

TRAVEL INSURANCE AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jon Hawkins

Senate Sponsor: Michael K. McKell

LONG TITLE

General Description:

This bill amends and enact provisions related to travel insurance.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ establishes the scope of the Travel Insurance Act;
- ▶ enacts provisions regarding the premium tax on a travel insurance premium;
- ▶ enacts provisions regarding travel protection plans;
- ▶ enacts provisions regarding sales practices for travel insurance;
- ▶ enacts provisions regarding travel administrators;
- ▶ establishes classification for travel insurance;
- ▶ permits an insurer to establish standards for travel insurance under certain

conditions;

- ▶ grants rulemaking authority; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:



28 AMENDS:

29 **31A-23a-902**, as enacted by Laws of Utah 2014, Chapter 277

30 **31A-23a-905**, as enacted by Laws of Utah 2014, Chapter 277

31 **59-9-101**, as last amended by Laws of Utah 2017, Chapters 28, 168, and 363

32 ENACTS:

33 **31A-23a-902.1**, Utah Code Annotated 1953

34 **31A-23a-908**, Utah Code Annotated 1953

35 **31A-23a-909**, Utah Code Annotated 1953

36 **31A-23a-910**, Utah Code Annotated 1953

37 **31A-23a-911**, Utah Code Annotated 1953

38 **31A-23a-912**, Utah Code Annotated 1953



40 *Be it enacted by the Legislature of the state of Utah:*

41 Section 1. Section **31A-23a-902** is amended to read:

42 **31A-23a-902. Definitions.**

43 As used in this part, unless the context requires otherwise:

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

47 (2) "Blanket travel insurance" means a travel insurance policy that:

48 (a) an insurer issues to an eligible group; and

49 (b) covers:

50 (i) a specific class of persons defined in the policy; and

51 (ii) all members of the eligible group without a separate charge to an individual
52 member of the eligible group.

53 (3) "Cancellation fee waiver" means a contractual agreement that:

54 (a) is between a supplier of a travel assistance service and the supplier's customer; and

55 (b) waives a non-refundable cancellation fee provision of the supplier's underlying
56 travel contract, with or without regard to:

57 (i) the reason for the cancellation; or

58 (ii) the form of reimbursement.

- 59 (4) (a) "Eligible group" means a group of two or more persons who:
60 (i) are engaged in a common enterprise; or
61 (ii) have an economic, educational, or social affinity or relationship.
62 (b) "Eligible group" includes:
63 (i) an entity engaged in the business of providing travel or a travel service in which,
64 with regard to the particular travel or travel service or type of travel or travelers, all members or
65 customers of the group have common exposure to risk attendant to that travel, including:
66 (A) a tour operator;
67 (B) a lodging provider;
68 (C) a vacation property owner;
69 (D) a hotel or resort;
70 (E) a travel club;
71 (F) a travel agency;
72 (G) a property manager;
73 (H) a cultural exchange program;
74 (I) a common carrier; and
75 (J) the operator, owner, or lessor of a means of transportation of passengers, including
76 an airline, a cruise line, a railroad, a steamship company, and a public bus carrier;
77 (ii) a college, school, or other institution of learning, covering students, teachers,
78 employees, or volunteers;
79 (iii) an employer covering employees, volunteers, contractors, a board of directors,
80 dependents, or guests;
81 (iv) a sports team, camp, or a sponsor of a sports team or camp, covering participants,
82 members, campers, employees, officials, supervisors, or volunteers;
83 (v) a religious, charitable, recreational, educational, or civic organization, or a branch
84 of a religious, charitable, recreational, educational, or civic organization, covering members,
85 participants, or volunteers;
86 (vi) a financial institution, a financial institution vendor, or a parent holding company,
87 trustee, or agent of or designated by a financial institution or a financial institution vendor,
88 covering accountholders, credit card holders, debtors, guarantors, or purchasers;
89 (vii) an incorporated or unincorporated association, including a labor union, that:

- 90 (A) has a common interest, constitution, and bylaws;
- 91 (B) is organized and maintained in good faith for a purpose other than to cover
- 92 members or participants of the association; and
- 93 (C) covers members of the association;
- 94 (viii) an entertainment production company covering participants, volunteers, audience
- 95 members, contestants, or workers;
- 96 (ix) a volunteer fire department, ambulance, rescue, police, or court or a volunteer first
- 97 aid, civil defense, or other volunteer group similar to first aid or civil defense, covering
- 98 members, participants, or volunteers;
- 99 (x) a preschool, a daycare institution for children or adults, or a senior citizen club,
- 100 covering attendees or participants;
- 101 (xi) an automobile or truck rental or leasing company:
- 102 (A) covering individuals who may become renters, lessees, or passengers depending on
- 103 the travel status of the individual on a rented or leased vehicle; and
- 104 (B) if the common carrier, operator, owner or lessor of the means of transportation, or
- 105 the automobile or truck rental or leasing company is the policyholder; and
- 106 (xii) a group not described in Subsections (4)(b)(i) through (xi), if the commissioner
- 107 determines that:
- 108 (A) the members of the group are engaged in a common enterprise, or have an
- 109 economic, educational, or social affinity or relationship; and
- 110 (B) issuance of the policy would not be contrary to the public interest.
- 111 (5) "Fulfillment material" means documentation that:
- 112 (a) is sent to the purchaser of a travel protection plan;
- 113 (b) confirms the purchase of the travel protection plan; and
- 114 (c) provides the travel protection plan's coverage and assistance details.
- 115 (6) "Group travel insurance" means travel insurance issued to an eligible group,
- 116 covering each certificate holder in the eligible group.
- 117 [(+)] (7) "Limited lines travel insurance producer" means one of the following
- 118 designated by an insurer as the travel insurance supervising entity as provided in Subsection
- 119 31A-23a-905(4):
- 120 (a) a licensed managing general agent or third party administrator; or

121 (b) a licensed insurance producer, including a limited lines producer.

122 [~~(2)~~] (8) "Offer and disseminate" means:

123 (a) providing general information, including a description of the coverage and price;

124 (b) processing an application;

125 (c) collecting a premium; and

126 (d) performing activities that the state permits to be done by a person who is not
127 licensed.

128 (9) (a) "Travel administrator" means a person who, in connection with travel insurance,
129 directly or indirectly:

130 (i) underwrites;

131 (ii) collects a charge, collateral, or a premium from a resident of this state; or

132 (iii) adjusts or settles a claim on a resident of this state.

133 (b) "Travel administrator" does not include a person whose action that would otherwise
134 cause the person to be considered a travel administrator is among the following:

135 (i) a person working for a travel administrator to the extent that the person's activities
136 are subject to the supervision and control of the travel administrator;

137 (ii) a travel retailer that, in accordance with this part:

138 (A) offers and disseminates travel insurance; and

139 (B) is registered under the license of a limited lines travel insurance producer;

140 (iii) an individual adjusting or settling claims:

141 (A) in the normal course of that individual's practice or employment as an attorney; and

142 (B) who does not collect a charge or premium in connection with insurance coverage;

143 or

144 (iv) a business entity that is affiliated with a licensed insurer while acting as a travel
145 administrator for the direct and assumed insurance business of an affiliated insurer.

146 (10) (a) "Travel assistance service" means a service:

147 (i) for which the consumer is not indemnified based on a fortuitous event;

148 (ii) where providing the service does not result in transfer or shifting of risk that would
149 constitute the business of insurance; and

150 (iii) that is furnished in connection with planned travel.

151 (b) "Travel assistance service" includes:

- 152 (i) a security advisory;
- 153 (ii) destination information;
- 154 (iii) a vaccination and immunization information service;
- 155 (iv) a travel reservation service;
- 156 (v) entertainment;
- 157 (vi) activity and event planning;
- 158 (vii) translation assistance;
- 159 (viii) emergency messaging;
- 160 (ix) an international legal or medical referral;
- 161 (x) medical case monitoring;
- 162 (xi) coordination of transportation arrangements;
- 163 (xii) emergency cash transfer assistance;
- 164 (xiii) medical prescription replacement assistance;
- 165 (xiv) passport and travel document replacement assistance;
- 166 (xv) lost luggage assistance; and
- 167 (xvi) a concierge service.

168 ~~[(3)]~~ (11) (a) "Travel insurance" means insurance coverage for personal risks incident
 169 to planned travel, including:

- 170 (i) interruption or cancellation of a trip or event;
- 171 (ii) loss of baggage or personal effects;
- 172 (iii) damages to accommodations or rental vehicles; ~~[or]~~
- 173 (iv) sickness, accident, disability, or death during travel~~[-]~~;
- 174 (v) emergency evacuation;
- 175 (vi) repatriation of remains; or
- 176 (vii) a contractual obligation that indemnifies or pays a specified amount to the traveler
 177 upon a determinable contingency related to travel.

178 (b) "Travel insurance" does not include a major medical plan that provides
 179 comprehensive medical protection for a traveler with a trip lasting six months or longer,
 180 including an individual working overseas or military personnel being deployed.

181 (12) "Travel protection plan" means a plan that provides:

- 182 (a) travel insurance;

183 (b) a travel assistance service; or

184 (c) a cancellation fee waiver.

185 [~~(4)~~] (13) "Travel retailer" means a business entity that:

186 (a) makes, arranges, or offers a travel [services] service; and

187 (b) may offer and disseminate travel insurance as a service to [its] the entity's

188 customers on behalf of and under the direction of a limited lines travel insurance producer.

189 Section 2. Section 31A-23a-902.1 is enacted to read:

190 **31A-23a-902.1. Scope.**

191 (1) The requirements under this part:

192 (a) apply to travel insurance:

193 (i) that covers a resident of this state;

194 (ii) that is sold, solicited, negotiated, or offered in this state; and

195 (iii) for which policies and certificates are delivered or issued for delivery in this state;

196 and

197 (b) do not apply, except as expressly provided, to:

198 (i) a cancellation fee waiver; or

199 (ii) a travel assistance service.

200 (2) If there is a conflict between a provision of this part and another provision under

201 this title, this part governs.

202 Section 3. Section 31A-23a-905 is amended to read:

203 **31A-23a-905. Offering or disseminating travel insurance.**

204 (1) A travel retailer offering or disseminating travel insurance shall make available to a
205 prospective purchaser a brochure or other written material that:

206 (a) provides the identity and contact information of the insurer and the limited lines
207 travel insurance producer;

208 (b) explains that the purchase of travel insurance is not required to purchase any other
209 product or service from the travel retailer; and

210 (c) explains that an unlicensed travel retailer is permitted to provide general
211 information about the insurance offered by the travel retailer, including a description of the
212 coverage and price, but is not qualified or authorized to;

213 (i) answer a technical [questions] question about the terms and conditions of the

214 insurance [~~offered by~~] the travel retailer [~~or to~~] offers; or

215 (ii) evaluate the adequacy of the prospective purchaser's existing insurance coverage.

216 (2) A travel retailer's employee or authorized representative who is not licensed as an
217 insurance producer may not:

218 (a) evaluate or interpret the technical terms, benefits, and conditions of the offered
219 travel insurance coverage;

220 (b) evaluate or provide advice concerning a prospective purchaser's existing insurance
221 coverage; or

222 (c) hold the person out as a licensed insurer, licensed producer, or insurance expert.

223 (3) Notwithstanding any other provision of this chapter, a travel retailer whose
224 insurance-related activities, and [~~those of its~~] the activities of the travel retailer's employees and
225 authorized representatives, are limited to offering and disseminating travel insurance on behalf
226 of and under the direction of a limited lines travel insurance producer meeting the conditions
227 stated in this part, is authorized to do so and receive related compensation for services, upon
228 registration of the limited lines travel insurance producer as described in Subsection
229 31A-23a-904(2).

230 (4) As the insurer designee, the limited lines travel insurance producer:

231 (a) is responsible for the acts of the travel retailer; and

232 (b) shall use responsible means to ensure compliance by the travel retailer under this
233 part.

234 (5) A person licensed in a general line of authority as an insurance producer is
235 authorized to sell, solicit, and negotiate travel insurance.

236 Section 4. Section 31A-23a-908 is enacted to read:

237 **31A-23a-908. Travel protection plans.**

238 A person may offer a travel protection plan for one price for the combined features that
239 the travel protection plan offers, if:

240 (1) the person ensures the travel protection plan:

241 (a) clearly discloses to the consumer, at or before the time of purchase, that the plan
242 includes:

243 (i) travel insurance;

244 (ii) a travel assistance service; or

245 (iii) a cancellation fee waiver; and
246 (b) provides information and an opportunity, at or before the time of purchase, for the
247 consumer to obtain additional information regarding the features and pricing of the travel
248 insurance, travel assistance service, and cancellation fee waiver, as applicable; and
249 (2) the fulfillment material for the travel protection plan:
250 (a) describes and delineates the travel insurance, travel assistance services, and
251 cancellation fee waiver in the travel protection plan;
252 (b) includes each travel insurance disclosure required under state law; and
253 (c) includes the contact information for each person providing a:
254 (i) travel assistance service; or
255 (ii) cancellation fee waiver.
256 Section 5. Section **31A-23a-909** is enacted to read:
257 **31A-23a-909. Sales practices.**
258 (1) As used in this section, "deliver" or "delivery" means:
259 (a) handing fulfillment material to a policyholder or certificate holder; or
260 (b) sending fulfillment material by mail or electronic means to a policyholder or
261 certificate holder.
262 (2) A person who offers or sells a travel insurance policy to a resident of this state
263 shall:
264 (a) ensure that each document the person provides to the consumer before the
265 consumer purchases the travel insurance, including sales material, advertising material, and
266 marketing material, is consistent with the purchased travel insurance policy, including each
267 form and rate filing;
268 (b) provide the consumer information and an opportunity to learn more about each
269 pre-existing condition exclusion the policy includes:
270 (i) before the consumer purchases the policy; and
271 (ii) in the travel protection plan's fulfillment materials; and
272 (c) after a consumer purchases a travel protection plan, provide each policyholder or
273 certificate holder as soon as practicable:
274 (i) the fulfillment materials; and
275 (ii) the information described in Subsection [31A-23a-904\(1\)](#).

276 (3) (a) Except as provided in Subsection (3)(b), a policyholder or certificate holder may
277 cancel a policy or certificate for a full refund of the travel protection plan price during the
278 period that:

279 (i) begins the day on which the consumer purchases the policy or certificate; and

280 (ii) ends no earlier than:

281 (A) if the travel protection plan's fulfillment materials are delivered to the policyholder
282 or certificate holder by mail, 15 days after the day on which the mail is postmarked; or

283 (B) if the travel protection plan's fulfillment materials are delivered by means other
284 than mail, 10 days after the day on which the delivery occurs.

285 (b) A policyholder or certificate holder may not cancel a policy or certificate as
286 described in Subsection (3)(a) if an insured under the policy or certificate:

287 (i) begins a trip covered under the travel insurance coverage; or

288 (ii) files a claim under the travel insurance coverage.

289 (4) (a) An unfair trade practice under Section [31A-23a-402](#) includes:

290 (i) offering or selling a travel insurance policy that could never result in payment of a
291 claim for an insured under the policy; or

292 (ii) marketing blanket travel insurance coverage as free of charge.

293 (b) It is not an unfair trade practice under Section [31A-23a-402](#) to market travel
294 insurance directly to a consumer through an insurer's website or through an aggregator site, if:

295 (i) an accurate summary or short description of coverage is provided on the website;

296 and

297 (ii) the consumer has access to the full provisions of the policy through electronic
298 means.

299 (c) If a consumer's destination jurisdiction requires insurance coverage and the
300 consumer is provided proof of the requirement at the time of purchase, it is not an unfair trade
301 practice under Section [31A-23a-402](#) to require that the consumer choose between the following
302 options as a condition of purchasing a trip or travel package:

303 (i) purchasing the coverage required by the destination jurisdiction through the travel
304 retailer or limited lines travel insurance producer supplying the trip or travel package; or

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

307 (5) (a) A person offering, soliciting, or negotiating travel insurance or a travel
308 protection plan may not offer or sell the travel insurance or travel protection plan on an
309 individual or group basis by using a negative option or an opt out provision.

310 (b) For purposes of Subsection (5)(a), a negative option or opt out provision occurs
311 when a consumer is required to take an affirmative action to deselect coverage, including
312 unchecking a box on an electronic form, when the consumer purchases a trip.

313 Section 6. Section **31A-23a-910** is enacted to read:

314 **31A-23a-910. Travel administrators.**

315 (1) A person may not act as or represent that the person is a travel administrator for
316 travel insurance unless the person:

317 (a) is an insurance producer acting within the scope of the producer's license;

318 (b) is licensed as a managing general agent in accordance with Part 6, Managing
319 General Agents; or

320 (c) is licensed as a third party administrator in accordance with Chapter 25, Third Party
321 Administrators.

322 (2) An insurer is responsible for:

323 (a) an act of a travel administrator administering travel insurance the insurer
324 underwrites; and

325 (b) ensuring that the travel administrator maintains all books and records relevant to
326 the insurer.

327 (3) A travel administrator shall make the books and records described in Subsection
328 (2)(b) available to the commissioner upon the commissioner's request.

329 Section 7. Section **31A-23a-911** is enacted to read:

330 **31A-23a-911. Classification of travel insurance -- Standards -- Status.**

331 (1) An insurer shall classify and file travel insurance under an inland marine line of
332 insurance.

333 (2) An insurer may:

334 (a) issue travel insurance as an individual, group, or blanket policy; or

335 (b) develop eligibility and underwriting standards for travel insurance based on travel
336 protection plans designed for individual or identified marketing or distribution channels, if the
337 standards also meet underwriting standards for inland marine insurance.

338 (3) Under this part, the following are not insurance:

339 (a) a cancellation fee waiver; and

340 (b) a travel assistance service.

341 Section 8. Section **31A-23a-912** is enacted to read:

342 **31A-23a-912. Rulemaking.**

343 The commissioner may make rules in accordance with Title 63G, Chapter 3, Utah
344 Administrative Rulemaking Act, necessary to implement the provisions of this part.

345 Section 9. Section **59-9-101** is amended to read:

346 **59-9-101. Tax basis -- Rates -- Exemptions -- Rate reductions.**

347 (1) (a) Except as provided in Subsection (1)(b), (1)(d), or (5), an admitted insurer shall
348 pay to the commission on or before March 31 in each year, a tax of 2-1/4% of the total
349 premiums received by it during the preceding calendar year from insurance covering property
350 or risks located in this state.

351 (b) This Subsection (1) does not apply to:

352 (i) workers' compensation insurance, assessed under Subsection (2);

353 (ii) title insurance premiums taxed under Subsection (3);

354 (iii) annuity considerations;

355 (iv) insurance premiums paid by an institution within the state system of higher
356 education as specified in Section **53B-1-102**; and

357 (v) ocean marine insurance.

358 (c) The taxable premium under this Subsection (1) shall be reduced by:

359 (i) the premiums returned or credited to policyholders on direct business subject to tax
360 in this state;

361 (ii) the premiums received for reinsurance of property or risks located in this state; and

362 (iii) the dividends, including premium reduction benefits maturing within the year:

363 (A) paid or credited to policyholders in this state; or

364 (B) applied in abatement or reduction of premiums due during the preceding calendar
365 year.

366 (d) (i) For purposes of this Subsection (1)(d):

367 (A) "Utah variable life insurance premium" means an insurance premium paid:

368 (I) by:

369 (Aa) a corporation; or

370 (Bb) a trust established or funded by a corporation; and

371 (II) for variable life insurance covering risks located within the state.

372 (B) "Variable life insurance" means an insurance policy that provides for life
373 insurance, the amount or duration of which varies according to the investment experience of
374 one or more separate accounts that are established and maintained by the insurer pursuant to
375 Title 31A, Insurance Code.

376 (ii) Notwithstanding Subsection (1)(a), beginning on January 1, 2006, the tax on that
377 portion of the total premiums subject to a tax under Subsection (1)(a) that is a Utah variable
378 life insurance premium shall be calculated as follows:

379 (A) 2-1/4% of the first \$100,000 of Utah variable life insurance premiums:

380 (I) paid for each variable life insurance policy; and

381 (II) received by the admitted insurer in the preceding calendar year; and

382 (B).08% of the Utah variable life insurance premiums that exceed \$100,000:

383 (I) paid for the policy described in Subsection (1)(d)(ii)(A); and

384 (II) received by the admitted insurer in the preceding calendar year.

385 (2) (a) An admitted insurer writing workers' compensation insurance in this state shall
386 pay to the tax commission, on or before March 31 in each year, a premium assessment on the
387 basis of the total workers' compensation premium income received by the insurer from workers'
388 compensation insurance in this state during the preceding calendar year as follows:

389 (i) on or before December 31, 2010, an amount of equal to or greater than 1%, but
390 equal to or less than 5.75% of the total workers' compensation premium income described in
391 this Subsection (2);

392 (ii) on and after January 1, 2011, but on or before December 31, 2022, an amount of
393 equal to or greater than 1%, but equal to or less than 4.25% of the total workers' compensation
394 premium income described in this Subsection (2); and

395 (iii) on and after January 1, 2023, an amount equal to 1.25% of the total workers'
396 compensation premium income described in this Subsection (2).

397 (b) Total workers' compensation premium income means the net written premium as
398 calculated before any premium reduction for any insured employer's deductible, retention, or
399 reimbursement amounts and also those amounts equivalent to premiums as provided in Section

400 34A-2-202.

401 (c) The percentage of premium assessment applicable for a calendar year shall be
402 determined by the Labor Commission under Subsection (2)(d). The total premium income
403 shall be reduced in the same manner as provided in Subsections (1)(c)(i) and (1)(c)(ii), but not
404 as provided in Subsection (1)(c)(iii). The commission shall promptly remit from the premium
405 assessment collected under this Subsection (2):

406 (i) income to the state treasurer for credit to the Employers' Reinsurance Fund created
407 under Subsection 34A-2-702(1) as follows:

408 (A) on or before December 31, 2009, an amount of up to 5% of the total workers'
409 compensation premium income;

410 (B) on and after January 1, 2010, but on or before December 31, 2010, an amount of up
411 to 4.5% of the total workers' compensation premium income;

412 (C) on and after January 1, 2011, but on or before December 31, 2022, an amount of up
413 to 3% of the total workers' compensation premium income; and

414 (D) on and after January 1, 2023, 0% of the total workers' compensation premium
415 income;

416 (ii) an amount equal to .25% of the total workers' compensation premium income to
417 the state treasurer for credit to the Workplace Safety Account created by Section 34A-2-701;

418 (iii) an amount of up to .5% and any remaining assessed percentage of the total
419 workers' compensation premium income to the state treasurer for credit to the Uninsured
420 Employers' Fund created under Section 34A-2-704; and

421 (iv) beginning on January 1, 2010, .5% of the total workers' compensation premium
422 income to the state treasurer for credit to the Industrial Accident Restricted Account created in
423 Section 34A-2-705.

424 (d) (i) The Labor Commission shall determine the amount of the premium assessment
425 for each year on or before each October 15 of the preceding year. The Labor Commission shall
426 make this determination following a public hearing. The determination shall be based upon the
427 recommendations of a qualified actuary.

428 (ii) The actuary shall recommend a premium assessment rate sufficient to provide
429 payments of benefits and expenses from the Employers' Reinsurance Fund and to project a
430 funded condition with assets greater than liabilities by no later than June 30, 2025.

431 (iii) The actuary shall recommend a premium assessment rate sufficient to provide
432 payments of benefits and expenses from the Uninsured Employers' Fund and to maintain it at a
433 funded condition with assets equal to or greater than liabilities.

434 (iv) At the end of each fiscal year the minimum approximate assets in the Employers'
435 Reinsurance Fund shall be \$5,000,000 which amount shall be adjusted each year beginning in
436 1990 by multiplying by the ratio that the total workers' compensation premium income for the
437 preceding calendar year bears to the total workers' compensation premium income for the
438 calendar year 1988.

439 (v) The requirements of Subsection (2)(d)(iv) cease when the future annual
440 disbursements from the Employers' Reinsurance Fund are projected to be less than the
441 calculations of the corresponding future minimum required assets. The Labor Commission
442 shall, after a public hearing, determine if the future annual disbursements are less than the
443 corresponding future minimum required assets from projections provided by the actuary.

444 (vi) At the end of each fiscal year the minimum approximate assets in the Uninsured
445 Employers' Fund shall be \$2,000,000, which amount shall be adjusted each year beginning in
446 1990 by multiplying by the ratio that the total workers' compensation premium income for the
447 preceding calendar year bears to the total workers' compensation premium income for the
448 calendar year 1988.

449 (e) A premium assessment that is to be transferred into the General Fund may be
450 collected on premiums received from Utah public agencies.

451 (3) An admitted insurer writing title insurance in this state shall pay to the commission,
452 on or before March 31 in each year, a tax of .45% of the total premium received by either the
453 insurer or by its agents during the preceding calendar year from title insurance concerning
454 property located in this state. In calculating this tax, "premium" includes the charges made to
455 an insured under or to an applicant for a policy or contract of title insurance for:

456 (a) the assumption by the title insurer of the risks assumed by the issuance of the policy
457 or contract of title insurance; and

458 (b) abstracting title, title searching, examining title, or determining the insurability of
459 title, and every other activity, exclusive of escrow, settlement, or closing charges, whether
460 denominated premium or otherwise, made by a title insurer, an agent of a title insurer, a title
461 insurance producer, or any of them.

462 (4) Beginning July 1, 1986, a former county mutual and a former mutual benefit
463 association shall pay the premium tax or assessment due under this chapter. Premiums
464 received after July 1, 1986, shall be considered in determining the tax or assessment.

465 (5) The following insurers are not subject to the premium tax on health care insurance
466 that would otherwise be applicable under Subsection (1):

467 (a) an insurer licensed under Title 31A, Chapter 5, Domestic Stock and Mutual
468 Insurance Corporations;

469 (b) an insurer licensed under Title 31A, Chapter 7, Nonprofit Health Service Insurance
470 Corporations;

471 (c) an insurer licensed under Title 31A, Chapter 8, Health Maintenance Organizations
472 and Limited Health Plans;

473 (d) an insurer licensed under Title 31A, Chapter 9, Insurance Fraternal;

474 (e) an insurer licensed under Title 31A, Chapter 11, Motor Clubs; and

475 (f) an insurer licensed under Title 31A, Chapter 14, Foreign Insurers.

476 (6) (a) As used in this Subsection (6):

477 (i) "Cancellation fee waiver" means the same as that term is defined in Section
478 31A-23a-902.

479 (ii) "Primary certificate holder" means an individual who elects and purchases travel
480 insurance under a group policy.

481 (iii) "Primary policyholder" means an individual who elects and purchases individual
482 travel insurance.

483 (iv) "Travel assistance service" means the same as that term is defined in Section
484 31A-23a-902.

485 (v) "Travel insurance" means the same as that term is defined in Section 31A-23a-902.

486 (b) A travel insurer shall:

487 (i) pay a premium tax required under Subsection (1) on a travel insurance premium
488 that:

489 (A) an individual primary policyholder pays, if the policyholder is a resident of this
490 state;

491 (B) a primary certificate holder pays, if the certificate holder is a resident of this state
492 and elects coverage under a group travel insurance policy; or

493 (C) subject to any apportionment rules that apply to the insurer across multiple taxing
494 jurisdictions or permit the insurer to allocate the premium on an apportioned basis in a
495 reasonable and equitable manner across multiple jurisdictions, a blanket travel insurance
496 policyholder pays for eligible blanket group members, if the policyholder is a resident in this
497 state, has the policyholder's principal place of business in this state, or has the principal place
498 of business of an affiliate or subsidiary that has purchased blanket travel insurance in this state;

499 (ii) document the state of residence or principal place of business of each policyholder
500 and certificate holder; and

501 (iii) report as a premium only the amount allocable to travel insurance and not an
502 amount received for:

503 (A) a cancellation fee waiver; or

504 (B) a travel assistance service.

505 ~~[(6)]~~ (7) A captive insurer, as provided in Section 31A-3-304, that pays a fee imposed
506 under Section 31A-3-304 is not subject to the premium tax under this section.

507 ~~[(7)]~~ (8) An insurer issuing multiple policies to an insured may not artificially allocate
508 the premiums among the policies for purposes of reducing the aggregate premium tax or
509 assessment applicable to the policies.

510 ~~[(8)]~~ (9) The retaliatory provisions of Title 31A, Chapter 3, Department Funding, Fees,
511 and Taxes, apply to the tax or assessment imposed under this chapter.

512 Section 10. **Effective date.**

513 This bill takes effect on May 4, 2022, with the exception of Section 59-9-101 which
514 takes effect on January 1, 2023.