



Date: 7/20/22

*Virtual Meeting*

*(in lieu of meeting at the 2022 Summer National Meeting)*

**CANNABIS INSURANCE (C) WORKING GROUP**

Tuesday, July 12, 2022

1:00 – 2:00 p.m. ET / 12:00 – 1:00 p.m. CT / 11:00 a.m. – 12:00 p.m. MT / 10:00 – 11:00 a.m. PT

**Meeting Summary Report**

The Cannabis Insurance (C) Working Group met July 12, 2022. During this meeting, the Working Group:

1. Adopted its Spring National Meeting minutes, which included the following action:
  - A. Adopted its 2021 Fall National Meeting minutes.
  - B. Heard a presentation on the state of the union in the cannabis insurance industry.
  - C. Received a report on federal cannabis-related legislative activities from NAIC staff.
  - D. Discussed its 2022 work plan.
2. Received a status report on the drafting of the *Understanding the Market for Cannabis Insurance: 2.0* white paper. The drafting is in its final stages with only a few additional emerging issues left to be added, including on-site consumption lounges. The goal is to expose the draft white paper before the 2023 Summer National Meeting and move for adoption during the 2023 Fall National Meeting.
3. Heard a presentation on how insurers are dealing with the state legalization of minor cannabinoids. Hemp-derived minor cannabinoids that have intoxicating effects are being sold outside of the regulated cannabis market because of a loophole in the Farm Bill. Risks for the insurance industry from these products include: 1) residual chemicals from the synthetic conversion process in finished products; 2) lack of product testing; and 3) lack of age verification at point of sale.