

**HOUSE . . . . . No. 802**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Paul Brodeur*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to self-storage insurance.

PETITION OF:

NAME:

*Paul Brodeur*

DISTRICT/ADDRESS:

*32nd Middlesex*

**HOUSE . . . . . No. 802**

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By Mr. Brodeur of Melrose, a petition (accompanied by bill, House, No. 802) of Paul Brodeur relative to self-storage insurance. Financial Services.

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**The Commonwealth of Massachusetts**

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**In the One Hundred and Eighty-Ninth General Court  
(2015-2016)**  
\_\_\_\_\_

An Act relative to self-storage insurance.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Chapter 175 of the General Laws, as appearing in the 2014 Official Edition,  
2 is hereby amended by inserting the following new section at the end thereof:

3           Section 226.(a)           The Commissioner may issue a self-service storage agent license  
4 to an operator that has complied with the requirements of this section authorizing the operator to  
5 offer or to sell the kinds of insurance prescribed in this section in connection with and incidental  
6 to the rental of space at a self-service storage facility.

7           (b)     An applicant for a self-service storage agent license shall file a written application  
8 in a form prescribed by the Commissioner. The application shall provide a physical address of  
9 the licensee company headquarters and maintain a list of all self-service storage facilities where  
10 self-service storage agent will conduct business under the license; and, upon request, provide the  
11 list upon thirty (30) days to the commissioner or his representatives. A self-service storage agent  
12 is not required to have an individual licensee in each self-service storage facility or place where

13 insurance is transacted. The self-service storage agent shall notify the Commissioner after  
14 commencing business under the self-service storage agent's license at any additional locations in  
15 this state or of those locations in this state that cease to do business under the license within  
16 thirty days.

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

23 (d). A self-service storage agent shall not offer or sell insurance pursuant to this  
24 section unless:

25 1. The self-service storage agent makes readily available to the prospective occupant  
26 brochures or other written materials that:

27 (a) Summarize the material terms of insurance coverage offered to occupants, including  
28 the identity of the insurer, price, benefits, exclusions and conditions.

29 (b) Disclose that the policies offered by the self-service storage agent may provide a  
30 duplication of coverage already provided by an occupant's homeowner's insurance policy,  
31 renter's insurance policy, vehicle insurance policy, watercraft insurance policy or other source of  
32 property insurance coverage.

33 (c) State that if insurance is required as a condition of rental, the requirement may be  
34 satisfied by the occupant purchasing the insurance prescribed in this section or by presenting  
35 evidence of other applicable insurance coverage.

36 (d) Describe the process for filing a claim.

37 2. All costs related to the insurance are stated in writing.

38 3. Evidence of coverage in a form approved by the insurer is provided to every occupant  
39 who purchases the coverage.

40 4. The insurance is provided by an insurer authorized to provide the applicable kind of  
41 insurance in this state.

42 (e). An employee or agent of a self-service storage agent may act on behalf of and  
43 under the supervision of the self-service storage agent in matters relating to the conduct of  
44 business under the license that is issued pursuant to this section. The conduct of an employee or  
45 agent of a self-service storage agent acting within the scope of employment or agency is deemed  
46 the conduct of the self-service storage agent for purposes of this section.

47 (f). Each self-service storage agent shall provide a training program that gives  
48 employees and agents of the self-service storage agent basic instruction about the provisions of  
49 this section, including the kinds of insurance coverage prescribed in this section.

50 (g). A self-service storage agent shall not:

51 1. Offer or sell insurance except in connection with and incidental to the rental of  
52 space at a self-service storage facility.

53           2.     Advertise, represent or otherwise portray itself or any of its employees or agents  
54 as licensed insurers or insurance producers.

55           (h).    Nothing in this section shall prohibit:

56           1. An insurer from paying, and a self-service storage agent from receiving, a commission,  
57 service fee or other valuable consideration dependent on the sale of the type of insurance  
58 authorized under this section.

59           2. A self-service storage agent from paying, and its employees or agents from receiving,  
60 production payments or incentive payments if the payments are not dependent solely on the sale  
61 of insurance.

62           (i).    An operator is not required to be licensed pursuant to this section merely to  
63 display and make available to prospective occupants brochures and other promotional materials  
64 created by or on behalf of an authorized insurer or by a surplus lines insurer.

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66           (j).    A self-service storage agent is not subject to the continuing education  
67 requirements of section 177E of this chapter.

68           (k). For the purposes of this section, the term "self-service storage agent" means a self-  
69 storage facility operator who is licensed pursuant to this section. The terms "occupant",  
70 "operator", "personal property", and "self-storage facility" shall be as defined in section 1 of  
71 chapter 105A.