

SB0613/477676/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 613
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Advertisement of Sale” and substitute “Procedures”; strike beginning with “authorizing” in line 3 down through “term;” in line 7 and substitute “altering certain notice procedures required to enforce a lien on certain property stored in a leased space at a self-service storage facility; requiring a certain agreement to contain a certain statement; establishing that the balance of proceeds from a certain sale is presumed abandoned under certain circumstances; altering certain procedures required for the administration of certain proceeds from a certain sale;”; after line 8, insert:

“BY adding to

Article - Commercial Law

Section 17-307.1

Annotated Code of Maryland

(2013 Replacement Volume and 2014 Supplement)”;

and in line 16, strike “18-504(b)” and substitute “18-503 and 18-504(b) and (e)”.

AMENDMENT NO. 2

On page 1, after line 21, insert:

“17-307.1.

THE BALANCE OF THE PROCEEDS FROM THE SALE OF PERSONAL PROPERTY STORED AT A SELF-SERVICE STORAGE FACILITY THAT IS UNCLAIMED AFTER THE EXPIRATION OF THE 1 YEAR PERIOD SPECIFIED IN § 18-504(E) OF THIS ARTICLE IS PRESUMED ABANDONED.

(Over)

18-503.

(a) The operator of a self-service storage facility has a lien on all personal property stored within each leased space for rent, labor, or other charges, and for expenses reasonably incurred in its sale, as provided in this subtitle.

(b) The rental agreement shall contain a statement, in bold type, advising the occupant:

(1) Of the existence of the lien;

(2) That personal property stored in the leased space may be sold to satisfy the lien if the occupant is in default; [and]

(3) That personal property stored in the leased space may be towed or removed from the self-service storage facility if:

(i) The personal property is a motor vehicle or watercraft; and

(ii) The occupant is in default for more than 60 days; AND

(4) THAT A SALE OF PERSONAL PROPERTY STORED IN THE LEASED SPACE TO SATISFY THE LIEN IF THE OCCUPANT IS IN DEFAULT MAY BE ADVERTISED:

(I) IN A NEWSPAPER OF GENERAL CIRCULATION IN THE JURISDICTION WHERE THE SALE IS TO BE HELD;

(II) BY ELECTRONIC MAIL; OR

(III) ON AN ONLINE WEB SITE.

On page 2, in line 7, after “unless” insert “:

1.”;

in line 8, after “specifies” insert “, **IN BOLD TYPE,**”; in the same line, after “mail” insert “; **AND**

2. THE OCCUPANT PROVIDES THE OCCUPANT’S INITIALS NEXT TO THE STATEMENT IN THE RENTAL AGREEMENT SPECIFYING THAT NOTICE OF DEFAULT MAY BE GIVEN BY ELECTRONIC MAIL”;

in line 26, strike “At” and substitute “**SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT**”; in line 27, strike “in”; in line 28, strike “A” and substitute “**IN A**”; in line 29, strike “OR”; and strike beginning with “ANY” in line 30 down through “AGREEMENT” in line 32 and substitute “**BY ELECTRONIC MAIL; OR**

3. ON AN ONLINE WEB SITE.

On page 3, strike beginning with “1.” in line 1 down through “ADVERTISED.” in line 7 and substitute “**THE OPERATOR MAY NOT ADVERTISE THE SALE IN THE MANNER PROVIDED UNDER SUBPARAGRAPH (I)2 OR 3 OF THIS PARAGRAPH UNLESS THE OCCUPANT PROVIDES THE OCCUPANT’S INITIALS NEXT TO THE STATEMENT IN THE RENTAL AGREEMENT REQUIRED UNDER § 18-503(B)(4) OF THIS SUBTITLE.**

(e) **(1) If a sale is held under this section, the operator shall:**

[(1)] (1) Satisfy the lien from the proceeds of the sale; and

(Over)

[(2) Hold the balance, if any, for delivery on demand to the occupant or any other recorded lienholders] (II) MAIL THE BALANCE, IF ANY, BY CERTIFIED MAIL TO THE OCCUPANT OR ANY OTHER RECORDED LIENHOLDER AT THE LAST KNOWN ADDRESS OF THE OCCUPANT OR LIENHOLDER.

(2) (I) IF THE BALANCE IS RETURNED TO THE OPERATOR AFTER THE OPERATOR MAILED THE BALANCE IN THE MANNER REQUIRED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE OPERATOR SHALL HOLD THE BALANCE FOR 1 YEAR AFTER THE DATE OF SALE FOR DELIVERY ON DEMAND TO THE OCCUPANT OR ANY OTHER RECORDED LIENHOLDER.

(II) AFTER EXPIRATION OF THE 1 YEAR PERIOD, THE BALANCE IS PRESUMED ABANDONED UNDER § 17-307.1 OF THIS ARTICLE.”.