

# Insurance and Real Estate Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-5411

**Title:** AN ACT CONCERNING TRAVEL INSURANCE.

**Vote Date:** 3/22/2022

**Vote Action:** Joint Favorable

**PH Date:** 3/18/2022

**File No.:** 376

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### SPONSORS OF BILL:

Insurance and Real Estate Committee

### REASONS FOR BILL:

This bill will bring the state in line with national industry standards for travel insurance by adopting the "Travel Insurance Model Act." These standards are put forward by NCOIL and the National Association of Insurance Commissioners (NAIC) and ensure that travel insurance laws are uniform from one state to the next.

### RESPONSE FROM ADMINISTRATION/AGENCY:

None Stated

### NATURE AND SOURCES OF SUPPORT:

Michael Byrne and I represent the United States Travel Insurance Association (UStiA) – This bill codifies requirements for the sale of travel insurance, consistent with established industry practice and nearly identical model acts adopted by NCOIL and the National Association of Insurance Commissioners (NAIC). Twenty (20) other states have already enacted legislation based on these national Model Acts. Other states are currently considering enacting such legislation, and more are expected to follow. National, uniform legislation is very important given the nature of travel insurance.

American Property Casualty Insurance Association (APCIA) - The Travel Insurance Model Act provides clear, predictable, and workable standards for the regulation of the travel insurance market in a manner that protects consumers and promotes the innovation and growth of this beneficial product. The Travel Insurance Model Act codifies a number of practices which have been widely accepted in the travel insurance marketplace so as to ensure clear and comprehensive statutory guidance. Among the many areas addressed by

the bill, the bill would specifically address premium tax allocation, travel administrator's responsibilities, market practices and consumer disclosures. In addition to providing clarity in these areas, adopting legislation based on the recently adopted NAIC model will further multistate uniformity in the area of travel insurance which will promote consistency and ease multistate operations.

**NATURE AND SOURCES OF OPPOSITION:**

David Godbout – **Opposes** this bill.

**Reported by: Alexander Pachkovsky**

**Date: 3/24/22**