

CS FOR HOUSE BILL NO. 277(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 4/25/02

Referred: Judiciary

Sponsor(s): REPRESENTATIVES DAVIES, Dyson

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to self-storage facilities; distinguishing self-storage facility liens from**
2 **another type of storage lien; and excluding self-storage liens from the Uniform**
3 **Residential Landlord and Tenant Act and the treatment of certain unclaimed property."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 34.03.330 is amended by adding a new subsection to read:

6 (c) Notwithstanding any other provision of this section to the contrary, this
7 chapter does not apply to a self-storage facility. In this subsection, "self-storage
8 facility" has the meaning given in AS 34.35.649.

9 * **Sec. 2.** AS 34.35 is amended by adding a new section to article 5 to read:

10 **Sec. 34.35.227. Application.** AS 34.35.220 - 34.35.225 do not apply to self-
11 storage facilities. In this section, "self-storage facilities" has the meaning given in
12 AS 34.35.649.

13 * **Sec. 3.** AS 34.35 is amended by adding new sections to read:

14 **Article 13A. Self-Storage Facilities.**

1 **Sec. 34.35.600. Self-storage facility liens.** (a) A person who owns a self-
2 storage facility has a lien on the personal property that is stored in a storage unit for
3 the payment of the rental charges for the unit.

4 (b) If the rental charges for a storage unit are unpaid for four days after the
5 charges are due under the unit renter's rental agreement with the facility owner, a
6 facility owner may deny the unit renter access to the unit by changing the lock or by
7 other means, and, after 60 days after the charges are due, may take possession of the
8 personal property stored in the self-storage unit.

9 (c) Unless provided otherwise in the rental agreement, a facility owner is not
10 required to apply a security deposit received by the facility owner to the reduction of
11 the rental charges when determining whether the rental charges have been paid when
12 due.

13 **Sec. 34.35.610. Information on notice and disposal process.** At the time a
14 person enters into a rental agreement with a facility owner for the person to have the
15 exclusive use of a rental unit, the facility owner shall

16 (1) inform the unit renter of the notice and disposal requirements under
17 AS 34.35.600 - 34.35.649 for the unit renter's property if the unit renter fails to pay the
18 rental charges; and

19 (2) place the information provided under (1) of this section in the
20 rental agreement.

21 **Sec. 34.35.620. Mailed notice required.** (a) If a facility owner takes
22 possession of personal property under AS 34.35.600(b), the facility owner shall send a
23 written notice by certified mail, return receipt requested, to the unit renter at the unit
24 renter's last known address. In this subsection, "last known address" means the
25 address provided by the unit renter in the most recent rental agreement or the address
26 provided by the unit renter in a written notice of a change of address, whichever
27 address is provided later.

28 (b) The notice mailed under (a) of this section must inform the unit renter that

29 (1) the facility owner has taken possession of the personal property in
30 the storage unit for nonpayment of rental charges;

31 (2) after 21 days have elapsed from the date of the publication or

1 posting under AS 34.35.630 without payment of the amount owed, the facility owner
 2 will dispose of the property at a place, at a time, and in a manner determined by the
 3 facility owner in the sole discretion of the facility owner, consistent with
 4 AS 34.35.640;

5 (3) the amount owed under (2) of this subsection includes any mailing
 6 and publication or posting costs that have been incurred by the facility owner under
 7 this section and AS 34.35.630;

8 (4) if, after the property has been disposed of by the facility owner, the
 9 proceeds of the disposition exceed the amount owed, the unit renter may claim the
 10 excess proceeds from the facility owner within one year from the date of publication
 11 of the notice;

12 (5) the amount owed under (4) of this subsection includes the actual
 13 documented costs of disposing of the property; and

14 (6) the unit renter will not receive another notice.

15 (c) The notice mailed under (a) of this section must also identify the self-
 16 storage facility by name and address, provide a telephone number and an electronic
 17 mail address, if the owner or the owner's agent has an electronic mail address, for
 18 reaching the facility owner or the owner's agent, and provide an address where the unit
 19 renter can pay the amount owed.

20 **Sec. 34.35.630. Publication or posting required.** (a) In addition to the
 21 notice required by AS 34.35.620, the facility owner shall

22 (1) publish a notice two times within 14 consecutive days in a
 23 newspaper of general circulation in the community where the self-storage facility is
 24 located; or

25 (2) if there is not a newspaper of general circulation in the community
 26 where the self-storage facility is located, post a notice for at least one week in a
 27 prominent location where similar notices are commonly posted.

28 (b) The notice required under (a) of this section must contain the information
 29 required by AS 34.35.620(b) and (c) to be in the notice mailed under AS 34.35.620.

30 (c) A facility owner may combine notices for more than one delinquent unit
 31 renter in a notice published or posted under (a) of this section.

1 **Sec. 34.35.640. Disposal of property and proceeds.** (a) When a facility
 2 owner has taken possession of property under AS 34.35.600, the facility owner has
 3 complied with AS 34.35.610 - 34.35.630, and the unit renter has not paid the amount
 4 owed within 21 days from the date of the publication made under AS 34.35.630, the
 5 facility owner may, without further notice to the unit renter, dispose of the property at
 6 a place, at a time, and in a manner determined by the facility owner in the sole
 7 discretion of the facility owner, consistent with (b) of this section.

8 (b) If the property subject to the lien appears to be salable, the facility owner
 9 shall take reasonable steps to ascertain the fair market value of the property. If, after
 10 taking reasonable steps to ascertain the fair market value, the facility owner cannot sell
 11 the property, or if the property appears to have little value, the facility owner may give
 12 away or throw away the property.

13 (c) If all or part of the property is sold under this section, the proceeds shall be
 14 applied to reduce the amount owed by the unit renter. If the proceeds exceed the
 15 amount owed, the excess becomes the property of the facility owner unless the unit
 16 renter claims the excess within one year from the date of publication or posting under
 17 AS 34.35.630.

18 (d) The facility owner shall keep for one year from the date of publication or
 19 posting under AS 34.35.630 a written record of when and how the facility owner
 20 disposed of the property. The facility owner shall allow the unit renter to review the
 21 record upon request.

22 **Sec. 34.35.649. Definitions.** In AS 34.35.600 - 34.35.649,

23 (1) "amount owed" means

24 (A) the rental charges owed to a facility owner by a unit renter;

25 (B) any costs incurred by a facility owner for mailing and for
 26 publishing or posting the notice of the lien under AS 34.35.620 and 34.35.630;
 27 and

28 (C) the actual documented costs incurred by a facility owner
 29 for disposing of the property;

30 (2) "facility owner" means a person who is

31 (A) the owner, operator, lessor, or sublessor of a self-storage

1 facility;

2 (B) an agent of a person identified in (A) of this paragraph; or

3 (C) a person who is authorized by a person identified in (A) of
4 this paragraph to manage the self-storage facility or to receive payment for
5 rental charges from a unit renter under a rental agreement;

6 (3) "rental agreement" means a written agreement between a facility
7 owner and a unit renter that establishes terms, conditions, rules, or other provisions for
8 the use and occupancy of a self-storage facility, and includes amendments of the
9 agreement;

10 (4) "self-storage facility" means a facility

11 (A) that provides storage space for rent for payment of a rental
12 charge; and

13 (B) where the unit renter controls the access to the storage unit
14 and controls the storage unit's contents by a lock or other means;

15 (5) "storage unit" means a rental unit in a self-storage facility;

16 (6) "unit renter" means a person, or the sublessee or assignee of the
17 person, who is entitled under a rental agreement to the exclusive use of a storage unit.

18 * **Sec. 4.** AS 34.45 is amended by adding a new section to article 1 to read:

19 **Sec. 34.45.095. Application.** AS 34.45.010 - 34.45.085 do not apply to self-
20 storage facilities. In this section, "self-storage facilities" has the meaning given in
21 AS 34.35.649.