



House Bill No. 7024

Public Act No. 17-187

AN ACT REGULATING THE OFFER AND DISSEMINATION OF TRAVEL INSURANCE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective October 1, 2017*) (a) As used in this section:

(1) "Travel insurance" means insurance, provided under an individual or a group or master insurance policy, for the following personal risks incident to planned travel: (A) Interruption or cancellation of a trip or an event; (B) loss of baggage or personal effects; (C) damage to accommodations or rental vehicles; or (D) sickness, accident, disability or death occurring during travel;

(2) "Limited lines travel insurance producer" means an individual who or business entity that is authorized under subsection (b) of this section to sell, solicit or negotiate travel insurance;

(3) "Offer and disseminate," with respect to travel insurance, means the provision of general information about or general services for travel insurance, including: (A) A description of the coverage and price of a travel insurance policy; (B) the processing of an application for a travel insurance policy; (C) the collection of a premium for a travel insurance policy; or (D) the performance of other activities not

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requiring a license and permitted in this state concerning a travel insurance policy;

(4) "Travel retailer" means a business entity that makes, arranges or offers travel services; and

(5) "Designated travel retailer" means a travel retailer designated by a limited lines travel insurance producer to offer and disseminate travel insurance to residents of this state on such producer's behalf.

(b) (1) (A) Any individual or business entity that wishes to act as a limited lines travel insurance producer in this state may apply to the Insurance Commissioner for authorization to act as a limited lines travel insurance producer and to sell, solicit or negotiate travel insurance through an insurance company licensed or authorized to do business in this state. Such application shall be submitted on such form and in such manner as prescribed by the commissioner and shall be accompanied by the fee required under section 38a-11 of the general statutes, as amended by this act. The commissioner shall not approve such application unless (i) the applicant has paid all applicable filing and licensing fees required under this section and title 38a of the general statutes, and (ii) for an applicant that is a business entity, the employee designated pursuant to subparagraph (A) of subdivision (3) of this subsection and the president, secretary, treasurer and any other officer or individual who directs or controls the insurance operations of the applicant has complied with any fingerprinting requirements applicable to insurance producers in the resident state of the applicant.

(B) The commissioner may approve or deny such application. Any such authorization shall be in force until the commissioner suspends or revokes such authorization or the commissioner suspends, revokes or refuses to renew the individual's or insurance company's license or authorization to do business in this state.

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(2) Each limited lines travel insurance producer that is a business entity shall, at the time such application is approved by the commissioner, establish and maintain a registry, on a form prescribed by the commissioner, of its designated travel retailers. Such producer shall update the registry annually and shall include: (A) The name, address and contact information of each designated travel retailer; (B) the name, address and contact information of an officer or individual who directs or controls each designated travel retailer's operations; (C) the federal tax identification number of each designated travel retailer; and (D) a certification by such producer that the designated travel retailer has not engaged in conduct prohibited under 18 USC 1033, as amended from time to time. Upon request by the commissioner, a limited lines travel insurance producer shall make such registry available to the commissioner or the commissioner's designee for inspection and examination during the regular business hours of such limited lines travel insurance producer.

(3) (A) Each limited lines travel insurance producer that is a business entity shall designate an employee, who is an insurance producer licensed in this state, as the individual responsible for the limited lines travel insurance producer's compliance with this section, including supervision of its designated travel retailers.

(B) Each limited lines travel insurance producer that is a business entity shall be responsible for the acts of its designated travel retailers and shall use reasonable means to ensure each designated travel retailer's compliance with this section.

(4) Each limited lines travel insurance producer that is a business entity shall require each employee and authorized representative of its designated travel retailers to receive instruction or training on the offer and dissemination of travel insurance. Such instruction or training may be subject to review by the commissioner and shall include, at a minimum, information about (A) the types of travel insurance offered

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through the travel retailer, (B) ethical sales practices, and (C) required disclosures to prospective insureds.

(5) Each limited lines travel insurance producer that is a business entity or designated travel retailer shall provide to purchasers of a travel insurance policy: (A) A description or a copy of the material terms of such policy; (B) a description of the process for filing a claim under such policy; (C) a description of the process for the review or cancellation of such policy; and (D) the identity of and contact information for the insurance company issuing such policy and the limited lines travel insurance producer.

(c) (1) A travel retailer that does not employ a licensed insurance producer or is not licensed or authorized to transact the business of insurance in this state may offer and disseminate travel insurance to residents of this state, if (A) it is a designated travel retailer, and (B) its travel insurance-related activities are limited to those authorized under this section.

(2) A travel retailer shall make available to prospective insureds brochures or other written materials that: (A) Provide the identity of and contact information for the insurance company issuing the travel insurance policy and the limited lines travel insurance producer; (B) explain that the purchase of travel insurance is not required to purchase any other product or service from the travel retailer; and (C) explain that such travel retailer is permitted to provide general information about the travel insurance offered through the travel retailer, including a description of the coverage and price, but is not qualified or authorized to answer questions about the terms and conditions of such travel insurance or evaluate the adequacy of the prospective insured's existing insurance coverage.

(3) A designated travel retailer may receive compensation from a limited lines travel insurance producer or the insurance company

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issuing a travel insurance policy for services related to the offer and dissemination of travel insurance as agreed to by such designated travel retailer and such limited lines travel insurance producer or insurance company.

(4) An employee or authorized representative of a travel retailer shall not be required to be licensed as an insurance producer unless such employee or authorized representative: (A) Evaluates or interprets the terms, benefits or conditions of travel insurance offered by the travel retailer; (B) evaluates or provides advice regarding a prospective insured's existing insurance coverage; or (C) holds himself or herself out as a licensed insurance producer or an insurance expert.

(d) (1) A violation of this section by a limited lines travel insurance producer shall be deemed an unfair or deceptive insurance practice under section 38a-816 of the general statutes.

(2) A violation of this section by a travel retailer shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b of the general statutes.

Sec. 2. Subsection (a) of section 38a-11 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2017*):

(a) The commissioner shall demand and receive the following fees: (1) For the annual fee for each license issued to a domestic insurance company, two hundred dollars; (2) for receiving and filing annual reports of domestic insurance companies, fifty dollars; (3) for filing all documents prerequisite to the issuance of a license to an insurance company, two hundred twenty dollars, except that the fee for such filings by any health care center, as defined in section 38a-175, shall be one thousand three hundred fifty dollars; (4) for filing any additional paper required by law, thirty dollars; (5) for each certificate of

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valuation, organization, reciprocity or compliance, forty dollars; (6) for each certified copy of a license to a company, forty dollars; (7) for each certified copy of a report or certificate of condition of a company to be filed in any other state, forty dollars; (8) for amending a certificate of authority, two hundred dollars; (9) for each license issued to a rating organization, two hundred dollars. In addition, insurance companies shall pay any fees imposed under section 12-211; (10) a filing fee of fifty dollars for each initial application for a license made pursuant to section 38a-769; (11) with respect to insurance agents' appointments: (A) A filing fee of fifty dollars for each request for any agent appointment, except that no filing fee shall be payable for a request for agent appointment by an insurance company domiciled in a state or foreign country which does not require any filing fee for a request for agent appointment for a Connecticut insurance company; (B) a fee of one hundred dollars for each appointment issued to an agent of a domestic insurance company or for each appointment continued; and (C) a fee of eighty dollars for each appointment issued to an agent of any other insurance company or for each appointment continued, except that (i) no fee shall be payable for an appointment issued to an agent of an insurance company domiciled in a state or foreign country which does not require any fee for an appointment issued to an agent of a Connecticut insurance company, and (ii) the fee shall be twenty dollars for each appointment issued or continued to an agent of an insurance company domiciled in a state or foreign country with a premium tax rate below Connecticut's premium tax rate; (12) with respect to insurance producers: (A) An examination fee of fifteen dollars for each examination taken, except when a testing service is used, the testing service shall pay a fee of fifteen dollars to the commissioner for each examination taken by an applicant; (B) a fee of eighty dollars for each license issued; (C) a fee of eighty dollars per year, or any portion thereof, for each license renewed; and (D) a fee of eighty dollars for any license renewed under the transitional process established in section 38a-784; (13) with respect to public adjusters: (A)

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An examination fee of fifteen dollars for each examination taken, except when a testing service is used, the testing service shall pay a fee of fifteen dollars to the commissioner for each examination taken by an applicant; and (B) a fee of two hundred fifty dollars for each license issued or renewed; (14) with respect to casualty claims adjusters: (A) An examination fee of twenty dollars for each examination taken, except when a testing service is used, the testing service shall pay a fee of twenty dollars to the commissioner for each examination taken by an applicant; (B) a fee of eighty dollars for each license issued or renewed; and (C) the expense of any examination administered outside the state shall be the responsibility of the entity making the request and such entity shall pay to the commissioner two hundred dollars for such examination and the actual traveling expenses of the examination administrator to administer such examination; (15) with respect to motor vehicle physical damage appraisers: (A) An examination fee of eighty dollars for each examination taken, except when a testing service is used, the testing service shall pay a fee of eighty dollars to the commissioner for each examination taken by an applicant; (B) a fee of eighty dollars for each license issued or renewed; and (C) the expense of any examination administered outside the state shall be the responsibility of the entity making the request and such entity shall pay to the commissioner two hundred dollars for such examination and the actual traveling expenses of the examination administrator to administer such examination; (16) with respect to certified insurance consultants: (A) An examination fee of twenty-six dollars for each examination taken, except when a testing service is used, the testing service shall pay a fee of twenty-six dollars to the commissioner for each examination taken by an applicant; (B) a fee of two hundred fifty dollars for each license issued; and (C) a fee of two hundred fifty dollars for each license renewed; (17) with respect to surplus lines brokers: (A) An examination fee of twenty dollars for each examination taken, except when a testing service is used, the testing service shall pay a fee of twenty dollars to the commissioner for

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each examination taken by an applicant; and (B) a fee of six hundred twenty-five dollars for each license issued or renewed; (18) with respect to fraternal agents, a fee of eighty dollars for each license issued or renewed; (19) a fee of twenty-six dollars for each license certificate requested, whether or not a license has been issued; (20) with respect to domestic and foreign benefit societies shall pay: (A) For service of process, fifty dollars for each person or insurer to be served; (B) for filing a certified copy of its charter or articles of association, fifteen dollars; (C) for filing the annual report, twenty dollars; and (D) for filing any additional paper required by law, fifteen dollars; (21) with respect to foreign benefit societies: (A) For each certificate of organization or compliance, fifteen dollars; (B) for each certified copy of permit, fifteen dollars; and (C) for each copy of a report or certificate of condition of a society to be filed in any other state, fifteen dollars; (22) with respect to reinsurance intermediaries, a fee of six hundred twenty-five dollars for each license issued or renewed; (23) with respect to life settlement providers: (A) A filing fee of twenty-six dollars for each initial application for a license made pursuant to section 38a-465a; and (B) a fee of forty dollars for each license issued or renewed; (24) with respect to life settlement brokers: (A) A filing fee of twenty-six dollars for each initial application for a license made pursuant to section 38a-465a; and (B) a fee of forty dollars for each license issued or renewed; (25) with respect to preferred provider networks, a fee of two thousand seven hundred fifty dollars for each license issued or renewed; (26) with respect to rental companies, as defined in section 38a-799, a fee of eighty dollars for each permit issued or renewed; (27) with respect to medical discount plan organizations licensed under section 38a-479rr, a fee of six hundred twenty-five dollars for each license issued or renewed; (28) with respect to pharmacy benefits managers, an application fee of one hundred dollars for each registration issued or renewed; (29) with respect to captive insurance companies, as defined in section 38a-91aa, a fee of three hundred seventy-five dollars for each license issued or

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renewed; (30) with respect to each duplicate license issued a fee of fifty dollars for each license issued; (31) with respect to surety bail bond agents, as defined in section 38a-660, (A) a filing fee of one hundred fifty dollars for each initial application for a license, and (B) a fee of one hundred dollars for each license issued or renewed; (32) with respect to third-party administrators, as defined in section 38a-720, (A) a fee of five hundred dollars for each license issued, and (B) a fee of four hundred fifty dollars for each license renewed; [and] (33) with respect to portable electronics insurance licenses under section 38a-397, (A) a filing fee of one hundred dollars for each initial application for a license, (B) a fee of five hundred dollars for each license issued, and (C) a fee of four hundred fifty dollars for each license renewed; and (34) with respect to limited lines travel insurance producer licenses under section 1 of this act, (A) a filing fee of one hundred dollars for each initial application for a license, (B) a fee of six hundred fifty dollars for each license issued, and (C) a fee of six hundred fifty dollars for each license renewed.

Approved July 10, 2017