



Statement of Michael Byrne on behalf of UStiA

Ohio House of Representatives, Insurance Committee

Representative Thomas E. Brinkman, Chair

Representative Brian E. Lampton, Vice Chair

Representative Jessica E. Miranda, Ranking Member

March 9, 2022

Chairman Brinkman, Vice Chair Lampton, Ranking Member Miranda and Members of the Committee—

My name is Michael Byrne and I represent the United States Travel Insurance Association (UStiA). The UStiA's members include insurance carriers, third-party administrators, insurance agencies, and related businesses involved in the development, administration, and marketing of travel insurance and travel assistance products.

Thank you for bringing SB 256 before the Insurance Committee today. UStiA is supportive of this legislation, which would amend the Ohio Insurance Laws to codify the regulatory framework for travel insurance sales. SB 256 is important for travel consumers, regulators, and the industry alike.

Travel insurance is a little different from other lines of insurance like homeowners, auto insurance, or health insurance. It's a so-called "limited line" of insurance that protects against certain kinds of losses while traveling—so you're covered if you lose your luggage, or your trip gets cancelled, or you get sick while traveling. It's generally offered with non-insurance services like translation services, lost passport assistance, and related services.

This legislation is important because it creates a framework specifically for the regulation of travel insurance—which is generally subject to the insurance laws and regulations just like any other line of insurance coverage. These include Section 3905.064 of the Ohio Revised Code which incorporated the limited lines travel insurance model into Ohio law in 2018.

SB 256 is based on substantially identical model acts adopted by the National Council of Insurance Legislators (NCOIL) and the National Association of Insurance Commissioners (NAIC). Adoption of the models at NCOIL and NAIC included a comprehensive review and comment process, along with the general commitment of members of both organizations to support enactment of the model in the states. To date, eighteen (18) other states have already adopted legislation based on these national model acts. Other states are currently considering enacting such legislation, and more are expected to follow.

Many of the issues addressed in the legislation—relating to travel retailers and establishing clear definitions that apply in the travel insurance industry, for example—are practices and concepts that have been widely accepted by regulators for years. SB 256 codifies those

practices and concepts, specifically clarifying them for travel insurance so that regulators and the industry are on the same page. Going forward, the hope is that there will be no confusion as to what is permitted and required under the law.

The legislation addresses other issues as well, such as:

- Travel administrators' responsibilities;
- Market practices—like prohibiting opt out sales and codifying a 10- and 15-day “lookback” period for refunds; and
- Numerous consumer disclosures.

In closing, this effort will clarify and reform the way travel insurance is regulated here in Ohio. It has been thoughtfully drafted and thoroughly vetted both nationally and in the state. It will: (1) provide legislators and regulators with the authority and information they need for good regulation; (2) update regulatory requirements and processes to reflect the way the marketplace operates; and (3) most importantly, protect consumers.

We urge you to approve this important legislation. Thank you again for your time today. I would be happy to answer any questions.