

## **TRAVEL INSURANCE STANDARD**

### **34. Limited Lines Travel Insurance Standard (adopted 8/16/10)**

#### **A. Definitions.**

- (1) “Limited Lines Travel Insurance Producer” means an insurer designee, such as a managing general underwriter, managing general agent, or limited lines producer of Travel Insurance.
- (2) “Travel Retailer” means a business entity that offers and disseminates Travel Insurance on behalf and under the direction of a Limited Line Travel Insurance Producer.
- (3) “Travel Insurance” means Insurance coverage for personal risks incident to planned travel, including but not limited to:
  - a. Interruption or cancellation of trip or event;
  - b. Loss of baggage or personal effects;
  - c. Damages to accommodations or rental vehicles;
  - d. Sickness, accident, disability or death occurring during travel.

Travel insurance does not include major medical plans, which provide comprehensive medical protection for travelers with trips lasting 6 months or longer, including for example, those working overseas as an expatriate or military personnel being deployed.

B. A Travel Retailer may offer and disseminate Travel Insurance under Limited Lines Travel Insurance Producer business entity (“licensed business entity”) license only, if the Limited Lines Travel Insurance Producer holds a business entity license and:

- (1) The licensed business entity is clearly identified as the licensed producer on marketing materials and fulfillment packages distributed by Travel Retailers to customers; identification shall include the entity’s name and contact information;
- (2) The licensed business entity keeps a register of each Travel Retailer that offers Travel Insurance on the licensed business entity’s behalf. The register shall include the name and contact information of the Travel Retailer and an officer or person who directs or controls the Travel Retailer’s operations, and the Travel Retailer’s FEIN number. The licensed business entity shall also certify that the Travel Retailer registered complies with 18 USC 1033. The licensed business entity shall submit such Register within 30 days upon request by the state insurance department;
- (3) The licensed business entity has designated one of its employees as a licensed individual producer (a “Designated Responsible Producer” or “DRP”) responsible for the business entity’s compliance with the insurance laws, rules and regulations of the state;
- (4) The DRP, president, secretary, treasurer, and any other officer or person who directs or controls the licensed business entity’s insurance operations comply with the fingerprinting requirements applicable to insurance producers in the resident state of the business entity;

(5) The licensed business entity has paid all applicable insurance producer licensing fees as set-forth in applicable state law; and

(6) The licensed business entity requires each employee of the Travel Retailer whose duties include offering and disseminating Travel Insurance to receive a program of instruction or training, which may be subject to review by the commissioner.

C. A Travel Retailer, including its employees, whose activities are limited to offering Travel Insurance on behalf of and under the direction of a licensed business entity meeting the conditions stated in paragraph A above, is authorized to do so upon registration by the licensed business entity as described in paragraph A.2.above.

D. As the insurer designee, the Limited Lines Travel Insurance Producer is responsible for the acts of the Travel Retailer.

**Drafting Note:** For purposes of state implementation, states may incorporate Limited Lines Travel Insurance as an authorized limited line by way of statute, administrative regulation, order, bulletin or similar regulatory action pursuant to the state statutory authority for designation of limited lines.