

**304.52-030 Limited lines travel insurance producer -- Travel retailer offering insurance under supervision of travel insurance producer -- Written materials -- Employees and representatives -- Related compensation.**

- (1) As used in this section:
  - (a) "Offer and disseminate," "offers and disseminates," or "offering and disseminating" means to:
    1. Provide general information relating to the travel insurance offered, including a description of the coverage and price;
    2. Receive applications and premiums; and
    3. Perform other activities permitted by the commissioner that do not require a license; and
  - (b) "Travel retailer" means an entity that makes, arranges, or offers travel services and may offer and disseminate travel insurance as a service to its customers on behalf of and under the direction of a limited lines travel insurance producer.
- (2) (a) No person may act as a limited lines travel insurance producer unless the person is properly licensed as:
  1. A managing general agent in accordance with KRS 304.9-085;
  2. An administrator in accordance with KRS 304.9-052;
  3. An insurance agent in accordance with KRS 304.9-105 with the applicable line of authority;
  4. A limited lines travel insurance agent in accordance with KRS 304.9-230; or
  5. A surplus lines broker in accordance with KRS 304.10-120.
  - (b) A limited lines travel insurance producer may sell, solicit, or negotiate travel insurance through a licensed or authorized insurer.
- (3) A travel retailer may offer and disseminate travel insurance under the supervision of a business entity limited lines travel insurance producer only if the following conditions are met:
  - (a) The limited lines travel insurance producer or travel retailer provides to purchasers of travel insurance:
    1. A description of the material terms or the actual material terms of the insurance coverage;
    2. A description of the process for filing a claim;
    3. A description of the review or cancellation process for the travel insurance policy; and
    4. The identity and contact information of the insurer and the limited lines travel insurance producer;
  - (b) The limited lines travel insurance producer establishes and maintains a register, on a form prescribed by the commissioner, of each travel retailer that offers and disseminates travel insurance on the limited lines travel insurance producer's behalf;

- (c) The register shall be maintained and updated by the limited lines travel insurance producer and shall include the name, address, contact information, and Federal Employment Identification Number of the travel retailer and the name, address, and contact information of any officer or person employed by the travel retailer who directs or controls the travel retailer's operations;
  - (d) The limited lines travel insurance producer submits the register to the commissioner upon request;
  - (e) The limited lines travel insurance producer certifies that the registered travel retailer offering and disseminating travel insurance on its behalf complies with 18 U.S.C. sec. 1033;
  - (f) The limited lines travel insurance producer designates one (1) of its employees, who shall be an individual limited lines travel insurance producer, as the person responsible for compliance with the travel insurance laws and regulations of the state that are applicable to the limited lines travel insurance producer and its registrants;
  - (g) The individual designated under paragraph (f) of this subsection, the president, secretary, and treasurer of, and any other officer or person who directs or controls the limited lines travel insurance producer's insurance operations, complies with the fingerprinting requirements applicable to an insurance agent in the home state of the limited lines travel insurance producer;
  - (h) The limited lines travel insurance producer has paid all applicable licensing fees as set forth in KRS 304.4-010; and
  - (i)
    - 1. The limited lines travel insurance producer requires each employee and authorized representative of the travel retailer whose duties include offering and disseminating travel insurance to receive a program of instruction or training which is subject, at the discretion of the commissioner, to review and approval; and
    - 2. The training material shall, at a minimum, contain adequate instructions on the type of insurance offered, ethical sales practices, and required disclosures to prospective customers.
- (4) A travel retailer that offers and disseminates travel insurance shall make available to prospective purchasers of travel insurance brochures or other written materials that:
- (a) Have been approved by the insurer providing the travel insurance; and
  - (b) Contain the following:
    - 1. The identity and contact information of the insurer and the limited lines travel insurance producer;
    - 2. An explanation that the purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer; and
    - 3. An explanation that a travel retailer that is not licensed as an insurance agent is permitted to provide only general information about the travel 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 travel insurance or to evaluate the adequacy of the customer's existing insurance coverage.

- (5) Unless licensed as an insurance agent, an employee or authorized representative of a travel retailer shall not:
  - (a) Evaluate or interpret the technical terms, benefits, and conditions of the travel insurance coverage;
  - (b) Evaluate or provide advice concerning a prospective purchaser's existing insurance coverage; or
  - (c) Hold himself or herself out as a licensed or authorized insurer, licensed insurance agent, or insurance expert.
- (6) Notwithstanding any other provisions of law, a travel retailer, including its employees and authorized representatives, whose insurance-related activities are limited to offering and disseminating travel insurance on behalf of and under the direction of a limited lines travel insurance producer meeting the conditions of this subtitle, shall be authorized to receive related compensation, upon registration by the limited lines travel insurance producer as described in subsection (3)(b) of this section.
- (7) A limited lines travel insurance producer shall be responsible for the acts of the travel retailer and shall use reasonable means to ensure compliance by the travel retailer with this chapter.

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