

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 17-1045.01 Thomas Morris x4218

**HOUSE BILL 17-1263**

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**HOUSE SPONSORSHIP**

**McKean and Hansen,**

**SENATE SPONSORSHIP**

**Gardner,**

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**House Committees**

Business Affairs and Labor

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING AN AUTHORIZATION FOR THE COMMISSIONER OF**  
102       **INSURANCE TO ISSUE A LICENSE THAT ALLOWS A LIMITED LINES**  
103       **PRODUCER TO SELL LIMITED LINES SELF-STORAGE INSURANCE.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill authorizes the commissioner of insurance to issue a license that allows an owner or operator of a self-service storage facility to offer limited lines insurance to the occupant of self-storage space at the facility to cover the occupant's personal property that is stored in the self-storage space.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

*Capital letters indicate new material to be added to existing statute.*

*Dashes through the words indicate deletions from existing statute.*

1      *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 17 to article

3 4 of title 10 as follows:

## PART 17

## SELF-STORAGE INSURANCE LIMITED LICENSES

**10-4-1701. Definitions.** AS USED IN THIS PART 17, UNLESS THE

## 7 CONTEXT OTHERWISE REQUIRES:

(1) "INSURER" MEANS AN ADMITTED COMPANY OR AUTHORIZED COMPANY, AS DEFINED IN SECTION 10-1-102 (3), APPROVED TO TRANSACT INSURANCE IN THIS STATE.

11 (2) "LIMITED LINES SELF-STORAGE INSURANCE PRODUCER" MEANS  
12 A LICENSED INSURANCE PRODUCER WHO IS DESIGNATED BY AN INSURER AS  
13 THE SUPERVISING ENTITY FOR A SELF-STORAGE RETAILER PURSUANT TO  
14 THIS PART 17.

15 (3) "OCCUPANT" MEANS A PERSON OR HIS OR HER LESSEE,  
16 SUCCESSOR, OR ASSIGNEE ENTITLED TO THE USE OF A SELF-STORAGE SPACE  
17 AT A SELF-SERVICE STORAGE FACILITY, TO THE EXCLUSION OF OTHERS,  
18 UNDER A SELF-STORAGE RENTAL AGREEMENT.

19 (4) "OFFER AND DISSEMINATE" MEANS TO PROVIDE GENERAL  
20 INFORMATION ABOUT SELF-STORAGE INSURANCE, INCLUDING A  
21 DESCRIPTION OF THE COVERAGE AND PRICE, AS WELL AS PROCESSING THE  
22 APPLICATION, COLLECTING PREMIUMS, AND PERFORMING OTHER  
23 NON-LICENSEABLE ACTIVITIES PERMITTED BY THE STATE

24 (5) "SELF-SERVICE STORAGE FACILITY" MEANS REAL PROPERTY  
25 DESIGNED AND USED FOR THE SOLE PURPOSE OF RENTING OR LEASING  
26 INDIVIDUAL STORAGE SPACE TO OCCUPANTS WHO ARE GIVEN ACCESS TO

1 A SELF-STORAGE SPACE FOR THE SOLE PURPOSE OF STORING AND  
2 REMOVING PERSONAL PROPERTY.

3 (6) "SELF-STORAGE INSURANCE" MEANS INSURANCE COVERAGE  
4 FOR PROPERTY LOSS INCIDENTAL TO THE RENTAL OF A SELF-STORAGE  
5 SPACE AT A SELF-SERVICE STORAGE FACILITY.

6 (7) "SELF-STORAGE RENTAL AGREEMENT" MEANS A WRITTEN  
7 AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS GOVERNING THE  
8 USE OF A SELF-STORAGE SPACE PROVIDED BY A SELF-SERVICE STORAGE  
9 FACILITY FOR RENT OR LEASE.

10 (8) "SELF-STORAGE RETAILER" MEANS A BUSINESS ENTITY THAT  
11 RENTS SELF-STORAGE UNITS AND MAY OFFER AND DISSEMINATE  
12 SELF-STORAGE INSURANCE AS A SERVICE TO ITS CUSTOMERS ON BEHALF OF  
13 AND UNDER THE DIRECTION OF A SUPERVISING ENTITY. FOR THE PURPOSES  
14 OF THIS SUBSECTION (8), "BUSINESS ENTITY" INCLUDES AN INDIVIDUAL  
15 WORKING FOR OR ACTING ON BEHALF OF THE SELF-STORAGE RETAILER.

16 (9) "SELF-STORAGE SPACE" MEANS A DESIGNATED STORAGE UNIT  
17 OR OTHER DESIGNATED SPACE AT A SELF-SERVICE STORAGE FACILITY.

18 (10) "SUPERVISING ENTITY" MEANS A BUSINESS ENTITY OR PERSON  
19 THAT IS A LIMITED LINES SELF-STORAGE INSURANCE PRODUCER  
20 AUTHORIZED BY AN INSURER TO SUPERVISE A SELF-STORAGE RETAILER.

21 **10-4-1702. Authority to issue license.** (1) A SUPERVISING  
22 ENTITY MUST HOLD A LIMITED LINES SELF-STORAGE INSURANCE PRODUCER  
23 LICENSE ISSUED BY THE DIVISION IN ACCORDANCE WITH PART 4 OF ARTICLE  
24 2 OF THIS TITLE 10 IN ORDER TO SELL, SOLICIT, OR NEGOTIATE  
25 SELF-STORAGE INSURANCE.

26 (2) AN EMPLOYEE OR AUTHORIZED REPRESENTATIVE OF A  
27 SELF-STORAGE RETAILER MAY OFFER AND DISSEMINATE SELF-STORAGE

1 INSURANCE TO A CUSTOMER AT EACH SELF-STORAGE RETAILER LOCATION  
2 AT WHICH THE EMPLOYEE OR AUTHORIZED REPRESENTATIVE IS  
3 SUPERVISED BY A SUPERVISING ENTITY.

4 (3) AN EMPLOYEE OR AUTHORIZED REPRESENTATIVE OF A  
5 SELF-STORAGE RETAILER SHALL NOT ADVERTISE, REPRESENT, OR  
6 OTHERWISE HOLD HIMSELF OR HERSELF OUT AS A LICENSED INSURER,  
7 INSURANCE AGENT, OR INSURANCE PRODUCER, AND SHALL NEITHER  
8 EVALUATE NOR INTERPRET THE TECHNICAL TERMS, BENEFITS, OR  
9 CONDITIONS OF THE OFFERED SELF-STORAGE INSURANCE WITH THE  
10 OCCUPANT OR EVALUATE OR PROVIDE ADVICE CONCERNING AN  
11 OCCUPANT'S EXISTING INSURANCE COVERAGE.

12 (4) UNLESS THE SELF-STORAGE RETAILER IS A SUPERVISING  
13 ENTITY, THE SELF-STORAGE RETAILER SHALL NOT ADVERTISE, REPRESENT,  
14 OR OTHERWISE HOLD ITSELF OUT AS A LICENSED INSURER, INSURANCE  
15 AGENT, OR INSURANCE PRODUCER, AND SHALL NEITHER EVALUATE NOR  
16 INTERPRET THE TECHNICAL TERMS, BENEFITS, OR CONDITIONS OF THE  
17 OFFERED SELF-STORAGE INSURANCE WITH THE OCCUPANT OR EVALUATE  
18 OR PROVIDE ADVICE CONCERNING AN OCCUPANT'S EXISTING INSURANCE  
19 COVERAGE.

20 (5) A SUPERVISING ENTITY SHALL MAINTAIN A REGISTRY OF  
21 SELF-STORAGE RETAILER LOCATIONS THAT ARE AUTHORIZED TO OFFER  
22 AND DISSEMINATE SELF-STORAGE INSURANCE COVERAGE IN THIS STATE.  
23 UPON REQUEST BY THE COMMISSIONER AND WITH TEN DAYS' NOTICE TO  
24 THE SUPERVISING ENTITY, THE SUPERVISING ENTITY SHALL MAKE THE  
25 REGISTRY OPEN TO INSPECTION AND EXAMINATION BY THE COMMISSIONER  
26 DURING REGULAR BUSINESS HOURS OF THE SUPERVISING ENTITY.

27 (6) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A LICENSE

1 ISSUED PURSUANT TO THIS PART 17 AUTHORIZES THE LICENSEE AND ITS  
2 EMPLOYEES OR AUTHORIZED REPRESENTATIVES TO ENGAGE IN THOSE  
3 ACTIVITIES THAT ARE PERMITTED IN THIS PART 17.

4 **10-4-1703. License - application - restrictions.** (1) (a) BEFORE  
5 BEING ISSUED A LIMITED LINES SELF-STORAGE INSURANCE PRODUCER  
6 LICENSE, A PERSON MUST SUBMIT AN APPLICATION FOR A LIMITED LINES  
7 SELF-STORAGE LICENSE IN ACCORDANCE WITH SECTION 10-2-404; EXCEPT  
8 THAT THE APPLICANT IS NOT REQUIRED TO PROVIDE THE INFORMATION  
9 SPECIFIED IN SECTION 10-2-404 (2).

10 (b) A SUPERVISING ENTITY IS RESPONSIBLE FOR COMPLIANCE WITH  
11 THIS PART 17. IF A SELF-STORAGE RETAILER HAS MORE THAN ONE  
12 SUPERVISING ENTITY, THE COMMISSIONER MAY HOLD ALL SUPERVISING  
13 ENTITIES RESPONSIBLE FOR A VIOLATION OF THIS PART 17 IN ACCORDANCE  
14 WITH SECTION 10-4-1709. IF A SELF-STORAGE RETAILER DERIVES MORE  
15 THAN FIFTY PERCENT OF ITS REVENUE FROM THE SALE OF LIMITED LINES  
16 SELF-STORAGE INSURANCE, THE SELF-STORAGE RETAILER SHALL PROVIDE  
17 THE LOCATION OF THE SELF-STORAGE RETAILER'S HOME OFFICE AND THE  
18 NAME, RESIDENTIAL ADDRESS, AND OTHER INFORMATION REQUIRED BY  
19 THE COMMISSIONER FOR ALL OFFICERS, DIRECTORS, AND SHAREHOLDERS  
20 OF RECORD HAVING BENEFICIAL OWNERSHIP OF TEN PERCENT OR MORE OF  
21 ANY CLASS OF THE SELF-STORAGE RETAILER'S SECURITIES REGISTERED  
22 UNDER FEDERAL SECURITIES LAWS. FOR PURPOSES OF THIS SECTION:

23 (I) A SUPERVISING ENTITY IS NOT REQUIRED TO BE AN OFFICER,  
24 PARTNER, OR DIRECTOR OF THE SELF-STORAGE RETAILER; AND  
25 (II) THE APPLICANT FOR A LIMITED LINES SELF-STORAGE  
26 INSURANCE PRODUCER LICENSE PURSUANT TO THIS PART 17 IS EXEMPT  
27 FROM THE REQUIREMENTS OF SECTIONS 10-2-404 (2)(f) AND 10-2-406.

1 (c) BY JULY 1, 2018, A PERSON ENGAGED IN THE SALE,  
2 SOLICITATION, OR NEGOTIATION OF SELF-STORAGE INSURANCE BEFORE THE  
3 EFFECTIVE DATE OF THIS PART 17 SHALL EITHER APPLY FOR A LIMITED  
4 LINES SELF-STORAGE INSURANCE PRODUCER LICENSE OR CEASE ENGAGING  
5 IN THE SALE OF SELF-STORAGE INSURANCE. TO SELL, SOLICIT, OR  
6 NEGOTIATE SELF-STORAGE INSURANCE ON OR AFTER JULY 1, 2018, A  
7 PERSON MUST FIRST OBTAIN A LIMITED LINES SELF-STORAGE INSURANCE  
8 PRODUCER LICENSE. A LIMITED LINES SELF-STORAGE INSURANCE  
9 PRODUCER LICENSE APPLICATION MUST BE ACCCOMPANIED BY A FEE  
10 PRESCRIBED BY THE COMMISSIONER IN ACCORDANCE WITH SECTION  
11 10-2-413. A LIMITED LINES SELF-STORAGE INSURANCE PRODUCER LICENSE  
12 MUST BE RENEWED AS SET FORTH IN SECTION 10-2-408.

24 (a) SUMMARIZES CLEARLY AND CORRECTLY THE MATERIAL TERMS  
25 OF COVERAGE OFFERED TO THE OCCUPANT, INCLUDING THE IDENTITY AND  
26 CONTACT INFORMATION OF BOTH THE INSURER AND THE SUPERVISING  
27 ENTITY;

1 (b) STATES THE BENEFITS OF COVERAGE;

2 (c) STATES THAT THE SELF-STORAGE INSURANCE BEING OFFERED

3 MAY PROVIDE A DUPLICATION OF INSURANCE COVERAGE ALREADY

4 PROVIDED BY A HOMEOWNER'S INSURANCE POLICY OR OTHER SOURCE OF

5 COVERAGE IN EFFECT FOR THE OCCUPANT. THE STATEMENT MUST INCLUDE

6 A SPACE THAT ALLOWS THE OCCUPANT TO WRITE THE OCCUPANT'S INITIALS

7 TO SIGNIFY THE OCCUPANT'S ACKNOWLEDGMENT AND UNDERSTANDING OF

8 THE POTENTIAL DUPLICATION REFERENCED IN THIS SUBSECTION (1)(c).

9 THE RETAILER SHALL SPECIFICALLY BRING THE POTENTIAL DUPLICATION

10 REFERENCED IN THIS SUBSECTION (1)(c) AND THE OPPORTUNITY TO WRITE

11 THE OCCUPANT'S INITIALS TO THE OCCUPANT'S ATTENTION BY ORALLY

12 OFFERING THE OCCUPANT AN OPPORTUNITY TO READ THE STATEMENT AND

13 WRITE THE OCCUPANT'S INITIALS IN THE SPACE PROVIDED;

14 (d) STATES THE DEDUCTIBLE OF THE SELF-STORAGE INSURANCE  
15 COVERAGE AND DESCRIBES THE PROCESS FOR FILING A CLAIM;

16 (e) STATES WHETHER THE POLICY COVERS FLOOD DAMAGE TO  
17 STORED PROPERTY; AND

18 (f) STATES THAT THE SELF-STORAGE RETAILER CAN ANSWER  
19 GENERAL INFORMATION ABOUT THE SELF-STORAGE INSURANCE OFFERED,  
20 INCLUDING A DESCRIPTION OF THE COVERAGE AND PREMIUM, BUT IS  
21 NEITHER QUALIFIED NOR AUTHORIZED TO ANSWER TECHNICAL QUESTIONS  
22 ABOUT THE TERMS AND CONDITIONS OF THE SELF-STORAGE INSURANCE  
23 OFFERED AND DISSEMINATED BY THE LIMITED LINES SELF-STORAGE  
24 INSURANCE PRODUCER OR TO EVALUATE THE ADEQUACY OF THE  
25 OCCUPANT'S EXISTING INSURANCE COVERAGE, IF ANY.

26 (2) IF THE SELF-STORAGE RENTAL AGREEMENT REQUIRES THE  
27 OCCUPANT TO PROVIDE PROOF OF INSURANCE, THIS INSURANCE COVERAGE

1 REQUIREMENT MAY BE SATISFIED IF THE OCCUPANT:

2 (a) PURCHASES THIS COVERAGE FROM A SELF-STORAGE RETAILER;

3 OR

4 (b) PROVIDES EVIDENCE OF THIS COVERAGE FROM ANOTHER  
5 SOURCE.

6 **10-4-1705. Supervision of issuance - training.** (1) A  
7 SUPERVISING ENTITY SHALL SUPERVISE THE ADMINISTRATION OF THE  
8 OFFERING AND DISSEMINATING OF SELF-STORAGE INSURANCE. THE  
9 SUPERVISING ENTITY SHALL DEVELOP A TRAINING PROGRAM FOR THE  
10 OFFERING AND DISSEMINATING OF THE SELF-STORAGE INSURANCE AND  
11 SHALL REQUIRE ANY INDIVIDUAL WORKING FOR OR ACTING ON BEHALF OF  
12 THE SELF-STORAGE RETAILER TO ATTEND THE TRAINING.

13 (2) THE TRAINING PROGRAM REQUIRED PURSUANT TO SUBSECTION  
14 (1) OF THIS SECTION IS MANDATORY FOR ANY INDIVIDUAL WORKING FOR  
15 OR ACTING ON BEHALF OF A SELF-STORAGE RETAILER THAT IS DIRECTLY  
16 ENGAGED IN THE ACTIVITY OF OFFERING OR DISSEMINATING SELF-STORAGE  
17 INSURANCE AND MUST INCLUDE THE FOLLOWING:

18 (a) AN EDUCATION PROGRAM REGARDING SELF-STORAGE  
19 INSURANCE THAT IS CONDUCTED AND OVERSEEN BY THE SUPERVISING  
20 ENTITY;

21 (b) INSTRUCTION TO ANY INDIVIDUAL OR BUSINESS ENTITY  
22 WORKING FOR OR ACTING ON BEHALF OF A SELF-STORAGE RETAILER  
23 ABOUT THE SELF-STORAGE INSURANCE OFFERED TO OCCUPANTS AND THE  
24 DISCLOSURES REQUIRED PURSUANT TO THIS PART 17; AND

25 (c) INSTRUCTION THAT ANY INDIVIDUAL OR BUSINESS ENTITY  
26 WORKING FOR OR ACTING ON BEHALF OF A SELF-STORAGE RETAILER SHALL  
27 NOT:

7 (3) THE SELF-STORAGE RETAILER MAY BILL AND COLLECT  
8 PREMIUMS FOR SELF-STORAGE INSURANCE. THESE SELF-STORAGE  
9 INSURANCE PREMIUMS MUST BE SEPARATELY ITEMIZED IF THEY ARE NOT  
10 INCLUDED IN THE COST OF THE RENTAL. IF THE PREMIUMS ARE INCLUDED  
11 IN THE COST OF THE RENTAL OF THE SELF-STORAGE SPACE, A SUPERVISING  
12 ENTITY SHALL ENSURE THAT IT IS CLEARLY AND CONSPICUOUSLY  
13 DISCLOSED TO THE OCCUPANT THAT THE SELF-STORAGE INSURANCE IS  
14 INCLUDED WITH THE RENTAL FEES FOR THE SELF-STORAGE SPACE. A  
15 SUPERVISING ENTITY SHALL ESTABLISH A SEPARATE FIDUCIARY ACCOUNT  
16 FOR THE COLLECTED COVERAGE PREMIUMS BUT IS NOT REQUIRED TO  
17 SEGREGATE THE INDIVIDUAL OCCUPANTS' PREMIUMS IN THAT ACCOUNT.  
18 A SUPERVISING ENTITY SHALL REMIT THE COVERAGE PREMIUM CHARGES  
19 TO THE INSURER WITHIN SIXTY DAYS AFTER RECEIPT. ALL COVERAGE  
20 PREMIUMS HELD BY A SUPERVISING ENTITY ARE HELD IN TRUST BY THE  
21 SUPERVISING ENTITY IN A FIDUCIARY CAPACITY FOR THE BENEFIT OF THE  
22 INSURER.

1 UNDER THIS PART 17 IF THE SUPERVISING ENTITY WAS DULY LICENSED  
2 UNDER THIS PART 17 FOR THE PERFORMANCE OF THE SERVICES AND HAS  
3 MET ALL CONDITIONS AS SET FORTH IN THIS PART 17.

4 (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A  
5 SELF-STORAGE RETAILER SHALL NOT COMPENSATE EMPLOYEES OR THE  
6 OPERATOR BASED PRIMARILY ON THE NUMBER OF OCCUPANTS ENROLLED  
7 FOR LIMITED LINES SELF-STORAGE INSURANCE, BUT THE SELF-STORAGE  
8 RETAILER MAY COMPENSATE EMPLOYEES OR THE OPERATOR FOR  
9 ACTIVITIES UNDER THE LIMITED LINES EMPLOYEE'S OR SUPERVISING  
10 ENTITY'S OVERALL COMPENSATION.

11 **10-4-1707. Exemption from requirements.** NOTWITHSTANDING  
12 ANY OTHER PROVISION OF THIS PART 17, RULE PROMULGATED BY THE  
13 COMMISSIONER, OR ORDER ISSUED BY THE COMMISSIONER, A SUPERVISING  
14 ENTITY IS NOT REQUIRED TO MEET THE PRELICENSURE EDUCATIONAL  
15 REQUIREMENTS IN SECTION 10-2-201, CONTINUING EDUCATION  
16 REQUIREMENTS IN SECTION 10-2-301, OR EXAMINATION AND CONTINUING  
17 EDUCATION REQUIREMENTS IN SECTION 10-2-403.

18 **10-4-1708. Notification.** (1) NOTWITHSTANDING ANY OTHER  
19 PROVISION OF LAW:

20 (a) (I) WHENEVER WRITTEN NOTICE OR CORRESPONDENCE WITH  
21 RESPECT TO A POLICY IS REQUIRED, THE INSURER SHALL SEND THE NOTICE  
22 WITHIN THE NOTICE PERIOD, IF ANY, SPECIFIED BY LAW AND MAY SEND  
23 NOTICES AND CORRESPONDENCE BY EITHER MAIL OR ELECTRONIC MEANS.  
24 FOR PURPOSES OF THIS SUBSECTION (1)(a)(I), AN OCCUPANT'S PROVISION  
25 OF AN E-MAIL ADDRESS TO THE INSURER OR SUPERVISING ENTITY IS  
26 CONSENT TO RECEIVE WRITTEN NOTICES AND CORRESPONDENCE BY  
27 ELECTRONIC MEANS.

7 (III) IF THE WRITTEN NOTICE IS SENT BY ELECTRONIC MEANS, THE  
8 INSURER SHALL SEND IT TO THE SUPERVISING ENTITY AT THE SUPERVISING  
9 ENTITY'S E-MAIL ADDRESS AND TO THE OCCUPANT'S LAST-KNOWN E-MAIL  
10 ADDRESS AS PROVIDED BY THE OCCUPANT AND SHALL MAINTAIN PROOF  
11 THAT THE WRITTEN NOTICE WAS SENT.

12 (b) A SUPERVISING ENTITY MAY SEND ANY NOTICE OR  
13 CORRESPONDENCE REQUIRED BY THIS SECTION OR OTHERWISE REQUIRED  
14 BY LAW ON BEHALF OF THE INSURER OR SELF-STORAGE RETAILER.

15                   **10-4-1709. Enforcement.** (1) THE COMMISSIONER MAY, AFTER  
16                   NOTICE AND OPPORTUNITY FOR A HEARING, RESPOND TO A VIOLATION OF  
17                   A PROVISION OF THIS PART 17 BY:

18 (a) TAKING DISCIPLINARY ACTION AGAINST ANY SUPERVISING  
19 ENTITY PURSUANT TO SECTION 10-2-801:

20 (b) IMPOSING OTHER PENALTIES, INCLUDING SUSPENDING THE  
21 LICENSE OF A SUPERVISING ENTITY FOR A VIOLATION OF THIS PART 17  
22 OCCURRED, AS THE COMMISSIONER CONSIDERS NECESSARY OR  
23 CONVENIENT TO CARRY OUT THIS PART 17; OR

24 (c) SUSPENDING OR REVOKING THE ABILITY OF ANY INDIVIDUAL  
25 WORKING FOR OR ACTING ON BEHALF OF A SELF-STORAGE RETAILER TO  
26 ACT UNDER THE LIMITED LINES SELF-STORAGE INSURANCE PRODUCER  
27 LICENSE.

1                   **SECTION 2. Act subject to petition - effective date -**

2                   **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
3                   the expiration of the ninety-day period after final adjournment of the  
4                   general assembly (August 9, 2017, if adjournment sine die is on May 10,  
5                   2017); except that, if a referendum petition is filed pursuant to section 1  
6                   (3) of article V of the state constitution against this act or an item, section,  
7                   or part of this act within such period, then the act, item, section, or part  
8                   will not take effect unless approved by the people at the general election  
9                   to be held in November 2018 and, in such case, will take effect on the  
10                   date of the official declaration of the vote thereon by the governor.

11                   (2) This act applies to conduct occurring on or after the applicable  
12                   effective date of this act.