

Frequently Asked Questions for Producers in Pennsylvania Regarding Self-Service Storage Insurance:

On October 24, 2018, Governor Wolf signed into law HB 504, which altered the self-service storage insurance market significantly. This bill created a number of new responsibilities for licensed producers, including new disclosures required for a sale and recordkeeping requirements; however, in addition to these added responsibilities for producers, the bill also significantly altered the requirements needed to sell self-service storage insurance. This law, known as [Act 97](#), went into effect on December 24, 2018 and here's what you need to know:

1. Is there a new license that I will need to apply for once this law takes effect?

- a. Yes, under a limited lines license, this law created a new line of authority ("LOA") known as "self-service storage." Therefore, if you are attempting to become a licensed limited lines producer, in order to sell self-service storage insurance, you will need this specific license and LOA.

2. Will there be the option to apply for a business entity license with this new LOA?

- a. No, there will be no business entity license with this LOA offered. This is because in Pennsylvania, if someone obtains a business entity license, they then have to designate an individual licensee (that individual would be required to obtain a limited lines producer license) to be responsible for an entity's compliance with the insurance laws and regulations. In the instance of self-service storage, having these two licenses would be duplicative, because the individual license grants access to all of the new provisions contained in this legislation; therefore, obtaining the individual limited lines producer license is the only license needed to operate under this law.

3. Are there new continuing education (CE) requirements that I need to take if I wish to obtain this license?

- a. No, the provisions in this law do not require any additional CE for producers obtaining a limited lines license with a self-service storage LOA.

4. What is the cost of and renewal period for this license?

- a. This license costs the same as other limited lines licenses: \$55 for residents and \$110 for non-residents.
- b. The renewal period for this license is also the same as other limited lines licenses: 2 years after you apply for the license (at the end of the producer's birth month).

5. Where can I access the resident application needed for this license?

- a. The limited lines insurance producer resident application can be accessed by clicking [here](#). An online application process will be available soon. We will update this information when it becomes available.

6. If I am a non-resident trying to operate in Pennsylvania, what do I need to know?

- a. If you have an individual limited lines license with a self-service storage LOA in your resident state, then you would be eligible to apply for a non-resident limited lines license in Pennsylvania under reciprocity. At this time, non-resident applicants should use the NAIC uniform application available at www.nipr.com. The application fee for non-residents is \$110, payable to the Commonwealth of PA. If the individual is not licensed in their resident state, they will be required to submit fingerprints. Ideally, the applicant should submit their fingerprints at an Identogo center in Pennsylvania using the following instructions:

Register online via the Identogo website at <https://uenroll.identogo.com> or by telephone at 844-321-2101 Monday through Friday, 8 A.M. to 6 P.M. EST. Following registration, the applicant will be provided with a registration number which they will take with them when they go to the Identogo site for fingerprinting. Applicants must be registered with Identogo prior to arriving at a fingerprinting site. When registering online an applicant must use the appropriate service code assigned to the Insurance Department, which is 1KG8Q3. Using the correct service code ensures the background check is processed for the correct agency and submitted for the correct purpose.

If the applicant is located too far away to be fingerprinted at a Pennsylvania center, they can use the non-resident hard card process below:

1. Obtain fingerprints on FBI (FD-258) fingerprint card (**be sure that the ORI field is blank**) and complete personal information fields on fingerprint card. Be sure to write your SSN on the fingerprint card or your fingerprints will not be processed, and the packet will be returned. Note: Any errors related to those fields that require a new fingerprint submission will require an additional paid pre-enrollment and new fingerprint card submission.
2. Pre-enroll for cardscan submission at <https://uenroll.identogo.com>. The service code specific to the Pennsylvania DOI is 1KG8Q3. All processing fees will be collected during the pre-enrollment process. A pre-enrollment confirmation page will be provided once registration is complete.
3. Print and sign the completed pre-enrollment confirmation page, which includes the barcode printed on the top right of the page.
4. Mail the signed pre-enrollment confirmation page and the completed fingerprint card to:
Identogo
Cardscan Department
6840 Carothers Pkwy Ste 650
Franklin, TN 37067-9929

7. Are there any additional pieces of information I will need to provide on my license application?

- a. Yes, when applying for this license, as dictated by provisions in the law, you will need to specify all locations in Pennsylvania where you may conduct business under this license.

- b. You will also need to provide training, to be approved by the Insurance Commissioner, that will be used to train the authorized representatives selling under your license (for more information on the content of the training, please see Question #9).
- c. It is important to note that although you must provide all the locations operating under your license on the register, there does not need to be a licensed individual present at each location.

8. What if there are changes to the locations operating under my license after the initial register has been submitted through the application process?

- a. If there are locations that commence business under the self-service storage producer's license or cease doing business under the license after the initial register has been submitted by the licensee, then the producer must notify the department within **30 days** after these locations begin or cease doing business in the Commonwealth.
- b. This notification will take place through the submission of a form to the department. That form can be accessed by clicking [here](#). Additionally, there will be a \$25 fee incurred for each form submission.

9. What must the content of the training, submitted with the application, encompass?

- a. The training, which will be used for authorized representatives, must include the following:
 - i. General information about homeowners, renters, business and similar insurance that an occupant may have that may provide coverage for property stored at a self-service storage facility.
 - ii. Information about the material terms of insurance coverage offered to occupants, including the prices, benefits, deductibles, exclusions and conditions of the insurance.
 - iii. The disclosures required under the provisions of this law (see Question #10 for more information).

10. What are the disclosures required under this law?

- a. Before a producer or authorized representative can offer or sell insurance under this law, the producer must make readily available to prospective occupants a brochure or other written material that:
 - i. Summarizes the material terms of insurance coverage offered to occupants, including the identity of the insurer, price, benefits, deductibles, exclusions and conditions.
 - ii. Discloses that the policies offered by the self-service storage producer may provide a duplication of coverage already provided by an occupant's homeowner's insurance policy, renter's insurance policy, vehicle insurance policy, watercraft insurance policy or other source of property insurance coverage. **This disclosure must be prominently displayed in the brochure or other written materials with at least 12-point bold type font.**
 - iii. States that the insurance prescribed in this section is primary coverage over any other coverage covering the same loss.

- iv. States that if insurance is required as a condition of rental, the requirement may be satisfied by the occupant purchasing the insurance prescribed in this section or by presenting evidence of other applicable insurance coverage.
- v. States that the purchase of the insurance prescribed in this section is not required in order to rent storage space. **The statement shall be prominently displayed in the brochure or other written materials with at least 12-point bold type font.**
- vi. Describes the process for filing a claim.
- vii. Includes contact information for filing a complaint with the Insurance Commissioner.
- b. The producer must also state all costs related to the insurance in writing.
- c. The producer must also provide to every occupant who purchases coverage, evidence of coverage in a form approved by the insurer.
- d. The producer must also ensure that the insurance is provided by an insurer authorized to transact the applicable kinds of insurance in Pennsylvania, or by a surplus lines insurer.

11. If I apply for this license with the self-service storage LOA, what new abilities do I have under the law?

- a. This license will allow for the selling of insurance offered in connection with and incidental to the rental of space at a self-storage facility. This insurance covers damage to personal property that occurs at the facility or while the personal property is in transit during the rental agreement.
- b. Furthermore, under the provisions of this law, obtaining this license will allow authorized representatives to sell self-service storage insurance under the authority of the producer's license at various locations in the Commonwealth.

12. If I already have an insurance producer license with property and casualty LOA, am I able to have multiple locations and authorized representatives sell under my license's authority?

- a. With a producer license with property and casualty LOA, you will be able to continue to sell self-service storage insurance under the authority of your license; however, with a producer license and P&C LOA, you will **not** be able to have multiple locations and authorized representatives sell self-storage insurance under your license. If you want to be able to operate under the structure of this law, with one license allowing for selling at multiple locations and with unlicensed individuals, you will need the limited lines license with self-service storage LOA.

13. Who are authorized representatives?

- a. Authorized representatives, as outlined in this law, are employees of a self-service storage producer who may act on behalf of and under the supervision of the self-service storage producer in matters relating to the conduct of business under the license that is issued under this law.
- b. Under the provisions of this law, authorized representatives can offer or sell insurance in connection with and incidental to the rental of space at a self-storage facility.

14. What are authorized representatives not allowed to do under the provisions of this law?

- a. Authorized representatives are not allowed to offer or sell any other form of insurance, other than self-service storage insurance.
- b. Authorized representatives are also not allowed to advertise, represent, or otherwise portray themselves to be licensed insurers or insurance producers.

15. As the licensed producer, what responsibilities do I have regarding the authorized representatives operating underneath my license?

- a. The licensed producer must maintain a register, on an approved form found on the website, of each employee or authorized representative of the self-service storage producer who offers the insurance prescribed in this law. This register must be made available to the Pennsylvania Insurance Department upon request.
- b. The licensed producer must also provide a training program, approved by the Commissioner, that gives employees and authorized representatives of the self-service storage producer basic instruction about the provisions of this section (a more detailed explanation of the training requirements can be found in Question #9).
- c. It is important to note that because the authorized representative is acting on behalf of the licensed producer, the department is statutorily allowed to hold the licensee responsible for the authorized representatives' actions.

16. Throughout the law, "owner" is mentioned with regard to the person getting the license, is there more clarity that can be provided on the definition of "owner" within the context of this law?

- a. For purposes of this law, "owner" is defined the same as in the Self-Service Storage Facility Act of 1982, which is, "the owner, operator, lessor or sublessor of a self-service storage facility, his agent or any person authorized by him to manage the facility or to receive rent from an occupant under a rental agreement or any of his employees."
- b. This means that the actual owner of the property does not need to be the licensee, the "owner" can be anyone who the licensee delegates.