

Assembly Bill No. 216–Assemblywoman Gorelow

CHAPTER.....

AN ACT relating to insurance; repealing, reenacting, reorganizing and revising various provisions relating to travel insurance; authorizing the Commissioner of Insurance to adopt regulations relating to travel insurance; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law authorizes the Commissioner of Insurance to license producers of limited lines travel insurance to sell, solicit or negotiate travel insurance. (NRS 683A.265) Existing law sets forth various requirements and restrictions relating to producers of limited lines travel insurance and travel retailers who offer and disseminate travel insurance on behalf of a producer of limited lines travel insurance. (NRS 683A.193-683A.199, 683A.242, 683A.368-683A.3695) **Section 49** of this bill repeals the provisions of existing law governing producers of limited lines travel insurance and travel retailers. **Sections 2-36** of this bill reenact, reorganize and revise those provisions into a new chapter of the Nevada Revised Statutes governing travel insurance for the purpose of conforming more closely to the Travel Insurance Model Act adopted by the National Association of Insurance Commissioners. **Sections 3-19** define words and terms for the purposes of this bill. **Section 20** sets forth the applicability of this bill.

**Section 21** authorizes the Commissioner to issue a license as a producer of limited lines travel insurance to a person who has filed an application with the Commissioner.

With certain exceptions, existing law prohibits a person from selling, soliciting or negotiating insurance for any class of insurance unless the person is licensed for that class of insurance. (NRS 683A.201) Existing law prohibits a producer of insurance from acting as an agent unless he or she is appointed as an agent by the insurer. (NRS 683A.321) **Section 29** authorizes a producer of insurance licensed for life insurance, accident and health insurance, property insurance, casualty insurance, variable annuities and variable life insurance or personal lines to act as a producer of limited lines travel insurance and sell, solicit or negotiate travel insurance. **Sections 29 and 41** of this bill provide that a producer of insurance who is licensed for property insurance and casualty insurance is not required to be appointed by an insurer to act as a producer of limited lines travel insurance and sell, solicit or negotiate travel insurance.

**Section 22** authorizes a travel retailer to offer and disseminate travel insurance under the license of a producer of limited lines travel insurance under certain conditions. **Section 23** requires a producer of limited lines travel insurance to establish and maintain a register of each travel retailer that offers and disseminates travel insurance on behalf of the producer of limited lines travel insurance. **Section 24** requires a travel retailer to make available to each prospective purchaser of travel insurance certain written materials. **Section 25** prohibits a travel retailer from engaging in certain activities. **Sections 26 and 42** of this bill authorize a travel retailer to receive compensation relating to his or her activities authorized by the provisions of this bill. **Section 28** makes a producer of limited lines travel insurance responsible for the acts of a travel retailer who offers and disseminates travel insurance under the license of the producer of limited lines travel insurance. **Section 27** makes a producer of limited lines travel insurance and a travel retailer subject to: (1) disciplinary action in the same manner as a producer of insurance;



and (2) the provisions of existing law governing insurance trade practices and fraud.

**Section 18** defines “travel protection plan” to mean a product that provides: (1) travel insurance; (2) travel assistance services; (3) a cancellation fee waiver; or (4) any combination of those items. **Section 30:** (1) authorizes a travel protection plan to be offered for one price for the combined items of the plan if certain conditions are met; and (2) provides that a purchaser of a travel protection plan who cancels the plan is entitled to a full refund under certain circumstances.

**Section 31** requires: (1) all documents provided to a prospective purchaser of travel insurance to be consistent with the policy of travel insurance itself; and (2) certain information to be provided to a purchaser or prospective purchaser of travel insurance. **Sections 32 and 33** set forth certain authorized and prohibited practices in the sale and marketing of travel insurance.

**Section 15** defines “travel administrator” as a person who directly or indirectly underwrites, collects charges, collateral or premiums from or adjusts or settles claims of residents of this State in connection with travel insurance. **Section 34** prohibits a person from acting as a travel administrator unless the person holds: (1) a license as a producer of insurance for a property insurance or casualty insurance line of authority; (2) a license as a managing general agent; or (3) a certificate of registration as an administrator. **Section 43** of this bill excludes a travel administrator and the employees of a travel administrator from the definition of “adjuster,” thereby exempting those persons from the licensing requirements applicable to an adjuster.

Under existing law, authorized insurers and certain rate service organizations are required to file with the Commissioner all rates and proposed increases thereto, as well as the forms of policies to which the rates apply, certain supplementary rate information and any changes or amendments to the rates. (NRS 686B.070) Existing regulations require an insurer to annually submit to a statistical agent designated by the Commissioner certain information concerning certain lines of insurance, including, among others, an inland marine line of insurance. (NAC 686B.365) **Section 35** provides that, for the purposes of such filings, with certain exceptions, travel insurance is required to be classified and filed as an inland marine line of insurance. **Section 35** also authorizes an insurer to establish and use certain eligibility and underwriting standards. **Section 36** authorizes the Commissioner to adopt regulations to carry out the provisions of this bill.

Existing law requires an insurer to pay a tax upon his or her direct premiums and net direct considerations at the rate of 3.5 percent. (NRS 680B.027) **Section 37** of this bill specifies the premiums concerning travel insurance to which the tax applies. **Sections 38 and 39** of this bill make conforming changes to indicate the proper placement of **section 37** in the Nevada Revised Statutes.

**Section 40** of this bill makes a conforming change to account for the repeal of the definition of “travel insurance” in **section 49** and the reenactment of a revised definition of “travel insurance” in **section 17**.

Existing law prohibits a person from engaging in any practice that is an unfair method of competition or an unfair or deceptive act or practice in the business of insurance. (NRS 686A.020) **Section 44** of this bill provides that it is an unfair method of competition or an unfair or deceptive act or practice in the business of insurance to: (1) offer or sell a policy that could never result in payment of any claims; or (2) market blanket travel insurance as free. **Sections 45-47** of this bill make conforming changes to indicate the proper placement of **section 44** in the Nevada Revised Statutes.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Title 57 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 36, inclusive, of this act.

**Sec. 2.** *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 19, inclusive, of this act, have the meanings ascribed to them in those sections.*

**Sec. 3.** *“Aggregator site” means an Internet website that provides access to information regarding insurance products from more than one insurer, including, without limitation, information about the insurance products and the insurers offering the insurance products, for use in comparison shopping.*

**Sec. 4.** *“Blanket travel insurance” means a policy of group travel insurance issued to an eligible group that provides coverage for all members of the eligible group or for specific classes within the eligible group defined in the policy with coverage provided to all members of the eligible group or specific class without a separate charge to any individual member of the eligible group or specific class.*

**Sec. 5.** *“Cancellation fee waiver” means a contractual arrangement between a supplier of travel services and a purchaser of such services to waive any provision of the underlying contract for travel services which imposes a nonrefundable cancellation fee, with or without regard to the reason for the cancellation or the form of reimbursement.*

**Sec. 6.** *“Eligible group” means two or more persons who are engaged in a common enterprise or have an economic, educational or social affinity or relationship, including, without limitation:*

*1. An entity engaged in the business of providing travel or travel services if, with regard to any particular travel or type of travel or travelers, all members or customers of the entity have a common exposure to the risk attendant to such travel. For the purposes of this subsection, “entity engaged in the business of providing travel or travel services” includes, without limitation, a tour operator, lodging provider, vacation property owner, hotel, resort, travel club, travel agency, property manager, cultural exchange program and common carrier or operator, owner or*



*lessor of a means of transportation of passengers, including, without limitation, an airline, cruise line, railroad, steamship company and public bus carrier.*

*2. A college, school or other institution of learning obtaining travel insurance coverage for any group of students, teachers, employees or volunteers.*

*3. An employer obtaining travel insurance coverage for any group of employees, volunteers, contractors, board of directors, dependents or guests.*

*4. A sports team, camp or sponsor of a sports team or camp obtaining travel insurance coverage for any group of participants, members, campers, employees, officials, supervisors or volunteers.*

*5. A religious, charitable, recreational, educational or civic organization, or a branch of such an organization, obtaining travel insurance coverage for any group of members, participants or volunteers.*

*6. A financial institution, vendor of a financial institution, or a parent holding company, trustee, agent of or designated by a financial institution or vendor of a financial institution, including, without limitation, an accountholder, credit card holder, debtor, guarantor or purchaser.*

*7. An incorporated or unincorporated association, including, without limitation, a labor union, that has a common interest, constitution and bylaws and is organized and maintained in good faith for purposes other than obtaining insurance for its members or participants, obtaining travel insurance coverage for any group of its members or participants.*

*8. Subject to the approval of the Commissioner for the use of a trust and the provisions of section 37 of this act, a trust or the trustees of a fund established, created or maintained for the benefit of the members, employees or customers of one or more associations described in subsection 7.*

*9. An entertainment production company obtaining travel insurance coverage for any group of participants, volunteers, audience members, contestants or workers.*

*10. A volunteer fire department, entity providing emergency medical services, police department or court.*

*11. A first aid, civil defense or similar volunteer group.*

*12. A preschool, daycare center for children or adults or club for senior citizens.*

*13. An entity engaged in the business of renting or leasing motor vehicles, which shall be deemed the policyholder for a policy of travel insurance to which this subsection applies,*



*obtaining travel insurance coverage for any group of persons who may become renters, lessees or passengers defined by the travel status of the group on the rented or leased vehicles.*

*14. Any other group for which the Commissioner has determined that:*

*(a) The members of the group are engaged in a common enterprise, or have an economic, educational or social affinity or relationship; and*

*(b) The issuance of a policy of travel insurance to the group is not contrary to the public interest.*

*Sec. 7. "Fulfillment materials" means documentation provided or sent to the purchaser of a travel protection plan that confirms the purchase of the plan and provides information regarding the travel insurance coverage, travel assistance services and cancellation fee waivers, as applicable.*

*Sec. 8. "Group travel insurance" means travel insurance issued to any eligible group.*

*Sec. 9. "Home state" has the meaning ascribed to it in NRS 683A.041.*

*Sec. 10. "Negotiate" has the meaning ascribed to it in NRS 683A.065.*

*Sec. 11. "Offer and disseminate" means the provision of general information, including, without limitation, a description of coverage and price, as well as the processing of applications and the collection of premiums.*

*Sec. 12. "Producer of limited lines travel insurance" means a person licensed pursuant to section 21 of this act who is authorized by an insurer to solicit travel insurance either directly or through a travel retailer.*

*Sec. 13. "Sell" has the meaning ascribed to it in NRS 683A.072.*

*Sec. 14. "Solicit" has the meaning ascribed to it in NRS 683A.074.*

*Sec. 15. 1. "Travel administrator" means a person who directly or indirectly underwrites, collects charges, collateral or premiums from or adjusts or settles claims of, residents of this State in connection with travel insurance.*

*2. The term does not include:*

*(a) A person working for a travel administrator to the extent that the activities of the person are subject to the supervision and control of the travel administrator.*



*(b) A licensed producer of insurance selling insurance or engaged in administrative activities and activities relating to claims that are within the scope of his or her license.*

*(c) A travel retailer who is listed on the register maintained by a producer of limited lines travel insurance pursuant to section 23 of this act and who offers and disseminates travel insurance under the license of a producer of limited lines travel insurance in accordance with the provisions of this chapter.*

*(d) A person adjusting or settling claims in the normal course of his or her practice or employment as an attorney who does not collect charges or premiums in connection with travel insurance coverage.*

*(e) A person who is affiliated with a licensed insurer while acting as a travel administrator for the direct and assumed insurance business of the insurer.*

**Sec. 16. 1.** *“Travel assistance services” means services that are furnished in connection with planned travel, the provision of which does not result in the transfer or shifting of risk that would constitute the business of insurance, and for which the purchaser is not indemnified based on a fortuitous event.*

*2. The term includes, without limitation, security advisories, destination information, vaccination and immunization information services, travel reservation services, entertainment, activity and event planning, translation assistance, emergency messaging, international legal and medical referrals, medical case monitoring, coordination of transportation arrangements, emergency cash transfer assistance, medical prescription replacement assistance, passport and travel document replacement assistance, lost luggage assistance, concierge services and any other service furnished in connection with planned travel that meets the conditions set forth in subsection 1.*

**Sec. 17. 1.** *“Travel insurance” means insurance coverage for personal risks incident to planned travel, including, without limitation:*

- (a) Interruption or cancellation of a trip or event;*
- (b) Loss of baggage or personal effects;*
- (c) Damages to accommodations or rental vehicles;*
- (d) Sickness, accident, disability or death occurring during travel;*
- (e) Emergency evacuation;*
- (f) Repatriation of remains; or*



*(g) Any other contractual obligation to indemnify or pay a specified amount to the traveler upon determinable contingencies related to travel that is approved by the Commissioner.*

*2. The term does not include:*

*(a) Travel assistance services;*

*(b) A cancellation fee waiver;*

*(c) A major medical plan that provides comprehensive medical protection for a traveler on a trip lasting longer than 6 months, including, without limitation, a traveler who is working or residing overseas as an expatriate; or*

*(d) Any other product that a person is prohibited from selling, soliciting or negotiating unless the person holds a specific license as a producer of insurance.*

**Sec. 18.** *“Travel protection plan” means a product that provides:*

*1. Travel insurance;*

*2. Travel assistance services;*

*3. A cancellation fee waiver; or*

*4. Any combination of the items described in subsections 1, 2 and 3.*

**Sec. 19.** *“Travel retailer” means a person that makes, arranges or offers travel services and, as a service to the customers of the person, may offer and disseminate travel insurance on behalf of, and under the direction of, a producer of limited lines travel insurance.*

**Sec. 20.** *1. The provisions of this chapter apply to:*

*(a) Travel insurance that covers any resident of this State and is sold, solicited, negotiated or offered in this State; and*

*(b) Policies and certificates of travel insurance that are delivered or issued for delivery in this State.*

*2. A cancellation fee waiver or travel assistance services do not constitute insurance and, except as otherwise expressly provided in this chapter, the provisions of this chapter do not apply to a cancellation fee waiver or travel assistance services.*

**Sec. 21.** *1. Except as otherwise provided in section 29 of this act, a person shall not act as a producer of limited lines travel insurance unless the person is licensed pursuant to this section.*

*2. In accordance with the provisions of NRS 683A.201 to 683A.370, inclusive, the Commissioner may issue a license as a producer of limited lines travel insurance to a person who has filed an application with the Commissioner.*



3. A license issued pursuant to this section authorizes the holder of the license to sell, solicit or negotiate travel insurance on behalf of a licensed insurer.

**Sec. 22.** 1. A person shall not act as a travel retailer unless the person is listed on the register maintained by a producer of limited lines travel insurance pursuant to section 23 of this act.

2. A travel retailer may offer and disseminate travel insurance under the license of a producer of limited lines travel insurance issued pursuant to section 21 of this act if the following conditions are met:

(a) The producer of limited lines travel insurance or travel retailer provides to each purchaser of travel insurance:

(1) A description of the material terms, or the actual material terms, of the travel insurance coverage;

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

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

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

(b) The travel retailer is listed on the register maintained by the producer of limited lines travel insurance pursuant to section 23 of this act;

(c) The producer of limited lines travel insurance has designated a natural person who is employed by the producer of limited lines travel insurance and who is a licensed producer of insurance to be responsible for the compliance of the producer of limited lines travel insurance with the provisions of this title and any rules and regulations adopted pursuant thereto;

(d) The person designated pursuant to paragraph (c), the officers of the producer of limited lines travel insurance and any other person who directs or controls the insurance operations of the producer of limited lines travel insurance have complied with any requirements relating to fingerprinting which are applicable to producers of insurance in the home state of the producer of limited lines travel insurance;

(e) The producer of limited lines travel insurance has paid all licensing fees applicable to a producer of insurance pursuant to chapter 683A of NRS; and

(f) The producer of limited lines travel insurance 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.





3. A program of instruction or training described in paragraph (f) of subsection 2 is subject to review and approval by the Commissioner. The training materials provided as part of such a program must, at a minimum, contain adequate instructions on the types of travel insurance offered, ethical sales practices and required disclosures to prospective purchasers.

**Sec. 23.** 1. Each producer of limited lines travel insurance shall, at the time of licensure, establish and maintain a register, on a form and in a manner prescribed by the Commissioner, which includes a list of each travel retailer that offers and disseminates travel insurance on behalf of the producer of limited lines travel insurance. The register must include, without limitation:

(a) The name, address and contact information of the travel retailer;

(b) The name, address and contact information of an officer or person who directs or controls the operations of the travel retailer; and

(c) The federal tax identification number of the travel retailer.

2. The producer of limited lines travel insurance shall:

(a) Maintain and regularly update the register; and

(b) Submit a copy of the register to the Commissioner upon reasonable request.

3. A producer of limited lines travel insurance shall certify that each travel retailer listed on the register complies with the provisions of 18 U.S.C. § 1033.

**Sec. 24.** A travel retailer who offers and disseminates travel insurance shall make available to each prospective purchaser a brochure or other written material that has been approved by the insurer providing the travel insurance and which, at a minimum:

1. Provides the identity and contact information of the insurer and the producer of limited lines travel insurance;

2. Explains that the purchase of travel insurance is not required in order to purchase any other product or service of the travel retailer; and

3. Explains that a travel retailer who is not a licensed producer of insurance may provide only general information about the travel 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 travel insurance offered by the travel retailer or evaluate the adequacy of any existing insurance coverage that the prospective purchaser may have.



**Sec. 25.** *A travel retailer, or any employee or authorized representative of the travel retailer, who is not a licensed producer of insurance shall not:*

*1. Evaluate or interpret technical terms, benefits and conditions of any travel insurance coverage offered by the travel retailer;*

*2. Evaluate, provide advice or render an opinion concerning any existing insurance coverage of a prospective purchaser; or*

*3. Hold himself or herself out as a licensed insurer, licensed producer of insurance or insurance expert.*

**Sec. 26.** *A travel retailer who is listed on the register maintained by a producer of limited lines travel insurance pursuant to section 23 of this act and who limits his or her activities and those of his or her employees or authorized representatives to offering and disseminating travel insurance on behalf of and under the direction of the producer of limited lines travel insurance in accordance with the provisions of this chapter is entitled to receive compensation relating to those activities.*

**Sec. 27.** *A producer of limited lines travel insurance and each travel retailer who offers or disseminates travel insurance under the license of a producer of limited lines travel insurance is subject to the provisions of NRS 683A.451 to 683A.520, inclusive, and chapter 686A of NRS.*

**Sec. 28.** *A producer of limited lines travel insurance is responsible for the acts of a travel retailer who offers and disseminates travel insurance under the license of the producer of limited lines travel insurance and shall use reasonable means to ensure compliance by the travel retailer with the provisions of this chapter and the regulations adopted pursuant thereto.*

**Sec. 29.** *1. A producer of insurance who is licensed for a line of authority specified in paragraphs (a) to (e), inclusive, or (g) of subsection 1 of NRS 683A.261 may act as a producer of limited lines travel insurance and sell, solicit or negotiate travel insurance pursuant to this chapter without obtaining a license as a producer of limited lines travel insurance issued pursuant to section 21 of this act.*

*2. A producer of insurance who is licensed for the lines of authority specified in paragraphs (c) and (d) of subsection 1 of NRS 683A.261 is not required to be appointed by an insurer to act as a producer of limited lines travel insurance and sell, solicit or negotiate travel insurance pursuant to this chapter.*

**Sec. 30.** *1. A travel protection plan that provides any combination of travel insurance, travel assistance services or*



*cancellation fee waivers may be offered in this State for one price for the combined items if:*

*(a) At or before the time of purchase:*

*(1) The travel protection plan clearly discloses to the purchaser or prospective purchaser that the plan includes travel insurance, travel assistance services and cancellation fee waivers, as applicable; and*

*(2) The purchaser or prospective purchaser is provided with information regarding the items included in the plan and an opportunity to obtain additional information regarding the items included in the plan and the pricing of each item; and*

*(b) The fulfillment materials concerning the travel protection plan:*

*(1) Describe and delineate the travel insurance, travel assistance services and any cancellation fee waivers in the travel protection plan, as applicable; and*

*(2) Include, as applicable, the disclosures required by paragraph (a) of subsection 2 of section 22 of this act and the contact information for any person providing travel assistance services or cancellation fee waivers.*

*2. As soon as practicable after the purchase of a travel protection plan, the fulfillment materials concerning the plan must be personally delivered to the purchaser of the travel protection plan or sent to the purchaser by mail or electronic transmission.*

*3. Unless the insured has started a covered trip or filed a claim under the travel insurance coverage, a policyholder or certificate holder who cancels a travel protection plan that includes travel insurance is entitled to a full refund of the price of the travel protection plan if the cancellation occurs not later than:*

*(a) If the fulfillment materials are sent by mail, 15 days after the date on which the fulfillment materials are sent.*

*(b) If the fulfillment materials are personally delivered or sent by electronic transmission, 10 days after the date on which the fulfillment materials are delivered or sent.*

**Sec. 31.** *1. All documents provided to a prospective purchaser before the purchase of travel insurance, including, without limitation, any sales, advertising or marketing materials, must be consistent with the policy of travel insurance.*

*2. If a certificate or policy of travel insurance contains an exclusion for preexisting conditions, a prospective purchaser must be provided, before the time of purchase, information concerning the exclusion and an opportunity to learn more about the*



*exclusion. If travel insurance is included in a travel protection plan, information concerning the exclusion must be included in the fulfillment materials concerning the plan.*

*3. An insurer providing travel insurance shall disclose in the policy of travel insurance documentation and, if the travel insurance is included in a travel protection plan, the fulfillment materials concerning the plan, whether the travel insurance is primary or secondary to other applicable insurance coverage.*

*4. As used in this section, "policy of travel insurance" includes, without limitation, any form, endorsement, policy, rate filing and certificate of insurance associated with a policy of travel insurance.*

**Sec. 32.** *A person shall not sell, solicit or negotiate travel insurance or a travel protection plan on an individual or group basis using a negative option or opt out process that requires a person who purchases a trip to take an affirmative action to refuse travel insurance coverage, including, without limitation, unchecking a box on an electronic form.*

**Sec. 33.** *1. If travel insurance is marketed directly to a prospective purchaser by an insurer through the Internet website of the insurer or by a person through an aggregator site, the insurer or person may provide on the Internet website or aggregator site an accurate summary or short description of the travel insurance coverage, so long as the prospective purchaser has access to the full provisions of the policy of travel insurance by electronic means.*

*2. If a producer of limited lines travel insurance or travel retailer offers a trip or travel package to a prospective purchaser and the destination jurisdiction of the prospective purchaser requires travel insurance coverage, the producer of limited lines travel insurance or travel retailer may require the prospective purchaser, as a condition of purchasing the trip or travel package, to choose between:*

*(a) Purchasing the coverage required by the destination jurisdiction through the producer of limited lines travel insurance or travel retailer supplying the trip or travel package; or*

*(b) Agreeing to obtain and provide proof of coverage that meets the requirements of the destination jurisdiction before departure.*

**Sec. 34.** *1. Notwithstanding any other provision of this title, a person shall not act or represent himself or herself as a travel administrator in this State unless the person holds a:*



*(a) License as a producer of insurance issued by the Commissioner pursuant to NRS 683A.261 or 683A.271 for a line of authority specified in paragraph (c) or (d) of subsection 1 of NRS 683A.261;*

*(b) License as a managing general agent issued by the Commissioner pursuant to NRS 683A.160; or*

*(c) Certificate of registration as an administrator issued by the Commissioner pursuant to NRS 683A.08524.*

*2. An insurer is responsible for:*

*(a) The acts of a travel administrator administering travel insurance underwritten by the insurer; and*

*(b) Ensuring that the travel administrator maintains all books and records relevant to the insurer.*

*3. A travel administrator shall make available to the Commissioner upon request the books and records described in paragraph (b) of subsection 2.*

**Sec. 35.** *1. Travel insurance may be provided in this State in the form of an individual policy of travel insurance, a policy of group travel insurance or a policy of blanket travel insurance.*

*2. Except as otherwise provided in this subsection, for the purposes of any filing required by chapter 686B of NRS or the regulations adopted pursuant thereto, travel insurance must be classified and filed under an inland marine line of insurance. Travel insurance that provides coverage, either exclusively or in conjunction with coverage for emergency evacuation or repatriation of remains, for sickness, accident, disability or death occurring during travel, may be classified and filed under an accident and health line of insurance or an inland marine line of insurance.*

*3. An insurer may establish and use eligibility and underwriting standards for travel insurance based on travel protection plans designed for individual or identified marketing or distribution channels so long as the standards meet any requirements imposed by this title or the regulations adopted pursuant thereto relating to eligibility and underwriting standards for inland marine insurance.*

**Sec. 36.** *The Commissioner may adopt regulations to carry out the provisions of this chapter.*

**Sec. 37.** Chapter 680B of NRS is hereby amended by adding thereto a new section to read as follows:

*1. An insurer shall pay the tax imposed by NRS 680B.027 on all premiums for travel insurance paid by any of the following persons:*



- (a) *A primary policyholder who is a resident of this State.*
- (b) *A primary certificate holder who is a resident of this State and who elects coverage under a policy of group travel insurance.*
- (c) *Subject to any apportionment rules which apply to the insurer across multiple taxing jurisdictions or that allow the insurer to allocate premium on an apportioned basis in a reasonable and equitable manner in those jurisdictions, a policyholder of blanket travel insurance:*
  - (1) *Who is a resident of this State;*
  - (2) *Whose principal place of business is in this State; or*
  - (3) *Whose affiliate or subsidiary has a principal place of business in this State, if the affiliate or subsidiary has purchased blanket travel insurance in this State for members of an eligible group.*

2. *An insurer shall:*

(a) *Document the state of residence or principal place of business of each primary policyholder, primary certificate holder or policyholder of blanket travel insurance described in subsection 1; and*

(b) *Report as premium only the amount allocable to travel insurance and not any amount received by the insurer for travel assistance services or cancellation fee waivers.*

3. *As used in this section:*

(a) *“Blanket travel insurance” has the meaning ascribed to it in section 4 of this act.*

(b) *“Cancellation fee waiver” has the meaning ascribed to it in section 5 of this act.*

(c) *“Eligible group” has the meaning ascribed to it in section 6 of this act.*

(d) *“Group travel insurance” has the meaning ascribed to it in section 8 of this act.*

(e) *“Primary certificate holder” means a person who elects and purchases travel insurance under a policy of group travel insurance.*

(f) *“Primary policyholder” means a person who elects and purchases an individual policy of travel insurance.*

(g) *“Travel assistance services” has the meaning ascribed to it in section 16 of this act.*

(h) *“Travel insurance” has the meaning ascribed to it in section 17 of this act.*

**Sec. 38.** NRS 680B.025 is hereby amended to read as follows:  
680B.025 For the purposes of NRS 680B.025 to 680B.039, inclusive ~~to~~ *and section 37 of this act:*



1. "Total income derived from direct premiums written":

(a) Does not include premiums written or considerations received from life insurance policies or annuity contracts issued in connection with the funding of a pension, annuity or profit-sharing plan qualified or exempt pursuant to sections 401, 403, 404, 408, 457 or 501 of the United States Internal Revenue Code as renumbered from time to time.

(b) Does not include payments received by an insurer from the Secretary of Health and Human Services pursuant to a contract entered into pursuant to section 1876 of the Social Security Act, 42 U.S.C. § 1395mm.

(c) As to title insurance, consists of the total amount charged by the company for the sale of policies of title insurance.

2. Money accepted by a life insurer pursuant to an agreement which provides for an accumulation of money to purchase annuities at future dates may be considered as "total income derived from direct premiums written" either upon receipt or upon the actual application of the money to the purchase of annuities, but any interest credited to money accumulated while under the latter alternative must also be included in "total income derived from direct premiums written," and any money taxed upon receipt, including any interest later credited thereto, is not subject to taxation upon the purchase of annuities. Each life insurer shall signify on its return covering premiums for the calendar year 1971 or for the first calendar year it transacts business in this State, whichever is later, its election between those two alternatives. Thereafter an insurer shall not change his or her election without the consent of the Commissioner. Any such money taxed as "total income derived from direct premiums written" is, in the event of withdrawal of the money before its actual application to the purchase of annuities, eligible to be included as "return premiums" pursuant to the provisions of NRS 680B.030.

**Sec. 39.** NRS 680B.039 is hereby amended to read as follows:

680B.039 Any insurer that fails to file the report or pay the tax as required by NRS 680B.025 to 680B.039, inclusive, *and section 37 of this act* within the time for filing and payment as provided in those sections shall in addition to any other applicable penalty pay a penalty of not more than 10 percent of the amount of the tax which is owed, as determined by the Department of Taxation, in addition to the tax, plus interest at the rate of 1.5 percent per month, or fraction of a month, from the date on which the tax should have been paid until the date of payment.



**Sec. 40.** NRS 683A.261 is hereby amended to read as follows:

683A.261 1. Unless the Commissioner refuses to issue the license under NRS 683A.451, the Commissioner shall issue a license as a producer of insurance to a person who has satisfied the requirements of NRS 683A.241 and 683A.251. A producer of insurance may qualify for a license in one or more of the lines of authority permitted by statute or regulation, including:

(a) Life insurance on human lives, which includes benefits from endowments and annuities and may include additional benefits from death by accident and benefits for dismemberment by accident and for disability income.

(b) Accident and health insurance for sickness, bodily injury or accidental death, which may include benefits for disability income.

(c) Property insurance for direct or consequential loss or damage to property of every kind.

(d) Casualty insurance against legal liability, including liability for death, injury or disability and damage to real or personal property. For the purposes of a producer of insurance, this line of insurance includes surety indemnifying financial institutions or providing bonds for fidelity, performance of contracts or financial guaranty.

(e) Variable annuities and variable life insurance, including coverage reflecting the results of a separate investment account.

(f) Credit insurance, including credit life, credit accident and health, credit property, credit involuntary unemployment, guaranteed asset protection, and any other form of insurance offered in connection with an extension of credit that is limited to wholly or partially extinguishing the obligation which the Commissioner determines should be considered as limited-line credit insurance.

(g) Personal lines, consisting of automobile and motorcycle insurance and residential property insurance, including coverage for flood, of personal watercraft and of excess liability, written over one or more underlying policies of automobile or residential property insurance.

(h) Travel insurance, as defined in ~~NRS 683A.197,~~ *section 17 of this act*, as a limited line.

(i) Rental car as a limited line.

(j) Portable electronics as a limited line.

(k) Crop as a limited line.

(l) Personal property storage insurance, as defined in NRS 683A.1828, as a limited line.





2. A license as a producer of insurance remains in effect unless revoked, suspended or otherwise terminated if, on or before the renewal date for the license:

- (a) A request for a renewal is submitted;
- (b) All applicable fees for renewal are paid for each license; and
- (c) Any requirement for education or any other requirement to renew the license is satisfied.

3. A producer of insurance may submit a request for a renewal of his or her license within 30 days after the renewal date if the producer of insurance otherwise complies with the provisions of subsection 2 and pays, in addition to any fee paid pursuant to subsection 2, a penalty of 50 percent of all applicable fees for renewal, except for any fee required pursuant to NRS 680C.110.

4. Except as otherwise provided in subsection 7, a license as a producer of insurance expires if the Commissioner does not receive from the producer of insurance a request for renewal of the license pursuant to subsection 2 or 3, as applicable, on or before the date which is 30 days after the renewal date.

5. A fee paid pursuant to subsection 2, 3 or 6 is nonrefundable.

6. A natural person who allows his or her license as a producer of insurance to expire pursuant to subsection 4 may, within 12 months after the renewal date, reinstate the license without passing a written examination if the natural person:

(a) Completes all applicable continuing education requirements; and

(b) Pays a penalty of twice all applicable fees for renewal, except for any fee required pursuant to NRS 680C.110.

7. A licensed producer of insurance who is unable to renew his or her license because of military service, extended medical disability or other extenuating circumstance may request a waiver of the time limit and of any fine or sanction otherwise required or imposed because of the failure to renew.

8. A license must state the licensee's name, address, personal identification number, the date of issuance, the lines of authority and the date of expiration and must contain any other information the Commissioner considers necessary. The license must be made available for public inspection upon request.

9. A licensee shall inform the Commissioner of each change of business, residence or electronic mail address, in writing or by other means acceptable to the Commissioner, within 30 days after the change. If a licensee changes his or her business, residence or electronic mail address without giving written notice and the Commissioner is unable to locate the licensee after diligent effort,



the Commissioner may revoke the license without a hearing. The mailing of a letter by certified mail, return receipt requested, addressed to the licensee at his or her last mailing address appearing on the records of the Division, and the return of the letter undelivered, constitutes a diligent effort by the Commissioner.

10. As used in this section, "renewal date" means:

(a) For the first renewal of the license, the last day of the month which is 3 years after the month in which the Commissioner originally issued the license.

(b) For each renewal after the first renewal of the license, the last day of the month which is 3 years after the month in which the license was last due to be renewed.

**Sec. 41.** NRS 683A.321 is hereby amended to read as follows:

683A.321 1. ~~[A]~~ *Except as otherwise provided in section 29 of this act, a* producer of insurance shall not act as an agent unless he or she is appointed as an agent by the insurer. A producer who is not acting as an agent is a broker who does not need to be appointed.

2. To appoint a producer of insurance as its agent, an insurer must file, in a form approved by the Commissioner, a notice of appointment within 15 days after the contract is executed or the first application for insurance is submitted. An insurer may appoint a producer to act as agent for all or some insurers within its holding company or group by filing a single notice of appointment. A notice of appointment may include several agents.

3. Upon receipt of a notice of appointment, the Commissioner shall determine within 30 days whether the producer of insurance is eligible for appointment. If the producer of insurance is not, the Commissioner shall so notify the insurer within 5 days after the determination is made.

4. An insurer shall pay an appointment fee and remit an annual renewal fee for each producer of insurance appointed as its agent. A payment or remittance may include fees for several agents.

5. A broker shall not place insurance, other than life insurance, health insurance, annuity contracts or coverage written pursuant to the Nonadmitted Insurance Law set forth in chapter 685A of NRS, that covers property or risks within this state unless the broker does so with a licensed agent of an authorized insurer.

6. A producer who is acting as an agent may also act as and be a broker with regard to insurers for which he or she is not acting as an agent. The sole relationship between an insurer and a broker who is appointed as an agent by the insurer as to any transactions arising during the period in which the broker is appointed as an agent is that of insurer and agent, and not insurer and broker.



7. As used in this section:

(a) "Agent" means a producer of insurance who is compensated by the insurer and sells, solicits or negotiates insurance for the insurer.

(b) "Broker" means a producer of insurance who:

(1) Is not an agent of an insurer;

(2) Solicits, negotiates or procures insurance on behalf of an insured or prospective insured; and

(3) Does not have the power, by his or her own actions as a broker, to obligate an insurer upon any risk or with reference to any transaction of insurance.

**Sec. 42.** NRS 683A.325 is hereby amended to read as follows:

683A.325 1. Except as otherwise provided in NRS ~~[683A.3687 or]~~ 691D.220 ~~[.]~~ *or section 26 of this act*, a producer of insurance who is appointed as an agent may pay a commission or compensation for or on account of the selling, soliciting, procuring or negotiating of insurance in this State only to a licensed and appointed producer of insurance of the insurer with whom insurance was placed or to a licensed producer acting as a broker.

2. A licensee shall not accept any commission or compensation to which the licensee is not entitled pursuant to the provisions of this title.

**Sec. 43.** NRS 684A.020 is hereby amended to read as follows:

684A.020 1. Except as otherwise provided in subsection 2, "adjuster" means any person who, for compensation, including, without limitation, a fee or commission, investigates and settles, and reports to his or her principal relative to, claims:

(a) Arising under insurance contracts for property, casualty or surety coverage, including, without limitation, workers' compensation coverage, on behalf solely of the insurer or the insured; or

(b) Against a self-insurer who is providing similar coverage.

2. For the purposes of this chapter:

(a) An attorney at law who adjusts insurance losses from time to time incidental to the practice of his or her profession;

(b) An adjuster of ocean marine losses;

(c) A salaried employee of an insurer, unless the employee:

(1) Investigates, negotiates or settles workers' compensation claims; and

(2) Obtains a license pursuant to this chapter;

(d) A salaried employee of a managing general agent maintaining an underwriting office in this state;



(e) An employee of an independent adjuster or an employee of an affiliate of an independent adjuster who is one of not more than 25 such employees under the supervision of an independent adjuster or licensed agent and who:

(1) Collects information relating to a claim for coverage arising under an insurance contract from or furnishes such information to an insured or a claimant; and

(2) Conducts data entry, including, without limitation, entering data into an automated claims adjudication system;

(f) A licensed agent who supervises not more than 25 employees described in paragraph (e);

(g) A person who is employed only to collect factual information concerning a claim for coverage arising under an insurance contract;

(h) A person who is employed solely to obtain facts surrounding a claim or to furnish technical assistance to a licensed independent adjuster;

(i) A person who is employed to investigate suspected fraudulent insurance claims but who does not adjust losses or determine the payment of claims;

(j) A person who performs only executive, administrative, managerial or clerical duties, or any combination thereof, but does not investigate, negotiate or settle claims with a policyholder or claimant or the legal representative of a policyholder or claimant;

(k) A licensed health care provider or any employee thereof who provides managed care services if those services do not include the determination of compensability;

(l) A managed care organization or any employee thereof or an organization that provides managed care services or any employee thereof if the services provided do not include the determination of compensability;

(m) A person who settles only reinsurance or subrogation claims;

(n) A broker, agent or representative of a risk retention group;

(o) An attorney-in-fact of a reciprocal insurer;

(p) A manager of a branch office of an alien insurer that is located in the United States; ~~or~~

(q) A person authorized to adjust claims under the authority of a third-party administrator who holds a certificate of registration issued by the Commissioner pursuant to NRS 683A.08524, unless the person investigates, negotiates or settles workers' compensation claims ~~or~~; *or*



*(r) A travel administrator, as defined in section 15 of this act, and any employee thereof,*

↳ is not considered an adjuster.

**Sec. 44.** Chapter 686A of NRS is hereby amended by adding thereto a new section to read as follows:

*1. It constitutes an unfair method of competition or an unfair or deceptive act or practice in the business of insurance to:*

*(a) Offer or sell a policy of travel insurance that could never result in payment of any claims for any insured under the policy; or*

*(b) Market blanket travel insurance as free.*

*2. As used in this section:*

*(a) "Blanket travel insurance" has the meaning ascribed to it in section 4 of this act.*

*(b) "Travel insurance" has the meaning ascribed to it in section 17 of this act.*

**Sec. 45.** NRS 686A.010 is hereby amended to read as follows:

686A.010 The purpose of NRS 686A.010 to 686A.310, inclusive, *and section 44 of this act* is to regulate trade practices in the business of insurance in accordance with the intent of Congress as expressed in the Act of Congress approved March 9, 1945, being c. 20, 59 Stat. 33, also designated as 15 U.S.C. §§ 1011 to 1015, inclusive, and Title V of Public Law 106-102, 15 U.S.C. §§ 6801 et seq.

**Sec. 46.** NRS 686A.183 is hereby amended to read as follows:

686A.183 1. After the hearing provided for in NRS 686A.160, the Commissioner shall issue an order on hearing pursuant to NRS 679B.360. If the Commissioner determines that the person charged has engaged in an unfair method of competition or an unfair or deceptive act or practice in violation of NRS 686A.010 to 686A.310, inclusive, *and section 44 of this act*, the Commissioner shall order the person to cease and desist from engaging in that method of competition, act or practice, and may order one or both of the following:

(a) If the person knew or reasonably should have known that he or she was in violation of NRS 686A.010 to 686A.310, inclusive, *and section 44 of this act*, payment of an administrative fine of not more than \$5,000 for each act or violation, except that as to licensed agents, brokers, solicitors and adjusters, the administrative fine must not exceed \$500 for each act or violation.

(b) Suspension or revocation of the person's license if the person knew or reasonably should have known that he or she was in



violation of NRS 686A.010 to 686A.310, inclusive **§** *and section 44 of this act.*

2. Until the expiration of the time allowed for taking an appeal, pursuant to NRS 679B.370, if no petition for review has been filed within that time, or, if a petition for review has been filed within that time, until the official record in the proceeding has been filed with the court, the Commissioner may, at any time, upon such notice and in such manner as the Commissioner deems proper, modify or set aside, in whole or in part, any order issued by him or her under this section.

3. After the expiration of the time allowed for taking an appeal, if no petition for review has been filed, the Commissioner may at any time, after notice and opportunity for hearing, reopen and alter, modify or set aside, in whole or in part, any order issued by him or her under this section whenever in the opinion of the Commissioner conditions of fact or of law have so changed as to require such action or if the public interest so requires.

**Sec. 47.** NRS 686A.520 is hereby amended to read as follows:

686A.520 1. The provisions of NRS 683A.341, 683A.451, 683A.461 and 686A.010 to 686A.310, inclusive, *and section 44 of this act* apply to companies.

2. For the purposes of subsection 1, unless the context requires that a section apply only to insurers, any reference in those sections to “insurer” must be replaced by a reference to “company.”

**Sec. 48.** A person who, on December 31, 2023, holds a valid license as a producer of limited lines travel insurance issued by the Commissioner of Insurance pursuant to NRS 683A.265 shall be deemed to hold a valid license as a producer of a limited lines travel insurance issued by the Commissioner pursuant to section 21 of this act.

**Sec. 49.** NRS 683A.191, 683A.193, 683A.195, 683A.197, 683A.199, 683A.242, 683A.265, 683A.368, 683A.3683, 683A.3685, 683A.3687, 683A.369, 683A.3693 and 683A.3695 are hereby repealed.

**Sec. 50.** 1. This section becomes effective upon passage and approval.

2. Sections 1 to 49, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2024, for all other purposes.

