



September 22, 2023

The Honorable Senator Jeff Merkley  
United States Senate  
531 Hart Senate Office Building  
Washington, DC 20510

The Honorable Senator Chuck Schumer  
United States Senate  
322 Hart Senate Office Building  
Washington, DC 20510

The Honorable Senator Kyrsten Sinema  
United States Senate  
317 Hart Senate Office Building  
Washington, DC 20510

The Honorable Senator Cynthia Lummis  
United States Senate  
127A Russell Senate Office Building  
Washington, DC 20510

The Honorable Senator Kevin Cramer  
United States Senate  
313 Hart Senate Office Building  
Washington, DC 20510

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

The Honorable Senator Dan Sullivan  
United States Senate  
302 Hart Senate Office Building  
Washington, DC 20510

The Honorable Senator Bob Menendez  
United States Senate  
528 Hart Senate Office Building  
Washington, DC 20510-3001

The Honorable Senator Angus King  
United States Senate  
133 Hart Senate Office Building  
Washington, DC 20510

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

The Honorable Senator Jacky Rosen  
United States Senate  
713 Hart Senate Office Building  
Washington, DC 20510

The Honorable Senator John Fetterman  
United States Senate  
142 Russell Senate Office Building  
Washington, DC 20510

Dear Senators Merkley, Schumer, Sinema, Lummis, Cramer, Booker, Sullivan, Menendez, King, Wyden, Rosen, and Fetterman:



On behalf of the National Association of Insurance Commissioners (NAIC)<sup>1</sup>, we write to express our support for legislation<sup>2</sup> that would provide a safe harbor from violations of federal law for those engaged in the business of insuring cannabis industry activity permissible under state law.

As you are aware, the NAIC membership is composed of the chief insurance regulators of all 50 states, the District of Columbia, and the five U.S. Territories. Our members have a variety of views on the broader issue of cannabis legalization and the NAIC defers to each state to decide what is appropriate for them. However, we recognize state legalized cannabis businesses require access to insurance to mitigate risks they face, and that the lack of insurance for the industry adds layers of unnecessary exposure for all market participants.

Through the NAIC, state insurance regulators formed a Cannabis Insurance Working Group, that has been studying insurance issues facing the cannabis industry and developed a white paper in 2019 exploring the types of insurance needed by the cannabis industry, the availability of cannabis business insurance in state insurance markets and the extent of any insurance gaps, among other issues.<sup>3</sup> In those states where certain cannabis businesses are permissible under state law, we understand that one of the challenges facing the industry is the different treatment of cannabis under federal and state law and the potential legal risks for those that provide financial services to these businesses. The SAFER Banking Act would help remove federal barriers for insurers to conduct business with any state legalized cannabis-related businesses, thereby helping to provide insurance coverage options for these commercial policyholders that will mitigate their business risks.

Thank you for sponsoring this bill, and we look forward to working with you as the legislative process moves forward.

Sincerely,

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<sup>1</sup> As part of our state-based system of insurance regulation in the United States, the National Association of Insurance Commissioners (NAIC) provides expertise, data, and analysis for insurance commissioners to effectively regulate the industry and protect consumers. The U.S. standard-setting organization is governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer reviews, and coordinate regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. For more information, visit [www.naic.org](http://www.naic.org).

<sup>2</sup> The SAFER Banking Act (S. 2860) 118<sup>th</sup>.

<sup>3</sup> [https://content.naic.org/sites/default/files/inline-files/cmte\\_c\\_cannabis\\_wg\\_exposure\\_understanding\\_cannabis\\_marketplace\\_0.pdf](https://content.naic.org/sites/default/files/inline-files/cmte_c_cannabis_wg_exposure_understanding_cannabis_marketplace_0.pdf)



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Chlora Lindley-Myers  
NAIC President  
Director  
Missouri Department of Commerce and Insurance

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Andrew N. Mais (He/Him/His)  
NAIC President-Elect  
Commissioner  
Connecticut Insurance Department

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Jon Godfread  
NAIC Vice President  
Commissioner  
North Dakota Insurance Department

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Scott White  
NAIC Secretary-Treasurer  
Commissioner  
Virginia Insurance Department