



1 This article shall not apply to cancellation fee waivers or  
2 travel assistance services, except as expressly provided herein.

3 (c) All other applicable provisions of the State's  
4 insurance laws shall continue to apply to travel insurance,  
5 except that the specific provisions of this article shall  
6 supersede any general provisions of law that would otherwise  
7 apply to travel insurance.

8 **§431: -C Definitions.** As used in this article:

9 "Aggregator site" means a website that provides access to  
10 information regarding insurance products from more than one  
11 travel insurer, including product and travel insurer  
12 information, for use in comparison shopping.

13 "Blanket travel insurance" means a travel insurance policy  
14 issued to any eligible group providing coverage for specific  
15 classes of persons defined in the policy, with coverage provided  
16 to all members of the eligible group without a separate charge  
17 to individual members of the eligible group.

18 "Cancellation fee waiver" means a contractual agreement  
19 between a supplier of travel services and the supplier's  
20 customer to waive some or all of the non-refundable cancellation  
21 fee provisions of the supplier's underlying travel contract



1 regardless of the reason for the cancellation or form of  
2 reimbursement.

3 "Commissioner" means the insurance commissioner of the  
4 State.

5 "Designated responsible producer" means the person  
6 responsible for compliance with the travel insurance laws and  
7 regulations applicable to the limited lines travel insurance  
8 producer and its registrants.

9 "Eligible group" means two or more persons who are engaged  
10 in a common enterprise, or have an economic, educational, or  
11 social affinity or relationship. "Eligible group" includes:

- 12 (1) Any entity engaged in the business of providing travel  
13 or travel services, including tour operators, lodging  
14 providers, vacation property owners, hotels and  
15 resorts, travel clubs, travel agencies, property  
16 managers, cultural exchange programs, and common  
17 carriers, or the operator, owner, or lessor of a means  
18 of transportation of passengers, including airlines,  
19 cruise lines, railroads, steamship companies, and  
20 public bus carriers, wherein all members or customers



- 1 of the group have common exposure to risk attendant to  
2 any particular travel or type of travel or travelers;
- 3 (2) Any college, school, or other institution of learning,  
4 covering students, teachers, employees, or volunteers;
- 5 (3) Any employer covering any group of employees,  
6 volunteers, contractors, board of directors,  
7 dependents, or guests;
- 8 (4) Any sports team, camp, or sponsor thereof, covering  
9 participants, members, campers, employees, officials,  
10 supervisors, or volunteers;
- 11 (5) Any religious, charitable, recreational, educational,  
12 or civic organization, or branch thereof, covering any  
13 group of members, participants, or volunteers;
- 14 (6) Any financial institution or financial institution  
15 vendor or parent holding company, trustee, or agent  
16 of, or designated by, one or more financial  
17 institutions or financial institution vendors,  
18 including account holders, credit card holders,  
19 debtors, guarantors, or purchasers;
- 20 (7) Any incorporated or unincorporated association,  
21 including labor unions, having a common interest,



- 1 constitution, and bylaws and that is organized and  
2 maintained in good faith for purposes other than  
3 obtaining insurance for members or participants of the  
4 association covering its members;
- 5 (8) Any trust or the trustees of a fund established,  
6 created, or maintained for the benefit of and covering  
7 members, employees, or customers, subject to the  
8 commissioner's permitting the use of a trust and the  
9 State's premium tax provisions in section 431: -E of  
10 one or more associations meeting the requirements of  
11 paragraph (7);
- 12 (9) Any entertainment production company covering any  
13 group of participants, volunteers, audience members,  
14 contestants, or workers;
- 15 (10) Any volunteer fire department or other related  
16 volunteer group;
- 17 (11) Any first responder or emergency management agency or  
18 organization, court, or other related group;
- 19 (12) Preschools, daycare institutions for children or  
20 adults, and senior citizen clubs;



1 (13) Any automobile or truck rental or leasing company  
2 covering a group of individuals who may become  
3 renters, lessees, or passengers of the rented or  
4 leased vehicles; provided that the common carrier;  
5 operator, owner, or lessor of a means of  
6 transportation; or the automobile or truck rental or  
7 leasing company, is the policyholder under a policy to  
8 which this paragraph applies; or

9 (14) Any other group for which the commissioner has  
10 determined that:

11 (A) The members are engaged in a common enterprise or  
12 have an economic, educational, or social affinity  
13 or relationship; and

14 (B) Issuance of the policy would not be contrary to  
15 the public interest.

16 "Fulfillment materials" means documentation sent to the  
17 purchaser of a travel protection plan confirming the purchase  
18 and providing the travel protection plan's coverage and  
19 assistance details.

20 "Group travel insurance" means travel insurance issued to  
21 any eligible group.



1 "Insurance" does not include cancellation fee waivers or  
2 travel assistance services.

3 "Limited lines travel insurance producer" means a:

- 4 (1) Licensed managing general agent or third-party  
5 administrator;
- 6 (2) Licensed insurance producer, including a limited lines  
7 producer licensed under section 431:9A-107.5(a)(1); or
- 8 (3) Travel administrator.

9 "Offer and disseminate" means the act of providing general  
10 information, including a description of the coverage and price,  
11 or processing an application and collecting premiums.

12 "Travel administrator" means a person who directly or  
13 indirectly underwrites; collects charges, collateral, or  
14 premiums from; or adjusts or settles claims on residents of the  
15 State, in connection with travel insurance. "Travel  
16 administrator" does not include:

- 17 (1) A person working for a travel administrator to the  
18 extent that the person's activities are subject to the  
19 supervision and control of the travel administrator;



- 1           (2) An insurance producer selling insurance or engaged in  
2           administrative and claims-related activities within  
3           the scope of the producer's license;
- 4           (3) A travel retailer offering and disseminating travel  
5           insurance and registered under the license of a  
6           limited lines travel insurance producer in accordance  
7           with this article;
- 8           (4) An individual adjusting or settling claims in the  
9           normal course of that individual's practice or  
10          employment as an attorney and who does not collect  
11          charges or premiums in connection with insurance  
12          coverage; or
- 13          (5) A business entity that is affiliated with a licensed  
14          travel insurer while acting as a travel administrator  
15          for the direct and assumed insurance business of an  
16          affiliated travel insurer.
- 17          "Travel assistance services" means non-insurance services:  
18          (1) For which the consumer is not indemnified based on a  
19          fortuitous event; and



1           (2) The provision of which does not result in the transfer  
2                   or shifting of risk that would constitute the business  
3                   of insurance.

4 "Travel assistance services" includes security advisories,  
5 destination information, vaccination and immunization  
6 information services, travel reservation services,  
7 entertainment, activity and event planning, translation  
8 assistance, emergency messaging, international legal and medical  
9 referrals, medical case monitoring, coordination of  
10 transportation arrangements, emergency cash transfer assistance,  
11 medical prescription replacement assistance, passport and travel  
12 document replacement assistance, lost luggage assistance,  
13 concierge services, and any other service that is furnished in  
14 connection with planned travel.

15           "Travel insurance" shall have the same meaning as defined  
16 in section 431:9A-107.5(a)(1).

17           "Travel protection plans" means plans that provide travel  
18 insurance, travel assistance services, and cancellation fee  
19 waivers, or any combination of the foregoing.

20           "Travel retailer" means a business entity that makes,  
21 arranges, or offers planned travel. "Travel retailer" includes



1 a business entity that offers and disseminates travel insurance  
2 as a service to its customers on behalf of and under the  
3 direction of a limited lines travel insurance producer.

4 §431: -D Licensing and registration. (a) In accordance  
5 with sections 431:9A-103 and 431:9A-107.5, the commissioner may  
6 issue a limited lines travel insurance producer license to an  
7 individual or business entity that has filed with the  
8 commissioner an application for a limited lines travel insurance  
9 producer license in a form and manner prescribed by the  
10 commissioner. Each limited lines travel insurance producer  
11 shall be licensed to sell, solicit, or negotiate travel  
12 insurance through a licensed travel insurer. No person shall  
13 act as a limited lines travel insurance producer or travel  
14 insurance retailer unless properly licensed or registered,  
15 respectively.

16 (b) No travel retailer shall offer and disseminate travel  
17 insurance under a limited lines travel insurance producer  
18 business entity license unless:

19 (1) The limited lines travel insurance producer or travel  
20 retailer provides to purchasers of travel insurance:



- 1 (A) A description of the material terms or the actual
- 2 material terms of the insurance coverage;
- 3 (B) A description of the process for filing a claim;
- 4 (C) A description of the review or cancellation
- 5 process for the travel insurance policy; and
- 6 (D) The identity and contact information of the
- 7 travel insurer and limited lines travel insurance
- 8 producer;
- 9 (2) At the time of licensure, the limited lines travel
- 10 insurance producer establishes and maintains a
- 11 register, on a form prescribed by the commissioner, of
- 12 each travel retailer offering travel insurance on
- 13 behalf of the limited lines travel insurance producer;
- 14 provided that the register shall be maintained and
- 15 updated by the limited lines travel insurance producer
- 16 and shall include the name, address, and contact
- 17 information of the travel retailer and an officer or
- 18 person who directs or controls the travel retailer's
- 19 operations, and the travel retailer's federal tax
- 20 identification number; provided further that, upon
- 21 request, the limited lines travel insurance producer



1 shall submit the register to the insurance division of  
2 the department of commerce and consumer affairs; and  
3 provided further that the limited lines travel  
4 insurance producer shall also certify that the travel  
5 retailer registered complies with title 18 United  
6 States Code section 1033;

7 (3) The limited lines travel insurance producer has  
8 designated one of its employees who is a licensed  
9 individual producer as the designated responsible  
10 producer;

11 (4) The designated responsible producer, president,  
12 secretary, treasurer, or other officer or person who  
13 directs or controls the limited lines travel insurance  
14 producer's insurance operations complies with any  
15 fingerprinting requirements applicable to insurance  
16 producers;

17 (5) The limited lines travel insurance producer has paid  
18 all applicable licensing fees; and

19 (6) The limited lines travel insurance producer requires  
20 each employee and authorized representative of the  
21 travel retailer whose duties include offering and



1 disseminating travel insurance to receive a program of  
2 instruction or training that is subject, at the  
3 discretion of the commissioner, to review and  
4 approval; provided that the training material shall  
5 contain adequate instructions on the types of  
6 insurance offered, ethical sales practices, and  
7 required disclosures to prospective customers.

8 (c) Any travel retailer offering or disseminating travel  
9 insurance shall make available to prospective purchasers any  
10 brochures or other written materials that have been approved by  
11 the travel insurer; provided that the materials shall include  
12 information that:

13 (1) Provides the identity and contact information of the  
14 travel insurer and the limited lines travel insurance  
15 producer;

16 (2) Explains that the purchase of travel insurance is not  
17 required to purchase any other product or service from  
18 the travel retailer; and

19 (3) Explains that an unlicensed travel retailer is  
20 permitted to provide only general information about  
21 the insurance offered by the travel retailer,



1 including a description of the coverage and price, but  
2 is not qualified or authorized to answer technical  
3 questions about the terms and conditions of the  
4 insurance offered by the travel retailer or to  
5 evaluate the adequacy of the customer's existing  
6 insurance coverage.

7 (d) No travel retailer employee or authorized  
8 representative who is not licensed as an insurance producer  
9 shall:

10 (1) Evaluate or interpret the technical terms, benefits,  
11 and conditions of the offered travel insurance  
12 coverage;

13 (2) Evaluate or provide advice concerning a prospective  
14 purchaser's existing insurance coverage; or

15 (3) Hold itself out as a licensed insurer, licensed  
16 producer, or insurance expert.

17 (e) Notwithstanding any other provision of law to the  
18 contrary, each travel retailer whose insurance-related  
19 activities, and those of the travel retailer's employees and  
20 authorized representatives, are limited to offering and  
21 disseminating travel insurance on behalf of and under the



1 direction of a limited lines travel insurance producer meeting  
2 the conditions stated in this article may, upon registration by  
3 the limited lines travel insurance producer as described in  
4 subsection (b)(2), receive related compensation.

5 (f) Each limited lines travel insurance producer shall be  
6 responsible for the acts of each applicable travel retailer and  
7 use reasonable means to ensure compliance by the travel retailer  
8 with this article.

9 (g) Any person licensed in a major line of authority as an  
10 insurance producer may sell, solicit, and negotiate travel  
11 insurance; provided that no property or casualty insurance  
12 producer shall be required to become appointed by a travel  
13 insurer to sell, solicit, or negotiate travel insurance.

14 (h) Any limited lines travel insurance producer or travel  
15 retailer conducting business pursuant to this article shall be  
16 subject to any applicable provisions of this chapter relating to  
17 the revocation, suspension, or nonrenewal of licenses and the  
18 imposition of criminal or civil penalties.

19 **§431: -E Tax on premiums.** (a) Each travel insurer  
20 shall pay the tax on premiums provided for in section 431:7-202  
21 on all travel insurance premiums paid by:



- 1           (1) An individual primary policyholder who is a resident  
2           of the State;
- 3           (2) A primary certificate holder who is a resident of the  
4           State and elects coverage under a group travel  
5           insurance policy; or
- 6           (3) A blanket travel insurance policyholder that, subject  
7           to any apportionment rules that may apply to the  
8           travel insurer across multiple taxing jurisdictions or  
9           that permit the travel insurer to allocate premiums on  
10          an apportioned basis in a reasonable and equitable  
11          manner in those jurisdictions:
- 12           (A) Is a resident of the State; or
- 13           (B) Has its, or its affiliate or subsidiary that has  
14           purchased blanket travel insurance in the State  
15           for eligible blanket group members', principal  
16           place of business in this State.
- 17          (b) Each travel insurer shall:
- 18           (1) Document the state of residence or principal place of  
19           business of the primary policyholder or primary  
20           certificate-holder; and



1 (2) Report as premiums only the amounts allocable to  
2 travel insurance and not any amounts received for  
3 travel assistance services or cancellation fee  
4 waivers.

5 (c) As used in this section:

6 "Primary certificate holder" means a person who elects and  
7 purchases travel insurance under a group policy.

8 "Primary policyholder" means a person who elects and  
9 purchases individual travel insurance.

10 **§431: -F Travel protection plans.** Travel protection  
11 plans may be offered for one price for the combined features  
12 that the travel protection plan offers in the State if:

13 (1) The travel protection plan clearly discloses to the  
14 consumer, at or before the time of purchase, that the  
15 plan includes travel insurance, travel assistance  
16 services, and cancellation fee waivers as applicable,  
17 and provides information and an opportunity, at or  
18 before the time of purchase, for the consumer to  
19 obtain additional information regarding the features  
20 and pricing of the travel insurance, travel assistance  
21 services, and cancellation fee waivers; and



1 (2) The fulfillment materials:

2 (A) Describe and delineate the travel insurance,  
3 travel assistance services, and cancellation fee  
4 waivers in the travel protection plan; and

5 (B) Include any applicable travel insurance  
6 disclosures and contact information for persons  
7 providing travel assistance services and  
8 cancellation fee waivers.

9 §431: -G Sales practices. (a) Except as otherwise  
10 provided in this section, any person offering travel insurance  
11 to a resident of the State shall be subject to article 13.

12 (b) If a conflict arises between this article and any  
13 other provision of this chapter regarding the sale and marketing  
14 of travel insurance and travel protection plans, the provisions  
15 of this article shall control.

16 (c) Offering or selling a travel insurance policy that  
17 will not result in payment of any claims for any insured under  
18 the policy shall be deemed to be an unfair trade practice under  
19 article 13.

20 (d) For each travel insurance or travel protection plan to  
21 which this section applies:



- 1           (1) All documents provided to the relevant consumer before  
2           the purchase of travel insurance, including sales  
3           materials, advertising materials, and marketing  
4           materials, shall be consistent with all other travel  
5           insurance policy documents, including forms,  
6           endorsements, policies, rate filings, and certificates  
7           of insurance;
- 8           (2) For travel insurance policies or certificates that  
9           contain pre-existing condition exclusions, information  
10          and an opportunity to learn more about the pre-  
11          existing condition exclusions shall be provided to the  
12          consumer at any time before the time of purchase and  
13          in the coverage's fulfillment materials;
- 14          (3) As soon as practicable following the purchase of a  
15          travel protection plan, the fulfillment materials and  
16          the information described in section 431: -D(b) (1)  
17          shall be provided to the policyholder or certificate  
18          holder; provided that if the insured has neither  
19          started a covered trip nor filed a claim under the  
20          travel insurance coverage, the relevant policyholder  
21          or certificate holder may cancel the policy or



1 certificate for a full refund of the travel protection  
2 plan price at any time after the date of purchase of a  
3 travel protection plan and before either:

4 (A) Fifteen days following the date of delivery of  
5 the travel protection plan's fulfillment  
6 materials by postal mail; or

7 (B) Ten days following the date of personal or  
8 electronic delivery of the travel protection  
9 plan's fulfillment materials; and

10 (4) It shall be disclosed in the policy documentation and  
11 fulfillment materials whether the travel insurance is  
12 primary or secondary to other applicable coverage;  
13 provided further that if travel insurance is marketed directly  
14 to a consumer through a travel insurer's website or by others  
15 through an aggregator site, it shall not be deemed to be an  
16 unfair trade practice or other violation of law if an accurate  
17 summary or short description of coverage is provided on the web  
18 page as long as that consumer has access to the full provisions  
19 of the policy through electronic means.

20 (e) No person shall offer, solicit, or negotiate travel  
21 insurance or travel protection plans on an individual or group



1 basis by using a negative or opt-out option that would require  
2 the consumer to take an affirmative action to deselect coverage  
3 when the consumer purchases a trip, including unchecking a box  
4 on an electronic form.

5 (f) Marketing blanket travel insurance coverage as being  
6 free of charge shall be deemed to be an unfair trade practice.

7 (g) If a consumer's destination jurisdiction requires  
8 insurance coverage, requiring the consumer to choose between the  
9 following options as a condition of purchasing a trip or travel  
10 package shall not be deemed to be an unfair trade practice:

11 (1) Purchasing the coverage required by the destination  
12 jurisdiction through the travel retailer or limited  
13 lines travel insurance producer supplying the trip or  
14 travel package; or

15 (2) Agreeing to obtain and provide proof of coverage that  
16 meets the destination jurisdiction's requirements  
17 before departure.

18 **§431: -H Travel administrators.** (a) Notwithstanding  
19 any other provision of this chapter to the contrary, no person  
20 shall act or represent itself as a travel administrator for  
21 travel insurance in the State unless that person:



1 (1) Is a licensed property and casualty insurance producer  
2 in the State for activities permitted under the  
3 applicable producer license;

4 (2) Holds a valid managing general agent license in the  
5 State; or

6 (3) Holds a valid third-party administrator license in the  
7 State.

8 (b) Each travel insurer shall:

9 (1) Be responsible for the acts of any travel  
10 administrator administering travel insurance  
11 underwritten by the travel insurer; and

12 (2) Ensure that the travel administrator maintains all  
13 books and records relevant to the travel insurer to be  
14 made available by the travel administrator to the  
15 commissioner upon request.

16 **§431: -I Policy.** (a) Notwithstanding any other  
17 provision of this chapter to the contrary, travel insurance  
18 shall be classified and filed for purposes of rates and forms  
19 under an inland marine line of insurance; provided that travel  
20 insurance that provides coverage for sickness, accident,  
21 disability, or death occurring during travel, either exclusively



1 or in conjunction with related coverages of emergency evacuation  
2 or repatriation of remains or incidental limited property and  
3 casualty benefits such as baggage or trip cancellation, may be  
4 filed under either an accident and health line of insurance or  
5 an inland marine line of insurance.

6 (b) Travel insurance may be in the form of an individual,  
7 group, or blanket policy.

8 (c) Eligibility and underwriting standards for travel  
9 insurance may be developed and provided based on travel  
10 protection plans designed for individual or identified marketing  
11 or distribution channels; provided that the standards herein  
12 described shall meet any of the State's underwriting standards  
13 for inland marine.

14 **§431: -J Rulemaking.** The commissioner shall adopt rules  
15 pursuant to chapter 91 to effectuate this article."

16 SECTION 2. This Act does not affect rights and duties that  
17 matured, penalties that were incurred, and proceedings that were  
18 begun before its effective date.

19 SECTION 3. In codifying the new sections added by section  
20 1 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating  
2 the new sections in this Act.

3 SECTION 4. This Act shall take effect on July 1, 2040.



# S.B. NO. 2913 S.D. 1

**Report Title:**

Department of Commerce and Consumer Affairs; Regulatory  
Framework; Travel Insurance

**Description:**

Establishes a framework to regulate the sale of travel insurance  
in the State. Takes effect 7/1/2040. (SD1)

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not legislation or evidence of legislative intent.*

