

House _____ Amendment NO. _____

Offered By

1 AMEND House Bill No. 2780, Page 2, Section 34.700, Line 10, by inserting after all of said line the
2 following:

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4 "379.1640. 1. As used in this section, the following terms shall mean:

5 (1) "Department", the department of commerce and insurance;

6 (2) "Director", the director of the department of commerce and insurance;

7 (3) "Limited lines self-service storage insurance producer", an owner, operator, lessor, or
8 sublessor of a self-service storage facility, or an agent or other person authorized to manage the
9 facility, duly licensed by the department of commerce and insurance;

10 (4) "Offer and disseminate", provide general information, including a description of the
11 coverage and price, as well as process the application, collect premiums, and perform other
12 nonlicensable activities permitted by the state;

13 (5) "Self-service storage insurance", insurance coverage for the loss of, or damage to,
14 tangible personal property in a self-service storage facility as defined in section 415.405 or in transit
15 during the rental period.

16 2. Notwithstanding any other provision of law:

17 (1) Individuals may offer and disseminate self-service storage insurance on behalf of and
18 under the control of a limited lines self-service storage insurance producer only if the following
19 conditions are met:

20 (a) The limited lines self-service storage insurance producer provides to purchasers of self-
21 service storage insurance:

22 a. A description of the material terms or the actual material terms of the insurance coverage;

23 b. A description of the process for filing a claim;

24 c. A description of the review or cancellation process for the self-service storage insurance
25 coverage; and

26 d. The identity and contact information of the insurer and any third-party administrator or
27 supervising entity authorized to act on behalf of the insurer;

28 (b) At the time of licensure, the limited lines self-service storage insurance producer shall
29 establish and maintain a register on a form prescribed by the director of each individual that offers
30 self-service storage insurance on the limited lines self-service storage insurance producer's behalf.

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1 The register shall be maintained and updated annually by the limited lines self-service storage
2 insurance producer and shall include the name, address, and contact information of the limited lines
3 self-service storage insurance producer and an officer or person who directs or controls the limited
4 lines self-service storage insurance producer's operations, and the self-service storage facility's
5 federal tax identification number. The limited lines self-service storage insurance producer shall
6 submit such register within thirty days upon request by the department. The limited lines self-
7 service storage insurance producer shall also certify that each individual listed on the self-service
8 storage register complies with 18 U.S.C. Section 1033;

9 (c) The limited lines self-service storage insurance producer serves as or has designated one
10 of its employees who is a licensed individual producer as a person responsible for the business
11 entity's compliance with the self-service storage insurance laws, rules, and regulations of this state;

12 (d) An individual applying for a limited lines self-service storage insurance producer license
13 shall make application to the director on the specified application and declare under penalty of
14 refusal, suspension or revocation of the license that the statements made on the application are true,
15 correct and complete to the best of the knowledge and belief of the applicant. Before approving the
16 application, the director shall find that the individual:

17 a. Is at least eighteen years of age;

18 b. Has not committed any act that is a ground for denial, suspension, or revocation set forth
19 in section 375.141;

20 c. Has paid a license fee in the sum of one hundred dollars; and

21 d. Has completed a qualified training program regarding self-service storage insurance
22 policies, which has been filed with and approved by the director;

23 (e) Individuals applying for limited lines self-service storage insurance producer licenses
24 shall be exempt from examination. The director may require any documents reasonably necessary
25 to verify the information contained in an application. Within thirty working days after the change of
26 any information submitted on the application, the self-service storage insurance producer shall
27 notify the director of the change. No fee shall be charged for any such change. If the director has
28 taken no action within twenty-five working days of receipt of an application, the application shall be
29 deemed approved and the applicant may act as a licensed self-service storage insurance producer,
30 unless the applicant has indicated a conviction for a felony or a crime involving moral turpitude;

31 (f) The limited lines self-service storage insurance producer requires each employee and
32 authorized representative of the self-service storage insurance producer whose duties include
33 offering and disseminating self-service storage insurance to receive a program of instruction or
34 training provided or authorized by the insurer or supervising entity that has been reviewed and
35 approved by the director. The training material shall, at a minimum, contain instructions on the
36 types of insurance offered, ethical sales practices, and required disclosures to prospective customers;

37 (2) Any individual offering or disseminating self-service storage insurance shall provide to
38 prospective purchasers brochures or other written materials that:

1 (a) Provide the identity and contact information of the insurer and any third-party
2 administrator or supervising entity authorized to act on behalf of the insurer;

3 (b) Explain that the purchase of self-service storage insurance is not required in order to
4 lease self-storage units;

5 (c) Explain that an unlicensed self-service storage operator is permitted to provide general
6 information about the insurance offered by the self-service storage operator, including a description
7 of the coverage and price, but is not qualified or authorized to answer technical questions about the
8 terms and conditions of the insurance offered by the self-service storage operator or to evaluate the
9 adequacy of the customer's existing insurance coverage; and

10 (d) Disclose that self-service storage insurance may provide duplication of coverage already
11 provided by an occupant's, homeowner's, renter's, or other source of coverage;

12 (3) A limited lines self-service storage producer's employee or authorized representative,
13 who is not licensed as an insurance producer, may not:

14 (a) Evaluate or interpret the technical terms, benefits, and conditions of the offered self-
15 service storage insurance coverage;

16 (b) Evaluate or provide advice concerning a prospective purchaser's existing insurance
17 coverage; or

18 (c) Hold themselves or itself out as a licensed insurer, licensed producer, or insurance
19 expert;

20 (4) If self-service storage insurance is offered to the customer, premium or other charges
21 specifically applicable to self-service storage insurance shall be listed as a separate amount and
22 apart from other charges relating to the lease and/or procurement of a self-service storage unit on all
23 documentation pertinent to the transaction.

24 3. Notwithstanding any other provision of law, a limited lines self-service storage insurance
25 provider whose insurance-related activities, and those of its employees and authorized
26 representatives, are limited to offering and disseminating self-service storage insurance on behalf of
27 and under the direction of a limited lines self-service storage insurance producer meeting the
28 conditions stated in this section is authorized to do so and receive related compensation, upon
29 registration by the limited lines self-service storage insurance producer as described in paragraph (b)
30 of subdivision (1) of subsection 2 of this section.

31 4. Self-service storage insurance may be provided under an individual policy or under a
32 group or master policy.

33 5. Limited lines self-service storage insurance producers, operators, employees and
34 authorized representatives offering and disseminating self-service storage insurance under the
35 limited lines self-service storage insurance producer license shall be subject to the provisions of
36 chapters 374 and 375, except as provided for in this section.

37 6. Limited lines self-service storage insurance producers, operators, employees and
38 authorized representatives may offer and disseminate self-service storage insurance policies in an
39 amount not to exceed [~~five~~] fifteen thousand dollars of coverage per customer per storage unit.

1 7. The director may promulgate rules to effectuate this section. Any rule or portion of a
2 rule, as that term is defined in section 536.010, that is created under the authority delegated in this
3 section shall become effective only if it complies with and is subject to all of the provisions of
4 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and
5 if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the
6 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
7 grant of rulemaking authority and any rule proposed or adopted after August 28, 2016, shall be
8 invalid and void."; and

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10 Further amend said bill by amending the title, enacting clause, and intersectional references
11 accordingly.