

Senate Bill 234

By: Senators Jones of the 25th, Murphy of the 27th, Millar of the 40th, Ginn of the 47th,  
Golden of the 8th and others

**AS PASSED**

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 33-23-12 of the Official Code of Georgia Annotated, relating to  
2 limited licenses, so as to provide for the comprehensive revision of provisions regarding the  
3 issuance and regulation of limited licenses to sell travel insurance; to provide for related  
4 matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Code Section 33-23-12 of the Official Code of Georgia Annotated, relating to limited  
8 licenses, is amended by revising subsection (a) as follows:

9 "(a) Except as provided in subsection (b) of this Code section for credit insurance licenses,  
10 subsection (c) of this Code section for rental companies, ~~and~~ subsection (d) of this Code  
11 section for portable electronics, and subsection (f) of this Code Section for travel insurance,  
12 the Commissioner may provide by rule or regulation for licenses which are limited in scope  
13 to specific lines or sublines of insurance."

14 style="text-align:center">**SECTION 2.**

15 Said Code section is further amended by adding a new subsection to read as follows:

16 "(f)(1) As used in this subsection, the term:

17 (A) 'Limited licensee' means a person or entity authorized to sell certain coverages  
18 related to travel pursuant to the provisions of this subsection.

19 (B) 'Limited lines travel insurance producer' means a:

20 (i) Licensed managing general underwriter;

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

22 (iii) Licensed insurance producer, including a limited licensee, designated by an  
23 insurer as the travel insurance supervising entity as set forth in division (2)(C)(iii) of  
24 this subsection.

25 (C) 'Offer and disseminate' means providing general information, including a  
 26 description of the coverage and price, as well as processing the application, collecting  
 27 premiums, and performing other nonlicensable activities permitted by this state.

28 (D) 'Travel insurance' means insurance coverage for personal risks incident to planned  
 29 travel, including, but not limited to:

- 30 (i) Interruption or cancellation of trip or event;
- 31 (ii) Loss of baggage or personal effects;
- 32 (iii) Damage to accommodations or rental vehicles; or
- 33 (iv) Sickness, accident, disability, or death occurring during travel.

34 Travel insurance shall not include major medical plans which provide comprehensive  
 35 medical protection for travelers with trips lasting six months or longer, including, but  
 36 not limited to, those working overseas as an expatriate or military personnel being  
 37 deployed.

38 (E) 'Travel retailer' means a business entity that makes, arranges, or offers travel  
 39 services and that may offer and disseminate travel insurance as a service to its  
 40 customers on behalf of and under the direction of a limited lines travel insurance  
 41 producer.

42 (2)(A) Notwithstanding any other provision of law, the Commissioner may issue to an  
 43 individual or business entity that has complied with the requirements of this subsection  
 44 a limited lines travel insurance producer license which authorizes the limited lines  
 45 travel insurance producer to sell, solicit, or negotiate travel insurance through a licensed  
 46 insurer.

47 (B) As a prerequisite for issuance of a limited license under this subsection, there shall  
 48 be filed with the Commissioner an application for such limited license in a form and  
 49 manner prescribed by the Commissioner.

50 (C) Notwithstanding any other provision of law, a travel retailer may offer and  
 51 disseminate travel insurance under a limited lines travel insurance producer business  
 52 entity license only if the following conditions are met:

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

55 (I) A description of the material terms or the actual material terms of the insurance  
 56 coverage;

57 (II) A description of the process for filing a claim;

58 (III) A description of the review or cancellation process for the travel insurance  
 59 policy; and

60 (IV) The identity and contact information of the insurer and limited lines travel  
61 insurance producer;

62 (ii) At the time of licensure, the limited lines travel insurance producer shall establish  
63 and maintain a register on a form prescribed by the Commissioner of each travel  
64 retailer that offers travel insurance on the limited lines travel insurance producer's  
65 behalf. The register shall be maintained and updated by the limited lines travel  
66 insurance producer and shall include the name, address, and contact information of  
67 the travel retailer and an officer or person who directs or controls the travel retailer's  
68 operations and the travel retailer's federal tax identification number. The limited lines  
69 travel insurance producer shall submit such register to the Insurance Department upon  
70 reasonable request. The limited lines travel insurance producer shall also certify that  
71 the travel retailer registered complies with 18 U.S.C. Section 1033;

72 (iii) The limited lines travel insurance producer shall designate one of its employees  
73 who is a licensed individual producer as the person responsible for the limited lines  
74 travel insurance producer's compliance with the travel insurance laws, rules and  
75 regulations of this state;

76 (iv) The employee designated as provided in division (iii) of this subparagraph,  
77 president, secretary, treasurer, and any other officer or person who directs or controls  
78 the limited lines travel insurance producer's insurance operations shall comply with  
79 the fingerprinting requirements applicable to insurance producers in the resident state  
80 of the limited lines travel insurance producer;

81 (v) The limited lines travel insurance producer shall pay all applicable insurance  
82 producer licensing fees as set forth in applicable state law;

83 (vi) The limited lines travel insurance producer shall require each employee or  
84 authorized representative of the travel retailer whose duties include offering and  
85 disseminating travel insurance to receive a program of instruction or training, which  
86 may be subject to review by the Commissioner. The training material shall, at a  
87 minimum, contain instructions on the types of insurance offered, ethical sales  
88 practices, and required disclosures to prospective customers; and

89 (vii) No prelicensing examination or continuing education shall be required for  
90 issuance of a limited license pursuant to this subsection.

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

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

- 95 (ii) Explain that the purchase of travel insurance is not required in order to purchase  
 96 any other product or service from the travel retailer; and
- 97 (iii) Explain that an unlicensed travel retailer is permitted to provide general  
 98 information about the insurance offered by the travel retailer, including a description  
 99 of the coverage and price, but is not qualified or authorized to answer technical  
 100 questions about the terms and conditions of the insurance offered by the travel retailer  
 101 or to evaluate the adequacy of the customer's existing insurance coverage.
- 102 (E) A travel retailer employee or authorized representative that is not licensed as an  
 103 insurance producer shall not:
- 104 (i) Evaluate or interpret the technical terms, benefits, and conditions of the offered  
 105 travel insurance coverage;
- 106 (ii) Evaluate or provide advice concerning a prospective purchaser's existing  
 107 insurance coverage; or
- 108 (iii) Hold itself out as a licensed insurer, licensed producer, or insurance expert.
- 109 (3) Notwithstanding any other provision of law, a travel retailer whose insurance related  
 110 activities, and those of its employees or authorized representatives, are limited to offering  
 111 and disseminating travel insurance on behalf of and under the direction of a limited lines  
 112 travel insurance producer meeting the conditions stated in this subsection shall be  
 113 authorized to do so and receive related compensation upon registration by the limited  
 114 lines travel insurance producer as provided in subparagraph (C) of paragraph (2) of this  
 115 subsection.
- 116 (4) Travel insurance may be provided under an individual policy or under a group or  
 117 master policy.
- 118 (5) As the insurer designee, the limited lines travel insurance producer shall be  
 119 responsible for the acts of the travel retailer and authorized representative and shall use  
 120 reasonable means to ensure compliance by the travel retailer with this subsection.
- 121 (6) The limited lines travel insurance producer and any travel retailer or authorized  
 122 representative offering and disseminating travel insurance under the limited lines travel  
 123 insurance producer's license shall be subject to the unfair trade practices provisions under  
 124 Article 1 of Chapter 6 of this title and to the other provisions of this article relating to  
 125 insurance producers."

126 **SECTION 3.**

127 All laws and parts of laws in conflict with this Act are repealed.