

## Article - Insurance

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§10–122.

(a) Without regard to the education, experience, or examination requirements of this subtitle, the Commissioner may issue a limited lines license to an individual who or a business entity that sells travel insurance.

(b) A limited lines license issued under this section authorizes the holder to act as an insurance producer only as to travel insurance.

(c) The Commissioner may require and provide special forms requiring information the Commissioner considers proper in connection with the application for or renewal of limited lines licenses issued under this section.

(d) (1) (i) Notwithstanding any other law, a travel retailer may offer and disseminate travel insurance on behalf of and under the license of a limited lines travel insurance producer only if the provisions of this paragraph are met.

(ii) The limited lines travel insurance producer or travel retailer shall provide in writing to a purchaser of travel insurance:

1. a description of the material terms or the actual terms of the insurance coverage;
2. a description of the process for filing a claim;
3. a description of the review or cancellation process for the travel insurance policy;
4. a disclosure that:
  - A. the offered insurance coverage may duplicate certain provisions of insurance coverage already provided by the purchaser's homeowner's insurance, renter's insurance, health insurance, or similar insurance coverage; and
  - B. the purchase of travel insurance would make the travel insurance coverage primary to any other duplicate or similar coverage;
5. the identity and contact information of the insurer and limited lines travel insurance producer; and
6. contact information for filing a complaint with the Commissioner.

(iii) 1. At the time of licensure, the limited lines travel insurance producer shall establish and maintain a register, on a form the Commissioner requires,

of each travel retailer that offers and disseminates travel insurance on behalf of the limited lines travel insurance producer.

2. The limited lines travel insurance producer shall:

A. submit the register for inspection by the Commissioner as the Commissioner requires; and

B. include in the register the name, address, and contact information of the travel retailer and an officer or a person who directs or controls the travel retailer's operations, and the travel retailer's federal tax identification number.

3. The limited lines travel insurance producer shall also certify that each travel retailer on the register maintained by the limited lines travel insurance producer complies with 18 U.S.C. § 1033.

(iv) 1. The limited lines travel insurance producer shall designate one of its employees who holds a limited lines license under this section as a designated responsible person to ensure the limited lines travel insurance producer's compliance with the laws and regulations for travel insurance in the State.

2. The designated responsible person described in subparagraph 1 of this subparagraph or the president, secretary, treasurer, and any other officer or person of the limited lines travel insurance producer who directs or controls the operations of the limited lines travel insurance producer shall comply with fingerprinting requirements applicable to insurance producers in the State.

(v) The limited lines travel insurance producer shall be in good standing with the Commissioner with respect to its license.

(vi) 1. The limited lines travel insurance producer shall require each employee or authorized representative of the travel retailer whose duties include offering and disseminating travel insurance to receive a program of instruction or training, which shall be subject to review by the Commissioner.

2. The training material shall contain, at a minimum, instruction on the types of insurance offered, ethical sales practices, and required disclosures to prospective customers.

(2) A travel retailer offering or disseminating travel insurance on behalf of a limited lines travel insurance producer shall make available to a prospective purchaser brochures or other written materials that:

(i) provide the identity and contact information of the limited lines travel insurance producer overseeing the activities of the travel retailer;

(ii) explain that the purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer; and

(iii) explain that a travel retailer:

1. is allowed to provide general information about the insurance offered and disseminated by the travel retailer, including a description of the coverage and price; but

2. is not qualified or authorized to answer technical questions about the terms and conditions of the insurance offered by the travel retailer or to evaluate the adequacy of the customer's existing insurance coverage.

(3) A travel retailer's employee or authorized representative who is not licensed as a limited lines travel insurance producer under this section may not:

(i) evaluate or interpret the technical terms, benefits, and conditions of the offered travel insurance coverage;

(ii) evaluate or provide advice concerning a prospective purchaser's existing insurance coverage; or

(iii) hold himself or herself out as a limited lines travel insurance producer, any other insurance producer, or an insurance expert.

(4) (i) A travel retailer whose insurance related activities, and those of its employees or authorized representatives, are limited to offering and disseminating travel insurance on behalf of and under the direction of a limited lines travel insurance producer under this section may receive compensation when listed on a register maintained by the limited lines travel insurance producer in accordance with paragraph (1)(iii) of this subsection.

(ii) A travel retailer may not compensate an employee or authorized representative for insurance related activities in a manner that is based primarily on the number of customers who purchase travel insurance coverage.

(iii) This section may not be construed to prohibit payment of compensation to a travel retailer or its employees or authorized representatives for activities under the limited lines travel insurance producer's license that are incidental to the travel retailer's or its employee's or authorized representative's overall compensation.

(5) The limited lines travel insurance producer:

(i) is responsible for the acts of the travel retailer; and

(ii) shall use reasonable means to ensure compliance by the travel retailer with this section.

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