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**TESTIMONY OF BENJAMIN YARDLEY**  
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**DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION**  
**Neither for nor Against L.D. 1494**  
**“An Act To Create Limited Lines Self-storage Insurance”**  
**Presented by Senator Heather Sanborn**  
**Before the Joint Standing Committee on Health Coverage, Insurance &**  
**Financial Services**  
**April 20, 2021 at 1:30 p.m.**

Senator Sanborn, Representative Tepler, and members of the Committee, I am Ben Yardley, Senior Staff Attorney for the Maine Bureau of Insurance. I am here today to testify neither for nor against L.D. 1494.

As you know, individuals selling, soliciting, or negotiating insurance in Maine must be licensed as insurance producers unless an exception applies. This bill would create a new exception. It would allow self-storage facilities to obtain a limited line license to authorize their employees to offer and sell self-storage insurance without the need for individual licensure.



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Unlicensed representatives of the self-storage provider would be allowed to sell self-storage insurance to customers if: the provider is licensed; the insurer issuing the underlying coverage ensures supervision and training; and the representatives do not hold themselves out as anything other than limited lines insurance producers. Each self-storage provider location would be required to offer brochures with specific consumers disclosures and coverage summaries. This limited line license structure is very similar to that which was enacted in 2011 for portable electronic device insurance vendors.<sup>1</sup>

The Bureau has two technical suggestions should the Committee decide to advance this bill:

1. The language at proposed section 7504(1)(C) should be changed to reflect that representatives may not hold themselves out as having greater license authority than they do. The Bureau recommends revising this provision as follows: “The employee or authorized representative of the self-storage provider does not advertise, represent or otherwise hold that employee or authorized representative out as ~~other than~~ a nonlimited lines licensed insurance producer.”
2. The bill refers to the fee established at section 601(29), which applies to portable electronic device insurance vendors. For clarity, the Bureau recommends amending that subsection to specifically refer to self-storage insurance providers or, alternatively, enacting a new fee subsection for this limited license.

Thank you, I would be glad to answer any questions now or at the work session.

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<sup>1</sup> P.L. 2011, c. 297.