

SCS SB 324 -- LICENSURE OF LIMITED LINES TRAVEL INSURANCE PRODUCERS

SPONSOR: Wallingford (Hansen)

COMMITTEE ACTION: Voted "Do Pass by Consent" by the Committee on Insurance Policy by a vote of 8 to 0.

This substitute allows the Director of the Department of Insurance, Financial Institutions and Professional Registration to issue an individual or business entity that has complied with specified requirements a limited lines travel insurance producer license that authorizes the producer to sell, solicit, or negotiate travel insurance through a licensed insurer. Travel insurance may be provided under an individual or a group or master policy. An application must be filed with the department director in a form and manner prescribed by the department director. The department director may make rules to enforce the provisions of the substitute.

A travel retailer must make available to prospective purchasers brochures or other written materials that provide the identity and contact information of the insurer and the limited lines travel insurance producer; explain that the purchase of travel insurance is not required to purchase any other product or service from the travel retailer; and explain that an unlicensed travel retailer is permitted to provide general information about the 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 insurance offered by the travel retailer or to evaluate the adequacy of the customer's existing insurance coverage. A travel retailer's employee or authorized representative may not engage in specified practices such as holding himself or herself out as a licensed insurer, licensed producer, or insurance expert or evaluating or providing advice concerning insurance coverage.

As the insurer designee, the limited lines travel insurance producer is responsible for the acts of the travel retailer and must use reasonable means to ensure compliance by the retailer with these provisions. The limited lines travel insurance producer and any travel retailer selling travel insurance under the limited lines travel insurance producer license are subject to all provisions of Chapter 374 and 375, RSMo, except as provided in the bill.

PROPOSERS: Supporters say that the bill will provide uniform regulation for the sale of travel insurance policies using model rules adopted in many states.

Testifying for the bill were Senator Wallingford; and US Travel Insurance Association.

OPPONENTS: There was no opposition voiced to the committee.