

## Marijuana Liability Insurance

[Public Act 55 of 2021](#) amended the [Michigan Regulation and Taxation of Marijuana Act](#) (MRTMA) to add section 11a, which prohibits licensees from selling or transferring marijuana to a minor or to a person who is visibly intoxicated at the time of the sale. This section also allows individuals – who suffer damage or are personally injured by a minor or a visibly intoxicated person – to take action against the licensee who sold or transferred the marijuana.

PA 55 of 2021 takes effect on October 11, 2021. On that date, marijuana retailers and marijuana microbusiness licensees are required to have and maintain marijuana liability insurance. The insurance must be provided by a licensed and admitted insurance company in Michigan in a minimum amount of \$50,000.00 for actions brought against the licensee under section 11a of the MRTMA.

Marijuana retailer and marijuana microbusiness licensees authorized to sell marijuana at a temporary marijuana event must also obtain marijuana liability insurance, which covers sales or transfers of marijuana that will occur at the temporary marijuana event.

Failure to hold and maintain the required marijuana liability insurance or provide it to the CRA in a timely fashion, may result in disciplinary action against the licensee.

Proof of marijuana liability insurance may be shown by submitting the full insurance policy to the CRA and uploading it to the licensee's marijuana retailer or marijuana microbusiness license record via [Accela Citizen Accela \(ACA\)](#), or submitting it via email to [CRA-AdultUseLicensing@michigan.gov](mailto:CRA-AdultUseLicensing@michigan.gov).

Please review the [MRTMA](#) for the full language of section 11a.

### Existing Licensees (Licensed before 10/11/21)

On October 11, 2021, marijuana retailers and marijuana microbusinesses currently licensed under the MRTMA must hold the required marijuana liability insurance. Marijuana retailers and microbusinesses must submit proof of the required marijuana liability insurance to the CRA at license renewal.

## **New Licensees (Licensed on or after 10/11/21)**

Marijuana retailers and marijuana microbusinesses licensed on or after October 11, 2021, must obtain and submit proof of the required marijuana liability insurance to the CRA within 60 days after the marijuana retailer or marijuana microbusiness license is issued. Proof of the insurance must also be provided at license renewal.

Questions may be sent to the Cannabis Regulatory Agency via email at [CRA-Adult-Use-Marijuana@michigan.gov](mailto:CRA-Adult-Use-Marijuana@michigan.gov).

For more information about the Cannabis Regulatory Agency, please visit [www.michigan.gov/CRA](http://www.michigan.gov/CRA).