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Senate Bill 418 (as introduced 6-11-13)
Sponsor: Senator Joe Hune
Committee: Insurance

Date Completed: 6-11-13

CONTENT

The bill would amend the Insurance Code to exempt a person who sold travel insurance from licensure as an insurance producer.

Specifically, a license as an insurance producer would not be required of a person whose only insurance sale was for travel insurance sold incidental to planned travel if he or she were working under the authority of a limited lines producer, and the producer or the person gave written disclosure material to a purchaser or prospective purchaser.

The disclosure material would have to include the identity and contact information of the insurer and limited lines producer. For a prospective purchaser, the material also would have to include a statement that the purchase of travel insurance was not required for the purchase of any other product or service from the person. For a purchaser, the material would have to include the following:

- A summary of the material terms or the actual material terms of the insurance coverage.
- A summary of the process for filing a claim, as well as the review or cancelation process for the policy.

"Travel insurance" would mean insurance coverage for personal risk incident to planned travel, including any of the following:

- Interruption or cancelation of a trip or event.
- Loss of baggage or personal effects.
- Damage to accommodations or rental vehicles.
- Sickness, accident, disability, or death occurring during travel.

The bill specifies that travel insurance would not include major medical plans that provide comprehensive medical protection for travelers with trips lasting six months or longer, such as those working overseas as expatriates or military personnel being deployed.

MCL 500.1202

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Josh Sefton

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