

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 438

(Senators Jackson and Hershey)

Finance

Economic Matters

Commercial Law - Self-Service Storage Facilities - Alterations

This bill prohibits an occupant from using a self-service storage facility beyond the term of a rental agreement after the operator or occupant has delivered – in person, by e-mail, or by verified mail – written notice of the nonrenewal of the rental agreement. The operator must provide the occupant with at least 30 days after delivery of the notice (and at least until the end of the term of the rental agreement) to remove all personal property from the self-service storage facility. After the 30-day waiting period and at least 10 days before disposing of the remaining personal property, the operator must deliver (in person, by e-mail, or by verified mail) a notice of intent to dispose of the occupant’s property. The operator may *not* dispose of any remaining personal property at the self-service storage facility until after these time periods have elapsed. The bill also expands the definition of “rental agreement” to include electronic agreements. An operator must include a statement in a rental agreement concerning the removal of personal property from the self-service storage facility after nonrenewal of the rental agreement. **The bill takes effect July 1, 2026.**

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

Bill Summary: If an operator notifies the occupant of the nonrenewal by email at the occupant’s last known email address and does not receive a response sent from the

occupant's email address or a confirmation of delivery within five days after delivery, the operator must promptly send a second notice of nonrenewal to the occupant by verified mail to the occupant's last known postal address.

Similarly, if an operator notifies the occupant of the intent to dispose of property in the same manner and does not receive a response or a confirmation of delivery within five days after delivery, the operator must promptly send a second notice of intent to dispose to the occupant by verified mail to the occupant's last known postal address.

The rental agreement for a self-service storage facility must contain a statement (in addition to information required under current law, described below) advising the occupant that if the operator does not renew the rental agreement, the operator must (in accordance with the bill) deliver written notice advising the occupant to remove all personal property from the self-service storage facility by the date stated in the notice.

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. A "rental agreement" means any written agreement that establishes or modifies the terms, conditions, or rules concerning the use and occupancy of a self-service storage facility. "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 e-mail; 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 e-mail; however, e-mail notice is only authorized if so specified in the rental agreement or in a written change to the rental agreement.

A self-service storage facility operator must 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 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 e-mail 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).

At least three 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 e-mail 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).

An operator may not knowingly permit a leased space at a self-service storage facility to be used for residential purposes. Likewise, an occupant may not use a leased space for residential purposes.

Additional Information

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

Designated Cross File: HB 618 (Delegate A. Johnson) - Economic Matters.

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

Fiscal Note History:
jg/jkb

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