515K.3 Licensing and registration — limited lines travel insurance producers and travel retailers.

1. *a.* The commissioner may issue a limited lines travel insurance producer license to a person that has filed an application for a limited lines travel insurance producer license in the form and manner prescribed by the commissioner.

b. A limited lines travel insurance producer must be licensed to sell, solicit, or negotiate travel insurance through a licensed insurer. A person shall not act as a limited lines travel insurance producer, or as a travel retailer, unless the person is licensed as a limited lines travel insurance producer or is registered as a travel retailer.

2. A travel retailer may offer and disseminate travel insurance under a limited lines travel insurance producer's license only if all of the following conditions are satisfied:

a. The travel retailer or the limited lines travel insurance producer provides all of the following to a 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 claim filing process.

(3) A description of the review and cancellation process.

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

b. (1) Beginning on the date of licensure, a limited lines travel insurance producer shall establish and maintain a register, in the form and manner prescribed by the commissioner, of each travel retailer that offers travel insurance on behalf of the limited lines travel insurance producer. The register shall include all of the following information:

(a) The name, address, and contact information of each travel retailer.

(b) The name, address, and contact information of an officer or other individual who directs or controls each travel retailer's operations.

(c) Each travel retailer's federal tax identification number.

(2) A limited lines travel insurance producer shall submit the register under subparagraph (1) to the commissioner upon the commissioner's reasonable request, and shall certify that the register complies with 18 U.S.C. §1033.

(3) Provisions under Title XIII, subtitle 1, that are applicable to the suspension or revocation of a resident insurance producer's license, or to the imposition of penalties on a resident insurance producer, shall be applicable to limited lines travel insurance producers and travel retailers.

c. The limited lines travel insurance producer has a designated responsible producer.

d. The designated responsible producer, president, secretary, treasurer, and any other officer or individual who directs or controls the limited lines travel insurance producer's insurance operations has complied with all fingerprinting requirements applicable to insurance producers in this state.

e. The limited lines travel insurance producer has paid all licensing fees required by state law.

f. The limited lines travel insurance producer requires each employee and each authorized representative of the travel retailer who offers and disseminates travel insurance to successfully complete a training program that, at a minimum, educates each employee and each authorized representative on the details of each type of insurance offered by the travel retailer, ethical sales practices, and all disclosures that are required to be made to prospective purchasers.

3. A travel retailer that offers and disseminates travel insurance shall make brochures or other written materials that have been approved by the travel insurer available to prospective purchasers. The brochures or other written materials shall, at a minimum, do all of the following:

a. Provide the name, address, and telephone number of the insurer and the limited lines travel insurance producer.

b. Explain that the purchase of travel insurance by the prospective purchaser is not required in order to purchase any other product or service from the travel retailer.

c. Explain that a travel retailer that is not licensed as an insurance producer is only permitted to provide general information about travel insurance offered by the travel retailer, including a description of the coverage and price; however, the travel retailer is not qualified or authorized to answer technical questions about the terms and conditions of the travel insurance, or to evaluate the adequacy of the prospective purchaser's existing insurance coverage.

4. A travel retailer's employee or authorized representative who is not licensed as an insurance producer shall not do any of the following:

a. Evaluate or interpret the technical terms, benefits, or conditions of travel insurance offered to a prospective purchaser.

b. Evaluate or provide advice on a prospective purchaser's existing insurance coverage.

c. Represent themselves as a licensed insurer, a licensed insurance producer, or as an insurance expert.

5. Notwithstanding any other provision of law to the contrary, a travel retailer whose insurance-related activities and the insurance-related activities of the travel retailer's employees and authorized representatives are limited to offering and disseminating travel insurance on behalf of and under the direction of a limited lines travel insurance producer in compliance with this chapter, shall be authorized to receive related compensation if the travel retailer is included in the register maintained by the limited lines travel insurance producer under subsection 2, paragraph *"b"*.

6. As an insurer's designee, a limited lines travel insurance producer shall be responsible for the acts of each travel retailer that offers and disseminates travel insurance under the limited lines travel insurance producer's license and shall use reasonable means to ensure that each travel retailer complies with this chapter.

7. A person that is licensed as an insurance producer in a major line of authority shall be authorized to sell, solicit, and negotiate travel insurance. A property and casualty insurance producer shall not be required to become appointed by an insurer in order to sell, solicit, or negotiate travel insurance.

2022 Acts, ch 1035, §3
Referred to in §515K.5