

SENATE BILL 652

C4

(8lr2653)

ENROLLED BILL

— Finance/Economic Matters —

Introduced by **Senator Middleton**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

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 specifying the state of residence for different types of policies; requiring travel
8 insurance to be classified and filed as inland marine insurance; providing for the
9 scope and construction of certain coverage; providing that eligibility and
10 underwriting standards for travel insurance may be developed and provided based
11 on certain travel protection plans and certain applicable provisions of law; providing
12 that a travel protection plan may be offered for one price under certain
13 circumstances; subjecting a person that offers or sells travel insurance to certain
14 provisions of law concerning unfair trade practices, with certain exceptions; making
15 it an unfair or deceptive trade practice for a person to offer or sell a travel insurance

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 policy that could never result in a certain payment; requiring that documents
 2 provided to a consumer before the purchase of travel insurance be consistent with
 3 certain travel insurance policy documents; requiring that a travel insurance policy
 4 or certificate containing a certain preexisting condition exclusion clearly disclose the
 5 exclusion in a certain manner; providing that a certain policyholder or certificate
 6 holder has at least a certain number of days to review and cancel a certain travel
 7 insurance policy or certificate under certain circumstances; requiring an insurer, on
 8 the cancellation of the policy or certificate within a certain time period, to provide
 9 the policy or certificate holder a certain refund except under certain circumstances;
 10 requiring that certain material disclose whether the travel insurance is primary or
 11 secondary to other applicable insurance coverage; providing that travel insurance is
 12 not subject to coordination of benefits for certain health insurance; providing that it
 13 is not an unfair or deceptive trade practice if travel insurance is marketed directly
 14 to a consumer through an insurer's website or by others through an aggregator site
 15 under certain circumstances; prohibiting a person from offering or selling travel
 16 insurance or a travel protection plan using a certain negative option or ~~opt-out~~ opt
 17 out provision; providing that it is not an unfair or deceptive trade practice for a
 18 person to include blanket travel insurance with the purchase of a trip under certain
 19 circumstances; ~~prohibiting a person from acting or representing itself as a travel~~
 20 ~~administrator except under certain circumstances; exempting a travel administrator~~
 21 ~~and certain employees from certain licensing requirements; authorizing the~~
 22 ~~Maryland Insurance Commissioner to conduct certain investigations or~~
 23 ~~examinations and take certain actions following notice and a hearing for certain~~
 24 ~~purposes;~~ authorizing the Commissioner to adopt certain regulations; altering
 25 certain definitions; defining certain terms; providing for the construction of certain
 26 terms; providing for the application of this Act; and generally relating to the
 27 regulation of travel insurance.

28 BY repealing and reenacting, without amendments,

29 Article – Insurance

30 Section 1–101(a) and 10–101(a), (k), and (p)

31 Annotated Code of Maryland

32 (2017 Replacement Volume)

33 BY repealing and reenacting, with amendments,

34 Article – Insurance

35 Section 1–101(z), 6–102, and 10–101(j) and (o)

36 Annotated Code of Maryland

37 (2017 Replacement Volume)

38 BY adding to

39 Article – Insurance

40 Section 11–801 to be under the new subtitle “Subtitle 8. Travel Insurance Premium

41 Rating Review”; and 19–1001 through ~~19–1007~~ 19–1005 to be under the new

42 subtitle “Subtitle 10. Travel Insurance”

43 Annotated Code of Maryland

44 (2017 Replacement Volume)

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

3 **Article – Insurance**

4 1–101.

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

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

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

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

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

17 3. during any delay, storage, transshipment, or incidental
18 reshipment;

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

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

25 2. legal liability of the insured for loss of or damage to the
26 person or property;

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

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

1 (v) TRAVEL INSURANCE, AS DEFINED IN § 10-101 OF THIS
2 ARTICLE.

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

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

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

11 6-102.

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

14 (1) allocable to the State; and

15 (2) written during the preceding calendar year.

16 (b) Premiums to be taxed include:

17 (1) the consideration for a surety contract, guaranty contract, or annuity
18 contract;

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

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

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

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

1 **(6) THE AMOUNT ALLOCABLE TO TRAVEL INSURANCE, EXCLUDING**
2 **ANY AMOUNT RECEIVED FOR TRAVEL ASSISTANCE SERVICES OR CANCELLATION FEE**
3 **WAIVERS, SOLD TO:**

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

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

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

8 **2. ~~WHO~~ ELECTS COVERAGE UNDER A GROUP TRAVEL**
9 **INSURANCE POLICY; ~~AND~~ OR**

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

11 **1. IS A RESIDENT OF THE STATE OR HAS ITS PRINCIPAL**
12 **PLACE OF BUSINESS OR THE PRINCIPAL PLACE OF AN AFFILIATE OR SUBSIDIARY IN**
13 **THE STATE; AND**

14 **2. HAS PURCHASED BLANKET TRAVEL INSURANCE IN**
15 **THE STATE FOR ELIGIBLE BLANKET GROUP MEMBERS, SUBJECT TO ANY**
16 **APPORTIONMENT RULES THAT:**

17 **A. APPLY TO THE INSURER ACROSS MULTIPLE TAXING**
18 **JURISDICTIONS; OR**

19 **B. ALLOW THE INSURER TO ALLOCATE PREMIUMS ON AN**
20 **APPORTIONED BASIS IN A REASONABLE AND EQUITABLE MANNER IN THOSE**
21 **JURISDICTIONS.**

22 (c) Premiums not to be taxed include:

23 (1) premiums on policies covering weekly disability benefits on which
24 premiums are payable weekly; or

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

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

30 (2) By regulation, the Commissioner may require or allow a method of
31 allocating gross direct premiums written by a person subject to taxation under this subtitle

1 that justly and fairly determines the part of the gross direct premiums that is derived from
2 or reasonably attributable to the person's insurance business in the State.

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

6 (i) on receipt of the funds; or

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

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

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

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

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

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

19 **(F) FOR PURPOSES OF DETERMINING THE PREMIUMS SUBJECT TO**
20 **TAXATION UNDER SUBSECTION (B)(6) OF THIS SECTION, A TRAVEL INSURER SHALL**
21 **DOCUMENT THE STATE OF RESIDENCE ~~OR PRINCIPAL PLACE OF BUSINESS OF THE~~**
22 **~~POLICYHOLDER OR CERTIFICATE HOLDER~~, WHICH SHALL BE:**

23 **(1) FOR INDIVIDUAL POLICIES, THE PRIMARY POLICYHOLDER'S**
24 **STATE, AS SPECIFIED BY THE PRIMARY POLICYHOLDER DURING THE PURCHASE OF**
25 **THE POLICY;**

26 **(2) FOR GROUP POLICIES, THE PRIMARY CERTIFICATE HOLDER'S**
27 **STATE, AS SPECIFIED DURING THE PURCHASE OF THE COVERAGE; OR**

28 **(3) FOR BLANKET POLICIES, THE STATE OF THE PRINCIPAL PLACE OF**
29 **BUSINESS OF THE PRIMARY BLANKET POLICYHOLDER, AFFILIATE, OR SUBSIDIARY,**
30 **AS SPECIFIED DURING THE PURCHASE OF THE POLICY.**

31 10-101.

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

1 (j) "Limited lines travel insurance producer" means, with respect to travel
2 insurance:

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

4 (2) a licensed insurance producer [or], INCLUDING A limited lines
5 insurance producer; ~~OR~~

6 ~~(3) A TRAVEL ADMINISTRATOR.~~

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

9 (1) provide general information, including a description of coverage and
10 price;

11 (2) process applications; and

12 (3) collect premiums.

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

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

16 (ii) loss of baggage or personal effects;

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

18 (iv) sickness, accident, disability, or death occurring during travel; ~~and~~
19 if issued as incidental to the coverage provided by item (i), (ii), ~~or~~ (iii), (V), (VI), OR (VII) of
20 this paragraph; ~~and~~

21 **(V) EMERGENCY EVACUATION;**

22 **(VI) REPATRIATION OF REMAINS; AND**

23 **(VII) ANY OTHER CONTRACTUAL OBLIGATIONS TO INDEMNIFY OR**
24 **PAY A SPECIFIED AMOUNT TO THE TRAVELER ON DETERMINABLE CONTINGENCIES**
25 **RELATED TO TRAVEL AS THE COMMISSIONER APPROVES.**

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

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

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

4 **11-801.**

5 (A) IN THIS SECTION, "TRAVEL INSURANCE" HAS THE MEANING STATED IN
6 § 10-101 OF THIS ARTICLE.

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

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

12 (D) ELIGIBILITY AND UNDERWRITING STANDARDS FOR TRAVEL INSURANCE
13 MAY BE DEVELOPED AND PROVIDED BASED ON TRAVEL PROTECTION PLANS
14 DESIGNED FOR INDIVIDUAL OR IDENTIFIED MARKETING OR DISTRIBUTION
15 CHANNELS IF THOSE STANDARDS ALSO MEET THE STATE'S UNDERWRITING
16 STANDARDS FOR INLAND MARINE LINES OF INSURANCE AND APPLICABLE
17 PROVISIONS OF § 27-501 OF THIS ARTICLE.

18 **SUBTITLE 10. TRAVEL INSURANCE.**

19 **19-1001.**

20 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
21 INDICATED.

22 (B) "AFFILIATED INSURER" MEANS:

23 (1) AN INSURER IN THE SAME CORPORATE SYSTEM AS THE INSURER'S
24 PARENT; OR

25 (2) A MEMBER ORGANIZATION HAVING COMMON OWNERSHIP,
26 CONTROL, OPERATION, OR MANAGEMENT WITH THE INSURER.

27 (C) "AGGREGATOR SITE" MEANS A WEBSITE THAT PROVIDES ACCESS TO
28 INFORMATION REGARDING INSURANCE PRODUCTS FROM MORE THAN ONE
29 INSURER, INCLUDING PRODUCT AND INSURER INFORMATION, FOR USE IN
30 COMPARISON SHOPPING.

1 (D) "BLANKET TRAVEL INSURANCE" MEANS A POLICY OF TRAVEL
 2 INSURANCE ISSUED TO ANY ELIGIBLE GROUP PROVIDING COVERAGE FOR SPECIFIC
 3 CLASSES OF PERSONS DEFINED IN THE POLICY WITH COVERAGE PROVIDED TO ALL
 4 MEMBERS OF THE ELIGIBLE GROUP WITHOUT A SEPARATE CHARGE TO INDIVIDUAL
 5 MEMBERS OF THE ELIGIBLE GROUP.

6 (E) "CANCELLATION FEE WAIVER" MEANS A NONINSURANCE
 7 CONTRACTUAL AGREEMENT BETWEEN A PERSON ENGAGED IN THE BUSINESS OF
 8 ARRANGING OR SUPPLYING TRAVEL AND THE PERSON'S CUSTOMER TO WAIVE SOME
 9 OR ALL OF A NONREFUNDABLE CANCELLATION FEE PROVISION OF THE SUPPLIER'S
 10 UNDERLYING TRAVEL CONTRACT, WITH OR WITHOUT REGARD TO THE REASON FOR
 11 CANCELLATION OR FORM OF REIMBURSEMENT.

12 (F) "ELIGIBLE GROUP" MEANS TWO OR MORE PERSONS WHO ARE ENGAGED
 13 IN A COMMON ENTERPRISE OR WHO HAVE AN ECONOMIC, EDUCATIONAL, OR SOCIAL
 14 AFFINITY OR RELATIONSHIP, INCLUDING:

15 (1) ~~(H)~~ AN ENTITY ENGAGED IN THE BUSINESS OF PROVIDING
 16 TRAVEL OR TRAVEL SERVICES IN WHICH, WITH REGARD TO ANY PARTICULAR
 17 TRAVEL OR TYPE OF TRAVEL OR TRAVELERS, ALL MEMBERS OR CUSTOMERS OF THE
 18 GROUP HAVE COMMON EXPOSURE TO RISK ATTENDANT TO THAT TRAVEL,
 19 INCLUDING:

20 ~~1.~~ (I) A TOUR OPERATOR;

21 ~~2.~~ (II) A LODGING PROVIDER;

22 ~~3.~~ (III) A VACATION PROPERTY OWNER;

23 ~~4.~~ (IV) A HOTEL OR RESORT;

24 ~~5.~~ (V) A TRAVEL CLUB;

25 ~~6.~~ (VI) A TRAVEL AGENCY;

26 ~~7.~~ (VII) A PROPERTY MANAGER;

27 ~~8.~~ (VIII) A CULTURAL EXCHANGE PROGRAM; ~~AND~~

28 ~~9.~~ (IX) A COMMON CARRIER; AND

29 ~~(H) (X)~~ THE OPERATOR, OWNER, OR LESSOR OF A MEANS OF
 30 TRANSPORTATION OF PASSENGERS ~~IN WHICH, WITH REGARD TO ANY PARTICULAR~~
 31 ~~TRAVEL OR TYPE OF TRAVEL OR TRAVELERS, ALL MEMBERS OR CUSTOMERS OF THE~~

1 ~~GROUP HAVE COMMON EXPOSURE TO RISK ATTENDANT TO THAT TRAVEL,~~
2 INCLUDING:

- 3 1. AN AIRLINE;
- 4 2. A CRUISE LINE;
- 5 3. A RAILROAD;
- 6 4. A STEAMSHIP COMPANY; AND
- 7 5. A PUBLIC BUS CARRIER;

8 (2) A COLLEGE, SCHOOL, OR ANY OTHER INSTITUTION OF LEARNING
9 PROVIDING TRAVEL INSURANCE COVERAGE FOR STUDENTS, TEACHERS,
10 EMPLOYEES, OR VOLUNTEERS;

11 (3) AN EMPLOYER PROVIDING TRAVEL INSURANCE COVERAGE FOR
12 EMPLOYEES, VOLUNTEERS, CONTRACTORS, BOARDS OF DIRECTORS, OR
13 DEPENDENTS, OR GUESTS OF THOSE PERSONS;

14 (4) A SPORTS TEAM, CAMP, OR SPONSOR OF A SPORTS TEAM OR CAMP
15 PROVIDING TRAVEL INSURANCE COVERAGE FOR PARTICIPANTS, MEMBERS,
16 CAMPERS, EMPLOYEES, OFFICIALS, SUPERVISORS, OR VOLUNTEERS;

17 (5) A RELIGIOUS, CHARITABLE, RECREATIONAL, EDUCATIONAL, OR
18 CIVIC ORGANIZATION OR BRANCH OF THE RELIGIOUS, CHARITABLE,
19 RECREATIONAL, EDUCATIONAL, OR CIVIC ORGANIZATION PROVIDING TRAVEL
20 INSURANCE COVERAGE FOR MEMBERS, PARTICIPANTS, OR VOLUNTEERS;

21 (6) A FINANCIAL INSTITUTION OR FINANCIAL INSTITUTION VENDOR,
22 OR PARENT HOLDING COMPANY, TRUSTEE, OR AGENT OF, OR DESIGNATED BY, A
23 FINANCIAL INSTITUTION OR FINANCIAL INSTITUTION VENDOR, PROVIDING TRAVEL
24 INSURANCE COVERAGE FOR ACCOUNT HOLDERS, CREDIT CARD HOLDERS, DEBTORS,
25 GUARANTORS, OR PURCHASERS;

26 (7) AN INCORPORATED OR UNINCORPORATED ASSOCIATION,
27 INCLUDING A LABOR UNION, THAT:

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

29 (II) IS ORGANIZED AND MAINTAINED IN GOOD FAITH FOR
30 PURPOSES OTHER THAN OBTAINING INSURANCE FOR MEMBERS OR PARTICIPANTS
31 OF THE ASSOCIATION; AND

1 (III) PROVIDES TRAVEL INSURANCE COVERAGE FOR MEMBERS
2 OF THE ASSOCIATION;

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

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

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

11 (9) AN ENTERTAINMENT PRODUCTION COMPANY PROVIDING TRAVEL
12 INSURANCE COVERAGE FOR PARTICIPANTS, VOLUNTEERS, AUDIENCE MEMBERS,
13 CONTESTANTS, OR WORKERS;

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

18 (11) A PRESCHOOL, A DAY CARE INSTITUTION FOR CHILDREN OR
19 ADULTS, OR A SENIOR CITIZEN CLUB PROVIDING TRAVEL INSURANCE COVERAGE
20 FOR ATTENDEES OR PARTICIPANTS;

21 (12) AN AUTOMOBILE OR TRUCK RENTAL OR LEASING COMPANY:

22 (I) PROVIDING TRAVEL INSURANCE COVERAGE FOR
23 INDIVIDUALS WHO MAY BECOME RENTERS, LESSEES, OR PASSENGERS DEFINED BY
24 THE TRAVEL STATUS OF THE INDIVIDUALS ON THE RENTED OR LEASED VEHICLES;
25 AND

26 (II) IF THE COMMON CARRIER, OPERATOR, OWNER, OR LESSOR
27 OF A MEANS OF TRANSPORTATION, OR THE AUTOMOBILE OR TRUCK RENTAL OR
28 LEASING COMPANY, IS THE POLICYHOLDER OR CERTIFICATE HOLDER OF THE
29 TRAVEL INSURANCE POLICY; AND

30 (13) ANY OTHER GROUP FOR WHICH THE COMMISSIONER DETERMINES
31 THAT:

1 (I) THE MEMBERS OF THE GROUP ARE ENGAGED IN A COMMON
2 ENTERPRISE OR HAVE AN ECONOMIC, EDUCATIONAL, OR SOCIAL AFFINITY OR
3 RELATIONSHIP; AND

4 (II) THE ISSUANCE OF THE POLICY WOULD NOT BE CONTRARY
5 TO THE BEST INTERESTS OF THE PUBLIC.

6 (G) "FULFILLMENT MATERIAL" MEANS DOCUMENTATION SENT TO THE
7 PURCHASER OF A TRAVEL PROTECTION PLAN CONFIRMING THE PURCHASE AND
8 PROVIDING THE TRAVEL PROTECTION PLAN'S ~~COVERAGE AND ASSISTANCE AND~~ AND
9 COVERAGE DETAILS, INCLUDING ACCESS TO THE POLICY OR CERTIFICATE OF
10 COVERAGE, AS APPLICABLE.

11 (H) "GROUP TRAVEL INSURANCE" MEANS TRAVEL INSURANCE THAT
12 PROVIDES COVERAGE FOR CERTIFICATE HOLDERS OF AN ELIGIBLE GROUP UNDER
13 A TRAVEL INSURANCE POLICY ISSUED TO A POLICYHOLDER.

14 (I) "LIMITED LINES TRAVEL INSURANCE PRODUCER" HAS THE MEANING
15 STATED IN § 10-101 OF THIS ARTICLE.

16 (J) "OFFER AND DISSEMINATE" HAS THE MEANING STATED IN § 10-101 OF
17 THIS ARTICLE.

18 ~~(K) (1) "TRAVEL ADMINISTRATOR" MEANS A PERSON THAT, IN~~
19 ~~CONNECTION WITH TRAVEL INSURANCE:~~

20 ~~(I) DIRECTLY OR INDIRECTLY UNDERWRITES POLICIES;~~

21 ~~(II) COLLECTS CHARGES, COLLATERAL, OR PREMIUMS; OR~~

22 ~~(III) ADJUSTS OR SETTLES CLAIMS.~~

23 ~~(2) "TRAVEL ADMINISTRATOR" DOES NOT INCLUDE A PERSON WHOSE~~
24 ~~ACTIONS IN CONNECTION WITH TRAVEL INSURANCE ARE LIMITED TO:~~

25 ~~(I) WORKING FOR A TRAVEL ADMINISTRATOR TO THE EXTENT~~
26 ~~THAT THE PERSON'S ACTIVITIES ARE SUBJECT TO THE SUPERVISION AND CONTROL~~
27 ~~OF THE TRAVEL ADMINISTRATOR;~~

28 ~~(II) AS AN INSURANCE PRODUCER, SELLING INSURANCE OR~~
29 ~~ENGAGING IN ADMINISTRATIVE AND CLAIMS RELATED ACTIVITIES WITHIN THE~~
30 ~~SCOPE OF THE PRODUCER'S LICENSE;~~

~~(H) AS A TRAVEL RETAILER, OFFERING AND DISSEMINATING TRAVEL INSURANCE, IF THE TRAVEL RETAILER IS REGISTERED UNDER THE LICENSE OF A LIMITED LINES TRAVEL INSURANCE PRODUCER IN ACCORDANCE WITH THIS SUBTITLE;~~

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

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

~~(L)~~ (K) (1) "TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES" MEANS ~~A~~ NONINSURANCE ~~SERVICE~~ SERVICES;

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

~~(H)~~ THAT ~~DOES~~ DO NOT RESULT IN ANY TRANSFER OR SHIFTING OF RISK THAT WOULD CONSTITUTE THE BUSINESS OF INSURANCE.

(2) "TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES" INCLUDES:

(I) A SECURITY ADVISORY SERVICE;

(II) A DESTINATION INFORMATION SERVICE;

(III) A VACCINATION AND IMMUNIZATION INFORMATION SERVICE;

(IV) A TRAVEL RESERVATION SERVICE;

(V) AN ENTERTAINMENT SERVICE;

(VI) AN ACTIVITY AND EVENT PLANNING SERVICE;

(VII) A TRANSLATION ASSISTANCE SERVICE;

(VIII) AN EMERGENCY MESSAGING SERVICE;

(IX) AN INTERNATIONAL LEGAL AND MEDICAL REFERRAL SERVICE;

- 1 (X) A MEDICAL CASE MONITORING SERVICE;
- 2 (XI) COORDINATION OF TRANSPORTATION ARRANGEMENTS;
- 3 (XII) EMERGENCY CASH TRANSFER ASSISTANCE;
- 4 (XIII) MEDICAL PRESCRIPTION REPLACEMENT ASSISTANCE;
- 5 (XIV) PASSPORT AND TRAVEL DOCUMENT REPLACEMENT
6 ASSISTANCE;
- 7 (XV) LOST LUGGAGE ASSISTANCE;
- 8 (XVI) A CONCIERGE SERVICE; AND
- 9 (XVII) ANY OTHER ~~SERVICE~~ SERVICES THAT ~~IS~~ ARE
10 FURNISHED IN CONNECTION WITH PLANNED TRAVEL ~~THAT IS NOT RELATED TO THE~~
11 ~~ADJUDICATION OF A TRAVEL INSURANCE CLAIM, UNLESS OTHERWISE APPROVED BY~~
12 ~~THE COMMISSIONER IN A TRAVEL INSURANCE FILING.~~

13 ~~(M)~~ (L) "TRAVEL INSURANCE" HAS THE MEANING STATED IN § 10-101 OF
14 THIS ARTICLE.

15 ~~(N)~~ (M) "TRAVEL PROTECTION PLAN" MEANS A PLAN THAT PROVIDES, IN
16 ADDITION TO TRAVEL INSURANCE:

17 (1) ~~A~~ TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES; OR

18 (2) A CANCELLATION FEE WAIVER.

19 ~~(O)~~ (N) "TRAVEL RETAILER" HAS THE MEANING STATED IN § 10-101 OF
20 THIS ARTICLE.
21 **19-1002.**

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

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

1 (2) (I) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS
2 SUBTITLE, THIS SUBTITLE DOES NOT APPLY TO A CANCELLATION FEE WAIVER OR ~~A~~
3 TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES.

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

6 1. A CANCELLATION FEE WAIVER; OR

7 2. ~~A~~ TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES.

8 (C) ALL OTHER APPLICABLE PROVISIONS OF THIS ARTICLE APPLY TO
9 TRAVEL INSURANCE, EXCEPT THAT SPECIFIC PROVISIONS OF THIS SUBTITLE
10 SUPERSEDE ANY GENERAL PROVISIONS OF THIS ARTICLE.

11 **19-1003.**

12 NOTWITHSTANDING § 27-214 OF THIS ARTICLE, TRAVEL PROTECTION PLANS
13 MAY BE OFFERED FOR ONE PRICE FOR THE COMBINED FEATURES THAT THE TRAVEL
14 PROTECTION PLAN OFFERS IN THE STATE IF:

15 (1) THE TRAVEL PROTECTION PLAN:

16 (I) CLEARLY DISCLOSES TO THE CONSUMER AT OR BEFORE THE
17 TIME OF PURCHASE THAT THE PLAN INCLUDES TRAVEL INSURANCE AND, AS
18 APPLICABLE, ~~A~~ TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES OR A CANCELLATION FEE
19 WAIVER; AND

20 (II) PROVIDES INFORMATION AND AN OPPORTUNITY AT OR
21 BEFORE THE TIME OF PURCHASE FOR THE CONSUMER TO OBTAIN ADDITIONAL
22 INFORMATION REGARDING THE FEATURES AND PRICING OF THE TRAVEL
23 INSURANCE, TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES, AND A CANCELLATION FEE
24 WAIVER, AS APPLICABLE; AND

25 (2) THE FULFILLMENT MATERIAL FOR THE TRAVEL PROTECTION
26 PLAN:

27 (I) DESCRIBES AND DELINEATES THE TRAVEL INSURANCE,
28 TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES, AND CANCELLATION FEE WAIVER IN THE
29 TRAVEL PROTECTION PLAN;

30 (II) INCLUDES THE TRAVEL INSURANCE DISCLOSURES
31 REQUIRED UNDER STATE LAW; AND

1 (III) INCLUDES THE CONTACT INFORMATION FOR THE PERSON
2 PROVIDING THE TRAVEL ASSISTANCE ~~SERVICE~~ SERVICES OR CANCELLATION FEE
3 WAIVER, AS APPLICABLE.

4 19-1004.

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

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

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

14 (C) (1) DOCUMENTS PROVIDED TO A CONSUMER BEFORE THE PURCHASE
15 OF TRAVEL INSURANCE, INCLUDING SALES MATERIALS, ADVERTISING MATERIALS,
16 AND MARKETING MATERIALS, SHALL BE CONSISTENT WITH THE TRAVEL INSURANCE
17 POLICY ~~DOCUMENTS~~ ITSELF, INCLUDING FORMS, ENDORSEMENTS, POLICIES, RATE
18 FILINGS, AND CERTIFICATES OF INSURANCE.

19 (2) ~~A~~ IF A TRAVEL INSURANCE POLICY OR CERTIFICATE THAT
20 CONTAINS A PREEXISTING CONDITION EXCLUSION SHALL CLEARLY DISCLOSE THE
21 EXCLUSION, INFORMATION AND AN OPPORTUNITY TO LEARN MORE ABOUT THE
22 PREEXISTING CONDITION EXCLUSION SHALL BE PROVIDED ANY TIME BEFORE THE
23 TIME OF PURCHASE AND IN THE TRAVEL PROTECTION PLAN'S FULFILLMENT
24 MATERIAL.

25 (3) (I) AN INSURER SHALL PROVIDE A POLICYHOLDER OR
26 CERTIFICATE HOLDER AT LEAST 10 DAYS AFTER THE LATER OF THE DATE OF
27 PURCHASE OF A TRAVEL PROTECTION PLAN OR THE POLICYHOLDER'S OR
28 CERTIFICATE HOLDER'S RECEIPT, EITHER BY PHYSICAL OR ELECTRONIC MEANS, OF
29 THE TRAVEL PROTECTION PLAN'S FULFILLMENT MATERIAL TO REVIEW AND, IF
30 DESIRED, CANCEL THE POLICY OR CERTIFICATE.

31 (II) IF THE POLICYHOLDER OR CERTIFICATE HOLDER CANCELS
32 THE POLICY OR CERTIFICATE WITHIN THE TIME PERIOD UNDER SUBPARAGRAPH (I)
33 OF THIS PARAGRAPH, THE INSURER SHALL PROVIDE THE POLICYHOLDER OR
34 CERTIFICATE HOLDER A FULL REFUND OF THE TRAVEL PROTECTION PLAN PRICE
35 UNLESS THE INSURED HAS STARTED THE COVERED TRIP OR FILED A CLAIM UNDER
36 THE TRAVEL INSURANCE COVERAGE.

1 (4) (I) THE FULFILLMENT MATERIAL SHALL DISCLOSE WHETHER
2 THE TRAVEL INSURANCE IS PRIMARY OR SECONDARY TO OTHER APPLICABLE
3 COVERAGE.

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

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

9 (I) TRAVEL INSURANCE IS MARKETED DIRECTLY TO A
10 CONSUMER THROUGH AN INSURER’S WEBSITE OR BY ANOTHER PERSON THROUGH
11 AN AGGREGATOR SITE;

12 (II) THE INSURER’S WEBSITE OR AGGREGATOR SITE PROVIDES
13 AN ACCURATE SUMMARY OR SHORT DESCRIPTION OF TRAVEL INSURANCE
14 COVERAGE; AND

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

17 (D) ~~UNLESS OTHERWISE AUTHORIZED BY FEDERAL OR STATE LAW, A~~ A
18 PERSON OFFERING OR SELLING TRAVEL INSURANCE OR A TRAVEL PROTECTION
19 PLAN MAY NOT OFFER OR SELL THE TRAVEL INSURANCE OR TRAVEL PROTECTION
20 PLAN ON AN INDIVIDUAL OR GROUP BASIS BY USING A NEGATIVE OPTION OR AN
21 ~~OPT-OUT~~ OPT OUT PROVISION THAT REQUIRES A CONSUMER TO TAKE AN
22 AFFIRMATIVE ACTION TO REFUSE COVERAGE, INCLUDING UNCHECKING A BOX ON
23 AN ELECTRONIC FORM, WHEN THE CONSUMER PURCHASES A TRIP.

24 (E) IT IS NOT AN UNFAIR TRADE PRACTICE UNDER TITLE 27 OF THIS
25 ARTICLE FOR A PERSON TO INCLUDE BLANKET TRAVEL INSURANCE WITH THE
26 PURCHASE OF A TRIP IF THE BLANKET TRAVEL INSURANCE IS NOT MARKETED AS
27 FREE OF CHARGE.

28 19–1005.

29 ~~(A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A~~
30 ~~PERSON MAY NOT ACT AS, OR REPRESENT THAT THE PERSON IS, A TRAVEL~~
31 ~~ADMINISTRATOR IN THE STATE UNLESS THE PERSON:~~

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

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

6 ~~(3) IS REGISTERED AS A THIRD PARTY ADMINISTRATOR UNDER TITLE~~
7 ~~8, SUBTITLE 3 OF THIS ARTICLE.~~

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

11 ~~19-1006.~~

12 ~~(A) THE COMMISSIONER MAY CONDUCT INVESTIGATIONS OR~~
13 ~~EXAMINATIONS OF TRAVEL INSURERS, LIMITED LINES TRAVEL INSURANCE~~
14 ~~PRODUCERS, TRAVEL RETAILERS, AND TRAVEL ADMINISTRATORS IN ORDER TO~~
15 ~~ENFORCE THIS SUBTITLE.~~

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

20 ~~19-1007.~~

21 THE COMMISSIONER MAY ADOPT REGULATIONS TO CARRY OUT THIS
22 SUBTITLE.

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