

Enrolled House Bill 2128

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Commerce and Consumer Protection for US Travel Insurance Association)

CHAPTER

AN ACT

Relating to travel insurance; creating new provisions; amending ORS 744.101, 744.104, 744.107 and 744.111; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Sections 2 to 5 of this 2025 Act are added to and made a part of ORS 744.101 to 744.107.

SECTION 2. A person may offer or sell a travel protection plan that combines various features at one price if:

- (1) Before, or at the time, a customer purchases the travel protection plan, the person:
 - (a) Discloses clearly in writing which of the following features the travel protection plan includes:
 - (A) Travel insurance;
 - (B) Travel assistance services; or
 - (C) A cancellation fee waiver; and
 - (b) Provides additional information about each feature and gives an opportunity to obtain more information about each feature and the pricing for each feature; and
- (2) Fulfillment material for the travel protection plan:
 - (a) Describes each of the features of the travel protection plan individually;
 - (b) Discloses required information about any travel insurance included in the travel protection plan; and
 - (c) Provides contact information for persons that provide any travel assistance services or cancellation fee waivers included in the travel protection plan.

SECTION 3. (1) Except as otherwise provided in this section, a person that offers travel insurance in this state is subject to ORS chapter 746. Sections 2 to 5 of this 2025 Act and ORS 744.101 to 744.107 control if a conflict exists between other provisions of the Insurance Code and sections 2 to 5 of this 2025 Act and ORS 744.101 to 744.107 with respect to marketing or selling travel insurance or a travel protection plan.

(2) Marketing, advertising and sales materials that a prospective purchaser receives before the time of purchase must be consistent with the provisions of the policy, including forms, endorsements, rate filings and certificates of insurance.

(3) If a travel insurance policy excludes a preexisting condition, the person that offers the policy must provide information about the exclusion in fulfillment material and must provide a prospective purchaser with an opportunity to learn more about the exclusion before purchasing the policy.

(4) A person shall provide to the purchaser fulfillment material and the information described in ORS 744.104 (3)(a) as soon as is practicable after the purchase of a policy.

(5)(a) If a travel insurance policy holder or certificate holder has not begun travel that is covered by the policy or submitted a claim under the policy, the policy holder or certificate holder may cancel, and receive a full refund of the purchase price for, a travel protection plan until the later of:

(A) Fifteen days following the delivery of the travel protection plan's fulfillment material by postal mail; or

(B) Ten days following the date of delivery of the travel protection plan's fulfillment material by means other than postal mail.

(b) As used in this subsection, "delivery" means, as appropriate:

(A) Handing fulfillment material to the policy holder or certificate holder; or

(B) Sending fulfillment material to the policy holder or certificate holder by postal mail or electronic means.

(6) A travel insurance policy and fulfillment material for the policy must disclose whether the coverage that the policy or certificate provides is primary or secondary with respect to other insurance coverage.

(7) A person does not by reason of taking any of the following actions violate the consumer protection laws of this state:

(a) Marketing, advertising or selling travel insurance on an insurer's, limited lines travel insurance producer's or travel retailer's website or on an aggregator site by means of an accurate summary or short description of the coverage the travel insurance provides, if all of the provisions of the coverage are available via a link on the website or aggregator site or by other electronic methods.

(b) Requiring a purchaser to choose between the following options if a jurisdiction in the travel destination requires insurance coverage:

(A) Purchasing the required coverage from a travel retailer or limited lines travel insurance producer supplying the trip or travel package; or

(B) Agreeing to obtain and provide proof of coverage that meets the requirements of the jurisdiction in the travel destination before travelling.

(8) The following acts or practices are unlawful practices:

(a) Offering or selling a travel insurance policy that could never result in payment of a claim to an insured;

(b) Marketing blanket travel insurance as free; or

(c) Offering or selling travel insurance on a negative option or opt out basis, whereby a consumer is required to take an affirmative action to deselect coverage, such as unchecking a box on an electronic form, when the consumer is purchasing a trip.

SECTION 4. (1) A person may not act as a travel insurance administrator, or represent that the person is a travel insurance administrator, unless the person holds a valid license the Director of the Department of Consumer and Business Services issued under ORS 744.062 or 744.710, as appropriate, for an insurance producer in the classes of property and casualty insurance or under an indorsement that authorizes the person to act as a managing general agent.

(2) A travel insurance administrator and employees of the travel insurance administrator are not subject to the requirement under ORS 744.505 to obtain a license to engage in business as an adjuster with respect to travel insurance policies that the travel insurance administrator administers.

(3) An insurer is responsible for the acts of a travel insurance administrator administering travel insurance that the insurer underwrites and for ensuring that the travel insurance administrator maintains all books and records relevant to the insurer that the travel insurance administrator must make available to the director at the director's request.

SECTION 5. (1) Notwithstanding any other provisions of the Insurance Code, travel insurance must be classified and filed for the purpose of rates and forms under an inland marine line of insurance, except that travel insurance that provides coverage for sickness, accident, disability or death occurring during travel, either exclusively or in conjunction with related coverages for emergency evacuation or repatriation of remains, or incidental limited property and casualty benefits such as baggage loss or trip cancellation, may be filed under either an accident and health line of insurance or an inland marine line of insurance.

(2) An insurer may issue travel insurance as blanket travel insurance, group travel insurance or as a policy that covers an individual.

(3) An insurer may develop and use eligibility and underwriting standards for travel insurance based on travel protection plans that are designed for an individual or an eligible group if the eligibility and underwriting standards otherwise meet the requirements of sections 2 to 5 of this 2025 Act and ORS 744.101 to 744.107 and other standards that apply to insurance that covers inland marine risks.

(4) Travel assistance services are not insurance and are not related to insurance.

SECTION 6. ORS 744.101 is amended to read:

744.101. As used in ORS 744.101 to 744.107:

(1) “Aggregator site” means a website that displays information about insurance products from more than one insurer, and information about each insurer, for use in comparison shopping.

(2) “Blanket travel insurance” means a travel insurance policy that an insurer issues to an eligible group providing coverage for specific classes of persons defined in the policy, each member of which the policy covers without a separate charge to the member.

[(1)] (3) “Business entity” has the meaning given that term in ORS 731.116.

(4) “Cancellation fee waiver” means a travel supplier’s contractual agreement with a customer to waive some or all of the nonrefundable cancellation provisions in a contract for travel without regard to the reason for the cancellation or the form of reimbursement.

(5) “Eligible group” means a group of two or more persons that are engaged in a common enterprise or that have an economic, educational or social affinity or relationship, including but not limited to a group composed of:

(a) Entities that engage in the business of providing travel or travel services that have, or that have customers that have, a common exposure to risk that is related to travel, such as:

(A) Tour operators, lodging providers, owners of vacation property, hotels, resorts, travel clubs, travel agencies, property managers, cultural exchange programs or other business entities that engage in the business of providing travel or travel services; and

(B) Airlines, cruise lines, railroads, steamship companies, bus lines or other common carriers or operators, owners or lessors of vehicles, equipment or other means of transporting passengers;

(b) Schools, colleges or other institutions of learning and the students, teachers, employees or volunteers that attend, work at or provide services to the institutions of learning;

(c) A business entity and individuals with an economic relationship to the business entity, such as:

(A) Employees;

(B) Officers and directors; and

(C) Other persons that perform work for or provide services to the business entity including, but not limited to, volunteers, contractors, dependents and guests;

(d) A sports team or sports camp, sponsors of the sports team or sports camp and members, campers, officials, supervisors, employees and other participants or volunteers associated with the sports team or sports camp;

(e) A religious, charitable, recreational, educational or civic organization, or a branch of the organization, and members and participants in the organization or volunteers for the organization;

(f) A financial institution or financial institution vendor, or a parent holding company, trustee or agent of, or designated by, one or more financial institutions or financial institution vendors, including account holders, credit card holders, debtors, guarantors or purchasers;

(g) An incorporated or unincorporated association, including a labor union, that has a common interest, constitution or bylaws and is organized and maintained in good faith for purposes other than obtaining insurance for the association's members or participants that covers the association's members;

(h) A trust or the trustees of a fund established, created or maintained for the benefit of, and covering, members, employees or customers, subject to the Director of the Department of Consumer and Business Services permitting the use of a trust of one or more associations that meet the requirements of paragraph (g) of this subsection;

(i) An entertainment production company, employees of the company and participants in the company's productions, such as audience members, contestants and volunteers;

(j) A group organized to provide volunteer responses to such emergencies such as fire, life-threatening medical conditions, rescues, civil defense or similar or related emergencies including, but not limited to, a volunteer fire department, ambulance, rescue, police, court or any first aid, civil defense or other such volunteer group;

(k) A group organized to provide volunteer responses to a need for law enforcement or legal consultation or representation;

(L) A preschool, day care center or other care facility for children, adults or senior citizen clubs;

(m) A group of renters, lessees or passengers of automobiles or trucks in which an automobile or truck rental or leasing company holds a travel insurance policy on behalf of the renters, lessees or passengers; and

(n) Any other group for which the Director of the Department of Consumer and Business Services has determined that the members of the group are engaged in a common enterprise or have an economic, educational or social affinity or relationship, and that issuing the policy would not be contrary to the public interest.

(6) "Fulfillment material" means documentation sent to the purchaser of a travel protection plan that confirms the purchase and provides details of the travel protection plan's coverage and assistance.

(7) "Group travel insurance" means travel insurance that an insurer issues to an eligible group.

[(2)] (8) "Limited lines travel insurance producer" means:

(a) A managing general agent licensed under ORS 744.300 to 744.316; [or]

(b) An insurance producer, **including a limited class insurance producer, who is** licensed under ORS 744.052 to 744.089 to negotiate, sell or solicit travel insurance[.]; **or**

(c) A travel insurance administrator.

[(3)] (9) "Negotiate" has the meaning given that term in ORS 731.104.

[(4)] (10) "Offer and disseminate travel insurance" means:

(a) To provide general information regarding the travel insurance, including a description of coverage and price;

(b) To disseminate and process applications for travel insurance coverage; or

(c) To collect premiums on behalf of a limited travel insurance producer.

[(5)] (11) "Sell" has the meaning given that term in ORS 731.104.

[(6)] (12) "Solicit" has the meaning given that term in ORS 731.104.

(13) "Travel assistance services" means noninsurance services for which a consumer is not indemnified based on a fortuitous event, and where providing the service does not result

in a transfer or shifting of risk that would constitute the business of insurance and that include, but are not limited to:

- (a) Providing security advisories and information about a destination;
- (b) Recommending or providing information about vaccinations and immunizations;
- (c) Making reservations;
- (d) Providing entertainment;
- (e) Planning activities and events;
- (f) Providing translations or interpretations;
- (g) Enabling emergency communications;
- (h) Making international legal and medical referrals, monitoring medical cases or helping to replace prescription medications;
- (i) Coordinating transportation arrangements;
- (j) Providing emergency cash transfers;
- (k) Helping to replace lost passports or other travel documents;
- (L) Locating lost or misplaced luggage;
- (m) Providing concierge services; or
- (n) Providing other services that are furnished in connection with planned travel.

[7(a)] (14)(a) "Travel insurance" means insurance coverage for personal risks incidental to planned travel, including:

- (A) Interruption or cancellation of a trip or event;
- (B) Loss of baggage or personal effects;
- (C) Damages to accommodations or rental vehicles; [or]
- (D) Sickness, accident, disability or death occurring during travel[.];
- (E) Emergency evacuation;
- (F) Repatriation of remains; or
- (G) Any other contractual obligation to indemnify or pay a specific amount to a policy holder upon the occurrence of a determinable contingency related to travel, as approved by the director.

(b) "Travel insurance" does not include:

(A) A major medical [plans providing] plan that provides comprehensive medical protection for travelers with trips lasting six months or longer[.], such as coverage for individuals who work or reside outside the United States, or for an expatriate;

(B) A class of insurance, other than travel insurance, that requires possession of a specific insurance producer's license to transact insurance in the class;

(C) A cancellation fee waiver; or

(D) Travel assistance services.

(15)(a) "Travel insurance administrator" means a person that directly or indirectly performs the following functions or services with respect to a travel insurance policy issued to a resident of this state:

(A) Underwriting;

(B) Collecting a charge, collateral or premium; or

(C) Adjusting or settling a claim.

(b) "Travel insurance administrator" does not include a person that, with respect to a travel insurance policy issued to a resident of this state, performs activities that consist solely of:

(A) Work that is under the direct supervision and control of a travel insurance administrator;

(B) Work as an insurance producer acting within the scope of a license the director issued under ORS 744.062;

(C) Work offering and disseminating travel insurance as a travel retailer that is registered under the license of a limited lines travel insurance producer;

(D) Adjusting and settling claims in the ordinary course of work as an attorney licensed or admitted to the practice of law in this state, if the person does not collect charges or premiums in connection with a travel insurance policy; or

(E) Administration of the direct and assumed insurance business of another insurer.

(16) "Travel protection plan" means a plan that provides one or more of the following products or services:

(a) Travel insurance;

(b) Travel assistance services; or

(c) A cancellation fee waiver.

[(8)] (17) "Travel retailer" means a business entity that makes, *[travel arrangements for or provides other travel services to customers]* **arranges or offers travel and may offer and disseminate travel insurance as a service to the business entity's customers on behalf of and under the direction of a limited lines travel insurance producer.**

SECTION 7. ORS 744.104 is amended to read:

744.104. (1)(a) **The Director of the Department of Consumer and Business Services 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 with the director in a form and manner that the director prescribes. A limited lines travel insurance producer must be licensed to solicit, offer, negotiate or sell travel insurance through a licensed insurer.**

(b) A person may not act as a limited lines travel producer unless licensed as a limited lines travel producer or as a travel retailer unless registered as a travel retailer. A person licensed as an insurance producer in the classes of casualty insurance or property insurance may solicit, negotiate and sell travel insurance without requiring an insurer's appointment.

[(1)] (2) Notwithstanding the provisions of ORS 744.053, a travel retailer may offer and disseminate travel insurance on behalf of and at the direction of a limited **lines** travel insurance producer and may receive compensation for doing so.

[(2)] (3) A limited **lines** travel insurance producer may direct a travel retailer to offer and disseminate travel insurance *[pursuant to]* **under** subsection [(1)] (2) of this section only if *[the following conditions are met]*:

[(a) The name, contact information and license number of the limited travel insurance producer are clearly identified on marketing materials and fulfillment packages distributed by the travel retailer to customers;]

(a) The travel retailer or the limited lines travel insurance producer provides to purchasers of travel insurance:

(A) The material terms or actual terms of the coverage that the travel insurance policy provides;

(B) The process for filing a claim;

(C) A description of the review and cancellation process for the travel insurance policy; and

(D) The identity of and contact information for the limited lines travel insurance producer and the insurer;

(b) The limited **lines** travel insurance producer, at the time of licensure and thereafter, establishes and maintains a register, in a form *[approved by the Director of the Department of Consumer and Business Services]*, that contains the following information for each travel retailer that offers and disseminates travel insurance at the direction of the limited **lines** travel insurance producer:

(A) The name, address, contact information and federal *[employer]* **tax** identification number of the travel retailer; **and**

(B) The name, address and contact information of an officer or person who directs or controls the operations of the travel retailer; *[and]*

[(C) An affidavit executed under oath by the travel retailer stating that the travel retailer is not guilty of any offense under 18 U.S.C. 1033;]

(c) The limited **lines** travel insurance producer submits the register described in paragraph (b) of this subsection to the director within 30 days *[of]* **after** a request by the director;

(d) The limited lines travel insurance producer certifies that the travel retailer complies with 18 U.S.C. 1033;

[(d)] **(e)** The limited **lines** travel insurance producer designates an employee who is *[a limited travel]* **an** insurance producer as responsible for ensuring *[the compliance of]* the limited **lines** travel insurance *[producer]* **producer's compliance** with the laws, rules and regulations of this state;

[(e)] **(f)** The employee designated in paragraph *[(d)]* **(e)** of this subsection, as well as the president, secretary, treasurer and any other person who directs or controls the insurance operations of the limited **lines** travel insurance producer~~[,]~~ all comply with fingerprinting requirements established by the director;

[(f)] **(g)** The limited **lines** travel insurance producer does not owe any outstanding fees relating to insurance licensing; and

[(g)] **(h)** Each employee of the travel retailer whose duties include offering and disseminating travel insurance receives a program of instruction or training that contains instructions on the types of insurance offered, ethical sales practices, required disclosures to customers and any other content that the director may prescribe.

[(3)] **(4)** A travel retailer that offers and disseminates travel insurance shall make available to *[customers]* **prospective purchasers** brochures or other written materials that **are approved by the insurer that issues the travel insurance and that, at a minimum:**

(a) Provide the identity and contact information of the insurer and the limited **lines** travel insurance producer;

(b) Explain that the purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer; and

(c) Explain that a travel retailer that is not a limited **lines** travel insurance producer *[is not qualified or authorized to]* **may not** answer technical questions about the terms and conditions of the travel insurance *[offered by]* the travel retailer **offers** *[or to]* **and may not** evaluate the adequacy of a *[customer's]* **prospective purchaser's** existing insurance coverage, **but may provide only general information about the insurance that the travel retailer offers, including a description of the coverage and the price.**

[(4)] **(5)** *[A]* **An employee or authorized representative of a** travel retailer that is not a limited **lines** travel insurance producer may not:

(a) Evaluate or interpret the technical terms, benefits or conditions of travel insurance *[offered by]* the travel retailer **offers;**

(b) Evaluate or *[advise]* **provide advice** concerning a prospective purchaser's existing insurance coverage; or

(c) *[Hold itself out as]* **Represent or otherwise indicate that the employee or authorized representative is** an insurance expert, **an insurer, a licensed insurance producer** or a limited **lines** travel insurance producer.

(6) A limited lines travel insurance producer is a designee of an insurer and is responsible for the acts of a travel retailer to which the limited lines travel insurance producer has given direction or authorization to offer and disseminate travel insurance. The limited lines travel insurance producer shall use reasonable means to ensure the travel retailer's compliance with this section.

(7) The director may suspend, revoke or refuse to renew the license of a limited lines travel insurance producer on the same basis and to the same extent that the director may suspend, revoke or refuse to renew the license of an insurance producer under ORS 744.074.

SECTION 8. ORS 744.107 is amended to read:

744.107. If the Director of the Department of Consumer and Business Services determines that a travel retailer has violated any provision of ORS 744.101 *[or 744.104]* **to 744.107**, the director may, in addition to imposing any penalties authorized under the Insurance Code, *[:]*

[(1)] direct the limited **lines** travel insurance producer to implement a corrective action plan with the travel retailer[;] or:

[(2)] *Direct the limited travel insurance producer to revoke its authorization of the travel retailer to transact travel insurance on its behalf and under its license and to remove the travel retailer from its register described in ORS 744.104 (2)(b).]*

(1) Revoke any authorization the travel retailer has from the limited lines travel insurance producer to transact insurance on behalf of, and under the license of, the limited lines travel insurance producer; and

(2) Remove the travel retailer from the register described in ORS 744.104 (4)(b).

SECTION 9. ORS 744.111 is amended to read:

744.111. The Director of the Department of Consumer and Business Services *[shall]* **may** adopt rules to implement and administer the provisions of ORS 744.101 to 744.107.

SECTION 10. (1) **Sections 2 to 5 of this 2025 Act and the amendments to ORS 744.101, 744.104, 744.107 and 744.111 by sections 6 to 9 of this 2025 Act apply to travel insurance that covers a resident of this state, that is solicited, offered, negotiated or sold in this state and for which policies and certificates are issued or delivered in this state on or after the operative date specified in section 11 of this 2025 Act.**

(2) Sections 2 to 5 of this 2025 Act and the amendments to ORS 744.101, 744.104, 744.107 and 744.111 by sections 6 to 9 of this 2025 Act do not apply to travel assistance services or cancellation fee waivers except as otherwise provided in sections 2 to 5 of this 2025 Act and the amendments to ORS 744.101, 744.104, 744.107 and 744.111 by sections 6 to 9 of this 2025 Act.

(3) Except as provided in sections 2 to 5 of this 2025 Act and the amendments to ORS 744.101, 744.104, 744.107 and 744.111 by sections 6 to 9 of this 2025 Act, the provisions of the Insurance Code apply to travel insurance.

SECTION 11. (1) **Sections 2 to 5 of this 2025 Act and the amendments to ORS 744.101, 744.104, 744.107 and 744.111 by sections 6 to 9 of this 2025 Act become operative on January 1, 2026.**

(2) The Director of the Department of Consumer and Business Services may adopt rules and take any other action before the operative date specified in subsection (1) of this section that is necessary to enable the director, on and after the operative date specified in subsection (1) of this section, to undertake and exercise all of the duties, functions and powers conferred on the director by sections 2 to 5 of this 2025 Act and the amendments to ORS 744.101, 744.104, 744.107 and 744.111 by sections 6 to 9 of this 2025 Act.

SECTION 12. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.

Passed by House April 14, 2025

.....
Timothy G. Sekerak, Chief Clerk of House

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Julie Fahey, Speaker of House

Passed by Senate May 7, 2025

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Rob Wagner, President of Senate

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

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Tobias Read, Secretary of State