

SENATE BILL 844

I4

5lr2885

By: **Senator Hershey**

Introduced and read first time: January 28, 2025

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Self-Service Storage Act – Sale of Personal Property in Satisfaction of**
3 **Lien – Notice Requirements**

4 FOR the purpose of requiring a certain operator of a certain self-service storage facility to
5 notify a certain occupant in a certain manner before conducting a sale of the
6 occupant's personal property stored in certain leased space at the self-service
7 storage facility; and generally relating to enforcement of liens on personal property
8 stored in self-service storage facilities.

9 BY repealing and reenacting, without amendments,
10 Article – Commercial Law
11 Section 18-504(a) and (c)
12 Annotated Code of Maryland
13 (2013 Replacement Volume and 2024 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Commercial Law
16 Section 18-504(b) and (d)
17 Annotated Code of Maryland
18 (2013 Replacement Volume and 2024 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

21 **Article – Commercial Law**

22 18-504.

23 (a) (1) If the occupant is in default for a period of more than 60 days, the
24 operator may enforce the lien by selling the personal property stored in the leased space at
25 a public sale, for cash.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) Proceeds from the sale shall be applied to satisfy the lien, and any
2 surplus shall be disbursed as provided in subsection (e) of this section.

3 (b) (1) Before conducting a sale under subsection (a) of this section, the
4 operator shall, subject to paragraph (2) of this subsection, notify the occupant of the default
5 by hand delivery, verified mail, or electronic mail at the occupant's last known address.

6 (2) (i) The operator may not notify the occupant of the default by
7 electronic mail unless:

8 1. The rental agreement, or a written change to the rental
9 agreement, specifies, in bold type, that notice may be given by electronic mail; and

10 2. The occupant provides the occupant's initials next to the
11 statement in the rental agreement specifying that notice of default may be given by
12 electronic mail.

13 (ii) If the operator notifies the occupant of the default by electronic
14 mail at the occupant's last known address and does not receive a response [or a
15 confirmation of delivery] sent from the occupant's electronic mail address **OR A**
16 **CONFIRMATION OF DELIVERY**, the operator shall send a second notice of default to the
17 occupant by verified mail to the occupant's last known postal address.

18 (3) The notice shall include:

19 (i) A statement that the contents of the occupant's leased space are
20 subject to the operator's lien;

21 (ii) A statement of the operator's claim, indicating the charges due
22 on the date of the notice, the amount of any additional charges which shall become due
23 before the date of sale, and the date those additional charges shall become due;

24 (iii) A demand for payment of the charges due within a specified time,
25 not less than 14 days after the date that the notice was mailed;

26 (iv) A statement that unless the claim is paid within the time stated,
27 the contents of the occupant's space will be sold at a specified time and place; and

28 (v) The name, street address, and telephone number of the operator,
29 or his designated agent, whom the occupant may contact to respond to the notice.

30 (4) **(I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT**
31 **LEAST 10 DAYS BEFORE CONDUCTING A SALE UNDER THIS SECTION, THE OPERATOR**
32 **SHALL NOTIFY THE OCCUPANT OF THE TIME, PLACE, AND TERMS OF THE SALE BY**

1 HAND DELIVERY, VERIFIED MAIL, OR ELECTRONIC MAIL AT THE OCCUPANT'S LAST
2 KNOWN ADDRESS.

3 (II) IF AN OPERATOR NOTIFIES THE OCCUPANT OF THE SALE BY
4 ELECTRONIC MAIL AT THE OCCUPANT'S LAST KNOWN ADDRESS AND DOES NOT
5 RECEIVE A RESPONSE SENT FROM THE OCCUPANT'S ELECTRONIC MAIL ADDRESS OR
6 A CONFIRMATION OF DELIVERY AT LEAST 5 DAYS BEFORE THE SALE, THE OPERATOR
7 SHALL PROMPTLY SEND A SECOND NOTICE OF SALE TO THE OCCUPANT BY VERIFIED
8 MAIL TO THE OCCUPANT'S LAST KNOWN POSTAL ADDRESS.

9 (5) At least 3 days before conducting a sale under this section, the operator
10 shall advertise the time, place, and terms of the sale:

11 (i) In a newspaper of general circulation in the jurisdiction where
12 the sale is to be held;

13 (ii) By electronic mail; or

14 (iii) On an online website.

15 (c) At any time before a sale under this section, the occupant may pay the amount
16 necessary to satisfy the lien and redeem the occupant's personal property.

17 (d) (1) A sale under this section shall be held at the self-service storage facility
18 where the personal property is stored.

19 (2) A sale under this section shall be deemed to be held at the self-service
20 storage facility where the personal property is stored if the sale is held on an online auction
21 [Web site] WEBSITE.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2025.