

SENATE BILL 652

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By: **Senator Middleton**

Introduced and read first time: February 1, 2018

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Property and Casualty Insurance – Travel Insurance – Regulation**

3 FOR the purpose of specifying that a certain insurer that offers or sells a travel insurance
4 policy is required to pay a certain premium tax on certain premiums paid by certain
5 persons; requiring a travel insurer to document the state of residence or principal
6 place of business of the policyholder or certificate holder for certain purposes;
7 requiring travel insurance to be classified and filed as inland marine insurance;
8 providing for the scope and construction of certain coverage; providing that eligibility
9 and underwriting standards for travel insurance may be developed and provided
10 based on certain travel protection plans; providing that a travel protection plan may
11 be offered for one price under certain circumstances; subjecting a person that offers
12 or sells travel insurance to certain provisions of law concerning unfair trade
13 practices, with certain exceptions; making it an unfair or deceptive trade practice for
14 a person to offer or sell a travel insurance policy that could never result in a certain
15 payment; requiring that documents provided to a consumer before the purchase of
16 travel insurance be consistent with certain travel insurance policy documents;
17 requiring that a travel insurance policy or certificate containing a certain preexisting
18 condition exclusion clearly disclose the exclusion in a certain manner; providing that
19 a certain policyholder or certificate holder has at least a certain number of days to
20 review and cancel a certain travel insurance policy or certificate under certain
21 circumstances; requiring an insurer, on the cancellation of the policy or certificate
22 within a certain time period, to provide the policy or certificate holder a certain
23 refund except under certain circumstances; requiring that certain material disclose
24 whether the travel insurance is primary or secondary to other applicable insurance
25 coverage; providing that travel insurance is not subject to coordination of benefits for
26 certain health insurance; providing that it is not an unfair or deceptive trade practice
27 if travel insurance is marketed directly to a consumer through an insurer's website
28 or by others through an aggregator site under certain circumstances; prohibiting a
29 person from offering or selling travel insurance or a travel protection plan using a
30 certain negative option or opt-out provision; providing that it is not an unfair or
31 deceptive trade practice for a person to include blanket travel insurance with the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 purchase of a trip under certain circumstances; prohibiting a person from acting or
 2 representing itself as a travel administrator except under certain circumstances;
 3 exempting a travel administrator and certain employees from certain licensing
 4 requirements; authorizing the Maryland Insurance Commissioner to conduct certain
 5 investigations or examinations and take certain actions following notice and a
 6 hearing for certain purposes; authorizing the Commissioner to adopt certain
 7 regulations; altering certain definitions; defining certain terms; providing for the
 8 construction of certain terms; providing for the application of this Act; and generally
 9 relating to the regulation of travel insurance.

10 BY repealing and reenacting, without amendments,
 11 Article – Insurance
 12 Section 1–101(a) and 10–101(a), (k), and (p)
 13 Annotated Code of Maryland
 14 (2017 Replacement Volume)

15 BY repealing and reenacting, with amendments,
 16 Article – Insurance
 17 Section 1–101(z), 6–102, and 10–101(j) and (o)
 18 Annotated Code of Maryland
 19 (2017 Replacement Volume)

20 BY adding to
 21 Article – Insurance
 22 Section 11–801 to be under the new subtitle “Subtitle 8. Travel Insurance Premium
 23 Rating Review”; and 19–1001 through 19–1007 to be under the new subtitle
 24 “Subtitle 10. Travel Insurance”
 25 Annotated Code of Maryland
 26 (2017 Replacement Volume)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 28 That the Laws of Maryland read as follows:

29 **Article – Insurance**

30 1–101.

31 (a) In this article the following words have the meanings indicated.

32 (z) (1) “Marine insurance” includes:

33 (i) insurance against loss or damage in connection with any risk of
 34 navigation, transit, or transportation, including war risks, marine builder’s risks and
 35 personal property floater risks, to vessels, craft, aircraft, automobiles, trailers, or vehicles
 36 of any kind, as well as all goods, freight, cargoes, merchandise, effects, disbursements,
 37 profits, money, bullion, precious stones, securities, choses in action, evidences of debt,
 38 valuable papers, bottomry and respondentia interests, and all other kinds of property and

1 interests:

2 1. on or under water, on land, or in the air;

3 2. while being assembled, packed, crated, baled, compressed,
4 or similarly prepared for shipment or while awaiting shipment; or

5 3. during any delay, storage, transshipment, or incidental
6 reshipment;

7 (ii) except as provided in paragraph (2) of this subsection, insurance
8 against:

9 1. loss or damage to a person or property in connection with
10 or as part of marine, inland marine, transit, or transportation insurance arising out of or
11 in connection with the construction, repair, operation, maintenance, or use of the subject
12 matter of the insurance; and

13 2. legal liability of the insured for loss of or damage to the
14 person or property;

15 (iii) insurance against loss or damage to precious stones, jewels,
16 jewelry, gold, silver and other precious metals, whether used in business or trade or
17 otherwise or whether in course of transportation or otherwise; [and]

18 (iv) except as provided in paragraph (2) of this subsection, insurance
19 against loss or damage to bridges, tunnels, other instrumentalities of transportation and
20 communication, auxiliary facilities and related equipment, piers, wharves, docks, slips,
21 other aids to navigation and transportation, dry docks, and marine railways; **AND**

22 **(V) TRAVEL INSURANCE, AS DEFINED IN § 10-101 OF THIS**
23 **ARTICLE.**

24 (2) "Marine insurance" does not include:

25 (i) life insurance, surety bonds, or insurance against loss because of
26 bodily injury to a person arising out of ownership, maintenance, or use of an automobile,
27 **UNLESS A PART OF TRAVEL INSURANCE, AS DEFINED IN § 10-101 OF THIS ARTICLE;**
28 or

29 (ii) insurance against loss or damage to buildings that are
30 instrumentalities of transportation and communication, their furniture and furnishings,
31 and fixed contents and supplies stored in the buildings.

32 6-102.

1 (a) A tax is imposed on all new and renewal gross direct premiums of each person
2 subject to taxation under this subtitle that are:

3 (1) allocable to the State; and

4 (2) written during the preceding calendar year.

5 (b) Premiums to be taxed include:

6 (1) the consideration for a surety contract, guaranty contract, or annuity
7 contract;

8 (2) gross receipts received as a result of capitation payments, supplemental
9 payments, and bonus payments, made to a managed care organization for provider services
10 to an individual who is enrolled in a managed care organization;

11 (3) subscription charges or other amounts paid to a for-profit health
12 maintenance organization on a predetermined periodic rate basis by a person other than a
13 person subject to the tax under this subtitle as compensation for providing health care
14 services to members;

15 (4) dividends on life insurance policies that have been applied to buy
16 additional insurance or to shorten the period during which a premium is payable; [and]

17 (5) the part of the gross receipts of a title insurer that is derived from
18 insurance business or guaranty business; AND

19 **(6) THE AMOUNT ALLOCABLE TO TRAVEL INSURANCE, EXCLUDING**
20 **ANY AMOUNT RECEIVED FOR TRAVEL ASSISTANCE SERVICES OR CANCELLATION FEE**
21 **WAIVERS, SOLD TO:**

22 **(I) AN INDIVIDUAL PRIMARY POLICYHOLDER WHO IS A**
23 **RESIDENT OF THE STATE;**

24 **(II) A PRIMARY CERTIFICATE HOLDER WHO:**

25 **1. IS A RESIDENT OF THE STATE; AND**

26 **2. WHO ELECTS COVERAGE UNDER A GROUP TRAVEL**
27 **INSURANCE POLICY; AND**

28 **(III) A BLANKET TRAVEL INSURANCE POLICYHOLDER THAT:**

29 **1. IS A RESIDENT OF THE STATE OR HAS ITS PRINCIPAL**
30 **PLACE OF BUSINESS OR THE PRINCIPAL PLACE OF AN AFFILIATE OR SUBSIDIARY IN**

1 THE STATE; AND

2 2. HAS PURCHASED TRAVEL INSURANCE IN THE STATE
3 FOR ELIGIBLE BLANKET GROUP MEMBERS, SUBJECT TO ANY APPORTIONMENT
4 RULES THAT:

5 A. APPLY TO THE INSURER ACROSS MULTIPLE TAXING
6 JURISDICTIONS; OR

7 B. ALLOW THE INSURER TO ALLOCATE PREMIUMS ON AN
8 APPORTIONED BASIS IN A REASONABLE AND EQUITABLE MANNER IN THOSE
9 JURISDICTIONS.

10 (c) Premiums not to be taxed include:

11 (1) premiums on policies covering weekly disability benefits on which
12 premiums are payable weekly; or

13 (2) credits allowed on premiums under policies of industrial insurance
14 because of payment being made to the home office or a branch office of the insurer.

15 (d) (1) Gross direct premiums or parts of gross direct premiums that are
16 derived from or reasonably attributable to insurance business in the State shall be allocated
17 to the State.

18 (2) By regulation, the Commissioner may require or allow a method of
19 allocating gross direct premiums written by a person subject to taxation under this subtitle
20 that justly and fairly determines the part of the gross direct premiums that is derived from
21 or reasonably attributable to the person's insurance business in the State.

22 (e) (1) Funds accepted by a life insurer under a group contract that provides
23 for an accumulation of funds to buy annuities at future dates may be considered as "gross
24 premiums written":

25 (i) on receipt of the funds; or

26 (ii) on the actual application of the funds to buy annuities.

27 (2) Any funds taxed on receipt and any interest later credited to those
28 funds are not subject to taxation on the purchase of annuities.

29 (3) Any interest credited to funds that are not taxed on receipt also shall
30 be included in "gross premiums written".

31 (4) Each life insurer shall elect between alternatives in paragraph (1) of
32 this subsection.

1 (5) A life insurer may not change an election between alternatives in
2 paragraph (1) of this subsection without the consent of the Commissioner.

3 (6) If funds that have been taxed as gross premiums are withdrawn before
4 actually applied to buy annuities, the funds are eligible to be included as returned
5 premiums if otherwise eligible under § 6-104(a)(1) of this subtitle.

6 **(F) FOR PURPOSES OF DETERMINING THE PREMIUMS SUBJECT TO**
7 **TAXATION UNDER SUBSECTION (B)(6) OF THIS SECTION, A TRAVEL INSURER SHALL**
8 **DOCUMENT THE STATE OF RESIDENCE OR PRINCIPAL PLACE OF BUSINESS OF THE**
9 **POLICYHOLDER OR CERTIFICATE HOLDER.**

10 10-101.

11 (a) In this subtitle the following words have the meanings indicated.

12 (j) "Limited lines travel insurance producer" means, with respect to travel
13 insurance:

14 (1) a licensed managing general agent or third party administrator; [or]

15 (2) a licensed insurance producer [or], **INCLUDING A limited lines**
16 **insurance producer; OR**

17 **(3) A TRAVEL ADMINISTRATOR.**

18 (k) "Offer and disseminate" means, with respect to limited lines travel insurance,
19 to:

20 (1) provide general information, including a description of coverage and
21 price;

22 (2) process applications; and

23 (3) collect premiums.

24 (o) (1) "Travel insurance" means insurance coverage for personal risk incident
25 to planned travel, including:

26 (i) interruption or cancellation of a trip or an event;

27 (ii) loss of baggage or personal effects;

28 (iii) damage to accommodations or a rental vehicle; [or]

1 (iv) sickness, accident, disability, or death occurring during travel[,
2 if issued as incidental to the coverage provided by item (i), (ii), or (iii) of this paragraph];

3 (V) EMERGENCY EVACUATION;

4 (VI) REPATRIATION OF REMAINS; AND

5 (VII) ANY OTHER CONTRACTUAL OBLIGATIONS TO INDEMNIFY OR
6 PAY A SPECIFIED AMOUNT TO THE TRAVELER ON DETERMINABLE CONTINGENCIES
7 RELATED TO TRAVEL AS THE COMMISSIONER APPROVES.

8 (2) "Travel insurance" does not include a major medical plan that provides
9 comprehensive medical protection for a traveler on a trip lasting 6 months or longer, such
10 as an individual working outside the United States or military personnel being deployed.

11 (p) "Travel retailer" means a business entity that makes, arranges, or offers
12 travel services.

13 **SUBTITLE 8. TRAVEL INSURANCE PREMIUM RATING REVIEW.**

14 **11-801.**

15 (A) IN THIS SECTION, "TRAVEL INSURANCE" HAS THE MEANING STATED IN
16 § 10-101 OF THIS ARTICLE.

17 (B) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, TRAVEL
18 INSURANCE SHALL BE CLASSIFIED AND FILED FOR PURPOSES OF RATES AND FORMS
19 UNDER AN INLAND MARINE LINE OF INSURANCE.

20 (C) TRAVEL INSURANCE MAY BE IN THE FORM OF AN INDIVIDUAL, A GROUP,
21 OR A BLANKET POLICY.

22 (D) ELIGIBILITY AND UNDERWRITING STANDARDS FOR TRAVEL INSURANCE
23 MAY BE DEVELOPED AND PROVIDED BASED ON TRAVEL PROTECTION PLANS
24 DESIGNED FOR INDIVIDUAL OR IDENTIFIED MARKETING OR DISTRIBUTION
25 CHANNELS IF THOSE STANDARDS ALSO MEET THE STATE'S UNDERWRITING
26 STANDARDS FOR INLAND MARINE LINES OF INSURANCE.

27 **SUBTITLE 10. TRAVEL INSURANCE.**

28 **19-1001.**

29 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
30 INDICATED.

1 **(B) “AFFILIATED INSURER” MEANS:**

2 **(1) AN INSURER IN THE SAME CORPORATE SYSTEM AS THE INSURER’S**
3 **PARENT; OR**

4 **(2) A MEMBER ORGANIZATION HAVING COMMON OWNERSHIP,**
5 **CONTROL, OPERATION, OR MANAGEMENT WITH THE INSURER.**

6 **(C) “AGGREGATOR SITE” MEANS A WEBSITE THAT PROVIDES ACCESS TO**
7 **INFORMATION REGARDING INSURANCE PRODUCTS FROM MORE THAN ONE**
8 **INSURER, INCLUDING PRODUCT AND INSURER INFORMATION, FOR USE IN**
9 **COMPARISON SHOPPING.**

10 **(D) “BLANKET TRAVEL INSURANCE” MEANS A POLICY OF TRAVEL**
11 **INSURANCE ISSUED TO ANY ELIGIBLE GROUP PROVIDING COVERAGE FOR SPECIFIC**
12 **CLASSES OF PERSONS DEFINED IN THE POLICY WITH COVERAGE PROVIDED TO ALL**
13 **MEMBERS OF THE ELIGIBLE GROUP WITHOUT A SEPARATE CHARGE TO INDIVIDUAL**
14 **MEMBERS OF THE ELIGIBLE GROUP.**

15 **(E) “CANCELLATION FEE WAIVER” MEANS A CONTRACTUAL AGREEMENT**
16 **BETWEEN A PERSON ENGAGED IN THE BUSINESS OF ARRANGING OR SUPPLYING**
17 **TRAVEL AND THE PERSON’S CUSTOMER TO WAIVE SOME OR ALL OF A**
18 **NONREFUNDABLE CANCELLATION FEE PROVISION OF THE SUPPLIER’S UNDERLYING**
19 **TRAVEL CONTRACT, WITH OR WITHOUT REGARD TO THE REASON FOR**
20 **CANCELLATION OR FORM OF REIMBURSEMENT.**

21 **(F) “ELIGIBLE GROUP” MEANS TWO OR MORE PERSONS WHO ARE ENGAGED**
22 **IN A COMMON ENTERPRISE OR WHO HAVE AN ECONOMIC, EDUCATIONAL, OR SOCIAL**
23 **AFFINITY OR RELATIONSHIP, INCLUDING:**

24 **(1) (I) AN ENTITY ENGAGED IN THE BUSINESS OF PROVIDING**
25 **TRAVEL OR TRAVEL SERVICES, INCLUDING:**

26 **1. A TOUR OPERATOR;**

27 **2. A LODGING PROVIDER;**

28 **3. A VACATION PROPERTY OWNER;**

29 **4. A HOTEL OR RESORT;**

30 **5. A TRAVEL CLUB;**

- 1 **6. A TRAVEL AGENCY;**
- 2 **7. A PROPERTY MANAGER;**
- 3 **8. A CULTURAL EXCHANGE PROGRAM; AND**
- 4 **9. A COMMON CARRIER; AND**

5 **(II) THE OPERATOR, OWNER, OR LESSOR OF A MEANS OF**
6 **TRANSPORTATION OF PASSENGERS IN WHICH, WITH REGARD TO ANY PARTICULAR**
7 **TRAVEL OR TYPE OF TRAVEL OR TRAVELERS, ALL MEMBERS OR CUSTOMERS OF THE**
8 **GROUP HAVE COMMON EXPOSURE TO RISK ATTENDANT TO THAT TRAVEL,**
9 **INCLUDING:**

- 10 **1. AN AIRLINE;**
- 11 **2. A CRUISE LINE;**
- 12 **3. A RAILROAD;**
- 13 **4. A STEAMSHIP COMPANY; AND**
- 14 **5. A PUBLIC BUS CARRIER;**

15 **(2) A COLLEGE, SCHOOL, OR ANY OTHER INSTITUTION OF LEARNING**
16 **PROVIDING TRAVEL INSURANCE COVERAGE FOR STUDENTS, TEACHERS,**
17 **EMPLOYEES, OR VOLUNTEERS;**

18 **(3) AN EMPLOYER PROVIDING TRAVEL INSURANCE COVERAGE FOR**
19 **EMPLOYEES, VOLUNTEERS, CONTRACTORS, BOARDS OF DIRECTORS, OR**
20 **DEPENDENTS, OR GUESTS OF THOSE PERSONS;**

21 **(4) A SPORTS TEAM, CAMP, OR SPONSOR OF A SPORTS TEAM OR CAMP**
22 **PROVIDING TRAVEL INSURANCE COVERAGE FOR PARTICIPANTS, MEMBERS,**
23 **CAMPERS, EMPLOYEES, OFFICIALS, SUPERVISORS, OR VOLUNTEERS;**

24 **(5) A RELIGIOUS, CHARITABLE, RECREATIONAL, EDUCATIONAL, OR**
25 **CIVIC ORGANIZATION OR BRANCH OF THE RELIGIOUS, CHARITABLE,**
26 **RECREATIONAL, EDUCATIONAL, OR CIVIC ORGANIZATION PROVIDING TRAVEL**
27 **INSURANCE COVERAGE FOR MEMBERS, PARTICIPANTS, OR VOLUNTEERS;**

28 **(6) A FINANCIAL INSTITUTION OR FINANCIAL INSTITUTION VENDOR,**

1 OR PARENT HOLDING COMPANY, TRUSTEE, OR AGENT OF, OR DESIGNATED BY, A
2 FINANCIAL INSTITUTION OR FINANCIAL INSTITUTION VENDOR, PROVIDING TRAVEL
3 INSURANCE COVERAGE FOR ACCOUNT HOLDERS, CREDIT CARD HOLDERS, DEBTORS,
4 GUARANTORS, OR PURCHASERS;

5 (7) AN INCORPORATED OR UNINCORPORATED ASSOCIATION,
6 INCLUDING A LABOR UNION, THAT:

7 (I) HAS A COMMON INTEREST, CONSTITUTION, AND BYLAWS;

8 (II) IS ORGANIZED AND MAINTAINED IN GOOD FAITH FOR
9 PURPOSES OTHER THAN OBTAINING INSURANCE FOR MEMBERS OR PARTICIPANTS
10 OF THE ASSOCIATION; AND

11 (III) PROVIDES TRAVEL INSURANCE COVERAGE FOR MEMBERS
12 OF THE ASSOCIATION;

13 (8) A TRUST OR THE TRUSTEES OF A FUND, SUBJECT TO THE
14 COMMISSIONER'S AUTHORIZING THE USE OF A TRUST AND THE STATE'S PREMIUM
15 TAX PROVISIONS UNDER § 6-102 OF THIS ARTICLE:

16 (I) ESTABLISHED, CREATED, OR MAINTAINED FOR THE
17 BENEFIT OF MEMBERS, EMPLOYEES, OR CUSTOMERS OF AN ASSOCIATION
18 DESCRIBED UNDER ITEM (7) OF THIS SUBSECTION; AND

19 (II) PROVIDING TRAVEL INSURANCE COVERAGE FOR MEMBERS,
20 EMPLOYEES, OR CUSTOMERS OF THE ASSOCIATION;

21 (9) AN ENTERTAINMENT PRODUCTION COMPANY PROVIDING TRAVEL
22 INSURANCE COVERAGE FOR PARTICIPANTS, VOLUNTEERS, AUDIENCE MEMBERS,
23 CONTESTANTS, OR WORKERS;

24 (10) A VOLUNTEER FIRE DEPARTMENT, AN AMBULANCE, A RESCUE, A
25 POLICE, A COURT, OR ANY OTHER VOLUNTEER AGENCY HAVING JURISDICTION AS A
26 FIRST AID OR CIVIL DEFENSE GROUP AND PROVIDING TRAVEL INSURANCE
27 COVERAGE FOR MEMBERS, PARTICIPANTS, OR VOLUNTEERS;

28 (11) A PRESCHOOL, A DAY CARE INSTITUTION FOR CHILDREN OR
29 ADULTS, OR A SENIOR CITIZEN CLUB PROVIDING TRAVEL INSURANCE COVERAGE
30 FOR ATTENDEES OR PARTICIPANTS;

31 (12) AN AUTOMOBILE OR TRUCK RENTAL OR LEASING COMPANY;

1 **(2) “TRAVEL ADMINISTRATOR” DOES NOT INCLUDE A PERSON WHOSE**
2 **ACTIONS IN CONNECTION WITH TRAVEL INSURANCE ARE LIMITED TO:**

3 **(I) WORKING FOR A TRAVEL ADMINISTRATOR TO THE EXTENT**
4 **THAT THE PERSON’S ACTIVITIES ARE SUBJECT TO THE SUPERVISION AND CONTROL**
5 **OF THE TRAVEL ADMINISTRATOR;**

6 **(II) AS AN INSURANCE PRODUCER, SELLING INSURANCE OR**
7 **ENGAGING IN ADMINISTRATIVE AND CLAIMS-RELATED ACTIVITIES WITHIN THE**
8 **SCOPE OF THE PRODUCER’S LICENSE;**

9 **(III) AS A TRAVEL RETAILER, OFFERING AND DISSEMINATING**
10 **TRAVEL INSURANCE, IF THE TRAVEL RETAILER IS REGISTERED UNDER THE LICENSE**
11 **OF A LIMITED LINES TRAVEL INSURANCE PRODUCER IN ACCORDANCE WITH THIS**
12 **SUBTITLE;**

13 **(IV) ADJUSTING OR SETTLING CLAIMS IN THE NORMAL COURSE**
14 **OF THAT INDIVIDUAL’S PRACTICE OR EMPLOYMENT AS AN ATTORNEY, IF THE**
15 **INDIVIDUAL DOES NOT COLLECT CHARGES, COLLATERAL, OR PREMIUMS; OR**

16 **(V) WITH RESPECT TO A BUSINESS ENTITY, BEING AFFILIATED**
17 **WITH A LICENSED INSURER WHILE ACTING AS A TRAVEL ADMINISTRATOR FOR THE**
18 **DIRECT AND ASSUMED INSURANCE BUSINESS OF AN AFFILIATED INSURER.**

19 **(L) (1) “TRAVEL ASSISTANCE SERVICE” MEANS A NONINSURANCE**
20 **SERVICE:**

21 **(I) FOR WHICH THE CONSUMER IS NOT INDEMNIFIED BASED ON**
22 **A FORTUITOUS EVENT; AND**

23 **(II) THAT DOES NOT RESULT IN ANY TRANSFER OR SHIFTING OF**
24 **RISK THAT WOULD CONSTITUTE THE BUSINESS OF INSURANCE.**

25 **(2) “TRAVEL ASSISTANCE SERVICE” INCLUDES:**

26 **(I) A SECURITY ADVISORY SERVICE;**

27 **(II) A DESTINATION INFORMATION SERVICE;**

28 **(III) A VACCINATION AND IMMUNIZATION INFORMATION**
29 **SERVICE;**

- 1 (IV) A TRAVEL RESERVATION SERVICE;
- 2 (V) AN ENTERTAINMENT SERVICE;
- 3 (VI) AN ACTIVITY AND EVENT PLANNING SERVICE;
- 4 (VII) A TRANSLATION ASSISTANCE SERVICE;
- 5 (VIII) AN EMERGENCY MESSAGING SERVICE;
- 6 (IX) AN INTERNATIONAL LEGAL AND MEDICAL REFERRAL
7 SERVICE;
- 8 (X) A MEDICAL CASE MONITORING SERVICE;
- 9 (XI) COORDINATION OF TRANSPORTATION ARRANGEMENTS;
- 10 (XII) EMERGENCY CASH TRANSFER ASSISTANCE;
- 11 (XIII) MEDICAL PRESCRIPTION REPLACEMENT ASSISTANCE;
- 12 (XIV) PASSPORT AND TRAVEL DOCUMENT REPLACEMENT
13 ASSISTANCE;
- 14 (XV) LOST LUGGAGE ASSISTANCE;
- 15 (XVI) A CONCIERGE SERVICE; AND
- 16 (XVII) ANY OTHER SERVICE THAT IS FURNISHED IN CONNECTION
17 WITH PLANNED TRAVEL THAT IS NOT RELATED TO THE ADJUDICATION OF A TRAVEL
18 INSURANCE CLAIM, UNLESS OTHERWISE APPROVED BY THE COMMISSIONER IN A
19 TRAVEL INSURANCE FILING.
- 20 (M) "TRAVEL INSURANCE" HAS THE MEANING STATED IN § 10-101 OF THIS
21 ARTICLE.
- 22 (N) "TRAVEL PROTECTION PLAN" MEANS A PLAN THAT PROVIDES, IN
23 ADDITION TO TRAVEL INSURANCE:
- 24 (1) A TRAVEL ASSISTANCE SERVICE; OR
- 25 (2) A CANCELLATION FEE WAIVER.

1 (O) "TRAVEL RETAILER" HAS THE MEANING STATED IN § 10-101 OF THIS
2 ARTICLE.

3 19-1002.

4 (A) THE PURPOSE OF THIS SUBTITLE IS TO PROMOTE THE PUBLIC WELFARE
5 BY CREATING A COMPREHENSIVE LEGAL FRAMEWORK WITHIN WHICH TRAVEL
6 INSURANCE MAY BE SOLD IN THE STATE.

7 (B) (1) THIS SUBTITLE APPLIES TO TRAVEL INSURANCE UNDER POLICIES
8 AND CERTIFICATES DELIVERED OR ISSUED FOR DELIVERY IN THE STATE.

9 (2) (I) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS
10 SUBTITLE, THIS SUBTITLE DOES NOT APPLY TO A CANCELLATION FEE WAIVER OR A
11 TRAVEL ASSISTANCE SERVICE.

12 (II) THE FOLLOWING MAY NOT BE CONSTRUED TO BE
13 INSURANCE, AS DEFINED IN § 1-101 OF THIS ARTICLE:

14 1. A CANCELLATION WAIVER; OR

15 2. A TRAVEL ASSISTANCE SERVICE.

16 (C) ALL OTHER APPLICABLE PROVISIONS OF THIS ARTICLE APPLY TO
17 TRAVEL INSURANCE, EXCEPT THAT SPECIFIC PROVISIONS OF THIS SUBTITLE
18 SUPERSEDE ANY GENERAL PROVISIONS OF THIS ARTICLE.

19 19-1003.

20 NOTWITHSTANDING § 27-214 OF THIS ARTICLE, TRAVEL PROTECTION PLANS
21 MAY BE OFFERED FOR ONE PRICE FOR THE COMBINED FEATURES THAT THE TRAVEL
22 PROTECTION OFFERS IN THE STATE IF:

23 (1) THE TRAVEL PROTECTION PLAN:

24 (I) CLEARLY DISCLOSES TO THE CONSUMER AT OR BEFORE THE
25 TIME OF PURCHASE THAT THE PLAN INCLUDES TRAVEL INSURANCE AND, AS
26 APPLICABLE, A TRAVEL ASSISTANCE SERVICE OR CANCELLATION FEE WAIVER; AND

27 (II) PROVIDES INFORMATION AND AN OPPORTUNITY AT OR
28 BEFORE THE TIME OF PURCHASE FOR THE CONSUMER TO OBTAIN ADDITIONAL
29 INFORMATION REGARDING THE FEATURES AND PRICING OF THE TRAVEL
30 INSURANCE, TRAVEL ASSISTANCE SERVICE, AND CANCELLATION FEE WAIVER, AS

1 APPLICABLE; AND

2 (2) THE FULFILLMENT MATERIAL FOR THE TRAVEL PROTECTION
3 PLAN:

4 (I) DESCRIBES AND DELINEATES THE TRAVEL INSURANCE,
5 TRAVEL ASSISTANCE SERVICE, AND CANCELLATION FEE WAIVER IN THE TRAVEL
6 PROTECTION PLAN;

7 (II) INCLUDES THE TRAVEL INSURANCE DISCLOSURES
8 REQUIRED UNDER STATE LAW; AND

9 (III) INCLUDES THE CONTACT INFORMATION FOR THE PERSON
10 PROVIDING THE TRAVEL ASSISTANCE SERVICE OR CANCELLATION FEE WAIVER, AS
11 APPLICABLE.

12 19-1004.

13 (A) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A PERSON
14 INVOLVED IN OFFERING, SOLICITING, OR NEGOTIATING TRAVEL INSURANCE TO
15 RESIDENTS OF THE STATE IS SUBJECT TO TITLE 27 OF THIS ARTICLE.

16 (2) IF THERE IS A CONFLICT BETWEEN THIS SUBTITLE AND ANY
17 OTHER PROVISION OF THIS ARTICLE CONCERNING THE SALE AND MARKETING OF
18 TRAVEL INSURANCE OR TRAVEL PROTECTION PLANS, THIS SUBTITLE CONTROLS.

19 (B) IT IS AN UNFAIR TRADE PRACTICE UNDER TITLE 27 OF THIS ARTICLE
20 FOR A PERSON TO OFFER OR SELL A TRAVEL INSURANCE POLICY THAT COULD
21 NEVER RESULT IN PAYMENT OF ANY CLAIM FOR ANY INSURED UNDER THE POLICY.

22 (C) (1) DOCUMENTS PROVIDED TO A CONSUMER BEFORE THE PURCHASE
23 OF TRAVEL INSURANCE, INCLUDING SALES MATERIALS, ADVERTISING MATERIALS,
24 AND MARKETING MATERIALS, SHALL BE CONSISTENT WITH THE TRAVEL INSURANCE
25 POLICY DOCUMENTS, INCLUDING FORMS, ENDORSEMENTS, POLICIES, RATE
26 FILINGS, AND CERTIFICATES OF INSURANCE.

27 (2) A TRAVEL INSURANCE POLICY OR CERTIFICATE THAT CONTAINS
28 A PREEXISTING CONDITION EXCLUSION SHALL CLEARLY DISCLOSE THE EXCLUSION
29 IN THE TRAVEL PROTECTION PLAN'S FULFILLMENT MATERIAL.

30 (3) (I) AN INSURER SHALL PROVIDE A POLICYHOLDER OR
31 CERTIFICATE HOLDER AT LEAST 10 DAYS AFTER THE LATER OF THE DATE OF
32 PURCHASE OF A TRAVEL PROTECTION PLAN OR THE POLICYHOLDER'S OR

1 CERTIFICATE HOLDER'S RECEIPT, EITHER BY PHYSICAL OR ELECTRONIC MEANS, OF
2 THE TRAVEL PROTECTION PLAN'S FULFILLMENT MATERIAL TO REVIEW AND, IF
3 DESIRED, CANCEL THE POLICY OR CERTIFICATE.

4 (II) IF THE POLICYHOLDER OR CERTIFICATE HOLDER CANCELS
5 THE POLICY OR CERTIFICATE WITHIN THE TIME PERIOD UNDER SUBPARAGRAPH (I)
6 OF THIS PARAGRAPH, THE INSURER SHALL PROVIDE THE POLICYHOLDER OR
7 CERTIFICATE HOLDER A FULL REFUND OF THE TRAVEL PROTECTION PRICE UNLESS
8 THE INSURED HAS STARTED THE COVERED TRIP OR FILED A CLAIM UNDER THE
9 TRAVEL INSURANCE COVERAGE.

10 (4) (I) THE FULFILLMENT MATERIAL SHALL DISCLOSE WHETHER
11 THE TRAVEL INSURANCE IS PRIMARY OR SECONDARY TO OTHER APPLICABLE
12 COVERAGE.

13 (II) TRAVEL INSURANCE IS NOT SUBJECT TO COORDINATION OF
14 BENEFITS FOR HEALTH INSURANCE COVERAGE.

15 (5) SUBJECT TO § 10–122 OF THIS ARTICLE, AN ACTION MAY NOT BE
16 DEEMED AN UNFAIR TRADE PRACTICE IN VIOLATION OF TITLE 27 OF THIS ARTICLE
17 OR OTHER VIOLATION OF LAW IF:

18 (I) TRAVEL INSURANCE IS MARKETED DIRECTLY TO A
19 CONSUMER THROUGH AN INSURER'S WEBSITE OR BY ANOTHER PERSON THROUGH
20 AN AGGREGATOR SITE;

21 (II) THE INSURER'S WEBSITE OR AGGREGATOR SITE PROVIDES
22 AN ACCURATE SUMMARY OR SHORT DESCRIPTION OF TRAVEL INSURANCE
23 COVERAGE; AND

24 (III) THE CONSUMER HAS ACCESS TO THE FULL PROVISIONS OF
25 THE TRAVEL INSURANCE POLICY THROUGH ELECTRONIC MEANS.

26 (D) UNLESS OTHERWISE AUTHORIZED BY FEDERAL OR STATE LAW, A
27 PERSON OFFERING OR SELLING TRAVEL INSURANCE OR A TRAVEL PROTECTION
28 PLAN MAY NOT OFFER OR SELL THE TRAVEL INSURANCE OR TRAVEL PROTECTION
29 PLAN ON AN INDIVIDUAL OR GROUP BASIS BY USING A NEGATIVE OPTION OR AN
30 OPT-OUT PROVISION THAT REQUIRES A CONSUMER TO TAKE AN AFFIRMATIVE
31 ACTION TO REFUSE COVERAGE, INCLUDING UNCHECKING A BOX ON AN ELECTRONIC
32 FORM, WHEN THE CONSUMER PURCHASES A TRIP.

33 (E) IT IS NOT AN UNFAIR TRADE PRACTICE UNDER TITLE 27 OF THIS
34 ARTICLE FOR A PERSON TO INCLUDE BLANKET TRAVEL INSURANCE WITH THE

1 PURCHASE OF A TRIP IF THE BLANKET TRAVEL INSURANCE IS NOT MARKETED AS
2 FREE OF CHARGE.

3 19-1005.

4 (A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A
5 PERSON MAY NOT ACT AS, OR REPRESENT THAT THE PERSON IS, A TRAVEL
6 ADMINISTRATOR IN THE STATE UNLESS THE PERSON:

7 (1) IS A LICENSED PRODUCER FOR PROPERTY AND CASUALTY
8 INSURANCE IN THE STATE WITH AN INLAND MARINE LINE OF AUTHORITY FOR
9 ACTIVITIES PERMITTED UNDER A PRODUCER LICENSE;

10 (2) HOLDS A CERTIFICATE OF QUALIFICATION AS A MANAGING
11 GENERAL AGENT UNDER TITLE 8, SUBTITLE 2 OF THIS ARTICLE; OR

12 (3) IS REGISTERED AS A THIRD PARTY ADMINISTRATOR UNDER TITLE
13 8, SUBTITLE 3 OF THIS ARTICLE.

14 (B) A TRAVEL ADMINISTRATOR AND THE EMPLOYEES OF THE TRAVEL
15 ADMINISTRATOR ARE EXEMPT FROM THE LICENSING REQUIREMENTS UNDER TITLE
16 10, SUBTITLE 4 OF THIS ARTICLE FOR TRAVEL INSURANCE CLAIMS.

17 19-1006.

18 (A) THE COMMISSIONER MAY CONDUCT INVESTIGATIONS OR
19 EXAMINATIONS OF TRAVEL INSURERS, LIMITED LINES TRAVEL INSURANCE
20 PRODUCERS, TRAVEL RETAILERS, AND TRAVEL ADMINISTRATORS IN ORDER TO
21 ENFORCE THIS SUBTITLE.

22 (B) THE COMMISSIONER MAY TAKE ACTION, FOLLOWING NOTICE AND A
23 HEARING, NECESSARY OR APPROPRIATE TO ENFORCE THIS SUBTITLE, THE
24 COMMISSIONER'S ORDERS, AND STATE LAWS TO PROTECT CONSUMERS OF TRAVEL
25 INSURANCE IN THE STATE IN ACCORDANCE WITH § 2-201 OF THIS ARTICLE.

26 19-1007.

27 THE COMMISSIONER MAY ADOPT REGULATIONS TO CARRY OUT THIS
28 SUBTITLE.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2018, and shall apply to all policies of travel insurance and travel protection
31 plans offered, sold, or issued in the State on or after that date.