabinoids & terpenes
  - Studies focus primarily on one component,  $\Delta^9$ -tetrahydrocannabinol (THC)
- Variation in potencies across strains
  - Unlike other drugs (ethanol & cocaine)



## Cannabis is more than one thing – THC and CBD

### THC

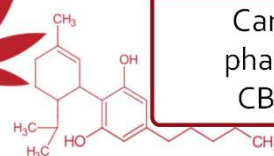
$\Delta$ 9-tetrahydrocannabinol:  
CB<sub>1</sub>/CB<sub>2</sub> receptor agonist



- Dose-dependent drug effects
- May increase anxiety
- Has pro- and anti-inflammatory and pain relieving properties

### CBD

Cannabidiol: Diffuse  
pharmacology; partial  
CB<sub>1</sub>/CB<sub>2</sub> antagonist



- Non-intoxicating
- May reduce anxiety
- Strong anti-inflammatory properties

## Limited Relevance of Prior Literature

- Constantly changing landscape of legality and products
- Minor THC-like cannabinoids can be synthesized from legal hemp/CBD

EXPLORE **InStyle**

HOME > BEAUTY > HEALTH & FITNESS

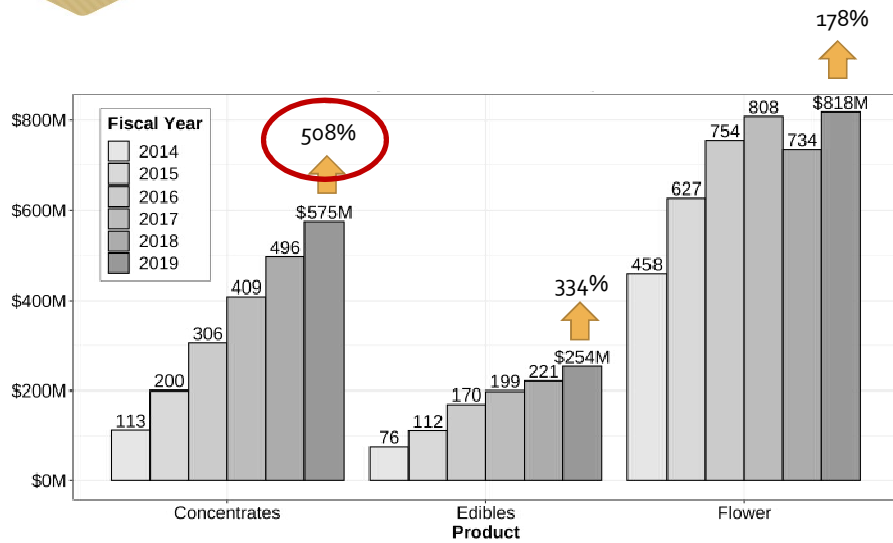
### Everything You Need to Know About the Buzzy New "Light" Weed

The super-popular Delta-8 THC is like two glasses of wine and a warm blanket.

By **Dominique Michelle Astorino** | May 14, 2021 @ 2:13 pm



### Shift to new and more potent products



State of Colorado, Marijuana Enforcement Division, 2020



## Shift to new and more potent products



### Cannabis Concentrates

- Extracted highly potent THC oils
  - 65% to 95% THC and CBD
- Associated with increased health risks over and above frequent use

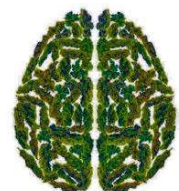
Bidwell et al, *Addictive Behavior Rep*, 2018

## Cannabis, Health, & Harm-Reduction Research Program

- Need for public health relevant research on the potential harms and medical benefits of commercially available cannabis products
- Test the impact of real world potencies and cannabinoids on measures relevant to psychology, biomedicine, and public health
  - Intoxication and abuse
  - Psychomotor and cognitive impairment
  - Psychological and physical health symptoms



Rigorous federally compliant designs that enable research on commercially available cannabis products



## Observational Research via Mobile Laboratory



- Originally funded by NIH/NIDA DA039707; PI Hutchison
- ACED: Acute Cognitive Effects of Dabbing funded by the Colorado Marijuana Research Program; PI Bidwell
  - Acute effects of "dabbing" inhaled concentrated THC
  - CU Boulder IRB approved research



## Study Design



**COLORADO**  
Department of Public  
Health & Environment

### Baseline

- 75 regular users  
(age ~28; used 17 of last 30 days)
- Comprehensive health assessment
- *Randomly assigned* to concentrate that they purchase themselves

### Purchase of Assigned Product (A or B)

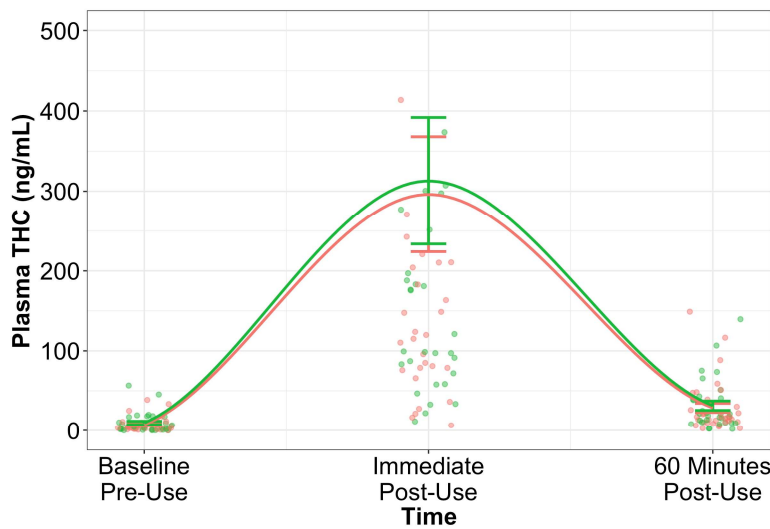
**Dabbing/concentrates:**  
70% or 90% THC →  
concentrated hash oil

### Mobile Lab

- At home self-administration
- THC biomarkers, intoxication, & impairment
- Assessed before use, immediately after, and one hour later



# THC Exposure in Cannabis Concentrates



\*Significant quadratic effect ( $p < .001$ )

**Product**

90% THC Concentrate (n = 37)

70% THC Concentrate (n = 37)

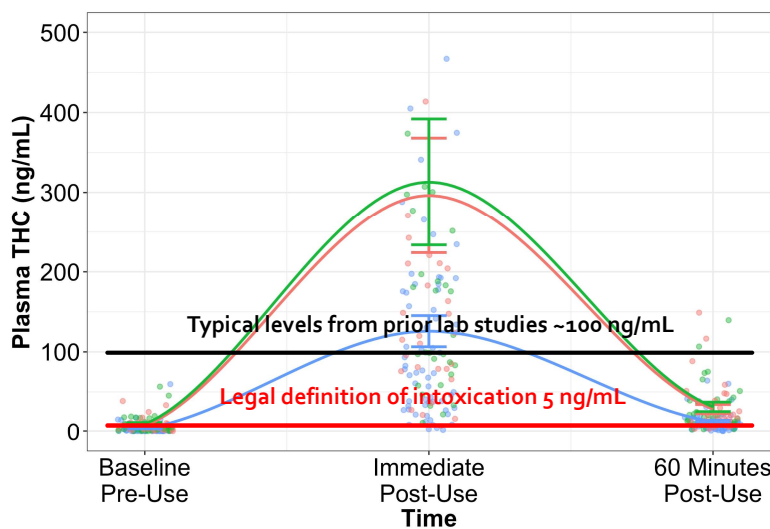


Bidwell et al, 2020, *JAMA Psychiatry*

# THC Exposure in Cannabis Concentrates



COLORADO  
Department of Public  
Health & Environment



\*Flower < Concentrate ( $p < .001$ )

### Product

- 90% THC Concentrate (n = 37)
- 70% THC Concentrate (n = 37)
- ~20% THC Flower (n = 67)



Bidwell et al, 2020, *JAMA Psychiatry*

## Pause for a minute....



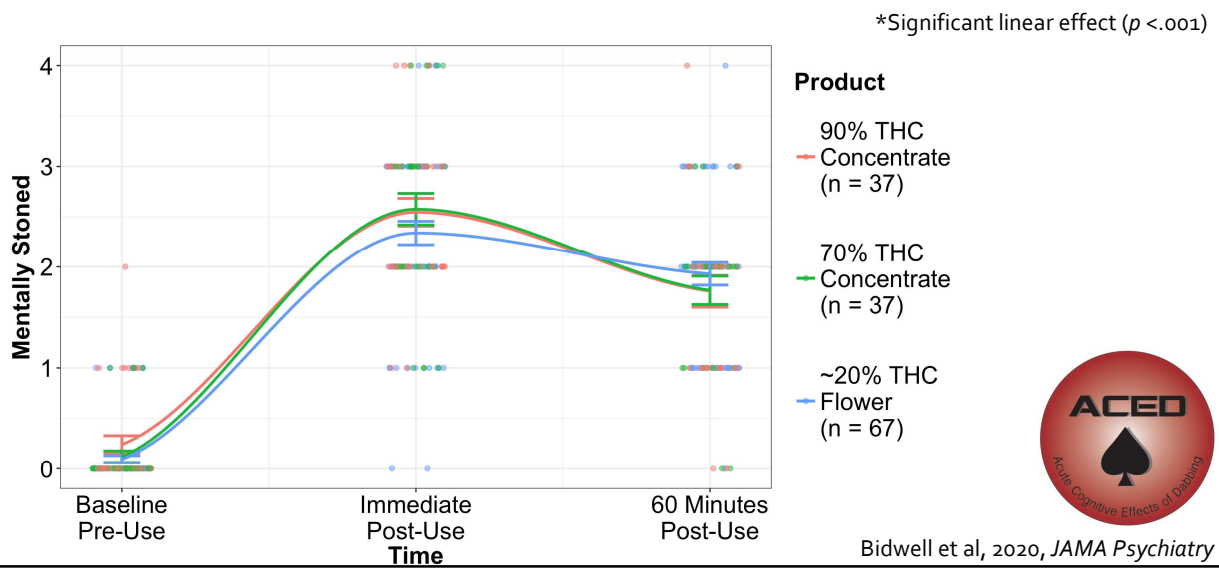
**COLORADO**  
Department of Public  
Health & Environment

- Plasma THC concentrations are 3x as high as what is typically seen in the literature and with flower users
- Plasma concentrations 60 times the legal definition of intoxication (5 ng/mL)
- What do you expect to see in terms of subjective ratings of intoxication and objective measures of cognitive and psychomotor impairment?



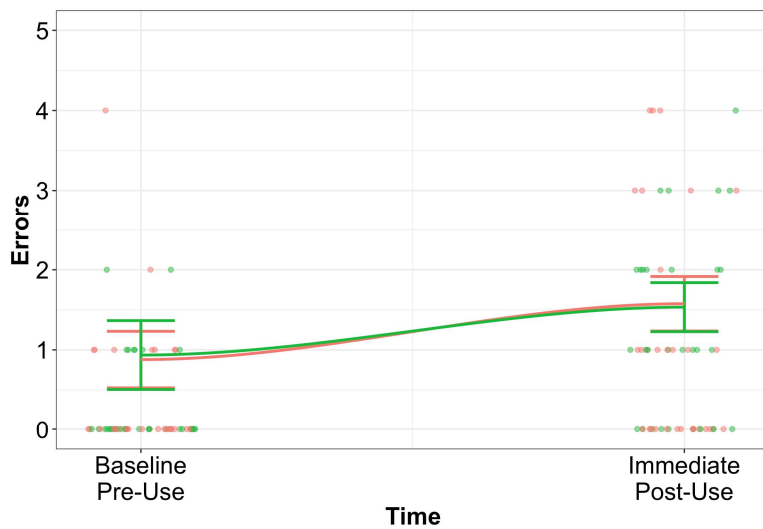
Bidwell et al, 2020, *JAMA Psychiatry*

# Cannabis Concentrates - Drug Intoxication





# Cannabis Concentrates – Memory Impairment



\*Significant acute effect ( $p < .001$ )

**Product**

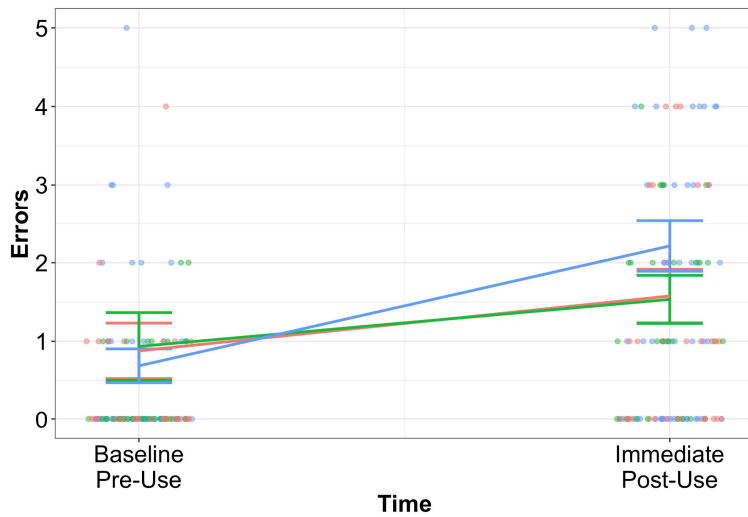
90% THC Concentrate (n = 37)

70% THC Concentrate (n = 37)



Bidwell et al, 2020, *JAMA Psychiatry*

# Cannabis Concentrates – Memory Impairment



\*Flower > Concentrate ( $p < .01$ )

### Product

90% THC Concentrate (n = 37)

70% THC Concentrate (n = 37)

~20% THC Flower (n = 67)



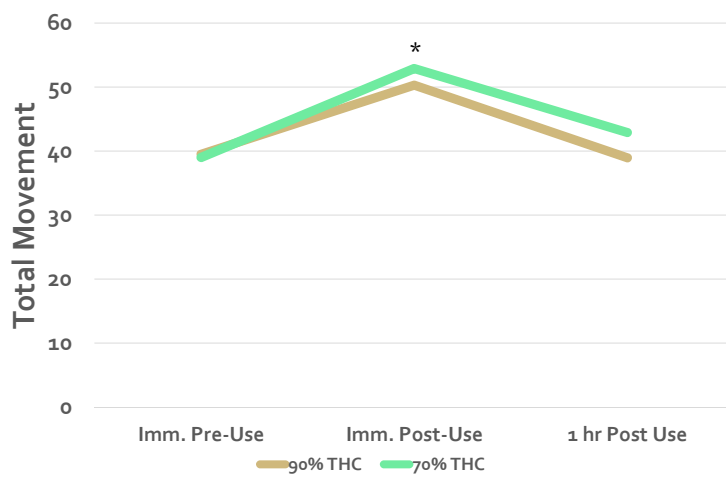
Bidwell et al, 2020, JAMA Psychiatry

## Are people getting more intoxicated with high potency concentrates?

- THC blood levels are highly variable and higher than previously reported in the literature
- Subjective high and cognitive measures do not show potency effects
- Whether or not high potency products produce vastly different acute effects
  - Follow up needed on higher THC exposure
  - Long term clinical and neurobehavioral consequences of concentrate use

Bidwell et al, 2020, *JAMA Psychiatry*

# Cannabis Concentrates - Postural Stability & Balance



iPod Touch firmly attached over the greater trochanter.



\*Significant quadratic effects of time ( $p < .001$ )

Karoly et al, 2020, *Cannabis and Cannabinoid Research*

## Summary of Cannabis Concentrates Study



- Broadly suggest higher THC exposure, but not vastly different acute effects in concentrate users

## Summary of Cannabis Concentrates Study



- We detected impaired balance immediately after concentrate use, that recovered 1 hour later
- Holds promise for public safety applications for detection of acute use/impairment



## Cannabis, Health, & Harm-Reduction Research Summary

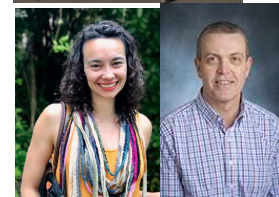
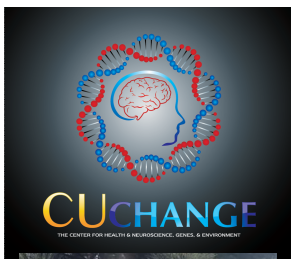
- Novel research approaches are viable and critical in order to provide relevant data on the *risks* and *benefits* of cannabis in today's rapidly changing world



Guide policy and individual decisions to promote less harmful and safer use

Thank you for your attention!

[lcb@colorado.edu](mailto:lcb@colorado.edu)





# Hear a Presentation on the Integration of Adult-Use and Medical Cannabis Operations

— *Gillian Schauer Ph.D., MPH (CANN-RA)*

Attachment 2



# Cannabis Policy and Regulation: Opportunities and Trends in State Policy

Gillian Schauer, PhD, MPH  
Executive Director  
Cannabis Regulators Association (CANNRA)

*Presented to:*  
*The NAIC Cannabis Insurance Working Group*  
*December 1, 2021*

# Brief Overview of CANNRA

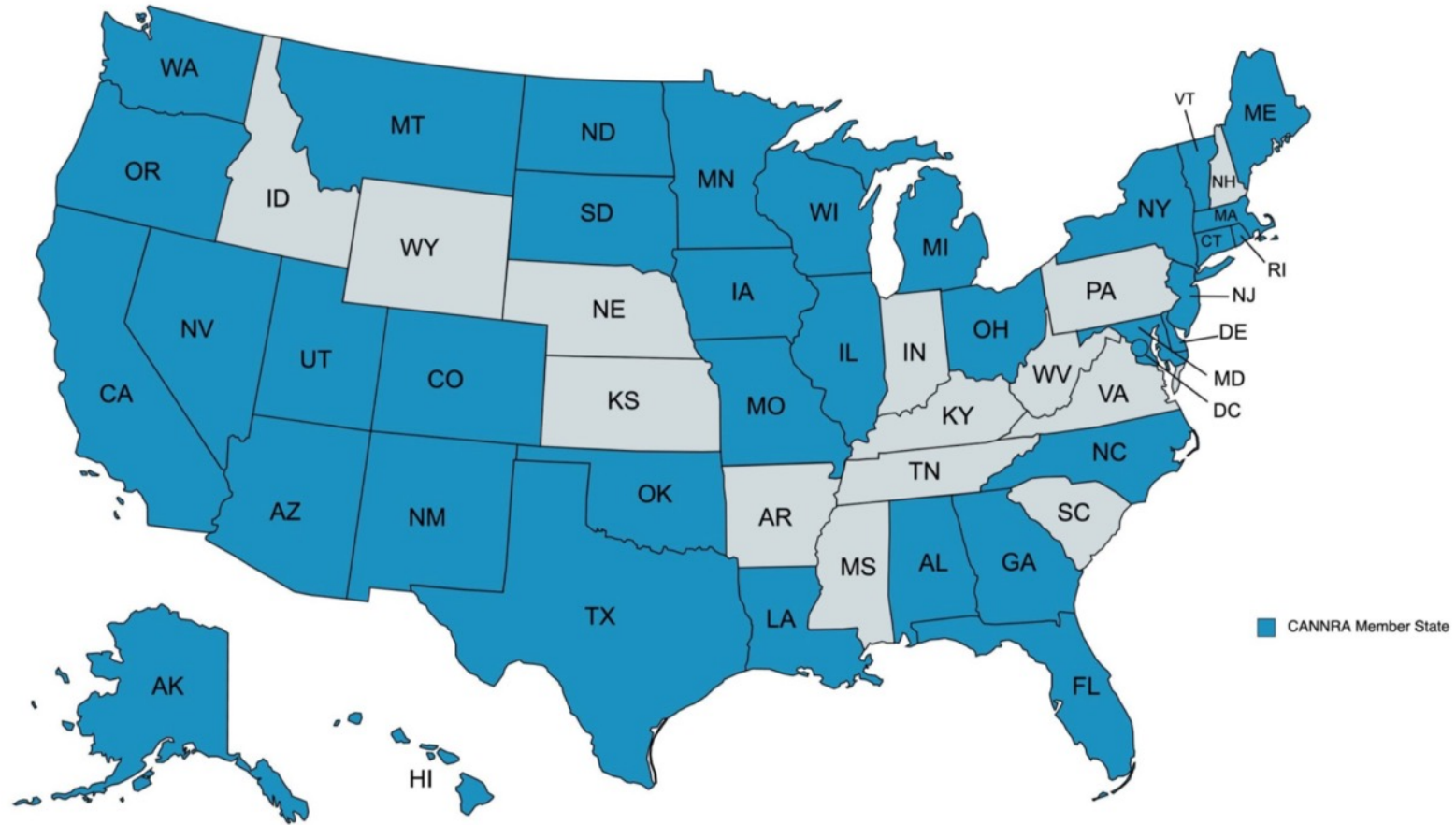


- A **national non-profit organization of cannabis regulators** from 37 states and territories.
- Not an advocacy group; **takes no formal position for or against cannabis legalization.**
- Mission to **equip policy makers with unbiased information** from the front lines of cannabis legalization. To identify and share best practices that safeguard public health and consumer safety, promote equity, and promote regulatory certainty for industry participants.
- Funded by member agencies. No industry or advocacy group membership or funding.
- An affiliate of the Council of State Governments (CSG).

[www.cann-ra.org](http://www.cann-ra.org)

# CANNRA

Cannabis Regulators Association



[www.cann-ra.org](http://www.cann-ra.org)

# Disclosures and Disclaimers

I do not have anything to disclose.

**The findings and conclusions in this presentation are my own and do not necessarily represent an official position of CANNRA or of any of the state agencies with whom I work.**

# Agenda

- Underlying Regulatory Landscape
- Policy Trends in States:
- Novel Cannabinoids and Hemp-Derived Products
- Possible Federal Legalization
- Conclusions



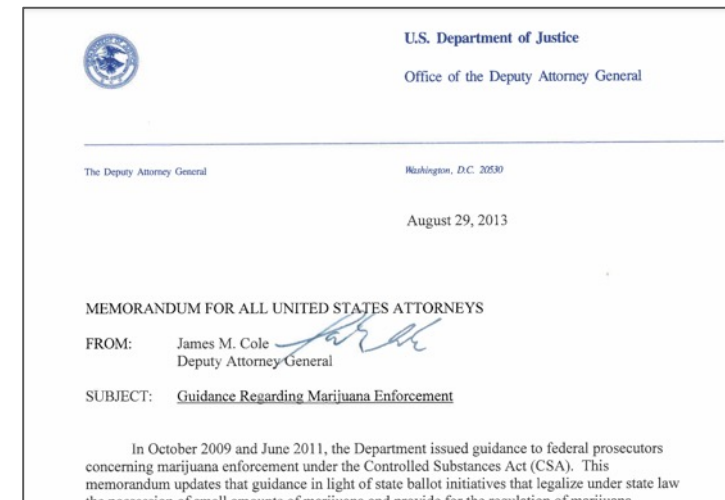
# Timeline of Adult Use Cannabis Legalization, by State

State	Year adult use legalization passed	Ballot measure (% support) OR legislative passage	Date retail marketplace opened (opens)
CO	2012	Ballot measure (55%)	January 2014
WA	2012	Ballot measure (56%)	July 2014
OR	2014	Ballot measure (56%)	October 2015 (through medical dispensaries)
AK	2014	Ballot measure (53%)	October 2016
DC	2014	Ballot measure (65%)	No retail marketplace approved
CA	2016	Ballot measure (56%)	January 2018
ME	2016	Ballot measure (50%)	October 2020 (through medical dispensaries)
MA	2016	Ballot measure (54%)	November 2018
NV	2016	Ballot measure (54%)	July 2017 (through medical dispensaries)
VT	2018	Legislative	Expected 2022
MI	2018	Ballot measure (56%)	December 2019
IL	2019	Legislative	January 2020 (through medical dispensaries)
AZ	2020	Ballot measure (60%)	January 2021 (through medical dispensaries)
MT	2020	Ballot measure (57%)	Expected 2022
NJ	2020	Ballot measure (67%)	Expected 2022
SD	2020	Ballot measure (54%)	Legalization overturned by legal challenge
NY	2021	Legislative	Expected 2022 (or later)
VA	2021	Legislative	Expected 2024
NM	2021	Legislative	Expected April, 2022
CT	2021	Legislative	Expected 2022



# Cannabis Legalization 2.0 (and beyond)

- Change to how policy is being made.
- Broader focus than Cole Memo era
- Increased focus on:
  - Social equity and restorative justice
  - Public health and safety
  - Increased parity in regulations across cannabis (medical, adult use, hemp)



Outbreak of Lung Injury Associated with the Use of E-Cigarette, or Vaping, Products

## THE DENVER POST

Despite legalization, people of color still disproportionately targeted for marijuana, new studies say

Researchers analyzed different sets of police data and found people of color were more likely to be searched and arrested

## Forbes

How Hemp And The Farm Bill May Change Life As You Know It

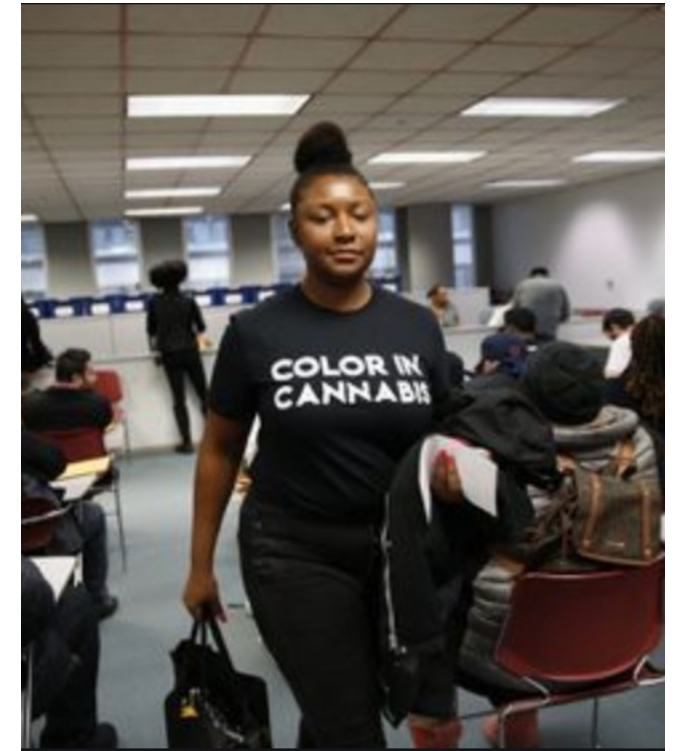
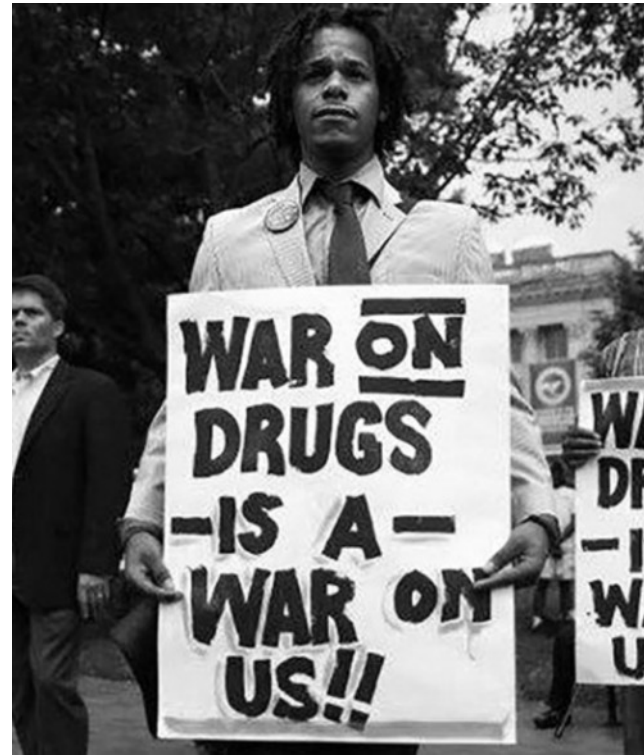
## The Washington Post

Democracy Dies in Darkness

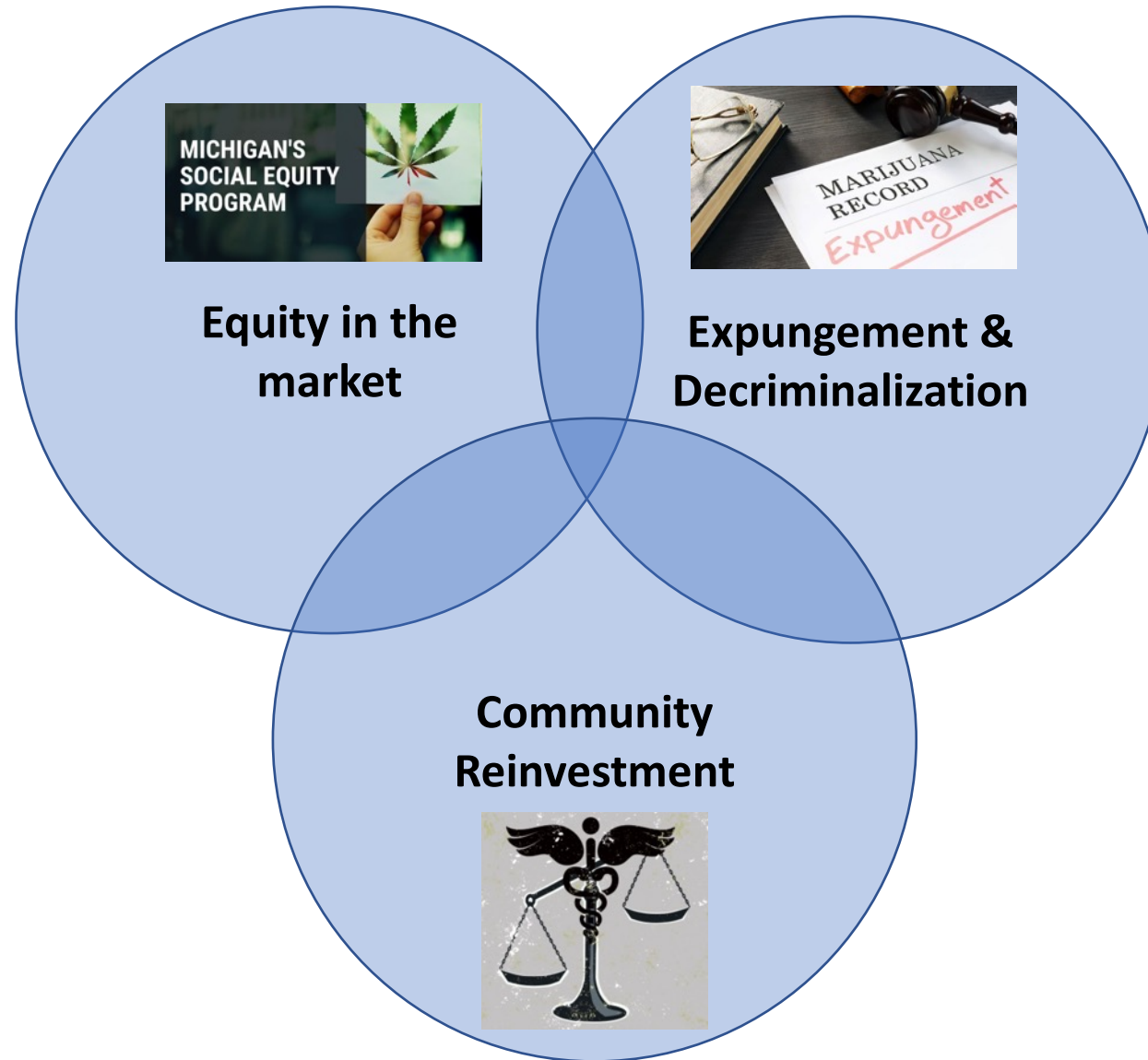
Health

As more states legalize marijuana, more children accidentally ingest THC-laced edibles

Emphasis on equity and restorative justice



# Emphasis on equity and restorative justice





# Emphasis on public health and safety



What do you want to pass on?  
Your smile?  
Your sense of humor?  
THC from marijuana?

There is no known safe amount of marijuana to use while pregnant or breastfeeding. Learn how THC from retail marijuana could be passed to your baby.

**RESPONSIBILITY**  
— Grows Here —

Visit [ResponsibilityGrowsHere.com](http://ResponsibilityGrowsHere.com) to learn more.

A photograph of a woman with dark hair holding a sleeping baby. The woman is looking down at the baby with a gentle expression. The baby is wearing a light-colored onesie.

**TALK TO KIDS  
ABOUT MARIJUANA.**

[LEARN MORE](#)

**RESPONSIBILITY**  
— Grows Here —

# Youth Prevention

**GOOD TO KNOW**

WITH THOSE UNDER 21,  
*be aware,*  
**IT'S ILLEGAL  
TO GIVE OR SHARE**

Help protect youth and prevent underage marijuana use.

**YOU CAN**

MARIJUANA CAN'T  
MAKE THOSE MORNING WORKOUTS

THEM SAYING "NO" STARTS WITH YOU SAYING SOMETHING

AS LONG AS YOU'RE DOING IT, YOU'RE DOING IT RIGHT

ESTABLISH CLEAR RULES

**ROLE-PLAY HOW TO SAY 'NO'**

**GOOD TO KNOW**

# Consumer Safety

Leah Levinton, Anchorage  
Shop Owner

**RESPONSIBILITY**

**WORDS OF WISDOM,  
COURTESY OF MEG**

Say hello to Meg, Colorado's trusted budtender. She's here to educate adults 21+ on marijuana laws, its effects, and how to use it responsibly. Make sure you play by these rules each and every time you use.

Watch the Video

**START LOW.  
GO SLOW.**

WHAT YOU NEED TO KNOW ABOUT MARIJUANA EDIBLES.

POTENCY VARIES FROM PRODUCT TO PRODUCT, SO START WITH A SMALL AMOUNT.

SINGLE SERVING SIZES OF PURCHASED EDIBLES HAVE UP TO 5 MILLIGRAMS OF THC.

THE EFFECTS CAN BE DELAYED UP TO TWO HOURS, AND LAST TWO HOURS OR MORE.

EDIBLES AFFECT EVERYONE DIFFERENTLY. START WITH A SMALL AMOUNT. WAIT BEFORE TRYING MORE.

SERVING SIZES VARY BY PRODUCT. READ PACKAGE LABELS AND PAY ATTENTION TO SCORE MARKS ON EDIBLES.

STAY SAFE. KNOW YOUR LIMITS.

Learn more about marijuana in Alaska.  
marijuana.alaska.gov

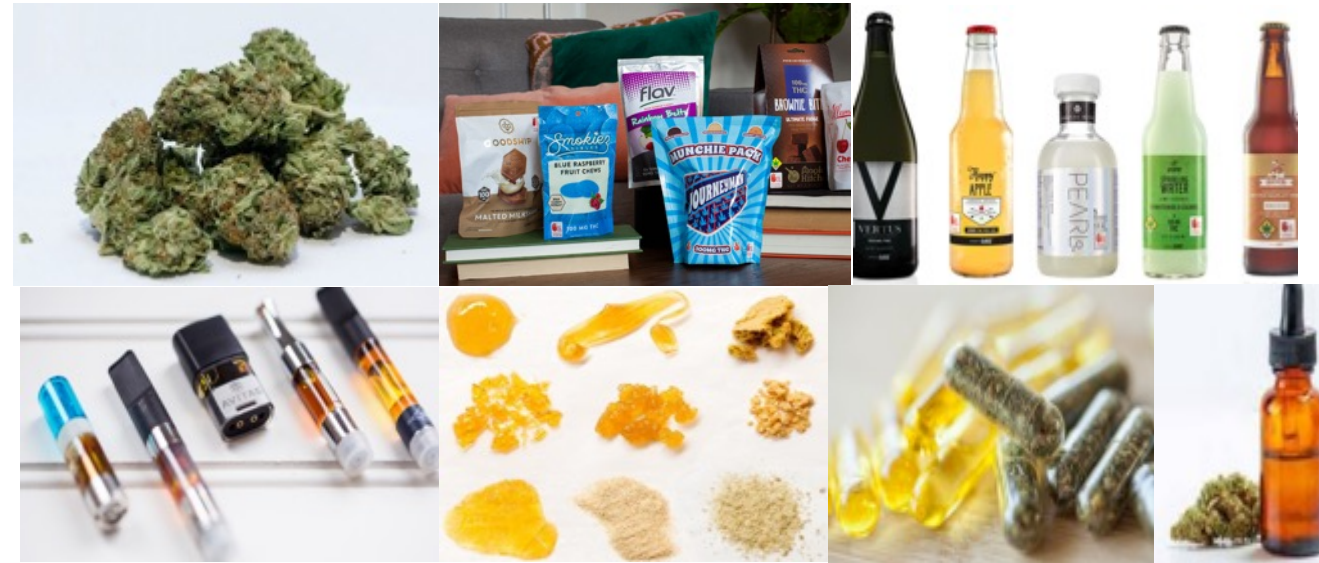
Find us on



# What's legal?

Amount

Type of products



Homegrow



# Packaging and Labeling

## Increased focus on:

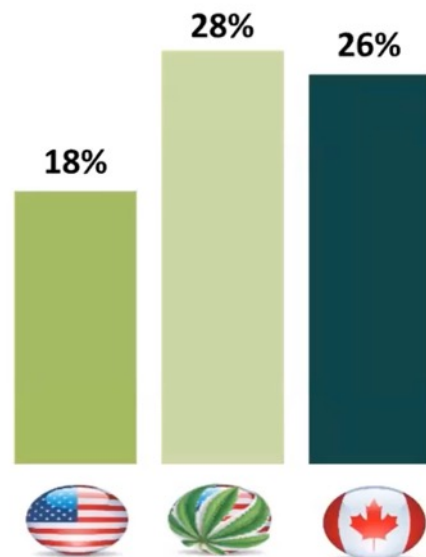
- Plain, uniform, opaque packaging
- Universal symbol (on all products)
- Inclusion of a poison center phone number and/or a drug information website
- Labeling for total THC (vs. D9 only)
- Challenges:
  - Packaging that still appeals to kids
  - Small packaging
  - Effectively reaching consumers with essential information



# Consumer Awareness & Knowledge

**Do you know the amount/number of THC or CBD of the dried herb you used last?**

**% 'YES';** DRIED HERB USERS (N=9,796)



**What are the THC and CBD levels in the DRIED HERB you usually use?**

UNIVERSE: DRIED HERB USERS WHO REPORTED KNOWING THC (N=447) AND CBD (N=395)

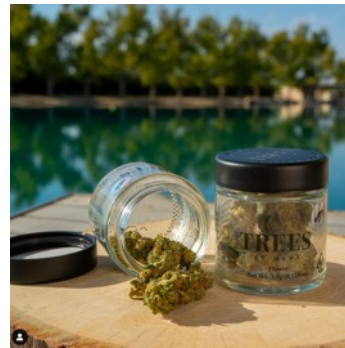




# Advertising

## Increased focus on:

- Audience restrictions (to prevent youth exposure)
- Limitations (or bans) on advertising in certain outlets
- Restrictions on ad content
- Warnings on advertisements
- Challenges:
  - Social media advertising
  - Third-party advertising



# Protecting Consumer Safety Post-EVALI

## Increased focus on:

- More regulatory authority over additives and excipients to prevent future safety issues:
  - Bans and authority to ban potentially harmful additives
  - Focus on pharmaceutical grade and/or FDA approved for intended method of use
- More regulatory authority over vaping devices:
  - Temperature controls
  - Heating elements made of inert materials
- Improved approaches to facilitate recall processes
- Challenges:
  - Lacking safety profiles on additives
  - Emerging policies on cannabis concentrates
  - Separate marketplace for hemp





# How are products tested?

- Testing by third party labs in all states.
- Reference labs are uncommon, but increasing.
- Typically batch testing; some finished product testing for some products.
- Sampling procedures vary.
- Contaminant testing varies (especially with regard to mycotoxin, heavy metals).
- Several groups, including CANNRA, working on standards.
- Federal engagement would be helpful.



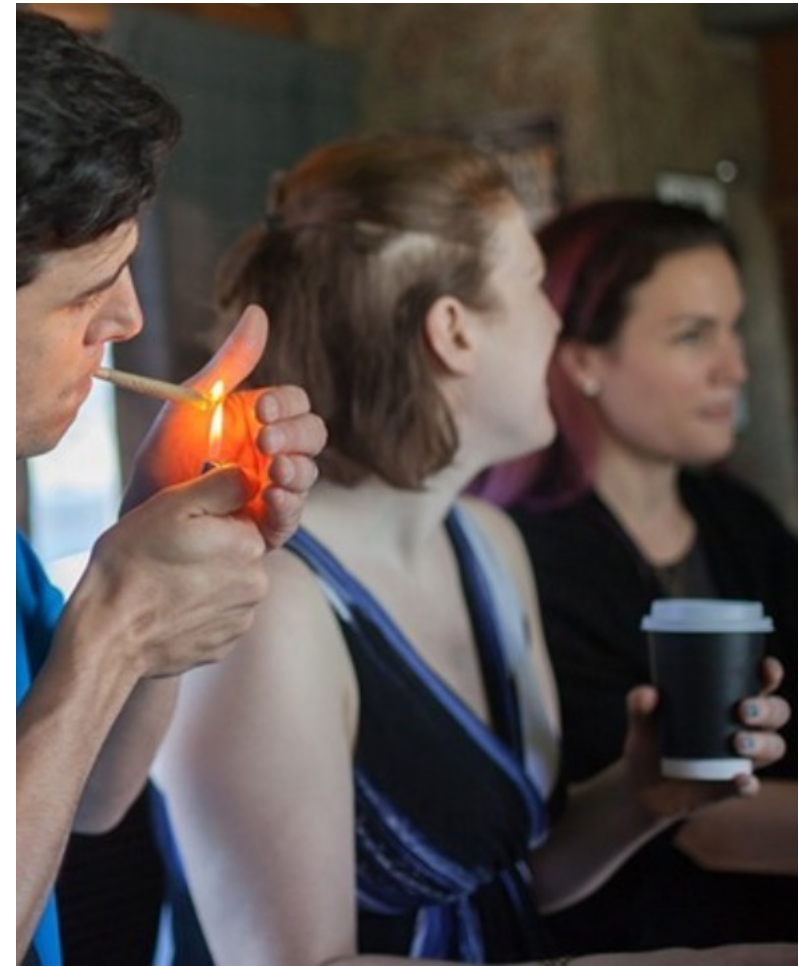
Where are people allowed to consume the products?

Public and social consumption prohibited: ME, OR, WA

Allowed if locals allow (no state license): CA, IL

Allowed with statewide licensing (local approval needed): AK, CO, MI, NV

Allowed but currently in violation of state law: MA





# THC isomers and Novel Cannabinoids

Q Send a Tip

## Rolling Stone


Menu Music TV Movies Politics Culture Charts Pro

HOME > CULTURE > CULTURE FEATURES JANUARY 16, 2021 9:00AM ET

### How Some THC Is Legal — For Now

Delta-8-THC — a less-potent cousin of famed Delta-9-THC — is legal enough to sell in most states. But how does it work? And will the DEA shut it down?

By [SETH KING](#)



# THC isomers and Novel Cannabinoids

## Consumer Safety concerns:

- Not subjected to the same packaging, labeling requirements
- Not subjected to the same testing requirements
  - Some new cannabinoid products have no data from use in humans
  - Potentially dangerous manufacturing
  - Unknown byproducts
- Widely available in retail outlets and online → widely available to youth
- May undermine adult use markets





# Increases in Availability of Cannabis Products Containing Delta-8 THC and Reported Cases of Adverse Events



Distributed via the CDC Health Alert Network  
September 14, 2021, 10:00 AM ET  
CDCHAN-00451

## Summary

The purpose of this Health Alert Network (HAN) Health Advisory is to alert public health departments, healthcare professionals, first responders, poison control centers, laboratories, and the public to the increased availability of cannabis products containing delta-8 tetrahydrocannabinol (THC) and the potential for adverse events due to insufficient labeling of products containing THC and cannabidiol (CBD).

## Background

Marijuana, which can also be called weed, pot, or dope, refers to all parts of the plant *Cannabis sativa L.*, including flower, seeds, and extracts with more than 0.3% delta-9 tetrahydrocannabinol (THC) by dry weight. Any part of the cannabis plant containing 0.3% or less THC by dry weight is defined as hemp.<sup>1</sup> The cannabis plant contains more than 100 cannabinoids, including THC, which is psychoactive (i.e., impairing or mind-altering) and causes a “high”.<sup>2</sup> CBD is another active cannabinoid found in the cannabis plant that is not psychoactive and does not cause a “high”.

# Possible Federal Legalization





# What are some public health and state-based considerations for potential federal legalization?



September 23, 2021

The Honorable Chuck Schumer  
Majority Leader  
United States Senate  
Room S-221, The Capitol  
Washington, DC 20510

The Honorable Cory Booker  
United States Senator for New Jersey  
717 Hart Senate Office Building  
Washington, DC 20510

The Honorable Ron Wyden  
United States Senator for Oregon  
221 Dirksen Senate Office  
Building  
Washington, DC 20510

Re: Request for Comment on the Cannabis Administration and Opportunity Act

Dear Majority Leader Schumer, Senator Booker, and Senator Wyden,

The Cannabis Regulators Association (CANNRA) represents cannabis regulatory agencies from 35 states and territories, bringing unparalleled regulatory and policy expertise that is a necessary component of any conversation on federal cannabis policy reform. While this is a burgeoning and novel topic in the federal policy arena, states have been developing and implementing cannabis policy for over two decades. As current cannabis regulators, we have a unique voice on this issue that cannot be replicated.

The issues raised in the Cannabis Administration and Opportunity Act (CAOA) are ones we as regulators have thought about extensively in our own states and territories. State regulators have come together through Special Committees within CANNRA to work on cannabis regulatory issues that are germane to the CAOAs discussion draft, including federal policy and its potential implication on state regulatory frameworks, finance and taxation, social and economic equity, testing and product safety, packaging and labeling, public health and data monitoring, research, and medical use. Additionally, CANNRA members work with a broad community of state and local regulatory offices, public health officials, law enforcement agencies, financial agencies, consumer protection agencies, research institutions, and other supporting regulatory partners to help stakeholders find objective data and evidence-based approaches to policymaking and implementation. Based on our extensive experience as cannabis regulators, CANNRA has five overarching comments on the CAOAs discussion draft:

1. **Federal regulators should set a floor, not a ceiling.** States need to be allowed to continue to be responsive to urgent regulatory needs to protect public health and safety, promote equity, and protect markets in each state. The cannabis industry is dynamic and products evolve rapidly. To date, states have been at the forefront of regulating emerging issues in a timely manner that is responsive to regulatory situations that arise in each state. Federal regulation should not hinder this critical state regulatory role.
2. **Minimum standards are needed for lab testing, ingredients and additives, packaging, and labeling.** In the absence of federal engagement, states have had to: develop their own standards, methods, and thresholds for testing cannabis; create their own approaches for reviewing and evaluating the safety of new product additives; and develop their own approaches to packaging and labeling to inform consumers and prevent accidental and over consumption. Federal minimum standards that build on existing standards that states have set are needed to support consumer education, consumer safety, and state regulation of cannabis.
3. **Data monitoring and research are paramount to inform policymaking and should be resourced and prioritized.** The current federal approach has put the onus on states to collect data on the

- Federal regulation should set a floor, not a ceiling.
- Protecting consumer safety and promoting equity should be priorities.
- Minimum standards are needed for lab testing, ingredients and additives, packaging, and labeling.
- Data monitoring and research are paramount to inform policymaking and should be resourced and prioritized.
- Revenue generation from cannabis taxes should be reserved to states, with investments in regulation and implementation, research and data monitoring, and initiatives to promote equity.
- More concordance is urgently needed between hemp and cannabis regulation.

Thank you!

[Gillian.Schauer@cann-ra.org](mailto:Gillian.Schauer@cann-ra.org)

# **Questions & Answers**

# Consider Adoption of its Oct. 21, 2021, Minutes

—*Commissioner Ricardo Lara (CA)*

Attachment 3



Draft: 10/27/21

Cannabis Insurance (C) Working Group  
Virtual Meeting  
October 21, 2021

The Cannabis Insurance (C) Working Group of the Property and Casualty Insurance (C) Committee met Oct. 21, 2021. The following Working Group members participated: Ricardo Lara, Chair, represented by Melerie Michael and Camilo Pizarro (CA); Michael Conway, Vice Chair, represented by Peg Brown and Bobbie Baca (CO); Jimmy Harris (AR); Christina Miller (DE); C.J. Metcalf and July Mottar (IL); Marlene Caride represented by Randall Currier (NJ); Gennady Stolyarov (NV); Cuc Nguyen (OK); Elizabeth Kelleher Dwyer (RI); Karla Nuissl (VT); and Michael Walker (WA).

1. Adopted its May 27 and Summer National Meeting Minutes

The Working Group met May 27 as well as July 19 and July 27 in lieu of the Summer National Meeting. During its May 27 meeting, the Working Group took the following action: 1) adopted its April 27 Minutes; 2) discussed sending a memo to the Government Relations (EX) Leadership Council recommending that it consider supporting the Secure and Fair Enforcement (SAFE) Banking Act of 2019 (H.R. 1996/S. 910) and the Clarifying Law Around Insurance of Marijuana (CLAIM) Act (H.R. 2068/S. 862); 3) discussed the draft agenda for its hearing on market barriers for cannabis insurance; and 4) discussed objectives for the appendix to the *Understanding the Market for Cannabis Insurance* white paper. During its July 19 and July 27 meetings, the Working Group held its hearing on market barriers for cannabis insurance.

Ms. Brown made a motion, seconded by Mr. Harris, to adopt the Working Group's May 27 (Attachment **XX**) and July 19 and July 27 (*see NAIC Proceedings – Summer 2021, Property and Casualty Insurance (C) Committee, Attachments Two*) minutes. The motion passed unanimously.

2. Discussed the Draft Outline for the *Understanding the Market for Cannabis Insurance* White Paper Appendix

Ms. Michael said the appendix to the *Understanding the Market for Cannabis Insurance* white paper will provide an update on the regulatory issues related to insurance in the cannabis industry that have occurred since the white paper's adoption in July 2019. The working outline discussed on the drafting group's first call on Sept. 22 parallels the agenda from the Working Group's two-day hearing. It begins by summarizing the hearing and its findings. The outline then moves to providing an overview of the geographical expansion of states legalizing cannabis and the current federal bills. The cannabis business regulatory and licensing framework, market segments and players, insurance product availability, actual and perceived risks, policy forms, and product availability and affordability are discussed next. The barriers to coverage availability and affordability section will cover coverage obstacles, challenges, gaps, coverage risks, and alternative arrangements. The next steps section will discuss the role of the state insurance regulator in helping the admitted market evolve and emerging issues. The drafting group proposes adding additional research into public versus private sector implications, jurisdictional differences, and cannabidiol (CBD) issues to the appendix content. The current drafting members include California, Colorado, Oregon, and Washington.

Ms. Nuissl and Mr. Metcalf offered to join the drafting group to provide feedback and insights on the content.

Ms. Michael asked that feedback on the working outline or additional offers to join the drafting group be sent to NAIC staff.

3. Discussed the Drafting Timeline for the *Understanding the Market for Cannabis Insurance* White Paper Appendix

Ms. Michael said given the length of the appendix outline, the drafting should be completed by or before the 2022 Summer National Meeting. However, the target timeline is to complete the first draft in December, complete the final draft in January 2022, and adopt the appendix at the 2022 Spring National Meeting.

4. Discussed its 2022 Proposed Charges

Ms. Michael said the Working Group should request that the Property and Casualty Insurance (C) Committee remove the charge to "[c]ollect aggregated insurance availability and coverage gap information...to then publicly share in a released report by the end of 2021." The Working Group decided at the beginning of 2021 that reliable data for this charge was not available.

Ms. Michael also recommended that the Working Group propose charges to develop an appendix by the 2022 Summer National Meeting and collaborate with the Producer Licensing (D) Task Force on equity concerns, which includes drafting a memo requesting that the Task Force look into potential related issues. Both of these are work products that the Working Group initiated in 2021 but will be continued into 2022.

Mr. Metcalf said he is comfortable with the 2022 proposed charges. Mr. Walker said he supports the additional charges and the timeline of drafting the appendix by the 2022 Summer National Meeting.

Ms. Brown made a motion, seconded by Mr. Metcalf, for a vote of consensus on requesting the Property and Casualty Insurance (C) Committee revision to the Working Group's 2022 proposed charges. The motion passed unanimously.

5. Discussed Other Matters

Ms. Michael said the Working Group will be meeting on Dec. 13 at the Fall National Meeting in San Diego, CA.

Ms. Brown said she would send NAIC staff the agenda for the Business Insurance Cannabis Conference on Oct. 13–14, 2021, to share with the Working Group as it considers additional presenters to invite to the Fall National Meeting. The National Cannabis Industry Association (NCIA) and Cannabis Regulators Association (CANNRA) have had leadership changes that the Working Group may want to apprise itself of.

Having no further business, the Cannabis Insurance (C) Working Group adjourned.

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**Hear an Update on the Drafting of the  
*Understanding the Market for Cannabis  
Insurance White Paper Appendix***

**—*Commissioner Ricardo Lara (CA)***



# Discuss the Potential to Collaborate with the Producer Licensing (D) Task Force

—*Commissioner Ricardo Lara (CA)*





# Any Other Matters

