

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass
Vote: 7 - 0 - 3
Yeas: Barton, Fagan, Holvey, Thatcher, Thompson, Witt, Doherty
Nays: 0
Exc.: Kennemer, Matthews, Weidner
Prepared By: Jan Nordlund, Administrator
Meeting Dates: 3/6, 3/13

WHAT THE MEASURE DOES: Prohibits owner of self-storage facility from selling insurance unless owner applies for and receives limited license from Director of Department of Consumer and Business Services. Prescribes information required for application. Requires licensee to provide training program to its employees or agents. Specifies circumstances under which Director may suspend or revoke license or impose penalties on licensee or owner. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Unique insurance needs of self-service storage customers
- Comparison to rental car insurance
- Training requirement
- Whether self-service storage facilities currently offer or sell insurance
- Role of Insurance Commissioner to review insurance products and rates

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: When a self-service storage unit is rented, the rental agreement must describe whether the personal property the occupant stores is protected by insurance held by the facility owner. Currently, self-service storage facility owners are prohibiting from offering or selling insurance. House Bill 2706 allows facility owners to sell insurance if they hold a limited license to do so from the Department of Consumer and Business Services.