

Federal Cannabis Bill Opens Door for Insurers, Business Insurance, ft. Jonathan Isaacson

Jonathan B. Isaacson, partner and co-chair of KD's Cannabis Law practice Group, was quoted in a Business Insurance article written by Matthew Lerner on the CLAIM Act published on May 4, 2021.

The CLAIM Act, a bill introduced in Congress that would allow insurers to cover cannabis-related businesses without fear of prosecution under federal law, is expected to substantially ease constraints on the burgeoning sector if it makes it into law.

The bipartisan Clarifying Law Around Insurance of Marijuana Act of 2021, which would provide a safe harbor for insurers covering risks in states where the federally banned drug is legal, could help open insurance markets for cannabis operators and companies in their supply chains, industry observers say.

"The CLAIM Act, if it passes, is the best hope for a large increase in capacity," said Jonathan Isaacson, a partner in Woodbury, New York with law firm Kaufman Dolowich Voluck LLP. "With the CLAIM Act and the safe harbor from the federal government, you'll hopefully see capacity increases across the board."