Effect of Proposed Substitute HB 2424 *by Rep. Ryu*

- Clarifies that a maximum value specified in a rental agreement will be deemed to be the maximum value of the stored property in the occupant's rented space.
- Requires that, in order to send e-mail notifications, (1) the occupant must expressly agree to e-mail notifications, (2) the rental agreement must state in bold type that notices will be sent by electronic mail, (3) the owner must provide the occupant with the e-mail address from which notices will be sent and direct the occupant to change his or her e-mail settings to allow e-mails from that address to avoid any filtration systems, and (4) the owner must notify the occupant of any change of e-mail address before the change occurs.

AN ACT Relating to self-service storage facilities; amending RCW 19.150.010, 19.150.040, and 19.150.060; and adding new sections to chapter 19.150 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 19.150.010 and 2008 c 61 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Self-service storage facility" means any real property designed and used for the purpose of renting or leasing individual storage space to occupants who are to have access to the space for the purpose of storing and removing personal property on a self-service basis, but does not include a garage or other storage area in a private residence. No occupant may use a self-service storage facility for residential purposes.

(2) "Owner" means the owner, operator, lessor, or sublessor of a self-service storage facility, his or her agent, or any other person authorized by him or her to manage the facility, or to receive rent from an occupant under a rental agreement.

(3) "Occupant" means a person, or his or her sublessee, successor, or assign, who is entitled to the use of the storage space at a self-service storage facility under a rental agreement, to the exclusion of others.

(4) "Rental agreement" means any written agreement or lease which establishes or modifies the terms, conditions, rules or any other provision concerning the use and occupancy of a self-service storage facility.

(5) "Personal property" means movable property not affixed to land, and includes, but is not limited to, goods, merchandise, furniture, and household items.

(6) "Last known address" means that address provided by the occupant in the latest rental agreement, or the address provided by the occupant in a subsequent written notice of a change of address.

(7) "Reasonable manner" means to dispose of personal property by donation to a not-for-profit charitable organization, removal of the personal property from the self-service storage facility by a trash hauler or recycler, or any other method that in the discretion of the owner is reasonable under the circumstances.

(8) "Commercially reasonable manner" means a public sale of the personal property in the self-storage space. The personal property may be sold in the owner's discretion on or off the self-service storage facility site as a single lot or in parcels. If five or more bidders are in attendance at a public sale of the personal property, the proceeds received are deemed to be commercially reasonable.

(9) "Costs of the sale" means reasonable costs directly incurred by the delivering or sending of notices, advertising, accessing, inventorying, auctioning, conducting a public sale, removing, and disposing of property stored in a self-service storage facility.

(10) "Late fee" means a fee or charge assessed by an owner of a self-service storage facility as an estimate of any loss incurred by an owner for an occupant's failure to pay rent when due. A late fee is not a penalty, interest on a debt, nor is a late fee a reasonable expense that the owner may incur in the course of collecting unpaid rent in enforcing the owner's lien rights pursuant to RCW 19.150.020 or enforcing any other remedy provided by statute or contract.

(11) "Verified mail" means any method of mailing that is offered by the United States postal service that provides evidence of mailing.

Sec. 2. RCW 19.150.040 and 2007 c 113 s 2 are each amended to read as follows:

When any part of the rent or other charges due from an occupant remains unpaid for fourteen consecutive days, an owner may terminate the right of the occupant to the use of the storage space at a self-service storage facility by sending a preliminary lien notice to the occupant's last known address, and to the alternative address specified in RCW 19.150.120(2), by first-class mail, postage prepaid, or electronic mail address, containing all of the following:

(1) An itemized statement of the owner's claim showing the sums due at the time of the notice and the date when the sums become due.

(2) A statement that the occupant's right to use the storage space will terminate on a specified date (not less than fourteen days after the mailing of the notice) unless all sums due and to become due by that date are paid by the occupant prior to the specified date.

(3) A notice that the occupant may be denied or continue to be denied, as the case may be, access to the storage space after the termination date if the sums are not paid, and that an owner's lien, as provided for in RCW 19.150.020 may be imposed thereafter.

(4) The name, street address, and telephone number of the owner, or his or her designated agent, whom the occupant may contact to respond to the notice.

Sec. 3. RCW 19.150.060 and 2007 c 113 s 3 are each amended to read as follows:

If a notice has been sent, as required by RCW 19.150.040, and the total sum due has not been paid as of the date specified in the preliminary lien notice, the lien proposed by this notice attaches as of that date and the owner may deny an occupant access to the space, enter the space, inventory the goods therein, and remove any property found therein to a place of safe keeping. The owner ((~~shall then serve by personal service or send to the occupant, addressed to the occupant's last known address and to the alternative address specified in RCW 19.150.120(2) by certified mail, postage prepaid,~~)) must provide the occupant a notice of final lien sale or final notice of disposition by personal service, verified mail, or electronic mail to the occupant's last known address and alternative address or electronic mail address, which shall state all of the following:

(1) That the occupant's right to use the storage space has terminated and that the occupant no longer has access to the stored property.

(2) That the stored property is subject to a lien, and the amount of the lien accrued and to accrue prior to the date required to be specified in subsection (3) of this section.

(3) That all the property, other than personal papers and personal photographs, may be sold to satisfy the lien after a specified date which is not less than fourteen days from the date of mailing the final lien sale notice, or a minimum of forty-two days after the date when any part of the rent or other charges due from the occupants remain unpaid, whichever is later, unless the amount of the lien is paid. The owner is not required to sell the personal property within a maximum number of days of when the rent or other charges first became due. If the total value of property in the storage space is less than three hundred dollars, the owner may, instead of sale, dispose of the property in any reasonable manner, subject to the restrictions of RCW 19.150.080(4). After the sale or other disposition pursuant to this section has been completed, the owner shall provide an accounting of the disposition of the proceeds of the sale or other disposition to the occupant at the occupant's last known address and at the alternative address.

(4) That any stored motor vehicles or boats may be towed or removed from the self-service storage facility in lieu of sale pursuant to section 4 of this act.

(5) That any excess proceeds of the sale or other disposition under RCW 19.150.080(2) over the lien amount and reasonable costs of sale will be retained by the owner and may be reclaimed by the occupant, or claimed by another person, at any time for a period of six months from the sale and that thereafter the proceeds will be turned over to the state as abandoned property as provided in RCW 63.29.165.

((~~(5)~~)) (6) That any personal papers and personal photographs will be retained by the owner and may be reclaimed by the occupant at any time for a period of six months from the sale or other disposition of property and that thereafter the owner may dispose of the personal papers and photographs in a reasonable manner, subject to the restrictions of RCW 19.150.080(3).

((~~(6)~~)) (7) That the occupant has no right to repurchase any property sold at the lien sale.

NEW SECTION. **Sec. 4.** A new section is added to chapter 19.150 RCW to read as follows:

(1) If an occupant is in default for sixty or more days and the personal property stored in the leased space is a motor vehicle or boat, the owner may have the personal property towed or removed from the self–service storage facility in lieu of a sale. Prior to having the vehicle towed, the owner must provide notice to the occupant stating the name, address, and contact information of the towing company.

(2) The owner is not liable for any damage to the personal property towed or removed from the self–service storage facility once the property is in the possession of a third party.

NEW SECTION. **Sec. 5.** A new section is added to chapter 19.150 RCW to read as follows:

If a rental agreement specifies a limit on the value of personal property that may be stored in an occupant's space, the limit shall be deemed to be the maximum value of the stored personal property in the occupant's space.

NEW SECTION. **Sec. 6.** A new section is added to chapter 19.150 RCW to read as follows:

The owner may not send by electronic mail the notices required under RCW 19.150.040 and 19.150.060 to the occupant's last known address or alternative address unless:

(1) The occupant expressly agrees to notice by electronic mail;

(2) The rental agreement executed by the occupant specifies in bold type that notices will be given to the occupant by electronic mail;

(3) The owner provides the occupant with the electronic mail address from which notices will be sent and directs the occupant to modify his or her e-mail settings to allow electronic mail from that address to avoid any filtration systems; and

(4) The owner notifies the occupant of any change in the electronic

mail address from which notices will be sent prior to the address change.

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