

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 979

(Delegate A. Johnson, *et al.*)

Economic Matters

Finance

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

This bill requires a self-service storage facility operator to provide an occupant a notice that includes certain information prior to conducting a lien sale of personal property. Specifically, at least 10 days before conducting a lien sale of personal property authorized under the Maryland Self-Service Storage Act, the operator must notify the occupant of the time, place, and terms of the sale by hand delivery, verified mail, or electronic mail at the occupant's last known address. If an operator notifies the occupant via email and does not receive a response at least 5 days before the sale, the operator must promptly send a second notice to the occupant by verified mail (to the occupant's last known postal address). **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: The bill does not materially affect State finances or operations.

Local Effect: The bill does not materially affect local government finances or operations.

Small Business Effect: Minimal.

Analysis

Current Law: The Maryland Self-Service Storage Act was adopted in 1983 and applies to all rental agreements entered into or renewed after July 1, 1983.

Under the Act, a “self-service storage facility” is any real property used for renting or leasing individual storage spaces in which the occupants themselves store and remove their

own personal property on a “self-service” basis. An “operator” is defined as the owner, operator, lessor, sublessor, agent, or any other person authorized to manage the self-service storage facility. An “occupant” is defined as a person, sublessee, successor, or assignee entitled to use the leased space at a self-service storage facility under a rental agreement. “Personal property” is any movable property not affixed to land and includes goods, wares, merchandise, motor vehicles, watercraft, and household items and furnishings. “Default” is defined as the failure to perform an obligation or duty set forth in the rental agreement on time.

An operator of a self-service storage facility has a lien on all personal property stored in each leased space for rent, labor, or other charges and for expenses reasonably incurred in its sale.

A rental agreement between an operator and occupant of a self-service storage facility must contain a statement, in bold type, advising the occupant that, in the event of the occupant’s default, the lien sale of personal property stored in the leased space may be advertised (1) in a newspaper of general circulation in the jurisdiction where the sale is to be held; (2) by email; or (3) on a website.

If an occupant is in default for more than 60 days, the operator may enforce the lien by selling the personal property stored in the leased space at a public sale for cash; proceeds are applied to satisfy the lien and the operator must hold the balance, if any, for delivery on demand to the occupant or any other recorded lien holder. The operator must notify the occupant of the occupant’s default status before conducting the sale. The notice must include specified information about the operator’s lien on the personal property, including the due date by which any outstanding charges must be paid before the personal property is sold; the due date must be at least 14 days after the notice’s mailing date. The notice must be provided by hand delivery, verified mail, or email; however, email notice is only authorized if so specified in the rental agreement or in a written change to the rental agreement.

At least 3 days before conducting a sale of the personal property, the operator must advertise the time, place, and terms of the sale via the methods noted above. The operator may not advertise the sale through email or a website unless the occupant initials the required statement in the rental agreement.

At any time before a sale, the occupant may pay the amount necessary to satisfy the lien and redeem the occupant’s personal property. A sale must be held at the self-service storage facility where the personal property is stored (but may also be sold on an online auction website.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2025
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