

THC Beverage Coverage Is Finally Here: What Operators Need to Know

The cannabis beverage category has entered a new era. Once primarily sold through licensed dispensaries, THC-infused beverages can now be legally served in bars, taprooms, restaurants, private events, festivals, stadiums, and entertainment venues across many parts of the country. This shift is changing how people socialize. Consumers are choosing lower-dose, sessionable THC beverages as a modern alternative to alcohol social, balanced, and generally more predictable.

However, while the market has evolved quickly, insurance coverage has not.

Until now.

For the first time, dedicated [THC Beverage Liability coverage](#) is available, with premiums starting at \$2,500 + taxes and fees, designed specifically for businesses that serve, sell, distribute, or manufacture THC beverages.

Why Traditional Coverage Falls Short

Most standard Liquor Liability and General Liability policies specifically exclude impairment caused by THC. So if a patron becomes intoxicated from a THC beverage you provided—and later causes an injury, accident, or property damage your existing insurance would likely not respond.

This new policy fills that gap, offering protection when impairment from THC beverages is alleged to have contributed to a claim.

Who This Coverage Is Designed For

If THC beverages are part of your menu, sales model, or brand strategy, you need this coverage.

This includes:

- Bars & Restaurants incorporating THC drink menu
- Breweries, taprooms, and mocktail lounges
- Cannabis beverage brands and manufacturers
- Nightlife & hospitality venues
- Festivals, concerts & ticketed events
- Stadiums & arenas with hospitality service
- Caterers, event bartenders & mobile pop-ups
- Retailers selling hemp-derived THC beverages

If you serve it, pour it, sample it, sell it, or manufacture it — you're exposed.

What the Policy Covers

Coverage Includes:

- Bodily injury caused by THC intoxication
- Property damage associated with patron impairment
- Defense costs for lawsuits alleging negligent service or over-intoxication
- Coverage available for ongoing venues or one-time events

AVAILABLE COVERAGE LIMITS		
OPERATION TYPE	PRIMARY LIMIT OPTIONS	EXCESS (XS) AVAILABILITY
Bars, Restaurants, Taprooms, Festivals	\$300,000 to \$3,000,000	Up to \$5,000,000 Total
Stadiums, Arenas, Large Capacity Venues	\$1,000,000 to \$3,000,000	Excess limits available to increase total limits up to \$10,000,000

This ensures that major venues and brand partners can meet contractual insurance requirements and risk-transfer standards.

Policy Types Available

- Annual Programs for ongoing operation
- Short-Term/Event Policies for festivals, tours, & pop-up
- Manufacturer & Distribution Classification
- Vendor / Server / Beverage Service Classification

This is not a “one-size-fits-all” policy underwriting is tailored to how and where beverages are served.

How Claims Happen in the Real World:

HOW CLAIMS HAPPEN IN THE REAL WORLD		
SCENARIO	WITHOUT THC BEVERAGE COVERAGE	WITH THC BEVERAGE COVERAGE
Patrons become impaired from THC beverages and injure themselves on-site.	Denied	Covered
A guest at a festival consumes THC drinks, leaves impaired, and causes property damage.	Denied	Covered
Stadium Lounge faces a claim alleging improper monitoring of consumer dosage.	Denied	Defense + Coverage

If THC is involved and you don't have this, you're uninsured.

Minimum Premium

Starting at \$2,500 annually

(Plus applicable taxes and fees)

Pricing scales based on:

- Volume sold or server
- Venue capacity or distribution footprint
- Staff training and serving controls
- Brand maturity and product formulation practices

How to Get a Quote

We will walk you through a streamlined intake process. To begin, you'll need:

- Estimated THC beverage sales for the next 12 month
- Venue details or distribution model
- Current insurance program (if applicable)
- Operational service or packaging control

That's it, no complicated underwriting maze.

THC beverages are rapidly reshaping the hospitality and social consumption landscape. The brands, operators, and venues that adopt responsible service practices and proper insurance will lead the category forward.

With dedicated [THC Beverage Liability](#) now available including excess limits up to \$10,000,000 for stadiums and arenas the industry finally has a scalable insurance foundation.

For More information, reach out to Kirk Miller at 925.359.1472 or kirk@pcfoy.com

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