

INSURANCE CODE
TITLE 12. OTHER COVERAGE
CHAPTER 3504. TRAVEL INSURANCE

Sec. 3504.0001. DEFINITIONS. In this chapter:

(1) "Aggregator site" means an Internet website that provides access to information regarding insurance products from more than one insurer, including product and insurer information, for use in comparison shopping.

(2) "Blanket travel insurance" means a policy of travel insurance issued to an eligible group that provides coverage for specific classes of persons with coverage provided to each member of the eligible group defined in the policy without a separate charge to individual members of the eligible group.

(3) "Cancellation fee waiver" means a contractual agreement between a supplier of travel services and the supplier's customer to waive some or all of the nonrefundable cancellation fee provisions of the supplier's underlying travel contract with or without regard to the reason for the cancellation or form of reimbursement. A cancellation fee waiver is not insurance.

(4) "Eligible group" means two or more persons who are engaged in a common enterprise or have an economic, educational, or social affinity or relationship, including any of the following:

(A) an entity engaged in the business of providing travel or travel services, including a tour operator, a lodging provider, a vacation property owner, a hotel or resort, a travel club, a travel agency, a property manager, a cultural exchange program, and a common carrier or the operator, owner, or lessor of a means of transportation of passengers, including an airline, a cruise line, a railroad, a steamship company, and a public bus carrier, wherein with regard to any particular travel or type of travel or travelers, all members or customers of the group must have a common exposure to risk attendant to the travel;

(B) a college, school, or other institution of learning covering students, teachers, employees, or volunteers;

(C) an employer covering a board of directors or a group of employees, volunteers, contractors, dependents, or

guests;

(D) a sports team or camp or sponsor of a team or camp covering participants, members, campers, employees, officials, supervisors, or volunteers;

(E) a religious, charitable, recreational, educational, or civic organization or branch of the organization covering members, participants, or volunteers;

(F) a financial institution or financial institution vendor or a parent holding company, trustee, or agent or designee of a financial institution or financial institution vendor covering persons, 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, and bylaws, organized and maintained in good faith for a purpose other than obtaining insurance for the association's members or participants;

(H) a trust, or the trustees of a fund, established, created, or maintained for the benefit of and covering members, employees, or customers of one or more associations meeting the requirements of Paragraph (G), subject to the commissioner's approval and the state premium tax provisions of Section [3504.0004](#);

(I) an entertainment production company covering a group of participants, volunteers, audience members, contestants, or workers;

(J) a volunteer fire department or an ambulance, rescue, police, court, first aid, or civil defense volunteer group or other similar volunteer group;

(K) a preschool, a day-care facility for children or adults, or a senior citizen club;

(L) an automobile or truck rental or leasing company covering a group of individuals who may become renters, lessees, or passengers defined by the individual's status on the rented or leased vehicles, in which circumstance the common carrier, the operator, owner, or lessor of a means of transportation, or the automobile or truck rental or leasing

company is the policyholder; or

(M) any other group with respect to which the commissioner has determined:

(i) the members are engaged in a common enterprise or have an economic, educational, or social affinity or relationship; and

(ii) issuance of the policy is not contrary to the public interest.

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

(6) "Group travel insurance" means travel insurance issued to an eligible group.

(7) "Planned trip" or "planned travel" means any journey or travel arranged through the services of a travel agency.

(8) "Primary certificate holder," specific to Section [3504.0004](#), means an individual who elects and purchases travel insurance under a group policy.

(9) "Primary policyholder," specific to Section [3504.0004](#), means an individual who elects and purchases individual travel insurance.

(10) "Travel assistance services" means noninsurance services that do not indemnify the consumer based on a fortuitous event or result in the transfer or shifting of risk constituting the business of insurance. Travel assistance services include security advisories, destination information, vaccination and immunization information services, travel reservation services, entertainment, activity and event planning, translation assistance, emergency messaging, international legal and medical referrals, medical case monitoring, coordination of transportation arrangements, emergency cash transfer assistance, medical prescription replacement assistance, passport and travel document replacement assistance, lost luggage assistance, concierge services, and any other service that is furnished in connection with planned travel. Travel assistance services are not insurance and are not related to insurance.

(11) "Travel insurance" means insurance coverage for personal risks incident 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;

(D) sickness, accident, disability, or death occurring during travel;

(E) emergency evacuation;

(F) repatriation of remains; or

(G) any other contractual obligations to indemnify or pay a specified amount to the traveler on determinable contingencies related to travel as approved by the commissioner. Travel insurance does not include a major medical plan that provides comprehensive medical protection for a traveler on a trip of longer than six months, such as an individual working or residing overseas as an expatriate, or any other insurance product that must be sold by an agent with a specific agent's license.

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

(A) travel insurance;

(B) travel assistance services; and

(C) cancellation fee waivers.

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 1, eff. September 1, 2019.

Sec. 3504.0002. APPLICABILITY. (a) This chapter applies to a travel insurance policy or certificate that:

(1) provides coverage to a resident of this state or is sold, solicited, negotiated, or offered in this state; and

(2) is delivered or issued for delivery in this state.

(b) This chapter does not apply to a cancellation fee waiver or travel assistance service except as expressly provided in this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 1,

eff. September 1, 2019.

Sec. 3504.0003. LINE OF INSURANCE. (a) Except as provided by Subsection (b) and notwithstanding any other provision of this code, travel insurance is classified and filed for purposes of rates and forms under an inland marine line of insurance.

(b) Travel insurance that provides coverage for sickness, accident, disability, or death occurring during travel, exclusively or in conjunction with related coverage for emergency evacuation, repatriation of remains, or incidental limited property and casualty benefits, including baggage or trip cancellation, may be filed by an authorized insurer under an accident and health line of insurance or an inland marine line of insurance.

(c) Eligibility and underwriting standards for travel insurance may be developed and provided based on travel protection plans designed for individual or identified marketing or distribution channels if the standards meet underwriting standards for an inland marine line of insurance.

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 1, eff. September 1, 2019.

Sec. 3504.0004. PREMIUM TAX. (a) A travel insurer shall pay premium tax, as provided by Section [221.002](#), on travel insurance premiums paid by any of the following:

(1) an individual primary policyholder who is a resident of this state;

(2) a primary certificate holder who is a resident of this state and elects and purchases coverage under a group travel insurance policy; or

(3) a blanket travel insurance policyholder who buys a blanket travel insurance policy for members of an eligible group if:

(A) the policyholder is a resident of this state;
or

(B) the policyholder's principal place of business is located in this state.

(b) A travel insurer shall:

(1) document the state of residence or principal place of business of the policyholder or certificate holder described by Subsection (a); and

(2) report as premium:

(A) only the amount allocable to travel insurance and not amounts received for travel assistance services or cancellation fee waivers; and

(B) only the amount allocable to residents of this state.

(c) Amounts received for travel assistance services and cancellation fee waivers, whether the travel assistance services and cancellation waivers are offered separately or for a combined price authorized by Section 3504.0005, are not subject to taxation under Section 221.002(b).

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. 2587), Sec. 1, eff. September 1, 2019.

Sec. 3504.0005. TRAVEL PROTECTION PLANS. A travel protection plan composed of multiple features may be offered for a combined price if:

(1) at the time or before the consumer buys the travel protection plan it is clearly disclosed to the consumer that the plan includes travel insurance, travel assistance services, and cancellation fee waivers, as applicable, and provides information and an opportunity for the consumer to obtain additional information regarding the features and the pricing of each feature; and

(2) the fulfillment materials:

(A) describe the travel insurance, travel assistance services, and cancellation fee waivers in the travel protection plan; and

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

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. 2587), Sec. 1, eff. September 1, 2019.

Sec. 3504.0006. SALES PRACTICES; PROHIBITED PRACTICES.

(a) Offering or selling a travel insurance policy that could never result in payment of a claim for an insured under the policy is an unfair trade practice under Subtitle C, Title 5.

(b) All documents provided to a consumer before the purchase of travel insurance, including sales materials, advertising materials, and marketing materials, must be consistent with the travel insurance policy, including forms, endorsements, policies, rate filings, and certificates of insurance.

(c) Before the consumer buys travel insurance and subsequently in the fulfillment materials, the consumer must be provided information about any preexisting condition exclusion that is included in the travel insurance policy or certificate. The consumer must have the opportunity to learn more about the exclusion.

(d) The fulfillment materials and the information described in Section [4055.154](#)(a) must be provided to a policyholder or certificate holder as soon as practicable after the purchase of a travel protection plan. Unless the policyholder or certificate holder has started a covered trip or filed a claim under the travel insurance coverage, the policyholder or certificate holder may cancel a policy or certificate for a full refund of the travel protection plan price. The policyholder or certificate holder must exercise the right to cancel a travel protection plan before:

(1) the 15th day after the date of delivery of the travel protection plan's fulfillment materials by United States mail or a later date specified by the plan; or

(2) the 10th day after the date of delivery of the travel protection plan's fulfillment materials by means other than United States mail or a later date specified by the plan.

(e) For the purposes of this section, delivery means handing fulfillment materials to the policyholder or certificate holder or sending fulfillment materials by United States mail or electronic means to the policyholder or certificate holder.

(f) The company shall disclose in the policy documentation and fulfillment materials if the travel insurance is primary or

secondary to other applicable coverage.

(g) If travel insurance is marketed directly to a consumer through an insurer's Internet website or by others through an aggregator site, it is not an unfair trade practice or other violation of law if:

(1) an accurate summary or short description of coverage is provided on the Internet website; and

(2) the consumer has access to the full provisions of the policy through electronic means.

(h) A person offering, soliciting, or negotiating travel insurance or travel protection plans on an individual or group basis may not do so by using a negative option or opt out that requires a consumer to take an affirmative action to deselect coverage, such as unchecking a box on an electronic form, when the consumer purchases a trip.

(i) It is an unfair trade practice to market blanket travel insurance coverage as free.

(j) If a consumer's destination jurisdiction requires insurance coverage, it is not an unfair trade practice to require that a consumer choose between the following options as a condition of purchasing a trip or travel package:

(1) purchasing the coverage required by the destination jurisdiction through the travel retailer or supervising entity supplying the trip or travel package; or

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

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 1, eff. September 1, 2019.

Sec. 3504.0007. RULEMAKING. (a) The commissioner may adopt rules necessary to implement this chapter. Section [2001.0045](#), Government Code, does not apply to rules adopted under this section.

(b) The comptroller, in consultation with the commissioner, may adopt rules to implement this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 1,

eff. September 1, 2019.