### SECOND REGULAR SESSION

#### SENATE COMMITTEE SUBSTITUTE FOR

HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILLS NOS. 1948, 2066, 1721 & 2276

## 102ND GENERAL ASSEMBLY

4517S.05C KRISTINA MARTIN, Secretary

# **AN ACT**

To repeal section 415.415, RSMo, and to enact in lieu thereof one new section relating to self-storage.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 415.415, RSMo, is repealed and one new

- 2 section enacted in lieu thereof, to be known as section 415.415,
- 3 to read as follows:
  - 415.415. 1. The operator of a self-service storage
- 2 facility has a lien on all personal property stored within
- 3 each leased space for rent, labor, or other charges, and for
- 4 expenses reasonably incurred in sale of such personal
- 5 property, as provided in sections 415.400 to 415.425. The
- 6 lien established by this subsection shall have priority over
- 7 all other liens except those liens that have been perfected
- 8 and recorded on personal property. The rental agreement
- 9 shall contain a statement, in bold type, advising the
- 10 occupant of the existence of such lien and that property
- 11 stored in the leased space may be sold to satisfy such lien
- 12 if the occupant is in default, and that any proceeds from
- 13 the sale of the property which remain after satisfaction of
- 14 the lien will be paid to the state treasurer if unclaimed by
- 15 the occupant within one year after the sale of the property.

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

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unclaimed property.

- 16 If the occupant is in default for a period of more 17 than forty-five days, the operator may enforce the lien granted in subsection 1 of this section and sell the 18 property stored in the leased space for cash. Sale of the 19 20 property stored on the premises may be done at a public or 21 private sale, may be done as a unit or in parcels, or may be by way of one or more contracts, and may be at any time or 22 23 place and on any terms as long as the sale is done in a 24 commercially reasonable manner in accordance with the 25 provisions of section 400.9-627. The operator may otherwise dispose of any property which has no commercial value. 26 27 The proceeds of any sale made under this subsection 28 shall be applied to satisfy the lien, with any surplus being 29 held for delivery on demand to the occupant or any other lienholders which the operator knows of or which are 30 contained in the statement filed by the occupant pursuant to 31 32 subsection 3 of section 415.410 for a period of one year after receipt of proceeds of the sale and satisfaction of 33 34 the lien. No proceeds shall be paid to an occupant until such occupant files a sworn affidavit with the operator 35 stating that there are no other valid liens outstanding 36 37 against the property sold and that he or she, the occupant, shall indemnify the operator for any damages incurred or 38 39 moneys paid by the operator due to claims arising from other 40 lienholders of the property sold. After the one-year period set in this subsection, any proceeds remaining after 41 satisfaction of the lien shall be considered abandoned 42 property to be reported and paid to the state treasurer in 43 accordance with laws pertaining to the disposition of 44
- 46 4. Before conducting a sale under subsection 2 of this section, the operator shall:

- 48 (1) At least forty-five days before any disposition of 49 property under this section, which shall run concurrently 50 with subsection 2 of this section, notify the occupant and 51 each lienholder which is contained in any statement filed by 52 the occupant pursuant to subsection 3 of section 415.410 of 53 the default by first-class mail or electronic mail at the 54 occupant's or lienholder's last known address, and shall
- notify any third-party owner identified by the occupant pursuant to subsection 3 of section 415.410;
- 57 (2) No sooner than ten days after mailing the notice 58 required in subdivision (1) of this subsection, mail a 59 second notice of default, by verified mail or electronic 60 mail, to the occupant at the occupant's or lienholder's last 61 known address, which notice shall include:
- (a) A statement that the contents of the occupant'sleased space are subject to the operator's lien;
- (b) A statement of the operator's claim, indicating
  the charges due on the date of the notice, the amount of any
  additional charges which shall become due before the date of
  release for sale and the date those additional charges shall
  become due;
- 69 (c) A demand for payment of the charges due within a 70 specified time, not less than ten days after the date on 71 which the second notice was mailed;
- 72 (d) A statement that unless the claim is paid within 73 the time stated, the contents of the occupant's space will 74 be sold after a specified time; and
- 75 (e) The name, street address and telephone number of 76 the operator, or a designated agent whom the occupant may 77 contact, to respond to the notice;
- 78 (3) At least seven days before the sale, advertise the time, place, and terms of the sale in **the classified section**

- 80 of a newspaper of general circulation in the jurisdiction
- 81 where the sale is to be held or in any other commercially
- 82 reasonable manner. [Such] The manner of advertisement shall
- 83 be [in the classified section of the newspaper and shall
- state that the items will be released for sale] deemed
- 85 commercially reasonable if at least three independent
- 86 bidders attend or view the sale at the time and place
- 87 advertised.
- 5. If the property is a vehicle, watercraft, or
- 89 trailer and rent and other charges remain unpaid for sixty
- 90 days, the owner may treat the vehicle, watercraft, or
- 91 trailer as an abandoned vehicle and have the vehicle,
- 92 watercraft, or trailer towed from the self-service storage
- 93 facility. When the vehicle, watercraft, or trailer is towed
- 94 from the self-service storage facility, the owner shall not
- 95 be liable for the vehicle, watercraft, or trailer for any
- 96 damages to the motor vehicle, watercraft, or trailer once
- 97 the tower takes possession of the property.
- 98 6. At any time before a sale under this section, the
- 99 occupant may pay the amount necessary to satisfy the lien
- and redeem the occupant's personal property.

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