SENATE BILL REPORT
SB 6248

As of January 28, 2026

Title: An act relating to travel insurance.

Brief Description: Addressing travel insurance.

Sponsors: Senators Stanford, Dozier, Hasegawa, Kauffman and Nobles.

Brief History:
Committee Activity: Business, Trade & Economic Development: 1/28/26.

Brief Summary of Bill

- Provides licensure and registration requirements, duties, and restrictions on entities transacting travel insurance.
- Specifies how travel insurance and travel protection plans may be offered.
- Specifies the application of the insurance premium tax on travel insurance.
- Provides rate filing requirements for travel insurance with the Office of the Insurance Commissioner.

SENATE COMMITTEE ON BUSINESS, TRADE & ECONOMIC DEVELOPMENT

Staff: John Kim (786-7453)

Background: Regulation of Travel Insurance. Travel insurance is regulated in this state by rules adopted by the Office of the Insurance Commissioner (OIC). The rules define travel insurance as insurance coverage for personal risks incident to planned travel including, but not limited to:

- interruption or cancellation of a trip or an event;

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- loss of baggage or personal effects;
- damages to accommodations or rental vehicles; or
- sickness, accident, disability, or death occurring during limited duration travel.

The rules prohibit a person from selling, soliciting, or negotiating travel insurance in this state unless the person is licensed as an insurance producer with the travel limited line of authority. Travel retailers who offer and disseminate travel insurance on behalf of and under a travel insurance producer business entity license must comply with certain requirements, including that the travel insurance producer must, in part:

- hold a business entity license;
- make certain disclosures on marketing materials and fulfillment packages distributed by travel retailers to customers;
- keep a register of each travel retailer that offers travel insurance on the licensed business entity's behalf;
- comply with fingerprinting requirements and pay all applicable insurance producer licensing fees; and
- require each employee of the travel retailer whose duties include offering and disseminating travel insurance to receive a program of instruction or training.

Travel Insurance Model Act. The Travel Insurance Model Act is a model law regulating travel insurance products. The Travel Insurance Model Act was originally produced by the National Council of Insurance Legislators in 2012, followed by updates in 2017. According to the National Association of Insurance Commissioners, as of summer 2025, 34 states have adopted the Travel Insurance Model Act and four other states have adopted portions of the Travel Insurance Model Act.

Summary of Bill: The bill substantially adopts the Travel Insurance Model Act.

Definition of Travel Insurance. Travel insurance is defined as insurance coverage for personal risks incident to planned travel, including:

- interruption or cancellation of trip or event;
- loss of baggage or personal effects;
- damages to accommodations or rental vehicles;
- sickness, accident, disability, or death occurring during travel, provided that the health benefits are not offered on a stand-alone basis and are incidental to other coverage;
- emergency evacuation;
- repatriation of remains; or
- any other contractual obligations to indemnify or pay a specified amount to the traveler upon determinable contingencies related to travel as approved by the OIC.

Travel insurance does not include major medical plans that provide comprehensive medical protection for travelers with trips lasting longer than six months, including, for example, those working or residing overseas as an expatriate, or any other product that requires a

specific insurance producer license. The bill excludes travel insurance from the definition of health plan or health benefit plan under health insurance statutes.

Travel Administrators. A travel administrator is defined as a person who directly or indirectly underwrites, collects charges, collateral, or premiums from, or adjusts or settles claims on residents of this state, in connection with travel insurance. A person is not a travel administrator if that person's only actions that would otherwise cause it to be considered a travel administrator are among the following:

- a person working for a travel administrator to the extent that the person's activities are subject to the supervision and control of the travel administrator;
- an insurance producer selling insurance or engaged in administrative and claims-related activities within the scope of the producer's license;
- a travel retailer offering and disseminating travel insurance and registered under the license of a limited lines travel insurance producer in accordance with this chapter;
- an individual adjusting or settling claims in the normal course of that individual's practice or employment as an attorney-at-law and who does not collect charges or premiums in connection with insurance coverage; or
- a business entity that is affiliated with a licensed insurer while acting as a travel administrator for the direct and assumed insurance business of an insurer.

Licensure. A person may not act or represent itself as a travel administrator for travel insurance in this state unless that person is a licensed property and casualty insurance producer in this state for activities permitted under that producer license. A travel administrator and its employees are exempt from licensing requirements for adjusters for travel insurance it administers.

Insurer Responsibility for Travel Administrators. An insurer is responsible for the acts of a travel administrator administering travel insurance underwritten by the insurer and is responsible for ensuring that the travel administrator maintains all books and records relevant to the insurer to be made available by the travel administrator to the OIC upon request.

Limited Lines Travel Insurance Producers. A limited lines travel insurance producer is defined as a licensed insurance producer, including a licensed limited lines producer of travel insurance; or a travel administrator.

Licensure. The OIC may issue a limited lines travel insurance producer license to an individual or business entity applicant that applies in a form and manner prescribed by OIC. Such limited lines travel insurance producer must be licensed to sell, solicit, or negotiate travel insurance through an authorized insurer. The bill provides that a limited lines travel insurance producer must pay all applicable licensing fees as set forth in applicable state law.

Register of Travel Retailers. At the time of licensure, the limited lines travel insurance producer must establish and maintain a register, on a form prescribed by the OIC, of each

travel retailer that offers travel insurance on the limited lines travel insurance producer's behalf. The register must be maintained and updated by the limited lines travel insurance producer and must include the name, address, and contact information of the travel retailer and an officer or person who directs or controls the travel retailer's operations, and the travel retailer's federal tax identification number. The limited lines travel insurance producer must submit such register to the OIC annually. The limited lines travel insurance producer must certify that the travel retailer registered complies with federal restrictions on crimes by or affecting persons engaged in the business of insurance. The grounds for the suspension, revocation, and penalties applicable to resident insurance producers apply to the limited lines travel insurance producers and travel retailers.

As the insurer's designee, the limited lines travel insurance producer is responsible for the acts of the travel retailer and must ensure compliance by the travel retailer with the requirements created by the bill.

Requirement to Designate a Compliance Person. A limited lines travel insurance producer must designate one of its employees, who is a licensed individual producer, as the person responsible for the compliance with the travel insurance laws and regulations applicable to the limited lines travel insurance producer and its registrants.

Fingerprinting Requirement. The designated employee, president, secretary, treasurer, and any other officer or person who directs or controls the limited lines travel insurance producer's insurance operations must comply with the fingerprinting requirements applicable to insurance producers in the resident state of the limited lines travel insurance producer.

Employee Training Requirement. The limited lines travel insurance producer must require each employee and authorized representative of the travel retailer whose duties include offering and disseminating travel insurance to receive a program of instruction or training, which is subject, at the discretion of the OIC, to review and approval. The training material must, at a minimum, contain adequate instructions on the types of insurance offered, ethical sales practices, and required disclosures to prospective customers.

Travel Retailers. A travel retailer is defined as a business entity that makes, arranges, or offers planned travel and may offer and disseminate travel insurance as a service to its customers on behalf of and under the direction of a limited lines travel insurance producer. A travel retailer that meets the conditions of the bill may receive related compensation.

Disclosure Requirements. The limited lines travel insurance producer or travel retailer must provide to purchasers of travel insurance:

- a description of the material terms or the actual material terms of the insurance coverage;
- a description of the process for filing a claim;
- a description of the review or cancellation process for the travel insurance policy; and

- the identity and contact information of the insurer and limited lines travel insurance producer.

Any travel retailer offering or disseminating travel insurance must make available to prospective purchasers brochures or other written materials that have been approved by the travel insurer. Such materials must include information that, at a minimum:

- provides the identity and contact information of the insurer and the limited lines travel insurance producer;
- explains that the purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer; and
- explains that an unlicensed travel retailer is permitted to provide only general information about the insurance offered by the travel retailer, including a description of the coverage and price, but is not qualified or authorized to answer technical questions about the terms and conditions of the insurance offered by the travel retailer or to evaluate the adequacy of the customer's existing insurance coverage.

Restrictions. A travel retailer employee or authorized representative who is not licensed as an insurance producer may not:

- evaluate or interpret the technical terms, benefits, and conditions of the offered travel insurance coverage;
- evaluate or provide advice concerning a prospective purchaser's existing insurance coverage; or
- hold themself or itself out as an authorized insurer, licensed producer, or insurance expert.

Applicability of Insurance Premium Tax. A travel insurer must pay the state insurance premium tax on travel insurance premiums paid by any of the following:

- an individual primary policyholder who is a resident of this state;
- a primary certificate holder who is a resident of this state who elects coverage under a group travel insurance policy; or
- a blanket travel insurance policyholder that is a resident in, or has its principal place of business or the principal place of business of an affiliate or subsidiary that has purchased blanket travel insurance in this state for eligible blanket group members, subject to any apportionment rules that apply to the insurer across multiple taxing jurisdictions or that permit the insurer to allocate premium on an apportioned basis in a reasonable and equitable manner in those jurisdictions.

A travel insurer must document the state of residence or principal place of business of the policyholder or certificate holder and report as premium only the amount allocable to travel insurance and not any amounts received for travel assistance services, cancellation fee waivers, or other noninsurance services.

Group Travel Insurance. Group travel insurance is defined as travel insurance issued to any eligible group. An eligible group is defined as two or more persons who are engaged in a

common enterprise, or have an economic, educational, or social affinity or relationship including, but not limited to, any of the following:

- any entity engaged in the business of providing travel or travel services including, but not limited to: tour operators, lodging providers, vacation property owners, hotels and resorts, travel clubs, travel agencies, property managers, cultural exchange programs, and common carriers or the operator, owner, or lessor of a means of transportation of passengers including, but not limited to, airlines, cruise lines, railroads, steamship companies, and public bus carriers, 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 such travel;
- any college, school, or other institution of learning, covering students, teachers, employees, or volunteers;
- any employer covering any group of employees, volunteers, contractors, board of directors, dependents, or guests;
- any sports team, camp, or sponsor thereof, covering participants, members, campers, employees, officials, supervisors, or volunteers;
- any religious, charitable, recreational, educational, or civic organization, or branch thereof, covering any group of members, participants, or volunteers;
- any financial institution or financial institution vendor, or 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;
- any incorporated or unincorporated association, including labor unions, having a common interest, constitution and bylaws, and organized and maintained in good faith for purposes other than obtaining insurance for members or participants of such association covering its members;
- any trust or the trustees of a fund established, created, or maintained for the benefit of and covering members, employees, or customers, subject to the commissioner permitting the use of a trust and the state's premium tax provisions of one or more associations meeting certain requirements;
- any entertainment production company covering any group of participants, volunteers, audience members, contestants, or workers;
- any volunteer fire department, ambulance, rescue, police, court, or any first aid, civil defense, or other such volunteer group;
- preschools, day care institutions for children or adults, and senior citizen clubs;
- any automobile or truck rental or leasing company covering a group of individuals who may become renters, lessees, or passengers defined by their travel status on the rented or leased vehicles, subject to the requirement that the common carrier, operator, owner, or lessor of a means of transportation, or the automobile or truck rental or leasing company, is the policyholder under a policy to which this chapter applies; or
- any other group where the OIC has determined that the members are engaged in a common enterprise, or have an economic, educational, or social affinity or relationship, and that issuance of the policy would not be contrary to the public

interest.

Blanket Travel Insurance. Blanket travel insurance is defined as a policy of travel insurance issued to any eligible group providing coverage for specific classes of persons defined in the policy with coverage provided to all members of the eligible group.

Pricing of Travel Protection Plans. A travel protection plan is defined as a plan that provides one or more of the following: travel insurance, travel assistance services, and cancellation fee waivers.

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

- the travel protection plan clearly discloses to the consumer, at or prior to the time of purchase, that it includes travel insurance, travel assistance services, and cancellation fee waivers as applicable, and provides information and an opportunity, at or prior to the time of purchase, for the consumer to obtain additional information regarding the features and pricing of each; and
- the fulfillment materials describe and delineate the travel insurance, travel assistance services, and cancellation fee waivers in the travel protection plan; and include the travel insurance disclosures and the contact information for persons providing travel assistance services, and cancellation fee waivers, as applicable.

Travel assistance services are defined as noninsurance services for which the consumer is not indemnified based on a fortuitous event, and where providing the service does not result in transfer or shifting of risk that would constitute the business of insurance. They include, but but are not limited to: 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. The bill specifies travel assistance services are not insurance and are not related to insurance.

A cancellation fee waiver is defined as a contractual agreement between a supplier of travel services and its 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. The bill specifies a cancellation fee waiver is not insurance.

Unfair Practices. All persons offering travel insurance to residents of this state are subject to existing prohibitions on unfair practices in the Washington Insurance Code, except as otherwise provided. The bill specifies additional unfair practices with respect to travel

insurance:

- offering or selling a travel insurance policy that could never result in payment of any claims for any insured under the policy; or
- marketing blanket travel insurance coverage as free.

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, which would require 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.

The bill provides that where 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:

- purchasing the coverage required by the destination jurisdiction through the travel retailer or limited lines travel insurance producer supplying the trip or travel package; or
- agreeing to obtain and provide proof of coverage that meets the destination jurisdiction's requirements prior to departure.

Marketing Requirements. The bill specifies the following requirements in marketing travel insurance:

- all documents provided to consumers prior to the purchase of travel insurance including, but not limited to, sales materials, advertising materials, and marketing materials, must be consistent with the travel insurance policy itself, including, but not limited to, forms, endorsements, policies, rate filings, and certificates of insurance;
- for travel insurance policies or certificates that contain preexisting condition exclusions, information and an opportunity to learn more about the preexisting condition exclusions must be provided any time prior to the time of purchase and in the coverage's fulfillment materials;
- the fulfillment materials and disclosure materials must be provided to a policyholder or certificate holder as soon as practicable following the purchase of a travel protection plan;
- the company must disclose in the policy documentation and fulfillment materials whether the travel insurance is primary or secondary to other applicable coverage; and
- where travel insurance is marketed directly to a consumer through an insurer's website or by others through an aggregator site, it is not an unfair trade practice or other violation of law where an accurate summary or short description of coverage is provided on the web page, so long as the consumer has access to the full provisions of the policy through electronic means.

Fulfillment materials are defined as documentation sent to the purchaser of a travel protection plan confirming the purchase and providing the travel protection plan's coverage and assistance details.

An aggregator site is defined as a website that provides access to information regarding insurance products from more than one insurer, including product and insurer information, for use in comparison shopping.

Right of Cancellation. Unless the insured has either started a covered trip or filed a claim under the travel insurance coverage, a policyholder or certificate holder may cancel a policy or certificate for a full refund of the travel protection plan price from the date of purchase of a travel protection plan until at least:

- 15 days following the date of delivery of the travel protection plan's fulfillment materials by postal mail; or
- 10 days following the date of delivery of the travel protection plan's fulfillment materials by means other than postal mail. Delivery is defined as handing fulfillment materials to the policyholder or certificate holder or sending fulfillment materials by postal mail or electronic means to the policyholder or certificate holder.

Rate Filings for Travel Insurance. The bill specifies that travel insurance is classified and filed for purposes of rates and forms under an inland marine line of insurance. Travel insurance that provides coverage for sickness, accident, disability, or death occurring during travel, either exclusively, or in conjunction with related coverages of emergency evacuation or repatriation of remains, or incidental limited property and casualty benefits such as baggage or trip cancellation, may be filed under either an accident and health line of insurance or an inland marine line of insurance. The rates and forms filings per product may only be filed under one line of insurance.

Travel insurance may be in the form of an individual, group, or blanket policy.

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, provided those standards also meet the state's underwriting standards for inland marine.

Rulemaking. The OIC may adopt rules as necessary to implement and administer this chapter and must repeal existing rules pertaining to travel insurance that are inconsistent with the bill's provisions.

Short Title. The chapter created by the bill may be known and cited as the Washington Travel Insurance Act.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on January 1, 2027.

Staff Summary of Public Testimony: PRO: The purpose of the bill is to have a comprehensive set of rules and clear definitions and processes around travel insurance set out in statute. There has been a lot of work done by the stakeholders and I believe there will be additional amendment language forthcoming.

The US Travel Insurance Association supports the bill. By adopting the National Association of Insurance Commissioner's (NAIC) model act, consumers will benefit from more competition, choice of product, and new benefit designs if Washington joins the other 41 states who have already adopted the NAIC model. Our client has been working with the Insurance Commissioner's Office for several years to get this right. There will be an amendment forthcoming. We think that the extraordinary responsibility that we added to this bill, placed on the travel insurance companies and producers to be responsible for everybody who touches this product, is a really important consumer protection.

The bill will protect travelers, promote transparency, and uphold the integrity of the travel insurance industry. It clarifies the framework for the sale of travel insurance on a national uniform basis, standardizes definitions, and contains important consumer protections. Regarding the OIC's concerns regarding adjusters, we can confirm there will always be a licensed entity for which insurers are responsible for administering travel claims.

OTHER: The OIC acknowledges that significant work has gone into the bill, as the original NAIC model act raised a number of consumer protection and policy concerns for us. We do want to highlight one unresolved concern—we continue to have concerns with how the bill allows for the adjustment of travel insurance claims by unlicensed adjusters. From OIC's perspective, we would prefer clear accountability, specifically that the insurance company remain responsible for the adjustment of travel claims rather than relying on undefined or diffuse responsibilities.

The Attorney General's Office has a narrow concern about language in the bill superseding antidiscrimination and consumer protection laws. For context, our civil rights division litigated against a travel insurance company for violating the Washington Law Against Discrimination and consumer protection laws, which was resolved in a consent decree in 2024 with restitution to consumers. We want to make sure where there is any conflict between our consumer protection or antidiscrimination laws and this bill, those laws apply rather than be excluded.

Persons Testifying: PRO: Senator Derek Stanford, Prime Sponsor; Caren Alvarado, US Travel Insurance Association: USTIA; Jean Leonard, US Travel Insurance Association: USTIA.

OTHER: Chio Saeteurn, Office of the Insurance Commissioner; Tyler Langford, Office of the Insurance Commissioner; Nick Fielden, Washington State Attorney General's Office.

Persons Signed In To Testify But Not Testifying: No one.