
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 431 Session of
1997

INTRODUCED BY GREENLEAF, COSTA, AFFLERBACH, HECKLER, TOMLINSON
AND SCHWARTZ, FEBRUARY 11, 1997

REFERRED TO BANKING AND INSURANCE, FEBRUARY 11, 1997

AN ACT

1 Regulating private safe deposit box companies; providing for the
2 powers and duties of the Department of Banking; and
3 specifying penalties.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Private Safe
8 Deposit Box Consumer Protection Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall
11 have the meanings given to them in this section unless the
12 context clearly indicates otherwise:

13 "Consumer." A person who rents one or more safe deposit
14 boxes from a private safe deposit box company.

15 "Department." The Department of Banking of the Commonwealth.

16 "Facility." A facility in which a private safe deposit box
17 company offers safe deposit boxes for rent to the general
18 public. The term does not include safe deposit box facilities in

1 institutions which are otherwise regulated under the banking
2 laws of this Commonwealth.

3 "Private safe deposit box company." The owner or operator of
4 a private safe deposit facility.

5 Section 3. Registration.

6 Each private safe deposit box company shall register each
7 facility with the department on an annual basis. The department
8 shall require the private safe deposit box company to provide
9 the names and addresses of the owners or operators of the
10 facility, the location of the facility, the number of safe
11 deposit boxes in the facility and any other information the
12 department deems necessary. The department shall charge an
13 annual registration fee of \$10 per safe deposit box in the
14 facility.

15 Section 4. Rental agreement.

16 (a) Agreement necessary before items may be stored.--Before
17 a consumer stores personalty in a safe deposit box in a
18 facility, the private safe deposit box company and the consumer
19 shall enter into an agreement setting forth the rental terms.

20 (b) Conditions.--The rental terms shall include, but not be
21 limited to, the following:

22 (1) The length of the agreement and the rental amount.

23 (2) The days of the week and the hours of the day during
24 which the facility will be accessible to the consumer.

25 (3) The procedure for notifying the consumer if the
26 facility or the consumer's safe deposit box will be
27 inaccessible for a period of time exceeding 24 hours. In no
28 case shall a facility or consumer's safe deposit box be
29 inaccessible for a period of time exceeding 72 hours.

30 (4) The address and telephone number of the department

1 for purposes of filing a consumer complaint.

2 Section 5. Department of Banking.

3 (a) Power to inspect facility.--The department may at any
4 time inspect a facility to determine whether the private safe
5 deposit box company is operating the facility in compliance with
6 this act and the agreements entered into with its consumers.

7 (b) Power to investigate complaints.--

8 (1) If a consumer notifies the department that a private
9 safe deposit box company is not operating the facility in
10 compliance with this act or the agreement entered into with
11 the consumer, the department shall investigate the complaint
12 within seven days of receiving the complaint.

13 (2) If a consumer notifies the department that access to
14 a safe deposit box has been denied by the safe deposit box
15 company, the department shall investigate the complaint
16 within seven days of receiving the complaint.

17 (3) If a consumer notifies the department that a private
18 safe deposit box company has closed or discontinued operation
19 of a facility during the term of the consumer's rental
20 agreement, the department shall investigate the complaint
21 within seven days of receiving the complaint.

22 (c) Power to enforce compliance with agreement.--Upon its
23 own inspection or if the department determines that a consumer
24 complaint is valid, the department shall take all reasonable
25 steps necessary to force the private safe deposit box company to
26 comply with the law and the agreements with its consumers and to
27 provide access for each consumer to the facility or to a
28 particular safe deposit box. Reasonable steps may include, but
29 are not limited to, seeking an order from the court of common
30 pleas.

1 (d) Fines.--In addition to any other penalty provided by
2 law, the department may levy a civil penalty not exceeding
3 \$1,000 for each safe deposit box affected by a violation of this
4 act.

5 (e) Regulatory power.--The department shall issue
6 regulations implementing the provisions of this act.

7 Section 6. Applicability.

8 If a consumer has entered into a rental agreement with a safe
9 deposit box company prior to the effective date of this act as
10 set forth in section 7(3), the provisions of section 4 shall
11 apply to the rental agreement upon renewal of the agreement.

12 Section 7. Effective date.

13 This act shall take effect as follows:

14 (1) Section 3 shall take effect January 1, 1998.

15 (2) Section 5(e) and this section shall take effect
16 immediately.

17 (3) The remainder of this act shall take effect in 60
18 days.