



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2111

Introduced 2/26/2021, by Sen. Laura Fine

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Insurance Code to create the Travel Insurance Act. Sets forth the scope and purposes of the Travel Insurance Act. Sets forth provisions concerning licensing and registration of travel insurance business entities. Provides that the Director of Insurance may issue producer licenses and limited lines producer licenses. Provides that each travel insurance business entity shall pay the Department of Insurance a fee of \$500 for its initial license and \$500 for each renewal license, payable on May 31 annually. Sets forth provisions concerning travel protection plans. Provides that travel protection plans may be offered for one price for the combined features that the travel protection plan offers in the State if specified requirements are met. Sets forth provisions concerning travel insurance sales practices. Provides that no entity shall act or represent itself as a travel administrator for travel insurance in this State unless that entity is a licensed property and casualty insurance producer in the State, holds a valid managing general agent license in the State, or holds a valid third-party administrator license in the State. Provides that specified practices are unfair methods of competition and unfair and deceptive acts and practices. Provides that travel insurance may be classified and filed under an inland marine line of insurance, however, travel insurance that provides specified coverage may be filed under either an accident and health line of insurance or an inland marine line of insurance. Provides that travel insurance may be in the form of an individual, group, master, or blanket policy. Provides that the Department may adopt rules to implement the Article. Defines terms. Repeals a provision concerning travel insurance business entity licenses. Effective 90 days after becoming law.

LRB102 16234 BMS 21614 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 500-10 and by adding Article XLVI as follows:

6 (215 ILCS 5/500-10)

7 (Section scheduled to be repealed on January 1, 2027)

8 Sec. 500-10. Definitions. In addition to the definitions
9 in Section 2 of the Code, the following definitions apply to
10 this Article:

11 "Business entity" means a corporation, association,
12 partnership, limited liability company, limited liability
13 partnership, or other legal entity.

14 "Car rental limited line licensee" means a person
15 authorized under the provisions of Section 500-105 to sell
16 certain coverages relating to the rental of vehicles.

17 "Home state" means the District of Columbia and any state
18 or territory of the United States in which an insurance
19 producer maintains his or her principal place of residence or
20 principal place of business and is licensed to act as an
21 insurance producer.

22 "Insurance" means any of the lines of authority in Section
23 500-35, any health care plan under the Health Maintenance

1 Organization Act, or any limited health care plan under the
2 Limited Health Service Organization Act.

3 "Insurance producer" means a person required to be
4 licensed under the laws of this State to sell, solicit, or
5 negotiate insurance.

6 "Insurer" means a company as defined in subsection (e) of
7 Section 2 of this Code, a health maintenance organization as
8 defined in the Health Maintenance Organization Act, or a
9 limited health service organization as defined in the Limited
10 Health Service Organization Act.

11 "License" means a document issued by the Director
12 authorizing an individual to act as an insurance producer for
13 the lines of authority specified in the document or
14 authorizing a business entity to act as an insurance producer.
15 The license itself does not create any authority, actual,
16 apparent, or inherent, in the holder to represent or commit an
17 insurance carrier.

18 "Limited lines insurance" means those lines of insurance
19 defined in Section 500-100 or any other line of insurance that
20 the Director may deem it necessary to recognize for the
21 purposes of complying with subsection (e) of Section 500-40.

22 "Limited lines producer" means a person authorized by the
23 Director to sell, solicit, or negotiate limited lines
24 insurance.

25 "Negotiate" means the act of conferring directly with or
26 offering advice directly to a purchaser or prospective

1 purchaser of a particular contract of insurance concerning any
2 of the substantive benefits, terms, or conditions of the
3 contract, provided that the person engaged in that act either
4 sells insurance or obtains insurance from insurers for
5 purchasers.

6 "Person" means an individual or a business entity.

7 "Rental agreement" means a written agreement setting forth
8 the terms and conditions governing the use of a vehicle
9 provided by a rental company for rental or lease.

10 "Rental company" means a person, or a franchisee of the
11 person, in the business of providing primarily private
12 passenger vehicles to the public under a rental agreement for
13 a period not to exceed 30 days.

14 "Rental period" means the term of the rental agreement.

15 "Renter" means a person obtaining the use of a vehicle
16 from a rental company under the terms of a rental agreement for
17 a period not to exceed 30 days.

18 "Self-service storage facility limited line licensee"
19 means a person authorized under the provisions of Section
20 500-107 to sell certain coverages relating to the rental of
21 self-service storage facilities.

22 "Sell" means to exchange a contract of insurance by any
23 means, for money or its equivalent, on behalf of an insurance
24 company.

25 "Solicit" means attempting to sell insurance or asking or
26 urging a person to apply for a particular kind of insurance

1 from a particular company.

2 "Terminate" means the cancellation of the relationship
3 between an insurance producer and the insurer or the
4 termination of a producer's authority to transact insurance.

5 "Travel insurance" has the meaning provided in Section
6 1630 ~~means insurance coverage for personal risks incident to~~
7 ~~planned travel, including, but not limited to: (1) the~~
8 ~~interruption or cancellation of a trip or event, (2) the loss~~
9 ~~of baggage or personal effects, (3) damages to accommodations~~
10 ~~or rental vehicles, or (4) sickness, accident, disability, or~~
11 ~~death occurring during travel. "Travel insurance" does not~~
12 ~~include major medical plans that provide comprehensive medical~~
13 ~~protection for travelers with trips lasting 6 months or~~
14 ~~longer, including those working overseas as an ex patriot or~~
15 ~~as military personnel on deployment.~~

16 "Uniform Business Entity Application" means the current
17 version of the National Association of Insurance
18 Commissioners' Uniform Business Entity Application for
19 nonresident business entities.

20 "Uniform Application" means the current version of the
21 National Association of Insurance Commissioners' Uniform
22 Application for nonresident producer licensing.

23 "Vehicle" or "rental vehicle" means a motor vehicle of (1)
24 the private passenger type, including passenger vans, mini
25 vans, and sport utility vehicles or (2) the cargo type,
26 including cargo vans, pickup trucks, and trucks with a gross

1 vehicle weight of less than 26,000 pounds the operation of
2 which does not require the operator to possess a commercial
3 driver's license.

4 "Webinar" means an online educational presentation during
5 which a live and participating instructor and participating
6 viewers, whose attendance is periodically verified throughout
7 the presentation, actively engage in discussion and in the
8 submission and answering of questions.

9 (Source: P.A. 97-113, eff. 7-14-11; 98-1165, eff. 6-1-15.)

10 (215 ILCS 5/Art. XLVI heading new)

11 ARTICLE XLVI. TRAVEL INSURANCE

12 (215 ILCS 5/1620 new)

13 Sec. 1620. Short title. This Article may be cited as the
14 Travel Insurance Act.

15 (215 ILCS 5/1625 new)

16 Sec. 1625. Scope and purposes.

17 (a) The purpose of this Article is to promote the public
18 welfare by creating a comprehensive legal framework within
19 which travel insurance may be sold in this State.

20 (b) This Article applies to travel insurance that covers
21 any resident of this State, and is sold, solicited,
22 negotiated, or offered in this State, and policies and
23 certificates that are delivered or issued for delivery in this

1 State. This Article does not apply to cancellation fee waivers
2 or travel assistance services except as expressly provided in
3 this Article.

4 (c) All other applicable provisions of this State's
5 insurance laws shall continue to apply to travel insurance,
6 except that the specific provisions of this Article shall
7 supersede any general provisions of law that would otherwise
8 be applicable to travel insurance.

9 (215 ILCS 5/1630 new)

10 Sec. 1630. Definitions. As used in this Article:

11 "Aggregator site" means a website that provides access to
12 information regarding insurance products from more than one
13 insurer, including product and insurer information, for use in
14 comparison shopping.

15 "Blanket travel insurance" means a policy of travel
16 insurance issued to any eligible group providing coverage for
17 specific classes of persons defined in the policy with
18 coverage provided to all members of the eligible group without
19 a separate charge to individual members of the eligible group.

20 "Cancellation fee waiver" means a contractual agreement
21 between a supplier of travel services and its customer to
22 wave some or all of the nonrefundable cancellation fee
23 provisions of the supplier's underlying travel contract with
24 or without regard to the reason for the cancellation or form of
25 reimbursement. A "cancellation fee waiver" is not insurance.

1 "Eligible group", solely for the purposes of travel
2 insurance, means 2 or more persons who are engaged in a common
3 enterprise, or have an economic, educational, or social
4 affinity or relationship, including, but not limited to, any
5 of the following:

6 (1) any entity engaged in the business of providing
7 travel or travel services, including, but not limited to:
8 tour operators, lodging providers, vacation property
9 owners, hotels and resorts, travel clubs, travel agencies,
10 property managers, cultural exchange programs, and common
11 carriers or the operator, owner, or lessor of a means of
12 transportation of passengers, including, but not limited
13 to, airlines, cruise lines, railroads, steamship
14 companies, and public bus carriers, wherein with regard to
15 any particular travel or type of travel or travelers, all
16 members or customers of the group must have a common
17 exposure to risk attendant to such travel;

18 (2) any college, school, or other institution of
19 learning covering students, teachers, employees, or
20 volunteers;

21 (3) any employer covering any group of employees,
22 volunteers, contractors, board of directors, dependents,
23 or guests;

24 (4) any sports team, camp, or sponsor of any sports
25 team or camp covering participants, members, campers,
26 employees, officials, supervisors, or volunteers;

1 (5) any religious, charitable, recreational,
2 educational, or civic organization, or branch of an
3 organization covering any group of members, participants,
4 or volunteers;

5 (6) any financial institution or financial institution
6 vendor, or parent holding company, trustee, or agent of or
7 designated by one or more financial institutions or
8 financial institution vendors, including account holders,
9 credit card holders, debtors, guarantors, or purchasers;

10 (7) any incorporated or unincorporated association,
11 including labor unions, having a common interest,
12 constitution and bylaws, and organized and maintained in
13 good faith for purposes other than obtaining insurance for
14 members or participants of such association covering its
15 members;

16 (8) any trust or the trustees of a fund established,
17 created, or maintained for the benefit of and covering
18 members, employees or customers, subject to the Director's
19 permitting the use of a trust and the State's premium tax
20 provisions, of one or more associations meeting the
21 requirements of paragraph (7) of this definition;

22 (9) any entertainment production company covering any
23 group of participants, volunteers, audience members,
24 contestants, or workers;

25 (10) any volunteer fire department, ambulance, rescue,
26 police, court, or any first aid, civil defense, or other

1 such volunteer group;

2 (11) preschools, day care institutions for children or
3 adults, and senior citizen clubs;

4 (12) any automobile or truck rental or leasing company
5 covering a group of individuals who may become renters,
6 lessees, or passengers defined by their travel status on
7 the rented or leased vehicles. The common carrier, the
8 operator, owner or lessor of a means of transportation, or
9 the automobile or truck rental or leasing company, is the
10 policyholder under a policy to which this Section applies;
11 or

12 (13) any other group where the Director has determined
13 that the members are engaged in a common enterprise, or
14 have an economic, educational, or social affinity or
15 relationship, and that issuance of the policy would not be
16 contrary to the public interest.

17 "Fulfillment materials" means documentation sent to the
18 purchaser of a travel protection plan confirming the purchase
19 and providing the travel protection plan's coverage and
20 assistance details.

21 "Group travel insurance" means travel insurance issued to
22 any eligible group.

23 "Limited lines travel insurance producer" means one of the
24 following:

25 (1) a licensed managing general agent or third-party
26 administrator;

1 (2) a licensed insurance producer, including a limited
2 lines producer; or

3 (3) a travel administrator.

4 "Offering and disseminating" means the following:

5 (1) Providing information to a prospective or current
6 policyholder on behalf of a limited lines travel insurance
7 entity, including brochures, buyer guides, descriptions of
8 coverage, and price.

9 (2) Referring specific questions regarding coverage
10 features and benefits from a prospective or current
11 policyholder to a limited lines travel insurance entity.

12 (3) Disseminating and processing applications for
13 coverage, coverage selection forms, or other similar forms
14 in response to a request from a prospective or current
15 policyholder.

16 (4) Collecting premiums from a prospective or current
17 policyholder on behalf of a limited lines travel insurance
18 entity.

19 (5) Receiving and recording information from a
20 policyholder to share with a limited lines travel
21 insurance entity.

22 "Primary policyholder" means an individual person who
23 elects and purchases individual travel insurance.

24 "Travel administrator" means a person who directly or
25 indirectly underwrites, collects charges, collateral, or
26 premiums from, or adjusts or settles claims on residents of

1 this State in connection with travel insurance, except that a
2 person shall not be considered a travel administrator if that
3 person's only actions that would otherwise cause the person to
4 be considered a travel administrator are among the following:

5 (1) a person working for a travel administrator to the
6 extent that the person's activities are subject to the
7 supervision and control of the travel administrator;

8 (2) an insurance producer selling insurance or engaged
9 in administrative and claims-related activities within the
10 scope of the producer's license;

11 (3) a travel retailer offering and disseminating
12 travel insurance and registered under the license of a
13 limited lines travel insurance producer in accordance with
14 Section 1635;

15 (4) an individual adjusting or settling claims in the
16 normal course of that individual's practice or employment
17 as an attorney-at-law and who does not collect charges or
18 premiums in connection with insurance coverage; or

19 (5) a business entity that is affiliated with a
20 licensed insurer while acting as a travel administrator
21 for the direct and assumed insurance business of an
22 affiliated insurer.

23 "Travel assistance services" means noninsurance services
24 for which the consumer is not indemnified based on a
25 fortuitous event, and where providing the service does not
26 result in transfer or shifting of risk that would constitute

1 the business of insurance. "Travel assistance services"
2 include, but are not limited to: security advisories;
3 destination information; vaccination and immunization
4 information services; travel reservation services;
5 entertainment; activity and event planning; translation
6 assistance; emergency messaging; international legal and
7 medical referrals; medical case monitoring; coordination of
8 transportation arrangements; emergency cash transfer
9 assistance; medical prescription replacement assistance;
10 passport and travel document replacement assistance; lost
11 luggage assistance; concierge services; and any other service
12 that is furnished in connection with planned travel. "Travel
13 assistance services" are not insurance and are not related to
14 insurance.

15 "Travel insurance" means insurance coverage for personal
16 risks incident to planned travel, including, but not limited
17 to:

18 (1) the interruption or cancellation of a trip or
19 event;

20 (2) the loss of baggage or personal effects;

21 (3) damages to accommodations or rental vehicles;

22 (4) sickness, accident, disability, or death occurring
23 during travel;

24 (5) emergency evacuation;

25 (6) repatriation of remains; or

26 (7) any other contractual obligations to indemnify or

1 pay a specified amount to the traveler upon determinable
2 contingencies related to travel as approved by the
3 Director.

4 "Travel insurance" does not include major medical plans
5 that provide comprehensive medical protection for travelers
6 with trips lasting 6 months or longer, including those working
7 overseas as an expatriot or as military personnel on
8 deployment.

9 "Travel insurance business entity" means a licensed
10 insurance producer designated by an insurer as set forth in
11 subsection (h) of Section 1635.

12 "Travel protection plans" means plans that provide one or
13 more of the following: travel insurance, travel assistance
14 services, and cancellation fee waivers.

15 "Travel retailer" means a business organization that
16 makes, arranges, or offers travel services and, with respect
17 to travel insurance, is limited to offering and disseminating
18 as defined in this Section, unless otherwise licensed under
19 subsection (b) of Section 1635.

20 (215 ILCS 5/1635 new)

21 Sec. 1635. Licensing and registration.

22 (a) The Director may issue to a travel insurance business
23 entity that registers travel retailers under its license as
24 described in paragraph (2) of subsection (c) of this Section a
25 producer license as provided in paragraph (6) of subsection

1 (a) of Section 500-35 of this Code. A travel insurance
2 business entity license issued under this Section shall also
3 authorize any employee of the travel insurance business entity
4 to act individually on behalf and under the supervision of the
5 travel insurance business entity licensee with respect to the
6 coverage specified in this Section. Each travel insurance
7 business entity licensed under this Section shall pay the
8 Department a fee of \$500 for its initial license and \$500 for
9 each renewal license, payable on May 31 annually.

10 (b) The Director may issue to a travel retailer a limited
11 lines producer license. A travel retailer license issued under
12 this Section shall also authorize any employee of the travel
13 retailer limited line licensee to act individually on behalf
14 and under the supervision of the travel retailer limited line
15 licensee with respect to the coverage specified in this
16 Section.

17 (c) Notwithstanding any other provision of law, a travel
18 retailer may do the limited activities of offering and
19 disseminating travel insurance on behalf of and under the
20 license of a supervising travel insurance business entity if
21 the following conditions are met:

22 (1) the travel insurance business entity or travel
23 retailer provides to purchasers of travel insurance:

24 (A) a description of the material terms or the
25 actual material terms of the insurance coverage;

26 (B) a description of the process for filing a

1 claim;

2 (C) a description of the review or cancellation
3 process for the travel insurance policy; and

4 (D) the identity and contact information of the
5 insurer and travel insurance business entity;

6 (2) at the time of licensure, the travel insurance
7 business entity shall establish and maintain a register on
8 a form prescribed by the Director of each travel retailer
9 that offers travel insurance on the travel insurance
10 business entity's behalf; the register shall be maintained
11 and updated continuously by the travel insurance business
12 entity and shall include the name, address, and contact
13 information of the travel retailer and an officer or
14 person who directs or controls the travel retailer's
15 operations and the travel retailer's federal tax
16 identification number; the travel insurance business
17 entity shall submit the register to the Director annually
18 on a form and in a manner approved by the Director; the
19 limited lines producer shall also certify that the travel
20 retailer personnel who is offering and disseminating
21 insurance under the travel retailer's registration
22 complies with 18 U.S.C. 1033;

23 (3) the travel insurance business entity has
24 designated one of its employees as a licensed individual
25 producer (a designated responsible producer or DRP)
26 responsible for the travel insurance business entity's and

1 its travel retailer's compliance with the travel insurance
2 laws, rules, and regulations of this State;

3 (4) the travel insurance business entity has paid all
4 applicable insurance producer licensing fees as set forth
5 in this Code; and

6 (5) the travel insurance business entity requires each
7 employee and authorized representative of the travel
8 retailer whose duties include offering and disseminating
9 travel insurance to receive a program of instruction or
10 training that shall be subject to review by the Director;
11 the training material shall, at a minimum, contain
12 instructions on the types of insurance offered, ethical
13 sales practices, and required disclosures to prospective
14 customers.

15 (d) Any travel retailer offering or disseminating travel
16 insurance shall make available to prospective purchasers
17 brochures or other written materials that:

18 (1) provide the identity and contact information of
19 the insurer and the travel insurance business entity;

20 (2) explain that the purchase of travel insurance is
21 not required in order to purchase any other product or
22 service from the travel retailer; and

23 (3) explain that an unlicensed travel retailer is
24 permitted to provide general information about the
25 insurance offered by the travel retailer, including a
26 description of the coverage and price, but is not

1 qualified or authorized to answer technical questions
2 about the terms and conditions of the insurance offered by
3 the travel retailer or to evaluate the adequacy of the
4 customer's existing insurance coverage.

5 (e) A travel retailer's employee or authorized
6 representative who is not licensed as an insurance producer
7 may not:

8 (1) evaluate or interpret the technical terms,
9 benefits, and conditions of the offered travel insurance
10 coverage;

11 (2) evaluate or provide advice concerning a
12 prospective purchaser's existing insurance coverage; or

13 (3) hold himself, herself, or itself out as a licensed
14 insurer, licensed producer, or insurance expert.

15 (f) A travel retailer whose insurance-related activities,
16 and those of its employees and authorized representatives, are
17 limited to offering and disseminating travel insurance on
18 behalf of and under the direction of a travel insurance
19 business entity meeting the conditions stated in this Section
20 is authorized to do so and receive related compensation upon
21 registration by the travel insurance business entity as
22 described in paragraph (2) of subsection (c) of this Section.

23 (g) Travel insurance may be provided under an individual
24 policy or under a group, blanket, or master policy.

25 (h) As the insurer designee, the travel insurance business
26 entity is responsible for the acts of the travel retailer that

1 is registered under its license.

2 (i) Any entity that violates any provision of this Article
3 shall be subject to all appropriate regulatory action as set
4 forth in this Code.

5 (j) Any person licensed in a major line of authority as an
6 insurance producer is authorized to sell, solicit, and
7 negotiate travel insurance. A property and casualty insurance
8 producer is not required to become appointed by an insurer in
9 order to sell, solicit, or negotiate travel insurance.

10 (215 ILCS 5/1640 new)

11 Sec. 1640. Travel protection plans.

12 Travel protection plans may be offered for one price for
13 the combined features that the travel protection plan offers
14 in this State if:

15 (1) the travel protection plan clearly discloses to
16 the consumer, at or before the time of purchase, that it
17 includes travel insurance, travel assistance services, and
18 cancellation fee waivers, as applicable, and provides
19 information and an opportunity, at or before the time of
20 purchase, for the consumer to obtain additional
21 information regarding the features and pricing of each;
22 and

23 (2) the fulfillment materials:

24 (A) describe and delineate the travel insurance,
25 travel assistance services, and cancellation fee

1 waivers in the travel protection plan; and

2 (B) include the travel insurance disclosures and
3 the contact information for persons providing travel
4 assistance services, and cancellation fee waivers, as
5 applicable.

6 (215 ILCS 5/1645 new)

7 Sec. 1645. Sales practices.

8 (a) All persons offering travel insurance to residents of
9 this State are subject to the Unfair Methods of Competition
10 and Unfair and Deceptive Acts and Practices Article of this
11 Code, except as otherwise provided in this Section. In the
12 event of a conflict between this Article and other provisions
13 of the Illinois Insurance Code regarding the sale and
14 marketing of travel insurance and travel protection plans, the
15 provisions of this Article shall control.

16 (b) Offering or selling a travel insurance policy that
17 could never result in payment of any claims for any insured
18 under the policy is an unfair trade practice under Section
19 424.

20 (c) Marketing of travel insurance policies shall comply
21 with the following:

22 (1) All documents provided to consumers before the
23 purchase of travel insurance, including, but not limited
24 to sales materials, advertising materials, and marketing
25 materials, shall be consistent with the travel insurance

1 policy itself, including, but not limited to, forms,
2 endorsements, policies, rate filings, and certificates of
3 insurance.

4 (2) For travel insurance policies or certificates that
5 contain preexisting condition exclusions, information and
6 an opportunity to learn more about the preexisting
7 condition exclusions shall be provided any time prior to
8 the time of purchase, and in the coverage's fulfillment
9 materials.

10 (3) The fulfillment materials and the information
11 described in subparagraphs (A) through (D) of paragraph
12 (1) of subsection (c) of Section 1635 shall be provided to
13 a policyholder or certificate holder as soon as
14 practicable following the purchase of a travel protection
15 plan. Unless the insured has either started a covered trip
16 or filed a claim under the travel insurance coverage, a
17 policyholder or certificate holder may cancel a policy or
18 certificate for a full refund of the travel protection
19 plan price from the date of purchase of a travel
20 protection plan until at least:

21 (A) 15 days following the date of delivery of the
22 travel protection plan's fulfillment materials by
23 postal mail; or

24 (B) 10 days following the date of delivery of the
25 travel protection plan's fulfillment materials by
26 means other than postal mail. For the purposes of this

1 Section, delivery means handing fulfillment materials
2 to the policyholder or certificate holder or sending
3 fulfillment materials by postal mail or electronic
4 means to the policyholder or certificate holder.

5 (4) The company shall disclose in the policy
6 documentation and fulfillment materials whether the travel
7 insurance is primary or secondary to other applicable
8 coverage.

9 (5) Where travel insurance is marketed directly to a
10 consumer through an insurer's website or by others through
11 an aggregator site, it shall not be an unfair trade
12 practice or other violation of law where an accurate
13 summary or short description of coverage is provided on
14 the web page, so long as the consumer has access to the
15 full provisions of the policy through electronic means.

16 (d) No person offering, soliciting, or negotiating travel
17 insurance or travel protection plans on an individual or group
18 basis may do so by using negative option or opt out, which
19 would require a consumer to take an affirmative action to
20 deselect coverage, such as unchecking a box on an electronic
21 form, when the consumer purchases a trip.

22 (e) It shall be an unfair trade practice under Section 424
23 to market blanket travel insurance coverage as free.

24 (f) Where a consumer's destination jurisdiction requires
25 insurance coverage, it shall not be an unfair trade practice
26 to require that a consumer choose between the following

1 options as a condition of purchasing a trip or travel package:

2 (1) purchasing the coverage required by the
3 destination jurisdiction through the travel retailer or
4 limited lines travel insurance producer supplying the trip
5 or travel package; or

6 (2) agreeing to obtain and provide proof of coverage
7 that meets the destination jurisdiction's requirements
8 before departure.

9 (215 ILCS 5/1650 new)

10 Sec. 1650. Travel insurance administrators.

11 (a) Notwithstanding any other provisions of this Code, no
12 entity shall act or represent itself as a travel administrator
13 for travel insurance in this State unless that entity:

14 (1) is a licensed property and casualty insurance
15 producer in this State for activities permitted under that
16 producer license;

17 (2) holds a valid managing general agent license in
18 this State; or

19 (3) holds a valid third-party administrator license in
20 this State.

21 (b) An insurer is responsible for the acts of a travel
22 administrator administering travel insurance underwritten by
23 the insurer, and is responsible for ensuring that the travel
24 administrator maintains all books and records relevant to the
25 insurer to be made available by the travel administrator to

1 the Director upon request.

2 (215 ILCS 5/1655 new)

3 Sec. 1655. Policy.

4 (a) Notwithstanding any other provision of the Illinois
5 Insurance Code, travel insurance shall be classified and filed
6 for purposes of rates and forms under an inland marine line of
7 insurance, however, travel insurance that provides coverage
8 for sickness, accident, disability or death occurring during
9 travel, either exclusively, or in conjunction with related
10 coverages of emergency evacuation or repatriation of remains,
11 or incidental limited property and casualty benefits such as
12 baggage or trip cancellation, may be filed under either an
13 accident and health line of insurance or an inland marine line
14 of insurance.

15 (b) Travel insurance may be in the form of an individual,
16 group, master, or blanket policy.

17 (c) Eligibility and underwriting standards for travel
18 insurance may be developed and provided based on travel
19 protection plans designed for individual or identified
20 marketing or distribution channels, provided those standards
21 also meet this State's underwriting standards for inland
22 marine.

23 (215 ILCS 5/1660 new)

24 Sec. 1660. Rules. The Department may adopt rules to

1 implement this Article.

2 (215 ILCS 5/500-108 rep.)

3 Section 10. The Illinois Insurance Code is amended by
4 repealing Section 500-108.

5 Section 99. Effective date. This Act takes effect 90 days
6 after becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 215 ILCS 5/500-10

4 215 ILCS 5/Art. XLVI

5 heading new

6 215 ILCS 5/1620 new

7 215 ILCS 5/1625 new

8 215 ILCS 5/1630 new

9 215 ILCS 5/1635 new

10 215 ILCS 5/1640 new

11 215 ILCS 5/1645 new

12 215 ILCS 5/1650 new

13 215 ILCS 5/1655 new

14 215 ILCS 5/1660 new

15 215 ILCS 5/500-108 rep.