

**MARYLAND INSURANCE ADMINISTRATION
PRODUCER LICENSING**

SELF-SERVICE STORAGE PRODUCER LIMITED LINES LICENSE
FACT SHEET

- Maryland issues limited lines licenses to individuals and business entities to sell or offer to sell personal property insurance solely in connection with and incidental to the rental of storage space at a self-service storage facility. Licensed business entities can be corporations, professional associations, partnerships, limited liability companies, or limited liability partnerships.
- Business entity applicants must designate an individual who is actively licensed as a self-service storage producer or producer with the property and casualty lines of authority to be responsible for the acts of the employees or authorized representatives of the self-service storage facility.
- The fee for an initial limited lines license is \$54.
- Individual Licenses expire on the last day of the licensee’s birth month. Business entity Licenses expire 2 years after the date of issuance.
- Effective July 1, 2014, Senate Bill 490 (Chapter 174) Acts of 2014 prohibits the sale of insurance by a self-service storage producer unless:
 1. The self-service storage insurance producer makes readily available to prospective occupants brochures or other written materials that:
 - a. Summarize the material terms of insurance coverage offered to occupants, including the identity of the insurer and the price, benefits, deductibles, exclusions, and conditions of the insurance;
 - b. Disclose that the policies offered may provide coverage that is comparable to coverage already provided by an occupant’s homeowner’s insurance policy, renter’s insurance policy, vehicle insurance policy, watercraft insurance policy, or other type of property insurance coverage;
 - c. State whether the purchase of coverage under a policy offered by the self-storage insurance producer would make the coverage primary to any other coverage, including duplicate coverage;
 - d. State that the purchase of insurance coverage from the self-storage insurance producer is not required as a condition of rental at a self-storage facility if the occupant presents evidence of other applicable insurance coverage;
 - e. Describe the process for filing a claim with the insurer; and
 - f. Include contact information for filing a complaint with the Maryland Insurance Administration;
 2. All costs related to the insurance are stated in writing;
 3. Evidence of coverage in a form approved by the Maryland Insurance Commissioner (“Commissioner”) is provided to each occupant who purchases the coverage;
 4. The insurance is provided by an insurer authorized to transact the applicable kinds of insurance in the State;

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5. As a condition of the sale of insurance, the self-service storage producer:
 - a. Requires the occupant to execute a document acknowledging the amount of coverage under the policy purchased; and
 - b. If the occupant has contents in the leased space of a value greater than the coverage under the policy:
 - i. Advises the occupant in writing to contact a licensed property and casualty insurance producer to obtain additional coverage to reflect the value of the contents in the leased space; and
 - ii. Requires the occupant to acknowledge receipt of the notice.
- An employee or authorized representative of a self-service storage facility may act on behalf of and under the supervision of the self-service storage producer only if the employee or authorized representative has received specific training in a program approved by the Commissioner.
- The conduct of an employee or authorized representative of a self-service storage producer acting within the scope of employment or agency is considered to be the conduct of the self-service storage producer. In other words, the self-service storage producer is responsible for the conduct of an employee or authorized representative.
- The designated responsible producer:
 1. Is responsible for the acts of the employees or authorized representatives of the owner who offer or sell limited lines insurance on behalf of the owner;
 2. Shall use reasonable means to ensure compliance by the employees or authorized representatives with Title 10, Subtitle 8 of the Insurance Article;
 3. Shall maintain a register of each employee or authorized representative of the owner who offers limited lines insurance on behalf of the owner; and
 4. Shall submit the register for inspection by the Commissioner within 30 days after receiving a request by the Commissioner for inspection.
- A self-service storage producer or any of its employees or authorized representative may not:
 1. Offer or sell insurance except in connection with and incidental to the rental of space at a self-service storage facility;
 2. Advertise, represent, or otherwise hold themselves out as authorized insurers or licensed insurance producers with the property and casualty lines of authority.

Note - The holder of a license with the property and casualty lines of authority is authorized to sell coverage for contents located in self-service storage facilities without obtaining the limited lines license described herein.

For more information on the licensing requirements for a self-service storage producer limited lines license and provisions related to the sale, solicitation, or negotiation of this insurance, see:

<http://mgaleg.maryland.gov/2014RS/bills/sb/sb0490T.pdf>.

Questions concerning this license class may be directed to Shelley Taylor, Licensing Supervisor at: (410) 468-2397 or shelley.taylor@maryland.gov.