

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1225
97TH GENERAL ASSEMBLY

5063H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 415.400, 415.405, 415.410, 415.415, 415.417, 415.420, and 415.425, RSMo, and to enact in lieu thereof seven new sections relating to self-service storage facilities.

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

Section A. Sections 415.400, 415.405, 415.410, 415.415, 415.417, 415.420, and
2 415.425, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as
3 sections 415.400, 415.405, 415.410, 415.415, 415.417, 415.420, and 415.425, to read as follows:

415.400. Sections 415.400 to [415.430] **415.425** shall be known and may be cited as the
2 "Self-Service Storage Facilities Act".

415.405. As used in sections 415.400 to [415.430] **415.425**, the following terms shall
2 mean:

3 (1) "Default", the failure to perform on time any obligation or duty set forth in a rental
4 agreement;

5 (2) **"Electronic mail", an electronic message or an executable program or computer**
6 **file that contains an image of a message that is transmitted between two or more computers**
7 **or electronic terminals and includes electronic messages that are transmitted within or**
8 **between computer networks;**

9 (3) "Last known address", that **postal** address **or electronic mail address** provided by
10 the occupant in the **latest** rental agreement or the **postal or electronic mail** address provided by
11 the occupant in a subsequent written notice of a change of address, **one of which may be**
12 **designated in writing by the occupant as the preferred method of contact;**

13 [(3)] (4) "Leased space", the individual storage space at the self-service facility which
14 is rented to an occupant pursuant to a rental agreement;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 [(4)] (5) "No commercial value", **includes but not limited to** any property offered for
16 sale in a commercially reasonable manner that receives no bid or offer;

17 [(5)] (6) "Occupant", a person, lessee, sublessee, successor or assignee entitled to the use
18 of a leased space at a self-service storage facility under a rental agreement;

19 [(6)] (7) "Operator", the owner, operator, lessor or sublessor of a self-service storage
20 facility, or an agent or any other person authorized to manage the facility; except that, the term
21 "operator" does not include a warehouseman, unless the operator issues a warehouse receipt, bill
22 of lading, or other document of title for the personal property stored;

23 [(7)] (8) "Personal property", movable property which is not affixed to land, including,
24 but not limited to, goods, wares, merchandise, motor vehicles, watercraft, household items, and
25 furnishings;

26 [(8)] (9) "Private sale", [an unadvertised] a sale negotiated and concluded directly
27 between the buyer and seller;

28 [(9)] (10) "Public sale", a sale made after public notice **and includes but is not limited**
29 **to a sale at the self-service storage facility or a sale conducted online at a publically**
30 **accessible website**;

31 [(10)] (11) "Rental agreement", any written contract or agreement that establishes or
32 modifies the terms, conditions or rules concerning the use and occupancy of a self-service
33 storage facility, which is signed by the occupant and the operator;

34 [(11)] (12) "Self-service storage facility", any real property used for renting or leasing
35 individual storage spaces in which the occupants themselves customarily store and remove their
36 own personal property on a self-service basis;

37 (13) **"Verified mail", any method of mailing that is offered by the United States**
38 **Postal Service or private delivery service that provides evidence of mailing.**

415.410. 1. An operator may not knowingly permit a leased space at a self-service
2 storage facility to be used for residential purposes. An occupant may not use a leased space for
3 residential purposes.

4 2. An operator may enter **the** leased space at all times which are reasonably necessary
5 to insure the protection and preservation of the self-service storage facility or any personal
6 property stored therein.

7 3. Prior to placing any personal property into his or her leased space, each occupant shall
8 deliver a written statement to the operator **or indicate in the rental agreement** of such leased
9 space containing the name and address of each person having a valid lien against such personal
10 property.

11 4. The lessee shall be informed in writing that the lessor either does or does not have
12 casualty insurance on the lessee's property.

13 **5. If the rental agreement contains a limit on the value of property stored in**
14 **occupant's space, such limit shall be deemed to be the maximum value of the stored**
15 **property and the maximum liability of the owner for any claim for loss of or damage to**
16 **stored property.**

 415.415. 1. The operator of a self-service storage facility has a lien on all personal
2 property stored within each leased space for rent, labor, or other charges, and for expenses
3 reasonably incurred in sale of such personal property, as provided in sections 415.400 to
4 [415.430] **415.425**. The lien established by this subsection shall have priority over all other liens
5 except those liens that have been perfected and recorded on personal property. The rental
6 agreement shall contain a statement, in bold type, advising the occupant of the existence of such
7 lien and that property stored in the leased space may be sold to satisfy such lien if the occupant
8 is in default, and that any proceeds from the sale of the property which remain after satisfaction
9 of the lien will be paid to the state treasurer if unclaimed by the occupant within one year after
10 the sale of the property.

11 2. If the occupant is in default for a period of more than [thirty] **forty-five** days, the
12 operator may enforce the lien granted in subsection 1 of this section and sell the property stored
13 in the leased space for cash. Sale of the property stored on the premises may be done at a public
14 or private sale, may be done as a unit or in parcels, or may be by way of one or more contracts,
15 and may be at any time or place and on any terms as long as the sale is done in a commercially
16 reasonable manner in accordance with the provisions of section 400.9-627. The operator may
17 otherwise dispose of any property which has no commercial value.

18 3. The proceeds of any sale made under this subsection shall be applied to satisfy the
19 lien, with any surplus being held for delivery on demand to the occupant or any other lienholders
20 which the operator knows of or which are contained in the statement filed by the occupant
21 pursuant to subsection 3 of section 415.410 for a period of one year after receipt of proceeds of
22 the sale and satisfaction of the lien. No proceeds shall be paid to an occupant until such occupant
23 files a sworn affidavit with the operator stating that there are no other valid liens outstanding
24 against the property sold and that he or she, the occupant, shall indemnify the operator for any
25 damages incurred or moneys paid by the operator due to claims arising from other lienholders
26 of the property sold. After the one-year period set in this subsection, any proceeds remaining
27 after satisfaction of the lien shall be considered abandoned property to be reported and paid to
28 the state treasurer in accordance with laws pertaining to the disposition of unclaimed property.

29 4. Before conducting a sale under subsection 2 of this section, the operator shall:

30 (1) At least forty-five days before any disposition of property under this section, which
31 shall run concurrently with subsection 2 of this section, notify the occupant and each lienholder
32 which is contained in any statement filed by the occupant pursuant to subsection 3 of section

33 415.410 of the default by first-class mail **or electronic mail** at the occupant's or lienholder's last
34 known address;

35 (2) No [later] **sooner** than ten days after mailing the notice required in subdivision (1)
36 of this subsection, mail a second notice of default, by [registered or certified] **verified mail or**
37 **electronic mail**, to the occupant at the occupant's or lienholder's last known address, which
38 notice shall include:

39 (a) A statement that the contents of the occupant's leased space are subject to the
40 operator's lien;

41 (b) A statement of the operator's claim, indicating the charges due on the date of the
42 notice, the amount of any additional charges which shall become due before the date of release
43 for sale and the date those additional charges shall become due;

44 (c) A demand for payment of the charges due within a specified time, not less than ten
45 days after the date on which the second notice was mailed;

46 (d) A statement that unless the claim is paid within the time stated, the contents of the
47 occupant's space will be sold after a specified time; and

48 (e) The name, street address and telephone number of the operator, or a designated agent
49 whom the occupant may contact, to respond to the notice;

50 (3) At least seven days before the sale, advertise the time, place and terms of the sale in
51 a newspaper of general circulation in the jurisdiction where the sale is to be held. Such
52 advertisement shall be in the classified section of the newspaper and shall state that the items will
53 be released for sale.

54 **5. If the property is a vehicle, watercraft, or trailer and rent and other charges**
55 **remain unpaid for sixty days, the owner may treat the vehicle, watercraft, or trailer as an**
56 **abandoned vehicle and have the vehicle, watercraft, or trailer towed from the self-service**
57 **storage facility. When the vehicle, watercraft, or trailer is towed from the self-service**
58 **storage facility, the owner shall not be liable for the vehicle, watercraft, or trailer for any**
59 **damages to the motor vehicle, watercraft, or trailer once the tower takes possession of the**
60 **property.**

61 [5.] **6.** At any time before a sale under this section, the occupant may pay the amount
62 necessary to satisfy the lien and redeem the occupant's personal property.

415.417. 1. For the purposes of this section, "late fee" means a fee or charge assessed
2 by an operator for an occupant's failure to pay rent when due. A late fee is not interest on a debt,
3 nor is a late fee a reasonable expense which the operator may incur in the course of collecting
4 unpaid rent in enforcing his or her lien rights pursuant to sections 415.400 to [415.430] **415.425**,
5 or enforcing any other remedy provided by statute or contract.

6 2. Any late fee charged by the operator shall be stated in the rental agreement. No late
7 fee shall be collected unless it is written in the rental agreement or an addendum to such
8 agreement.

9 3. An operator may impose a reasonable late fee for each month an occupant does not
10 pay rent when due.

11 4. A late fee of twenty dollars or twenty percent of the monthly rental amount, whichever
12 is greater, for each late rental payment shall be deemed reasonable, and shall not constitute a
13 penalty.

14 5. An operator may set a late fee other than that permitted in subsection 4 of this section
15 if such fee is reasonable. The operator shall have the burden of proof that a higher late fee is
16 reasonable.

17 6. The operator may recover all reasonable rent collection and lien enforcement expenses
18 from the occupant in addition to any late fees incurred.

 415.420. 1. A purchaser in good faith of any personal property sold under sections
2 415.400 to [415.430] **415.425** takes the property free and clear of any rights of any persons
3 against whom the lien was valid and other lienholders.

4 2. If the operator complies with the provisions of sections 415.400 to [415.430] **415.425**,
5 the operator's liability to the occupant shall be limited to the net proceeds received from the sale
6 of the personal property, and to other lienholders shall be limited to the net proceeds received
7 from the sale of any personal property covered by the other lien.

8 3. If an occupant is in default, the operator may deny the occupant access to the leased
9 space.

10 4. Unless otherwise specifically provided in sections 415.400 to [415.430] **415.425**, all
11 notices required by sections 415.400 to [415.430] **415.425** shall be sent by [registered or certified
12 mail] **verified mail or electronic mail to the last known address as defined in section**
13 **415.400**. Notices sent to the operator shall be sent to the self-service storage facility where the
14 occupant's property is stored. Notices to the occupant shall be sent to the occupant at the
15 occupant's last known address. Notices shall be deemed delivered when deposited with the
16 United States postal service, properly addressed as provided in subsection 4 of section 415.415,
17 with postage prepaid **or sent via electronic mail to the last known address**.

 415.425. Except as provided in subsection 3 of section 415.420, unless the rental
2 agreement specifically provides otherwise and until a lien sale under sections 415.400 to
3 [415.430] **415.425**, the exclusive care, custody and control of all personal property stored in the
4 leased self-service storage space remains vested in the occupant.

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