

OUR MEETING WILL BEGIN SHORTLY

# WELCOME TO THE CANNABIS INSURANCE (C) WORKING GROUP

Dec. 19, 2023

## VIRTUAL ATTENDEES

- Audio will be muted upon entry
- If virtual attendees would like to speak, please use the "Raise Hand" feature and we will let the Chair know you'd like to speak
- Enter with video on or off (your choice)
- Use the "Chat" feature for questions, comments, or assistance
- If you have joined by phone, to mute and unmute your line, press \*6
- For additional help, please contact NAIC Technical Support team at [help@naic.org](mailto:help@naic.org) or call (816) 783-8500



## NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Date: 11/7/23

*Virtual Interim Meeting*

### **CANNABIS INSURANCE (C) WORKING GROUP**

Tuesday, Dec. 19, 2023

1– 2 p.m. ET / 12– 1 p.m. CT / 11 a.m. – 12 p.m. MT / 10 – 11 a.m. PT

### **ROLL CALL**

Ricardo Lara, Chair	California	Victoria Baca/	
Michael Conway, Vice Chair	Colorado	Melissa Robertson	New Mexico
Nathan Hall	Alaska	Glen Mulready	Oklahoma
Jimmy Harris	Arkansas	Andrew R. Stolfi	Oregon
Christina Miller	Delaware	Michael Humphreys/	
Angela King	District of Columbia	Sebastian Conforto	Pennsylvania
C.J. Metcalf	Illinois	Carlos Vallés	Puerto Rico
Ryan Blakeney	Mississippi	Beth Vollucci	Rhode Island
Gennady Stolyarov	Nevada	Karla Nuissl	Vermont
Justin Zimmerman	New Jersey	Michael Walker	Washington

NAIC Support Staff: Anne Obersteadt/Aaron Brandenburg

1. Consider Adoption of its Nov. 14, 2023, E-Vote Meeting Minutes — *Katey Piciucco (CA)* Attachment A
2. Hear an Update on Cannabis-Related Legislative Activities — *Shanna Oppenheim (NAIC)*
3. Hear a Presentation on ALM’s Cannabis Insurance Coverage Specialist Designation — *Steve Hallo (Property/Casualty 360)* Attachment B

SharePoint/NAIC Support Staff Hub/Member Meetings/C CMTE/2023 Fall/Cannabis/12-19-23/Cannabis Agenda

# Consider Adoption of the Nov. 14, 2023, Minutes

**Attachment #1**

*Katey Piciucco (CA)*

Draft: 11/21/23

Cannabis Insurance (C) Working Group  
E-Vote  
November 14, 2023

The Cannabis Insurance (C) Working Group of the Property and Casualty Insurance (C) Committee conducted an e-vote that concluded Nov. 14, 2023. The following Working Group members participated: Ricardo Lara, Chair, represented by Katey Piciuccio (CA); Nathan Hall (AK); Angela King (DC); Christina Miller (DE); C.J. Metcalf (IL); Ryan Blakeney (MS); Randall Currier (NJ); Raven Collins and Jan Vitus (OR); Beth Vollucci (RI); and Michael Walker (WA).

1. Adopted its Nov. 14 Minutes

The Working Group conducted an e-vote to consider adoption of its July 18 minutes (Attachment One-A). The motion passed unanimously.

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

SharePoint/NAIC Support Staff Hub/Member Meetings/C CMTE/Fall 2023/Cannabis/E-Vote/11-Cannabis.docx

# Hear an Update on Cannabis-Related Legislative Activities

*Shanna Oppenheim (NAIC)*

# Hear a Presentation on ALM's Cannabis Insurance Coverage Specialist Designation

**Attachment #2**

*Steve Hallo (Property/Casualty 360)*

# CICS Courses and Designation Now Available!

[Click here](#) to purchase individual CICS courses

[Click here](#) to purchase the full CICS Designation

[Click here](#) for more information on the designation program



**Reviewing the Cannabis Insurance Coverage Specialist designation**

**&**

**Emerging cannabis insurance issues**





The CICS is approved for continuing education credits in:

Alabama, Arkansas, Arizona, California, Colorado, Connecticut, District of Columbia, Delaware, Georgia, Hawaii, Iowa, Idaho, Indiana, Kansas, Kentucky, Massachusetts, Maryland, Maine, Michigan, Missouri, Mississippi, Montana, North Carolina, North Dakota, Nebraska, New Hampshire, New Mexico, Nevada, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Virginia, Vermont, Wisconsin, West Virginia, Wyoming, Illinois, New York, South Carolina, South Dakota, Washington, Minnesota, Louisiana, New Jersey, Florida, Alaska, and Connecticut.





The Cannabis Insurance Coverage Specialist is broken down into six courses, which conclude with an exam. Topics covered in the designation are:

- **Cannabis 101**
- **Workers' comp & cannabis**
- **Cannabis banking and financial services**
- **Real estate and cannabis insurance**
- **Understanding and handling cannabis claims**
- **Managing the risk of cannabis-related businesses**



**WORKERS  
COMPENSATION**



The Workers Compensation Insurance Rating  
Bureau of California has classification for  
cannabis businesses

**UNITED STATES  
CALIFORNIA**

Classification 0035: Florists —  
cultivating or gardening

Classification 0035: Hemp Growing

Classification 0005: Nurseries —  
propagation and cultivation of nursery  
stock

Classification 0035: Florists —  
cultivating or gardening

Classification 4611: Drug, Medicine or  
Pharmaceutical Preparations  
Manufacturing

Classification 4611: Drug, Medicine or  
Pharmaceutical Preparations  
Manufacturing

Classification 6504: Food Products  
Manufacturing or Processing

Classification 2003: Bakeries and  
Cracker Manufacturing

Classification 2163: Bottling —  
beverages

Classification 7198(1): Parcel  
Delivery and Messenger Service  
Companies

Classification 4511: Analytical or  
Testing Laboratories

Classification 7721(2): Security  
Guard or Patrol Services

Classification 9424(1): Garbage or  
Refuse Landfill, Transfer Station and  
Material Recovery Facility  
Operations









## Zoning and regulations for dispensaries in Michigan:

- Maintain a 200-foot distance from residential zones or dwellings used for medical marijuana.
- Ensure a 400-foot distance from schools, including childcare or daycare facilities, to comply with Federal "Drug-Free School Zone" requirements.
- Maintain a 200-foot distance from the property line of any church or religious facility.
- Keep a 200-foot distance from public parks or recreational areas commonly used by minor children.





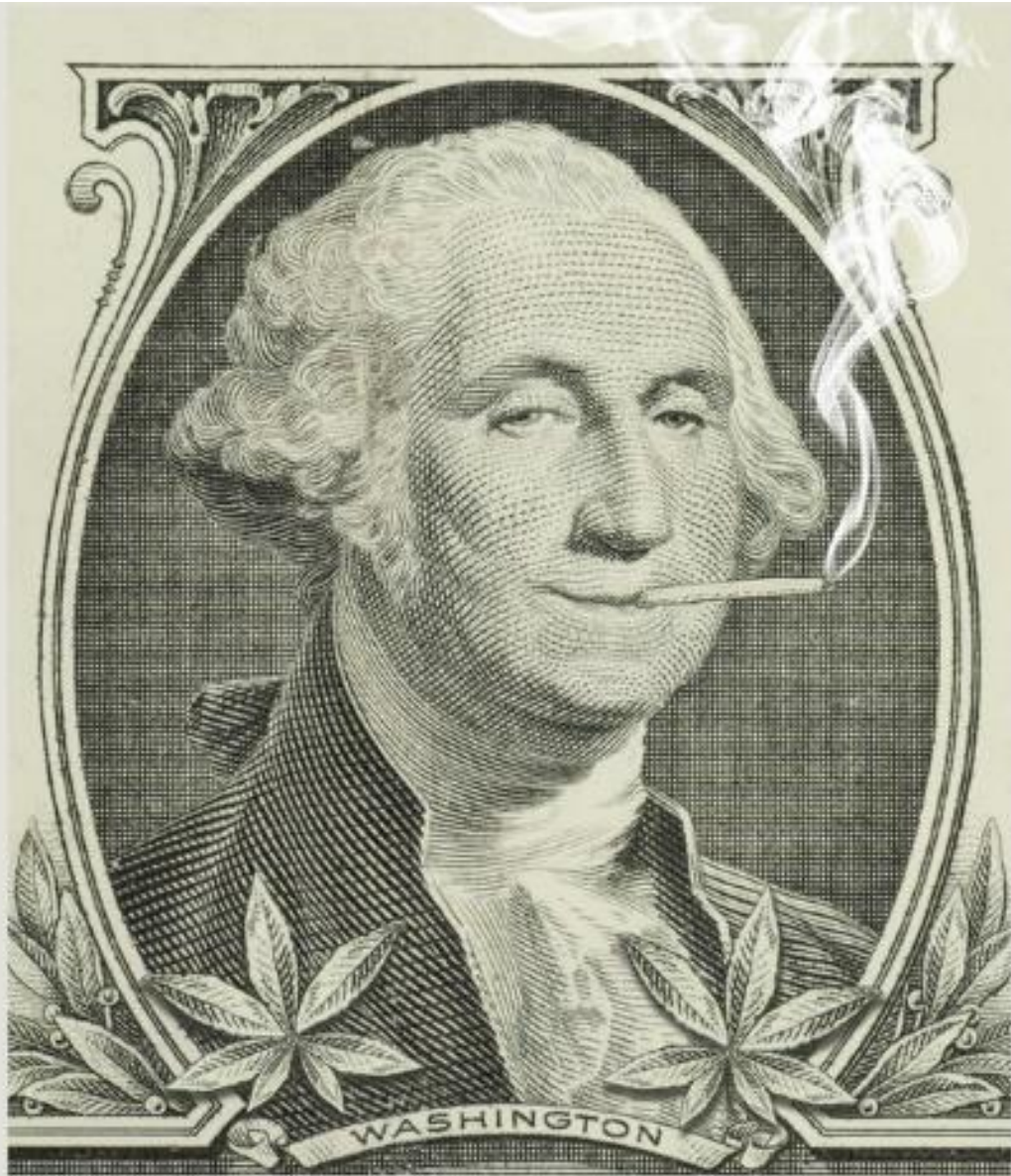
## Property risks by trade class

- Retail locations: Theft and vandalism
- Cultivation center: Heat, fire, vandalism, pollution and mold
- Extracting and manufacturing facilities: Explosion and fire



# Handling cannabis-related claims









# Hemp-derived products



## States that ban or strictly regulate Delta-8

- Alaska
- Colorado
- Delaware
- Hawaii
- Idaho
- Massachusetts
- Mississippi
- Montana
- Nevada (*technically could be approved for marijuana industry*)
- New York (*isomerization banned, could theoretically be sold in adult use*)
- North Dakota
- Oregon
- Rhode Island
- Utah (*possible in medical industry*)
- Vermont
- Washington
- West Virginia







# Personal lines & cannabis

Potential drivers of personal lines claims can stem from:

- Improperly installed and maintained growing equipment
- Theft
- Impaired driving
- Intoxicated guests



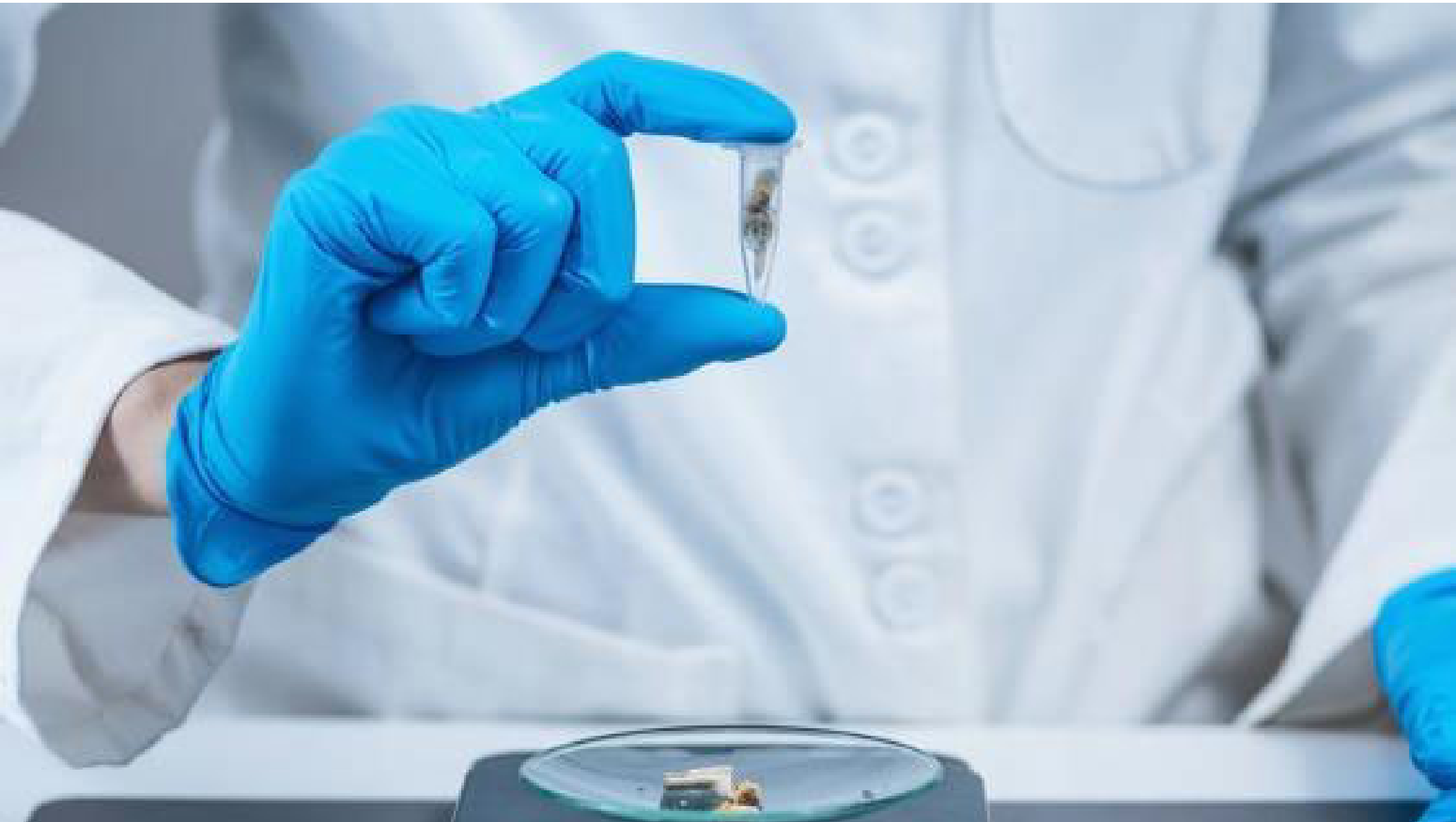






Are psychedelics the next frontier?











# Virtual reality & neuroplasticity

VR therapy has been shown to:

- Reduce pain by around 40%, with results lasting several hours.
- Reduced or eliminated the need for painkillers in nearly 70% of study participants.

The logo for the National Association of Insurance Commissioners (NAIIC) is centered on the page. It features the acronym "NAIIC" in a large, bold, white, sans-serif font. The final "C" is stylized with a double outline, creating a circular effect. The background consists of several overlapping, semi-transparent orange circles of varying shades, creating a dynamic, layered effect.

**NAIIC**

**NATIONAL ASSOCIATION OF  
INSURANCE COMMISSIONERS**