
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 190 Session of
2017

INTRODUCED BY MCGARRIGLE, MARTIN, RAFFERTY AND KILLION,
JANUARY 26, 2017

REFERRED TO BANKING AND INSURANCE, JANUARY 26, 2017

AN ACT

1 Amending the act of May 17, 1921 (P.L.789, No.285), entitled, as
2 amended, "An act relating to insurance; establishing an
3 insurance department; and amending, revising, and
4 consolidating the law relating to the licensing,
5 qualification, regulation, examination, suspension, and
6 dissolution of insurance companies, Lloyds associations,
7 reciprocal and inter-insurance exchanges, and certain
8 societies and orders, the examination and regulation of fire
9 insurance rating bureaus, and the licensing and regulation of
10 insurance agents and brokers; the service of legal process
11 upon foreign insurance companies, associations or exchanges;
12 providing penalties, and repealing existing laws," providing
13 for self-service storage facility insurance.

14 The General Assembly of the Commonwealth of Pennsylvania
15 hereby enacts as follows:

16 Section 1. The act of May 17, 1921 (P.L.789, No.285), known
17 as The Insurance Department Act of 1921, is amended by adding an
18 article to read:

19 ARTICLE VI-B

20 SELF-SERVICE STORAGE FACILITY INSURANCE

21 Section 601-B. Self-service storage agent licenses.

22 (a) Authority to issue licenses.--The Insurance Department
23 may issue a self-service storage agent license to an owner that

1 has complied with the requirements of this section authorizing
2 the owner to offer or to sell the kinds of insurance prescribed
3 in this section in connection with and incidental to the rental
4 of space at a self-service storage facility.

5 (b) Application.--

6 (1) An applicant for a self-service storage agent
7 license shall file a written application in a form prescribed
8 by the department. The application shall specify all
9 locations in this Commonwealth that the self-service storage
10 agent may conduct business under the license.

11 (2) A self-service storage agent is not required to have
12 an individual licensee in each self-service storage facility
13 or place where insurance is transacted.

14 (3) The self-service storage agent shall notify the
15 department within 30 days after commencing business under the
16 self-service storage agent's license at any additional
17 locations in this Commonwealth or of those locations in this
18 Commonwealth that cease to do business under the license.

19 (c) Sale of insurance.--A self-service storage agent may
20 offer or sell insurance only in connection with and incidental
21 to the rental of space at a self-service storage facility on a
22 master, corporate, commercial, group or individual policy basis
23 and only with respect to personal property insurance that
24 provides coverage to occupants at the self-service storage
25 facility where the insurance is transacted for the loss of or
26 damage to stored personal property that occurs at that facility.

27 (d) Requirements.--A self-service storage agent shall not
28 offer or sell insurance under this section unless:

29 (1) The self-service storage agent makes readily
30 available to the prospective occupant brochures or other

1 written materials that:

2 (i) Summarize the material terms of insurance
3 coverage offered to occupants, including the identity of
4 the insurer, price, benefits, exclusions and conditions.

5 (ii) Disclose that the policies offered by the self-
6 service storage agent may provide a duplication of
7 coverage already provided by an occupant's homeowner's
8 insurance policy, renter's insurance policy, vehicle
9 insurance policy, watercraft insurance policy or other
10 source of property insurance coverage.

11 (iii) State that if insurance is required as a
12 condition of rental, the requirement may be satisfied by
13 the occupant purchasing the insurance prescribed in this
14 section or by presenting evidence of other applicable
15 insurance coverage.

16 (iv) Describe the process for filing a claim.

17 (2) All costs related to the insurance are stated in
18 writing.

19 (3) Evidence of coverage in a form approved by the
20 insurer is provided to every occupant who purchases the
21 coverage.

22 (4) The insurance is provided by an insurer authorized
23 to transact the applicable kinds of insurance in this
24 Commonwealth or by a surplus lines insurer under Article V.

25 (e) Employee or agent.--

26 (1) An employee or agent of a self-service storage agent
27 may act on behalf of and under the supervision of the self-
28 service storage agent in matters relating to the conduct of
29 business under the license that is issued under this section.

30 (2) The conduct of an employee or agent of a self-

1 service storage agent acting within the scope of employment
2 or agency is deemed the conduct of the self-service storage
3 agent for purposes of this section.

4 (f) Training.--Each self-service storage agent shall provide
5 a training program that gives employees and agents of the self-
6 service storage agent basic instruction about the provisions of
7 this section, including the kinds of insurance coverage
8 prescribed in this section.

9 (g) Prohibitions.--A self-service storage agent may not:

10 (1) Offer or sell insurance except in connection with
11 and incidental to the rental of space at a self-service
12 storage facility.

13 (2) Advertise, represent or otherwise portray itself or
14 any of its employees or agents as licensed insurers or
15 insurance producers.

16 (h) Exclusions.--Nothing in this section shall be construed
17 to prohibit:

18 (1) An insurer from paying, and a self-service storage
19 agent from receiving, a commission, service fee or other
20 valuable consideration dependent on the sale of insurance.

21 (2) A self-service storage agent from paying, and its
22 employees or agent from receiving, production payments or
23 incentive payments if the payments are not dependent on the
24 sale of insurance.

25 (i) Promotional materials.--An owner is not required to be
26 licensed under this section solely to display and make available
27 to prospective occupants brochures and other promotional
28 materials created by or on behalf of an authorized insurer or by
29 a surplus lines insurer under this article.

30 (j) Continuing education.--A self-service storage agent is

1 not subject to continuing education requirements.

2 (k) Definitions.--As used in this section, the following
3 words and phrases shall have the meanings given to them in this
4 subsection unless the context clearly indicates otherwise:

5 "Occupant." A person or the person's sublessee, successor or
6 assign who is entitled to the use of a leased space or spaces at
7 a self-service storage facility, to the exclusion of others.

8 "Owner." The owner or owner's managing agent of a self-
9 service storage facility.

10 "Personal property." Movable property that is not affixed to
11 land and includes:

12 (1) Goods, wares, merchandise, household items and
13 furnishings.

14 (2) Vehicles, motor vehicles, trailers and semitrailers.

15 (3) Watercraft and motorized watercraft.

16 "Self-service storage agent." An owner or self-service
17 storage facility operator who is licensed under this section.

18 "Self-service storage facility." Real property that is used
19 for renting or leasing storage space in which occupants store
20 and remove personal property on a self-service basis.

21 Section 2. This act shall take effect in 60 days.