

# **Valley Storage Senate Testimony.pdf**

Uploaded by: Todd Snook

Position: FAV

**Testimony of Todd Snook – Valley Storage**  
**Senate Bill 633**

Chair Beidle, Vice Chair Klausmeier, members of the committees. Thank you for the opportunity to testify today. My name is Todd Snook, and I am from Hagerstown, Maryland. I am a member of the Maryland Self Storage Association Board of Directors and the owner of Valley Storage, which has eight storage facilities in Maryland. Valley Storage also operates 58 facilities in eight other states, including Virginia, Ohio, North Carolina, and Tennessee.

I ask for your support today for Senate Bill 633 to modernize the Maryland Self-service Storage Act. The bill would permit storage owners to advertise lien sales on a publicly accessible website. The Act currently requires that the operator, at least 3 days before the sale, to advertise the time, place, and terms of the sale in a newspaper of general circulation in the jurisdiction where the sale is to be held, unless otherwise authorized by the tenant. Importantly, the law does not require publication of the tenant's name.

The purpose of the newspaper advertising requirement is to drive bidders to the sale. It is not to provide notice to the tenant; that has already occurred via the default notices that are sent directly to the tenant. In the more than 40 years since the Act's passage, newspaper readership has dropped significantly. Most states recognize that newspapers are no longer an effective way to advertise upcoming sales. Operators have a strong incentive to advertise in the most effective means possible in their community to maximize the sale price. This also benefits the customer as any excess received above of the debt obligation to the storage owner must be held for the former occupant. This further benefits the customer as newspaper advertising fees are not passed on to them, although collection of the fees rarely occurs.

The changes proposed in SB 633 have been adopted in 30 other states, which either expressly permit the owner to choose the method of alternative advertising or have no advertising requirement at all. Significantly, Virginia amended its Act in 2022 to eliminate the advertising requirement entirely.

I personally have seen the changes contained in Senate Bill 633 successfully implemented in Virginia, Ohio, North Carolina, and Tennessee where our company also operates facilities. Overall, the bill seeks to bring Maryland law into 2024 by permitting a storage owner to choose the method of advertising that is most effective and appropriate for their business.

I therefore respectfully request your support for the bill.

Thank you again for permitting me to testify today. I would be happy to answer any questions.

# **SB 633 Letter of Opposition.pdf**

Uploaded by: Karen Straughn

Position: UNF

**CANDACE McLAREN LANHAM**  
*Chief Deputy Attorney General*

**CAROLYN A. QUATTROCKI**  
*Deputy Attorney General*

**LEONARD J. HOWIE III**  
*Deputy Attorney General*

**CHRISTIAN E. BARRERA**  
*Chief Operating Officer*

**ZENITA WICKHAM HURLEY**  
*Chief, Equity, Policy, and Engagement*

**PETER V. BERNS**  
*General Counsel*



**ANTHONY G. BROWN**  
*Attorney General*

STATE OF MARYLAND  
**OFFICE OF THE ATTORNEY GENERAL**  
CONSUMER PROTECTION DIVISION

**WILLIAM D. GRUHN**  
*Chief*  
Consumer Protection Division

Writer's Direct Dial No.

410-576-7942  
[kstraughn@oag.state.md.us](mailto:kstraughn@oag.state.md.us)  
Fax: 410-576-7040

February 21, 2024

To: The Honorable Pamela Beidle  
Chair, Finance Committee

From: Karen S. Straughn  
Consumer Protection Division

Re: Senate Bill 633 – Maryland Self-Service Storage Act – Sale of Personal Property in Satisfaction of Liens – Means of Advertising (OPPOSE)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in opposition to Senate Bill 633 submitted by Vice Chair Katherine Klausmeier. The bill would remove the requirement to initial the options for providing notice of sale of a self-storage unit's contents.

There are many reasons that an individual may need to place their property in a self-storage facility. In fact, a study by StorageCafe in 2021, reported that 38% of Americans reported being a self-storage user. Whether it is because you are renovating your home, moving to a new home, or simply do not have enough room, a storage facility allows an individual to keep their items safe and secure for a period of time. Many storage facilities provide a temperature-controlled environment, so important documents and memorabilia may be safely stored.

Maryland law allows self-storage operators to place a lien on the stored contents of a unit once the rent has become 30 days past due. While the operator of the facility may send notices to a tenant who is past due, late fees and the subsequent auction of contents are not contingent upon the tenant actually receiving the notices that are sent. As a result, an individual's goods may be auctioned off to pay the late rent and fees accumulated with little notice. When this occurs, the

items are usually sold at a fraction of their actual value. Moreover, if there is sentimental value to the items being stored, losing them may be emotionally distressing to the owner.

Under present law, the storage facility must advertise the sale in a newspaper of general circulation in the area of the facility. In addition, if acknowledgement is made by the consumer by initialing the options in the contract, notification may also be given by email or by publication on the website of the facility. The current bill proposes to remove the separate requirement to initial for notification to be sent by email or by posting on the facility's website. In so doing, the consumer may be left without actual notice that their items will be sold at auction. Mere posting on a website notifies individuals who are seeking to buy goods but is not always successful in notifying an owner of the contents. By maintaining the present requirement to initial options for providing notice, the individual receives advance notice of the means by which the sale may be advertised and is better protected against inadvertently losing their valuables.

For these reasons, we ask that the Finance Committee return an unfavorable report on this bill.

cc: The Honorable Katherine Klausmeier  
Members, Finance Committee