

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

HOUSE BILL 2938

By: Mulready

AS INTRODUCED

An Act relating to insurance; creating the Travel Insurance Act; stating purpose; providing applicability; defining terms; authorizing the Insurance Commissioner to issue limited lines travel insurance producer license; allowing travel retailer to disseminate travel insurance under a certain license under certain conditions; requiring travel retailers to make certain brochures and materials available to prospective purchasers; providing brochure and material content; prohibiting a travel retailer from performing certain acts; authorizing travel retailer and its employees to receive certain compensation; making certain producer responsible for acts of the travel retailer as the insurer designee; requiring travel insurer to pay premium tax; requiring travel insurer to document and report certain travel insurer; authorizing travel protection plans be offered under certain conditions; specifying certain persons are subject to the unfair trade practices and frauds; providing certain policies shall be considered unfair trade practice; requiring sales, marketing and advertising materials be consistent with travel insurance policy documents; requiring certain disclosure; providing time period for policy holder to cancel policy; providing certain website information shall not be considered unfair trade practice; prohibiting use of certain options when offering travel insurance; prohibiting actions or representation as travel administrator without certain license; exempting travel administrator and employees from certain licensing requirements; authorizing travel insurance to be provided under an individual, group or master policy; authorizing the Commissioner to promulgate rules; amending 36 O.S. 2011, Section 1435.20, as last amended by Section 1,

1 Chapter 145, O.S.L. 2014 (36 O.S. Supp. 2017, Section
2 1435.20), which relates to limited lines producer;
3 removing description for certain limited lines
4 producer category; repealing Sections 3, 4, 5, 6, 7
5 and 8, Chapter 145, O.S.L. 2014 (36 O.S. Supp. 2017,
6 Sections 6680, 6681, 6682, 6683, 6684 and 6685),
7 which relate to limited lines insurance producers;
8 providing for codification; and providing an
9 effective date.

10 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

11 SECTION 1. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 6711 of Title 36, unless there
13 is created a duplication in numbering, reads as follows:

14 This act shall be known and may be cited as the "Travel
15 Insurance Act".

16 SECTION 2. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 6712 of Title 36, unless there
18 is created a duplication in numbering, reads as follows:

19 A. The purpose of the Travel Insurance Act is to promote the
20 public welfare by creating a comprehensive legal framework within
21 which travel insurance may be sold in this state.

22 B. The requirements of the Travel Insurance Act shall apply to
23 travel insurance where policies and certificates are delivered or
24 issued for delivery in this state. The Travel Insurance Act shall
not apply to cancellation fee waivers and travel assistance
services, except as expressly provided herein.

1 C. All other applicable provisions of this state's insurance
2 laws shall continue to apply to travel insurance except that the
3 specific provisions of the Travel Insurance Act shall supersede any
4 general provisions of law that would otherwise be applicable to
5 travel insurance.

6 SECTION 3. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 6713 of Title 36, unless there
8 is created a duplication in numbering, reads as follows:

9 As used in the Travel Insurance Act, the term:

10 1. "Aggregator site" means a website that provides access to
11 information regarding insurance products from more than one insurer,
12 including product and insurer information, for use in comparison
13 shopping;

14 2. "Blanket travel insurance" means a policy of travel
15 insurance issued to any eligible group providing coverage for
16 specific classes of persons defined in the policy with coverage
17 provided to all members of the eligible group without a separate
18 charge to individual members of the eligible group;

19 3. "Cancellation fee waiver" means a contractual agreement
20 between a supplier of travel services and its customer to waive some
21 or all of the nonrefundable cancellation fee provisions of the
22 supplier's underlying travel contract, with or without regard to the
23 reason for the cancellation or form of reimbursement. A
24 cancellation fee waiver is not insurance;

1 4. "Commissioner" means the Oklahoma Insurance Commissioner;

2 5. Solely for the purposes of travel insurance, "eligible
3 group" means two or more persons who are engaged in a common
4 enterprise, or have an economic, educational or social affinity or
5 relationship, including but not limited to any of the following:

6 a. any entity engaged in the business of providing travel
7 or travel services, including but not limited to: tour
8 operators, lodging providers, vacation property
9 owners, hotels and resorts, travel clubs, travel
10 agencies, property managers, cultural exchange
11 programs, and common carriers or the operator, owner
12 or lessor of a means of transportation of passengers,
13 including but not limited to airlines, cruise lines,
14 railroads, steamship companies and public bus
15 carriers, wherein with regard to any particular travel
16 or type of travel or travelers, all members or
17 customers of the group must have a common exposure to
18 risk attendant to such travel,

19 b. any college, school or other institution of learning
20 covering students, teachers or employees or
21 volunteers,

22 c. any employer covering any group of employees,
23 volunteers, contractors, Board of Directors,
24 dependents or guests,

- 1 d. any sports team, camp or sponsor thereof covering
2 participants, members, campers, employees, officials,
3 supervisors or volunteers,
- 4 e. any religious, charitable, recreational, educational
5 or civic organization or branch thereof covering any
6 group of members, participants or volunteers,
- 7 f. any financial institution or financial institution
8 vendor, or parent holding company, trustee or agent of
9 or designated by one or more financial institutions or
10 financial institution vendors, including
11 accountholders, credit card holders, debtors,
12 guarantors or purchasers,
- 13 g. any incorporated or unincorporated association,
14 including labor unions, having a common interest,
15 constitution and bylaws, and organized and maintained
16 in good faith for purposes other than obtaining
17 insurance for members or participants of such
18 association covering its members,
- 19 h. any trust or the trustees of a fund established,
20 created or maintained for the benefit of and covering
21 members, employees or customers, subject to the
22 Commissioner's permitting the use of a trust and the
23 state's premium tax provisions in Section 5 of this
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1 act of one or more associations meeting the above
2 requirements of subparagraph g of this paragraph,
3 i. any entertainment production company covering any
4 group of participants, volunteers, audience members,
5 contestants or workers,
6 j. any volunteer fire department, ambulance, rescue,
7 police, court or any first aid, civil defense or other
8 such volunteer group,
9 k. preschools, daycare institutions for children or
10 adults and senior citizen clubs,
11 l. any automobile or truck rental or leasing company
12 covering a group of individuals who may become
13 renters, lessees or passengers defined by their travel
14 status on the rented or leased vehicles. The common
15 carrier, the operator, owner or lessor of a means of
16 transportation or the automobile or truck rental or
17 leasing company is the policyholder under a policy to
18 which this paragraph applies, or
19 m. any other group where the Commissioner has determined
20 that the members are engaged in a common enterprise,
21 or have an economic, educational or social affinity or
22 relationship, and that issuance of the policy would
23 not be contrary to the public interest;
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1 6. "Fulfillment materials" means documentation sent to the
2 purchaser of a travel protection plan confirming the purchase and
3 providing the travel protection plan's coverage and assistance
4 details;

5 7. "Group travel insurance" means travel insurance issued to
6 any eligible group;

7 8. "Limited lines travel insurance producer" means any of the
8 following:

9 a. licensed managing general agent or third-party
10 administrator,

11 b. licensed insurance producer, including a limited lines
12 producer, or

13 c. travel administrator;

14 9. "Offer and disseminate" means providing general information,
15 including a description of the coverage and price, as well as
16 processing the application and collecting premiums;

17 10. "Travel administrator" means a person who directly or
18 indirectly underwrites, collects charges, collateral or premiums
19 from, or adjusts or settles claims on residents of this state, in
20 connection with travel insurance, except that a person shall not be
21 considered a travel administrator if that person's only actions that
22 would otherwise cause it to be considered a travel administrator are
23 among the following:

- a. a person working for a travel administrator to the extent that the person's activities are subject to the supervision and control of the travel administrator,
- b. an insurance producer selling insurance or engaged in administrative and claims-related activities within the scope of the producer's license,
- c. a travel retailer offering and disseminating travel insurance and registered under the license of a limited lines travel insurance producer in accordance with the Travel Insurance Act,
- d. an individual adjusting or settling claims in the normal course of that individual's practice or employment as an attorney at law and who does not collect charges or premiums in connection with insurance coverage, or
- e. a business entity that is affiliated with a licensed insurer while acting as a travel administrator for the direct and assumed insurance business of an affiliated insurer;

11. "Travel assistance services" means noninsurance services that may be distributed by limited lines travel insurance producers or other entities, and for which there is no indemnification for the travel protection plan customer based on a fortuitous event, nor any transfer or shifting of risk that would constitute the business of

1 insurance. Travel assistance services include, but are not limited
2 to: security advisories; destination information; vaccination and
3 immunization information services; travel reservation services;
4 entertainment; activity and event planning; translation assistance;
5 emergency messaging; international legal and medical referrals;
6 medical case monitoring; coordination of transportation
7 arrangements; emergency cash transfer assistance; medical
8 prescription replacement assistance; passport and travel document
9 replacement assistance; lost luggage assistance; concierge services
10 and any other service that is furnished in connection with planned
11 travel that is not related to the adjudication of a travel insurance
12 claim, unless otherwise approved by the Commissioner in a travel
13 insurance filing. Travel assistance services are not insurance and
14 not related to insurance;

15 12. "Travel insurance" means insurance coverage for personal
16 risks incident to planned travel, including:

- 17 a. interruption or cancellation of trip or event,
- 18 b. loss of baggage or personal effects,
- 19 c. damages to accommodations or rental vehicles,
- 20 d. sickness, accident, disability or death occurring
21 during travel,
- 22 e. emergency evacuation,
- 23 f. repatriation of remains, or

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1 g. any other contractual obligations to indemnify or pay
2 a specified amount to the traveler upon determinable
3 contingencies related to travel as approved by the
4 Commissioner.

5 "Travel insurance" shall not include major medical plans that
6 provide comprehensive medical protection for travelers with trips
7 lasting longer than six (6) months, including, for example, those
8 working or residing overseas as an expatriate, or any other product
9 that requires a specific insurance producer license;

10 13. "Travel protection plans" means plans that provide one or
11 more of the following: travel insurance, travel assistance services
12 and cancellation fee waivers; and

13 14. "Travel retailer" means a business entity that makes,
14 arranges or offers planned travel and may offer and disseminate
15 travel insurance as a service to its customers on behalf of and
16 under the direction of a limited lines travel insurance producer.

17 SECTION 4. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 6714 of Title 4, unless there is
19 created a duplication in numbering, reads as follows:

20 A. The Commissioner may issue a license to an individual or
21 business entity that has filed with the Commissioner an application
22 for a limited lines travel insurance producer license in a form and
23 manner prescribed by the Commissioner. Such limited lines travel
24 insurance producer shall be licensed to sell, solicit or negotiate

1 travel insurance through a licensed insurer. No person shall act as
2 a limited lines travel insurance producer or travel insurance
3 retailer unless properly licensed or registered, respectively.

4 B. A travel retailer may offer and disseminate travel insurance
5 under a limited lines travel insurance producer business entity
6 license only if the following conditions are met:

7 1. The limited lines travel insurance producer or travel
8 retailer provides to purchasers of travel insurance:

- 9 a. a description of the material terms or the actual
10 material terms of the insurance coverage,
- 11 b. a description of the process for filing a claim,
- 12 c. a description of the review or cancellation process
13 for the travel insurance policy, and
- 14 d. the identity and contact information of the insurer
15 and limited lines travel insurance producer;

16 2. At the time of licensure, the limited lines travel insurance
17 producer shall establish and maintain a register on a form
18 prescribed by the Commissioner of each travel retailer that offers
19 travel insurance on the limited lines travel insurance producer's
20 behalf. The register shall be maintained and updated by the limited
21 lines travel insurance producer and shall include the name, address
22 and contact information of the travel retailer and an officer or
23 person who directs or controls the travel retailer's operations, and
24 the travel retailer's federal tax identification number. The

1 limited lines travel insurance producer shall submit such register
2 to the state Insurance Department upon reasonable request. The
3 limited lines travel insurance producer shall also certify that the
4 travel retailer registered complies with 18 U.S.C., Section 1033.

5 The grounds for the suspension, revocation and the penalties
6 applicable to resident insurance producers shall be applicable to
7 the limited lines travel insurance producers and travel retailers;

8 3. The limited lines travel insurance producer has designated
9 one of its employees who is a licensed individual producer as the
10 person (a "designated responsible producer" or "DRP") responsible
11 for the compliance with the travel insurance laws and regulations
12 applicable to the limited lines travel insurance producer and its
13 registrants;

14 4. The DRP, president, secretary, treasurer and any other
15 officer or person who directs or controls the limited lines travel
16 insurance producer's insurance operations comply with the
17 fingerprinting requirements applicable to insurance producers in the
18 resident state of the limited lines travel insurance producer;

19 5. The limited lines travel insurance producer has paid all
20 applicable insurance producer licensing fees as set forth in
21 applicable state law; and

22 6. The limited lines travel insurance producer requires each
23 employee and authorized representative of the travel retailer whose
24 duties include offering and disseminating travel insurance to

1 receive a program of instruction or training, which is subject at
2 the discretion of the Commissioner to review and approval. The
3 training material shall, at a minimum, contain adequate instructions
4 on the types of insurance offered, ethical sales practices, and
5 required disclosures to prospective customers.

6 C. Any travel retailer offering or disseminating travel
7 insurance shall make available to prospective purchasers brochures
8 or other written materials that have been approved by the travel
9 insurer. Such materials shall include information which, at a
10 minimum:

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

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

16 3. Explains that an unlicensed travel retailer is permitted to
17 provide only general information about the insurance offered by the
18 travel retailer, including a description of the coverage and price,
19 but is not qualified or authorized to answer technical questions
20 about the terms and conditions of the insurance offered by the
21 travel retailer or to evaluate the adequacy of the customer's
22 existing insurance coverage.

23 D. A travel retailer employee or authorized representative who
24 is not licensed as an insurance producer shall not:

1 1. Evaluate or interpret the technical terms, benefits and
2 conditions of the offered travel insurance coverage;

3 2. Evaluate or provide advice concerning a prospective
4 purchaser's existing insurance coverage; or

5 3. Hold himself or itself out as a licensed insurer, licensed
6 producer or insurance expert.

7 E. Notwithstanding any other provision in law, a travel
8 retailer whose insurance-related activities, and those of its
9 employees and authorized representatives, are limited to offering
10 and disseminating travel insurance on behalf of and under the
11 direction of a limited lines travel insurance producer meeting the
12 conditions stated in the Travel Insurance Act, is authorized to
13 receive related compensation upon registration by the limited lines
14 travel insurance producer as described in paragraph 2 of subsection
15 B of this section.

16 F. As the insurer designee, the limited lines travel insurance
17 producer is responsible for the acts of the travel retailer and
18 shall use reasonable means to ensure compliance by the travel
19 retailer with the Travel Insurance Act.

20 SECTION 5. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 6715 of Title 36, unless there
22 is created a duplication in numbering, reads as follows:
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1 A. A travel insurer shall pay premium tax, as provided in
2 Section 624 of Title 36 of the Oklahoma Statutes, on travel
3 insurance premiums paid by any of the following:

4 1. An individual primary policyholder who is a resident of this
5 state;

6 2. A primary certificate-holder who is a resident of this state
7 who elects coverage under a group travel insurance policy; or

8 3. A blanket travel insurance policyholder that is resident in,
9 or has its principal place of business or the principal place of an
10 affiliate or subsidiary that has purchased blanket travel insurance
11 this state for eligible blanket group members, subject to any
12 apportionment rules which apply to the insurer across multiple
13 taxing jurisdictions or that permits the insurer to allocate premium
14 on an apportioned basis in a reasonable and equitable manner in
15 those jurisdictions.

16 B. A travel insurer shall:

17 1. Document the state of residence or principal place of
18 business of the policyholder or certificate-holder, as required in
19 subsection A of this section; and

20 2. Report as premium only the amount allocable to travel
21 insurance and not any amounts received for travel assistance
22 services or cancellation fee waivers.

1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6716 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 Travel protection plans may be offered for one price for the
5 combined features that the travel protection plan offers in this
6 state if:

7 1. The travel protection plan clearly discloses to the consumer
8 at or prior to the time of purchase that it includes travel
9 insurance, travel assistance services and cancellation fee waivers
10 as applicable, and provides information and an opportunity at or
11 prior to the time of purchase for the consumer to obtain additional
12 information regarding the features and pricing of each; and

13 2. The fulfillment materials:
14 a. describe and delineate the travel insurance, travel
15 assistance services and cancellation fee waivers in
16 the travel protection plan, and
17 b. include the travel insurance disclosures and the
18 contact information for persons providing travel
19 assistance services and cancellation fee waiver, as
20 applicable.

21 SECTION 7. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 6717 of Title 36, unless there
23 is created a duplication in numbering, reads as follows:

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1 A. All persons offering travel insurance to residents of this
2 state are subject to Sections 1201 through 1219 of Title 36 of the
3 Oklahoma Statutes, except as otherwise provided in this section. In
4 the event of a conflict between the Travel Insurance Act and other
5 provisions of this title regarding the sale and marketing of travel
6 insurance and travel protection plans, the provisions of the Travel
7 Insurance Act shall control.

8 B. Offering or selling a travel insurance policy that could
9 never result in payment of any claims for any insured under the
10 policy is an unfair trade practice under Section 1203 of Title 36 of
11 the Oklahoma Statutes.

12 C. 1. All documents provided to consumers prior to the
13 purchase of travel insurance, including but not limited to sales
14 materials, advertising materials and marketing materials, shall be
15 consistent with all travel insurance policy documents, including but
16 not limited to forms, endorsements, policies, rate filings and
17 certificates of insurance.

18 2. Travel insurance policies or certificates that contain
19 preexisting condition exclusions must clearly disclose the exclusion
20 in the coverage's fulfillment materials.

21 3. Policyholders or certificate holders shall have a minimum of
22 ten (10) days from the later of the date of purchase of a travel
23 protection plan or the delivery of the travel protection plan's
24 fulfillment materials to review and cancel the policy or certificate

1 for a full refund of the travel protection plan price, unless the
2 insured has either started the covered trip or has filed a claim
3 under the travel insurance coverage. For the purposes of this
4 paragraph, sending documentation confirming the purchase and
5 providing the travel protection plan's coverage and assistance
6 details, as applicable, to a physical or electronic mail address
7 provided by the purchaser of a travel protection plan shall
8 constitute delivery of the travel protection plan's fulfillment
9 materials.

10 4. The company shall disclose in the policy fulfillment and
11 documentation whether the travel insurance is primary or secondary
12 to other applicable coverage.

13 5. Where travel insurance is marketed directly to a consumer
14 through an insurer's website or by others through an aggregator
15 site, it shall not be an unfair trade practice or other violation of
16 law where an accurate summary or short description of coverage is
17 provided on the web page, so long as the consumer has access to the
18 full provisions of the policy through electronic means.

19 D. Unless otherwise permitted by state or federal law, no
20 person offering travel insurance or travel protection plans on an
21 individual or group basis may do so using negative option or opt-
22 out, which would require a consumer to take an affirmative action to
23 deselect coverage such as unchecking a box on an electronic form
24 when they purchase a trip.

1 E. It shall not be an unfair trade practice to include blanket
2 travel insurance coverage with the purchase of a trip, provided the
3 coverage is not marketed as free.

4 SECTION 8. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 6718 of Title 36, unless there
6 is created a duplication in numbering, reads as follows:

7 A. Notwithstanding any other provisions of this title, no
8 person shall act or represent himself or herself as a travel
9 administrator in this state unless that person:

10 1. Is a licensed producer for property insurance in this state
11 with an inland marine line of authority;

12 2. Holds a valid managing general agent (MGA) license in this
13 state; or

14 3. Holds a valid third-party administrator (TPA) license in
15 this state.

16 B. A travel administrator and his or her employees are exempt
17 from the licensing requirements of the Insurance Adjusters Licensing
18 Act found at Sections 6201 through 6223 of Title 36 of the Oklahoma
19 Statutes.

20 SECTION 9. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 6719 of Title 36, unless there
22 is created a duplication in numbering, reads as follows:

23 Travel insurance may be provided under an individual policy or
24 under a group or master policy.

1 SECTION 10. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6720 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 The Commissioner may promulgate rules to implement the
5 provisions of the Travel Insurance Act.

6 SECTION 11. AMENDATORY 36 O.S. 2011, Section 1435.20, as
7 last amended by Section 1, Chapter 145, O.S.L. 2014 (36 O.S. Supp.
8 2017, Section 1435.20), is amended to read as follows:

9 Section 1435.20 A. A limited lines producer may receive
10 qualification for a license in one or more of the following
11 categories:

12 1. Prepaid legal liability insurance, which means the
13 assumption of an enforceable contractual obligation to provide
14 specified legal services or to reimburse policyholders for specified
15 legal expenses, pursuant to the provisions of a group or individual
16 policy;

17 2. Crop ~~insurance~~: Insurance providing protection against
18 damage to crops from unfavorable weather conditions, fire or
19 lightning, flood, hail, insect infestation, disease or other yield-
20 reducing conditions or perils provided by the private insurance
21 market, or that is subsidized by the Federal Crop Insurance
22 Corporation, including Multi-Peril Crop Insurance;

23 3. Car rental ~~insurance~~: Insurance offered, sold or solicited
24 in connection with and incidental to the rental of rental cars for a

1 period of two (2) years, whether at the rental office or by
2 preselection of coverage in master, corporate, group or individual
3 agreements that:

- 4 a. is nontransferable,
- 5 b. applies only to the rental car that is the subject of
6 the rental agreement, and

7 c. is limited to the following kinds of insurance:

- 8 (1) personal accident insurance for renters and other
9 rental car occupants, for accidental death or
10 dismemberment, and for medical expenses resulting
11 from an accident that occurs with the rental car
12 during the rental period,
- 13 (2) liability insurance that provides protection to
14 the renters and other authorized drivers of a
15 rental car for liability arising from the
16 operation or use of the rental car during the
17 rental period,
- 18 (3) personal effects insurance that provides coverage
19 to renters and other vehicle occupants for loss
20 of, or damage to, personal effects in the rental
21 car during the rental period,
- 22 (4) roadside assistance and emergency sickness
23 protection insurance, or

1 (5) any other coverage designated by the Insurance
2 Commissioner.

3 A car rental limited lines license issued to a rental or leasing
4 company shall authorize any employee or authorized representative of
5 the rental or leasing company to sell or offer coverage at each
6 location at which the rental or leasing company operates. Employees
7 or authorized representatives are not required to be individually
8 licensed;

9 4. Credit ~~—credit:~~ Credit life, credit disability, credit
10 property, credit unemployment, involuntary unemployment, mortgage
11 life, mortgage guaranty, mortgage disability, guaranteed automobile
12 protection insurance, or any other form of insurance offered in
13 connection with an extension of credit that is limited to partially
14 or wholly extinguishing that credit obligation and that is
15 designated by the Insurance Commissioner as limited line credit
16 insurance;

17 5. Surety ~~—insurance:~~ Insurance or bond that covers
18 obligations to pay the debts of, or answer for the default of
19 another, including faithlessness in a position of public or private
20 trust. For purpose of limited line licensing, surety does not
21 include surety bail bonds; and

22 6. Travel ~~—insurance coverage for personal risks incident to~~
23 ~~planned travel, including, but not limited to:~~

24 a. ~~interruption or cancellation of trip or event,~~

- ~~b. loss of baggage or personal effects,~~
- ~~c. damages to accommodations or rental vehicles, or~~
- ~~d. sickness, accident, disability or death occurring during travel.~~

~~Travel insurance does not include major medical plans, which provide comprehensive medical protections for travelers with trips lasting six (6) months or longer, including, but not limited to, those working overseas as expatriate or military personnel deployed overseas.~~

B. 1. An insurance producer or limited lines producer may solicit applications for and issue travel accident policies or baggage insurance by means of mechanical vending machines supervised by the insurance producer or limited lines producer only if the Insurance Commissioner shall determine that the form of policy to be sold is reasonably suited for sale and issuance through vending machines, that use of vending machines for the sale of policies would be of convenience to the public, and that the type of vending machine to be used is reasonably suitable and practical for the sale and issuance of policies. Policies so sold do not have to be countersigned.

2. The Commissioner shall issue to the insurance agent or limited insurance representative a special vending machine license for each such machine to be used. The license shall specify the name and address of the insurer and licensee, the kind of insurance

1 and type of policy to be sold, and the place where the machine is to
2 be in operation. The license shall expire, be renewable, and be
3 suspended or revoked coincidentally with the insurance agent license
4 or limited representative license of the licensee. The license fee
5 for each vending machine shall be that stated in the provisions of
6 Section 1435.23 of this title. Proof of existence of the license
7 shall be displayed on or about each machine in such manner as the
8 Commissioner may reasonably require.

9 SECTION 12. REPEALER Sections 3, 4, 5, 6, 7 and 8,
10 Chapter 145, O.S.L. 2014 (36 O.S. Supp. 2017, Sections 6680, 6681,
11 6682, 6683, 6684 and 6685), are hereby repealed.

12 SECTION 13. This act shall become effective November 1, 2018.

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14 56-2-9221 AMM 01/09/18

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