

CHAPTER 62
HB 184 – FINAL VERSION

11Mar2015... 0111h

2015 SESSION

15-0127
01/10

HOUSE BILL **184**

AN ACT relative to travel insurance.

SPONSORS: Rep. Hunt, Ches 11; Rep. Gidge, Hills 33; Sen. Carson, Dist 14; Sen. Lasky,
Dist 13

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill establishes procedures for the sale of travel insurance. Under this bill, the insurance commissioner may issue a license which authorizes a limited lines travel insurance producer to sell, solicit, or negotiate travel insurance through a licensed insurer.

Explanation: Matter added to current law appears in **bold italics**.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT relative to travel insurance.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 62:1 New Chapter; Sale of Limited Lines Travel Insurance. Amend RSA by inserting after
2 chapter 402-K the following new chapter:

CHAPTER 402-L

SALE OF LIMITED LINES TRAVEL INSURANCE

5 402-L:1 Definitions. In this chapter:

6 I. “Commissioner” means the insurance commissioner.

7 II. “Designated responsible producer” means an employee, who is a licensed individual
8 producer, of the limited lines travel insurance producer who has designated the employee as
9 responsible for the limited lines travel insurance producer’s compliance with this chapter.

10 III. “Limited lines travel insurance producer” means a:

11 (a) Licensed managing general underwriter;

12 (b) Licensed managing general agent or third party administrator; or

13 (c) Licensed insurance producer, including a limited lines producer.

14 IV. “Offer and disseminate” means providing general information, including a description of
15 the coverage and price, as well as processing the application, collecting premiums, and performing
16 other non-licensable activities permitted by the state.

17 V.(a) “Travel insurance” means insurance coverage for personal risks incident to planned
18 travel, including but not limited to:

19 (1) Interruption or cancellation of a trip or event;

20 (2) Loss of baggage or personal effects;

21 (3) Damages to accommodations or rental vehicles; or

22 (4) Sickness, accident, disability or death occurring during travel.

23 (b) Travel insurance shall not include major medical plans, which provide
24 comprehensive medical protection for travelers with trips lasting 12 months or longer, including
25 those persons working overseas or military personnel being deployed.

26 VI. “Travel retailer” means a business entity that makes, arranges, or offers travel services
27 and may offer and disseminate travel insurance as a service to its customers on behalf of and under
28 the direction of a limited lines travel insurance producer.

29 402-L:2 Requirements.

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1 I. Pursuant to the provisions of RSA 402-J, the commissioner may issue to an individual or
2 business entity that has filed with the commissioner an application for such limited license, a limited
3 lines travel insurance producer license, which authorizes the limited lines travel insurance producer
4 to sell, solicit or negotiate travel insurance through a licensed insurer.

5 II.(a) A travel retailer may offer and disseminate travel insurance on behalf of and under a
6 limited lines travel insurance producer business entity license only if the following conditions are
7 met:

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

10 (A) A description of the material terms or the actual material terms of the
11 insurance coverage;

12 (B) A description of the process for filing a claim;

13 (C) A description of the review or cancellation process for the travel insurance
14 policy; and

15 (D) The identity and contact information of the insurer and the limited lines
16 travel insurance producer.

17 (2) At the time of licensure, the limited lines travel insurance producer establishes
18 and maintains a register, on a form prescribed by the commissioner, listing each travel retailer that
19 offers travel insurance on the limited lines travel insurance producer's behalf. The register shall be
20 maintained and updated annually by the limited lines travel insurance producer and shall include
21 the name, address, and contact information of the travel retailer and an officer or person who directs
22 or controls the travel retailer's operations, and the travel retailer's federal tax identification number.
23 The limited lines travel insurance producer shall submit such register to the insurance department
24 upon request. The limited lines travel insurance producer shall also certify, upon request, that the
25 registered travel retailer complies with 18 U.S.C. section 1033.

26 (3) The designated responsible producer, president, secretary, treasurer, and any
27 other officer or person who directs or controls the limited lines travel insurance producer's insurance
28 operations has complied with the fingerprinting requirements applicable to insurance producers in
29 the resident state of the limited lines travel insurance producer.

30 (4) The limited lines travel insurance producer has paid all applicable insurance
31 producer licensing fees.

32 (5) The limited lines travel insurance producer requires each employee and
33 authorized representative of the travel retailer whose duties include offering and disseminating
34 travel insurance to receive a program of instruction or training, which may be subject to review by
35 the commissioner. The training material shall, at a minimum, contain instructions on the types of
36 insurance offered, ethical sales practices, and required disclosures to prospective customers.

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1 (b) Limited lines travel insurance producers, and those registered under its license, are
2 exempt from all examination requirements.

3 III. Any travel retailer offering or disseminating travel insurance shall make available to
4 prospective purchasers, brochures or other written materials that:

5 (a) Provide the identity and contact information of the insurer and the limited lines
6 travel insurance producer;

7 (b) Explain that the purchase of travel insurance is not required in order to purchase
8 any other product or service from the travel retailer; and

9 (c) Explain that an unlicensed travel retailer, is permitted to provide general
10 information about the insurance offered by the travel retailer, including a description of the coverage
11 and price, but is not qualified or authorized to answer technical questions about the terms and
12 conditions of the insurance offered by the travel retailer or to evaluate the adequacy of the
13 customer's existing insurance coverage.

14 IV. A travel retailer's employee, or authorized representative, who is not licensed as an
15 insurance producer shall not:

16 (a) Evaluate or interpret the technical terms, benefits, and conditions of the offered
17 travel insurance coverage;

18 (b) Evaluate or provide advice concerning a prospective purchaser's existing insurance
19 coverage; or

20 (c) Hold itself out as a licensed insurer, licensed producer, or insurance expert.

21 402-L:3 Registration; Policy.

22 I. A travel retailer whose insurance-related activities, and those of its employees and
23 authorized representative, are limited to offering and disseminating travel insurance on behalf of
24 and under the direction of a limited lines travel insurance producer meeting the conditions stated
25 under this chapter, is authorized to do so and receive related compensation, upon registration by the
26 limited lines travel insurance producer as described in RSA 402-L:2.

27 II. Travel insurance under this chapter may be provided under an individual policy or under
28 a group or master policy.

29 402-L:4 Responsibility. As the insurer designee, the limited lines travel insurance producer
30 shall be responsible for the acts of the travel retailer and shall use reasonable means to ensure
31 compliance by the travel retailer with the provisions of this chapter.

32 402-L:5 Enforcement. The limited lines travel insurance producer and any travel retailer
33 offering and disseminating travel insurance on behalf of the limited license travel insurance
34 producer and under the limited lines travel insurance producers license shall be subject to
35 RSA 417:4, VIII(e), RSA 402:J:12, and RSA 402-J:15.

36 62:2 Repeal. RSA 402:16-a, relative to travel agent insurance licensing, is repealed.

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1 62:3 Effective Date. This act shall take effect 90 days after its passage.

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3 Approved: June 2, 2015

4 Effective Date: August 31, 2015