

HB 2128 A STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 4/24, 4/29

WHAT THE MEASURE DOES:

The measure updates and standardizes travel insurance laws and sets definition for travel insurance. It specifies what features must be disclosed, how those features are described, if there is travel insurance included, and contact information for who can assist a customer for any travel protection plan. The measure specifies how travel insurance can be marketed and what advertisement materials must include. It requires disclosure if a policy excludes preexisting conditions, allows the opportunity to cancel if travel has not started, and specifies acceptable and unlawful practices. The measure establishes that travel insurance must be classified and filed as inland marine line of insurance except for when it provides coverage for sickness, accident, disability, or death during travel either exclusively or with related coverage for emergency evacuation, repatriation of remains, or incidental limited property and casualty benefits. It allows an insurer to set up blanket, group, or individual travel insurance policies and establish underwriting standards. It specifies that travel assistance services are not insurance. It establishes licensing requirements to solicit, offer, negotiate, or sell travel insurance as a limited lines travel insurance producer and for travel insurance administrators. It specifies the authorities of the Director of the Department of Consumer and Business Services, including rulemaking. Operative on January 1, 2026. Takes effect on the 91st day following adjournment sine die.

REVENUE: No revenue impact

FISCAL: Has minimal fiscal impact

ISSUES DISCUSSED:

- Impact of measure on existing travel insurance laws
- Establishing a more uniform national framework for travel insurance

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Travel insurance

Travel insurance usually bundles several types of coverage into one comprehensive policy. Commonly the coverage includes

- financial reimbursement for trip cancellation, interruption, and delay in situations arising from conditions such as illness or bad weather; and for baggage loss and/or delay.
- medical insurance and medical evacuation coverage in case individuals become ill or are injured while traveling.
- 24-hour assistance line to help find doctors, help arrange accommodations, contact family members, or provide other assistance in case of emergency.

Inland Marine Insurance

Inland marine insurance protects from loss or damage to equipment or other property transported over land. Inland marine is an offshoot of ocean marine insurance, which covers property transported by sea.

Group Insurance

A specific set of people, usually employees or members of an organization, are protected by group insurance. This coverage is often offered by employers as a component of benefit packages for employees. Group insurance plans are made to cover a number of people under one main policy, which can save money for the addressed group as well as the insurer. Health, life, disability, and dental insurance are a few kinds of group insurance. Group insurance is a cost-effective technique to cover a large number of individuals for insurance as the employer and employees often equal the cost of the insurance.

Blanket Policies

Plans of insurance called “blanket policies” guarantee people who may not be employees of the firm or members of a company but who have a similar interest or activity. Special situations, like schools, sports teams, or travel groups, often use these rules. Compared to group insurance, which usually covers workers for a single employer, blanket health policies cover people who could have various workplaces or relationships but are connected by a shared passion or activity.

Individual Policies

Individual insurance refers to a policy that is selected and paid for directly by the policyholder. This differs from group insurance, which is often chosen by a third party, such as an employer, and who provides a specific health insurance plan for all employees.

HB 2128 A establishes and updates laws related to solicitation, offers, negotiations, or selling of travel insurance in the state of Oregon.