

# SENATE BILL NO. 1022

## 103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BROWN (16).

5247S.02I

KRISTINA MARTIN, Secretary

### AN ACT

To repeal sections 415.405, 415.410, 415.415, and 415.420, RSMo, and to enact in lieu thereof four new sections relating to self-storage.

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

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2 415.420, RSMo, are repealed and four new sections enacted in  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

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

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

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

11 (3) "Last known address", that postal address or  
12 electronic mail address provided by the occupant in the  
13 latest rental agreement or the postal or electronic mail  
14 address provided by the occupant in a subsequent written  
15 notice of a change of address, one of which may be

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

16 designated in writing by the occupant as the preferred  
17 method of contact which shall be used by the operator;

18 (4) "Leased space", the individual storage space at  
19 the self-service facility which is rented to an occupant  
20 pursuant to a rental agreement;

21 (5) "No commercial value", includes but not limited to  
22 any property offered for sale in a commercially reasonable  
23 manner that receives no bid or offer;

24 (6) "Occupant", a person, lessee, sublessee, successor  
25 or assignee entitled to the use of a leased space at a self-  
26 service storage facility under a rental agreement;

27 (7) "Operator", the owner, operator, lessor or  
28 sublessor of a self-service storage facility, or an agent or  
29 any other person authorized to manage the facility; except  
30 that, the term "operator" does not include a warehouseman,  
31 unless the operator issues a warehouse receipt, bill of  
32 lading, or other document of title for the personal property  
33 stored;

34 (8) "Personal property", movable property which is not  
35 affixed to land, including, but not limited to, goods,  
36 wares, merchandise, motor vehicles, watercraft, household  
37 items, and furnishings;

38 (9) "Private sale", a sale negotiated and concluded  
39 directly between the buyer and seller;

40 (10) "Public sale", [a sale made after public notice  
41 and includes but is not limited to] a sale at the self-  
42 service storage facility or a sale conducted online at a  
43 publicly accessible website;

44 (11) "Rental agreement", any written contract or  
45 agreement that establishes or modifies the terms, conditions  
46 or rules concerning the use and occupancy of a self-service  
47 storage facility, which is signed by the occupant and the

operator. A rental agreement may be delivered and executed electronically. If the occupant does not sign a written rental agreement that the operator has delivered to the occupant, the occupant's continued use of the leased space for thirty days shall constitute an acceptance of the rental agreement with the same effect as if it had been signed by the occupant;

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

(13) "Verified mail", any method of mailing that is offered by the United States 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 storage facility to be used for residential purposes. An occupant may not use a leased space for residential purposes.

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

3. Prior to placing any personal property into his or her leased space, each occupant shall deliver a written statement to the operator or indicate in the rental agreement of such leased space containing the name and address of each person having a valid lien against such personal property and the name and address of any third-party owner of personal property stored or to be stored in the leased space along with a description of such personal property.

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

21           5. If the rental agreement contains a limit on the  
22           value of property stored in occupant's space, such limit  
23           shall be deemed to be the maximum value of the stored  
24           property and the maximum liability of the [owner] operator  
25           for any claim for loss of or damage to stored property.

26           **6. An occupant may not use a self-service storage**  
27           **facility after the operator has delivered written notice in**  
28           **person, by verified mail, or by electronic mail of the**  
29           **termination or nonrenewal of the occupant's rental**  
30           **agreement. The notice shall provide the occupant with not**  
31           **less than fourteen days after delivery of the notice to**  
32           **remove all personal property from the self-service storage**  
33           **facility.**

34           7. Prior to the occupant's removal of all personal  
35           property, the operator may place reasonable restrictions on  
36           the occupant's use of the self-service storage facility,  
37           including denying access to the self-service storage  
38           facility except for the occupant to remove personal property  
39           during the operator's normal business hours.

40           8. The operator may dispose of any personal property  
41           remaining at the self-service storage facility after the  
42           date provided in the written notice under subsection 6 of  
43           this section.

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.

16 2. If the occupant is in default for a period of more  
17 than forty-five days, the operator may enforce the lien  
18 granted in subsection 1 of this section and sell the  
19 property stored in the leased space for cash. Sale of the  
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  
22 by way of one or more contracts, and may be at any time or  
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  
26 dispose of any property which has no commercial value.

27 3. 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  
30 lienholders which the operator knows of or which are  
31 contained in the statement filed by the occupant pursuant to  
32 subsection 3 of section 415.410 for a period of one year  
33 after receipt of proceeds of the sale and satisfaction of  
34 the lien. No proceeds shall be paid to an occupant until  
35 such occupant files a sworn affidavit with the operator  
36 stating that there are no other valid liens outstanding  
37 against the property sold and that he or she, the occupant,  
38 shall indemnify the operator for any damages incurred or

39 moneys paid by the operator due to claims arising from other  
40 lienholders of the property sold. After the one-year period  
41 set in this subsection, any proceeds remaining after  
42 satisfaction of the lien shall be considered abandoned  
43 property to be reported and paid to the state treasurer in  
44 accordance with laws pertaining to the disposition of  
45 unclaimed property.

46 4. Before conducting a sale under subsection 2 of this  
47 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  
55 notify any third-party owner identified by the occupant  
56 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:

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

64 (b) A statement of the operator's claim, indicating  
65 the charges due on the date of the notice, the amount of any  
66 additional charges which shall become due before the date of  
67 release for sale and the date those additional charges shall  
68 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  
79 time, place and terms of the sale in a newspaper of general  
80 circulation in the jurisdiction where the sale is to be  
81 held. Such advertisement shall be in the classified section  
82 of the newspaper and shall state that the items will be  
83 released for sale].

84 5. If the property is a vehicle, watercraft, or  
85 trailer [and rent] and [other charges remain unpaid] **the**  
86 **occupant is in default** for sixty days, the [owner] **operator**  
87 may treat the vehicle, watercraft, or trailer as an  
88 abandoned vehicle and have the vehicle, watercraft, or  
89 trailer towed from the self-service storage facility. When  
90 the vehicle, watercraft, or trailer is towed from the self-  
91 service storage facility, the [owner] **operator** shall not be  
92 liable for the vehicle, watercraft, or trailer for any  
93 damages to the motor vehicle, watercraft, or trailer once  
94 the tower takes possession of the property.

95 6. At any time before a sale under this section, the  
96 occupant may pay the amount necessary to satisfy the lien  
97 and redeem the occupant's personal property.

415.420. 1. A purchaser in good faith of any personal  
2 property sold under sections 415.400 to 415.425 takes the

3 property free and clear of any rights of any persons against  
4 whom the lien was valid and other lienholders.

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

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

13 4. Unless otherwise specifically provided in sections  
14 415.400 to 415.425, all notices required by sections 415.400  
15 to 415.425 shall be sent by verified mail or electronic mail  
16 to the last known address as defined in section 415.400.  
17 Notices sent to the operator shall be sent to the self-  
18 service storage facility where the occupant's property is  
19 stored **unless another address to send notices to the**  
20 **operator is specified in the rental agreement.** Notices to  
21 the occupant shall be sent to the occupant at the occupant's  
22 last known address. Notices shall be deemed delivered when  
23 deposited with the United States postal service, properly  
24 addressed as provided in subsection 4 of section 415.415,  
25 with postage prepaid or sent via electronic mail to the last  
26 known address.

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