

3/17/15

9:46 A.M.

Chapter No. 347  
15/SS01/R724CS  
of 126/12

**SENATE BILL NO. 2230**

Originated in Senate

J. Welch

Secretary

SENATE BILL NO. 2230

AN ACT TO CREATE THE LIMITED LINES TRAVEL INSURANCE ACT; TO DEFINE CERTAIN TERMS; TO AUTHORIZE A TRAVEL RETAILER TO OFFER AND DISSEMINATE TRAVEL INSURANCE UNDER A LIMITED LINES TRAVEL INSURANCE PRODUCER BUSINESS ENTITY LICENSE UNDER CERTAIN CONDITIONS; TO REQUIRE THE TRAVEL RETAILER TO MAKE CERTAIN DISCLOSURES; TO REQUIRE REGISTRATION OF LIMITED LINES TRAVEL INSURANCE PRODUCERS UNDER THE ACT; TO PROVIDE THAT LIMITED LINES TRAVEL INSURANCE PRODUCERS AND TRAVEL RETAILERS SHALL BE SUBJECT TO UNFAIR TRADE PRACTICES PROVISIONS AND CERTAIN ENFORCEMENT PROVISIONS APPLICABLE TO INSURANCE PRODUCERS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** **Short title.** This act shall be known as the "Limited Lines Travel Insurance Act."

**SECTION 2.** **Definitions.** As used in this act, unless the context otherwise requires:

(a) "Commissioner" means the Commissioner of Insurance for the State of Mississippi.

(b) "Limited lines travel insurance producer" means a:

(i) Licensed managing general agent or third-party administrator; or

(ii) Licensed insurance producer, including a limited lines producer designated by an insurer as the travel insurance supervising entity as set forth in Section 6 of this act.

(c) "Offer and disseminate" means providing general information, including a description of the coverage and price, as well as processing the application, collecting premiums, and performing other nonlicensable activities permitted by the state.

(d) "Travel insurance" means insurance coverage for personal risks incident to planned travel, including, but not limited to:

- (i) Interruption or cancellation of trip or event;
- (ii) Loss of baggage or personal effects;
- (iii) Damages to accommodations or rental

vehicles; or

(iv) 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 six (6) months or longer, including, for example, those working overseas as an ex-patriot or military personnel being deployed.

(e) "Travel retailer" means a business entity that makes, arranges or offers travel services and may offer and disseminate travel insurance as a service to its customers on

behalf of and under the direction of a limited lines travel insurance producer.

**SECTION 3. Requirements.** Notwithstanding any other provision of law:

(a) The commissioner may issue to an individual or business entity that has filed with the commissioner an application for such limited license in a form and manner prescribed by the commissioner, a limited lines travel insurance producer license which authorizes the limited lines travel insurance producer to sell, solicit or negotiate travel insurance through a licensed insurer.

(b) A travel retailer may offer and disseminate travel insurance under a limited lines travel insurance producer business entity ("licensed business entity") license only if the following conditions are met:

(i) The limited lines travel insurance producer or travel retailer provides to purchasers of travel insurance:

1. A description of the material terms or the actual material 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; and

4. The identity and contact information of the insurer and limited lines travel insurance producer.

(ii) At the time of licensure, the limited lines travel insurance producer shall establish and maintain a register on a form prescribed by the commissioner of each travel retailer that offers travel insurance on the limited lines travel insurance producer's behalf. The register shall be maintained and updated by the limited lines travel insurance producer and shall include the name, address 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 federal tax identification number. The limited lines travel insurance producer shall submit such register to the Department of Insurance upon reasonable request. The limited lines travel insurance producer shall also certify that the travel retailer registered complies with 18 USC 1033.

(iii) The limited lines travel insurance producer has designated one of its employees who is a licensed individual producer as the person (a "designated responsible producer" or "DRP") responsible for the limited lines travel insurance producer's compliance with the travel insurance laws, rules and regulations of the state.

(iv) The DRP, president, secretary, treasurer, and any other officer or person who directs or controls the limited lines travel insurance producer's insurance operations comply with the fingerprinting requirements applicable to insurance producers

in the resident state of the limited lines travel insurance producer.

(v) The limited lines travel insurance producer has paid all applicable insurance producer licensing fees as set forth in applicable state law.

(vi) The limited lines travel insurance producer requires each employee and authorized representative 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. The training material shall, at a minimum, contain instructions on the types of insurance offered, ethical sales practices, and required disclosures to prospective customers.

(vii) Limited lines travel insurance producers, and those registered under their license, are exempt from the examination requirements and the continuing education requirements of Chapter 17 of Title 83, Mississippi Code of 1972.

(c) Any travel retailer offering or disseminating travel insurance shall make available to prospective purchasers brochures or other written materials that:

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

(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 an unlicensed travel retailer is permitted to provide general information about the insurance offered by the travel retailer, including a description of the coverage and price, but 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;

(d) A travel retailer's employee or authorized representative, who is not licensed as an insurance producer, 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 itself out as a licensed insurer, licensed producer, or insurance expert.

**SECTION 4. Registration.** Notwithstanding any other provision in law, a travel retailer whose insurance-related activities, and those of its employees and authorized representatives, are limited to offering and disseminating travel insurance on behalf of and under the direction of a limited lines travel insurance producer meeting the conditions stated in this act, is authorized to do so and receive related compensation, upon registration by the limited lines travel insurance producer as described in Section 3(b)(ii) of this act.

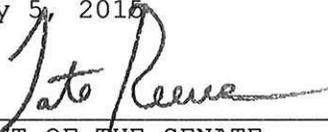
**SECTION 5. Policy.** Travel insurance may be provided under an individual policy or under a group or master policy.

**SECTION 6. Responsibility.** As the insurer designee, the limited lines travel insurance producer is responsible for the acts of the travel retailer and shall use reasonable means to ensure compliance by the travel retailer with this act.

**SECTION 7. Enforcement.** The limited lines travel insurance producer and any travel retailer offering and disseminating travel insurance under the limited lines travel insurance producer license shall be subject to the provisions of Sections 83-5-29 through 83-5-51 and Section 83-17-71.

**SECTION 8.** This act shall take effect and be in force from and after January 1, 2016.

PASSED BY THE SENATE  
February 5, 2015



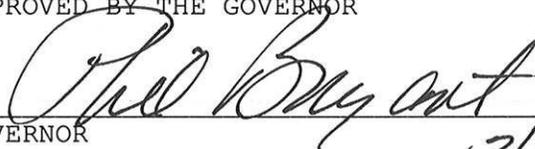
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PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES  
March 4, 2015



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SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



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GOVERNOR

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