## Testimony of Jennifer Martinez House Bill 824

Mr. Chairman, Mr. Vice Chairman, members of the committee. Thank you for the opportunity to testify today. My name is Jennifer Martinez, and I am the Vice President of Operations for Self Storage Plus. Self Storage Plus operates 30 facilities in Maryland as well as 40 facilities in 5 other states.

I ask for your support today for House Bill 824 to modernize the Maryland Storage Act. As a bit of background, our industry is not in the business of selling the possessions of individuals or former customers. We are in the storage space rental business. However, sometimes sales are required when tenants do not pay rent to recoup the debt, and more importantly, return that unit back to inventory so it may be rented again to a paying customer.

The law requires that our rental agreements apprise tenants, in bold type, of the existence of our lien rights and that the property may be sold to satisfy the lien, upon default. Additionally, the law requires direct notice to the tenant before the sale may proceed. In practice, local managers will attempt to contact the delinquent tenant multiple times before proceeding to the sale through various forms of communication like email, traditional mail, phone calls, and text messages. Resolving the non-payment issue in a way that does not require sale is always preferable as lien sales rarely bring in even 30% of the outstanding debt.

After all attempts to contact the tenant and resolve the payment dispute fail, Maryland law currently requires that the operator advertise the sale in the newspaper of general circulation before conducting it, unless otherwise authorized by the tenant. The purpose of the advertisement is not to reach the tenant; that purpose has already been satisfied through direct notice -- current Maryland law does not even require the publication of the tenant's name in the advertisement. Newspapers were once the most effective means to advertise upcoming sales and drive traffic to it. That is simply no longer the case. Alternatively, advertising online is much more effective at reaching the target audience of potential bidders.

House Bill 824 would expressly allow storage owners to choose the method of advertising that is most appropriate for their business. Further, the bill would require storage owners to apprise each storage tenant of that fact at the time of execution of the rental agreement. Additionally, in the event of default, the bill would amend the required elements of the default notice so that tenant would be informed of the exact location of the advertisement. This provides additional notice to the tenant beyond the current law and also helps to streamline operations for storage owners.

Overall, this bill would make Maryland law similar to 30 other states around the country. Our company currently operates in several of those states, including Virginia that amended their law in 2022 to eliminate the advertising requirement entirely. Having seen these changes implemented successfully in those states, I request this committee's support for HB 824 to bring the changes to Maryland.

Thank you again for the opportunity to testify. I would be happy to answer any questions.