

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 525

BY BUSINESS COMMITTEE

AN ACT

1 RELATING TO SELF-SERVICE STORAGE FACILITIES; AMENDING SECTION 55-2301,
2 IDAHO CODE, TO DEFINE A TERM AND TO REVISE DEFINITIONS; AMENDING SECTION
3 55-2304, IDAHO CODE, TO PROVIDE THAT RENTAL AGREEMENTS MAY BE SENT TO
4 LESSEES AT THEIR LAST KNOWN ADDRESS OR LAST KNOWN E-MAIL ADDRESS, TO
5 PROVIDE THAT RENTAL AGREEMENTS SHALL CONTAIN PROVISIONS REGARDING LATE
6 FEES AND OTHER CHARGES, TO PROVIDE FOR A PRESUMPTION REGARDING MAXIMUM
7 VALUE OF PERSONAL PROPERTY UNDER CERTAIN CONDITIONS AND TO PROVIDE THAT
8 NO PROVISION OF SPECIFIED LAW SHALL BE DEEMED TO CREATE ANY LIABILITY
9 OF THE OWNER OR OPERATOR TO THE LESSEE FOR LOSS OR DAMAGE; AND AMENDING
10 SECTION 55-2306, IDAHO CODE, TO REVISE A TIME PROVISION, TO PROVIDE FOR
11 LIEN SALES AT CERTAIN LOCATIONS, TO PROVIDE FOR TOWING OF STORED VEHI-
12 CLES UNDER CERTAIN CONDITIONS AND TO MAKE A TECHNICAL CORRECTION.
13

14 Be It Enacted by the Legislature of the State of Idaho:

15 SECTION 1. That Section 55-2301, Idaho Code, be, and the same is hereby
16 amended to read as follows:

17 55-2301. DEFINITIONS. As used in this chapter:

18 (1) "Default" means the failure to perform, on time, any obligation or
19 duty set forth in the rental agreement.

20 (2) "Last known address" means that address provided by the lessee in
21 the rental agreement or the address provided by the lessee to the operator in
22 a subsequent written notice of a change of address.

23 (3) "Last known e-mail address" means the e-mail address provided by an
24 occupant in a rental agreement or the e-mail address provided by the lessee
25 to the operator in a subsequent written notice of a change of address.

26 (4) "Leased space" means the individual storage space at the self-ser-
27 vice storage facility which is or may be rented to a lessee pursuant to a
28 rental agreement.

29 (45) "Lessee" means a person, sublessee, successor, or assignee enti-
30 tled to the use of a leased space at a self-service storage facility under a
31 rental agreement.

32 (56) "Operator" means any person or entity authorized by the owner to
33 manage the facility.

34 (67) "Owner" means the person or entity who holds legal title to the
35 self-service storage facility. An owner may also be an operator.

36 (78) "Personal property" means those items placed within the leased
37 space and includes, but is not limited to, goods, wares, merchandise, motor
38 vehicles, watercraft, trailers and household items and furnishings.

39 (89) "Rental agreement" means a signed, written agreement or contract
40 that establishes conditions or rules concerning the use and occupancy by a
41 lessee of a self-service storage facility and includes any signed written
42 amendment to such an agreement.

1 (910) "Self-service storage facility" means any real property used for
2 renting or leasing individual storage space in which the lessees themselves
3 store and remove their own personal property on a "self-service" basis.

4 SECTION 2. That Section 55-2304, Idaho Code, be, and the same is hereby
5 amended to read as follows:

6 55-2304. RENTAL AGREEMENT. (1) From and after July 1, 1990, any op-
7 erator offering storage spaces in a self-service storage facility for rent
8 shall provide a written rental agreement which shall be executed by the oper-
9 ator and the lessee. The operator of a self-storage facility shall provide a
10 lessee with a copy of the rental agreement at the time of the rental or send
11 a copy of the rental agreement to a lessee's last known address or last known
12 e-mail address. If sent to the lessee's last known e-mail address, the oper-
13 ator shall, within the e-mail, request the lessee to confirm receipt.

14 (2) The rental agreement shall contain a conspicuous statement advis-
15 ing the lessee:

16 (a) Of the existence of the lien;

17 (b) That the property in the leased space may be sold to satisfy the lien
18 if the lessee is in default; ~~and~~

19 (c) That the personal property stored in a storage space will not be in-
20 sured unless the lessee obtains insurance on his property; and

21 (d) That a reasonable late fee may be imposed and collected by an oper-
22 ator for each period that a lessee does not pay rent, or other charges,
23 when due under the rental agreement. The amount of the late fee and the
24 conditions for imposing the late fee, or other charges, when due under
25 the rental agreement shall be stated in the rental agreement or in an
26 addendum to that agreement. A late fee of twenty dollars (\$20.00) or
27 twenty percent (20%) of the monthly rent, whichever is greater, shall
28 be considered a reasonable fee and may not be considered a penalty. All
29 reasonable expenses incurred as a result of rent collection or lien en-
30 forcement by an operator may be charged to the lessee in addition to any
31 late fees or other charges.

32 (3) All notices and correspondence may be transmitted to a lessee via
33 the United States postal service, via e-mail, or via any combination thereof
34 as agreed upon by the operator and lessee and as provided in the rental
35 agreement. If notices or correspondence are sent to the lessee's last known
36 e-mail address, the operator shall, within the e-mail, request the lessee to
37 confirm receipt.

38 (4) The rental agreement shall contain a provision requiring the lessee
39 to disclose any lienholders or secured parties who have an interest in prop-
40 erty that is stored in the self-service storage facility.

41 (5) If a rental agreement contains a limit on the value of property
42 stored in the leased space of a lessee, that limit is presumed to be the max-
43 imum value of the personal property stored in the leased space. Nothing in
44 this section shall be deemed to create any liability on the part of the owner
45 or operator to the lessee for any loss of or damage to the lessee's property.

46 SECTION 3. That Section 55-2306, Idaho Code, be, and the same is hereby
47 amended to read as follows:

1 55-2306. ENFORCEMENT OF LIEN. (1) Action to enforce a lienholder's
2 claim which has become due against a lessee and which is secured by the
3 owner's lien may be taken by the owner or operator after the lessee has
4 been in default of the rental agreement continuously for a period of ~~sixty~~
5 forty-five (45) days.

6 (2) The operator shall send notice by certified mail to the lessee at
7 his last known address and to all persons disclosed by the lessee as claiming
8 a security interest in the stored property. The notice shall include:

9 (a) The name, address and telephone number of the person claiming the
10 lien;

11 (b) An itemized statement of the lienholder's claim showing the sum due
12 at the time of the notice and the date when the sum became due;

13 (c) A demand for payment within a time specified, not less than ten (10)
14 days after mailing of the notice;

15 (d) A statement that unless the claim is paid within the time stated in
16 the notice, the personal property shall be advertised for sale and shall
17 be sold at a specified time and place, but which shall not be sooner than
18 ten (10) days after the first publication;

19 (e) A brief and general description of the goods subject to the lien;
20 and

21 (f) Notification that the operator may deny access by the lessee to his
22 personal property until the lien has been satisfied.

23 (3) Upon expiration of the time specified in subsection (2) (c) of this
24 section, an advertisement of the sale shall be published once a week for two
25 (2) consecutive weeks in a newspaper of general circulation in the county
26 where the self-service storage facility is located. The advertisement shall
27 include:

28 (a) The location, date, time and manner of the sale of the property
29 stored in the self-service facility;

30 (b) A brief and general description of the personal property; and

31 (c) The name and last known address of the lessee.

32 (4) At any time before the advertised sale of the personal property has
33 been conducted, the lessee or any other person may pay the amount necessary
34 to satisfy the lien, including all documented and verifiable labor and ex-
35 penses incurred in enforcing the lien.

36 (5) Unless otherwise required by law, the operator may conduct the lien
37 sale without obtaining a license and may offer the personal property for
38 sale at the self-service storage facility or the nearest suitable location.
39 A publicly accessible website that regularly offers personal property for
40 auction or sale is a suitable location. The operator, at his discretion,
41 may determine the location of the sale. In the event of a sale, the operator
42 shall:

43 (a) Ensure that the sale is conducted in conformance with the terms of
44 the published notice;

45 (b) Identify the specific properties and disclose the names and ad-
46 dresses provided by the lessee, of persons claiming a security interest
47 in the specified properties; and

48 (c) Comply with the provisions of chapter 17, title 49, Idaho Code, when
49 foreclosing on titled vehicles.

1 (6) The proceeds of the sale must be applied to the discharge of the lien
2 and costs. The remainder, if any, shall be paid over to the lessee or any
3 other person authorized in writing by the lessee to claim the balance.

4 (7) If the lessee is in default for forty-five (45) days or more and the
5 personal property stored in the leased space is a vehicle, the operator may
6 have the vehicle towed from the self-service storage facility by an inde-
7 pendent towing company. The operator shall send notice to the lessee's last
8 known address or last known e-mail address at least ten (10) days before the
9 vehicle is removed. If notice is sent to the lessee's last known e-mail ad-
10 dress, the operator shall, within the e-mail, request the lessee to confirm
11 receipt. The notice shall include:

12 (a) A statement that unless the claim is paid within the time stated
13 in the notice, the personal property shall be towed at the lessee's ex-
14 pendence; and

15 (b) The name, address and telephone number of the towing company that
16 will remove the vehicle.