

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

HOUSE BILL 18-1117

BY REPRESENTATIVE(S) Van Winkle and Coleman, Melton, Rosenthal;  
also SENATOR(S) Tate.

CONCERNING LIENS THAT ATTACH TO PERSONAL PROPERTY THAT IS STORED  
AT A SELF-SERVICE STORAGE FACILITY.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 38-21.5-101, **amend** the introductory portion and (6) as follows:

**38-21.5-101. Definitions.** As used in this ~~article~~ ARTICLE 21.5, unless the context otherwise requires:

(6) "Rental agreement" means any written agreement or lease that establishes or modifies the terms, conditions, rules, or any other provisions concerning the use and occupancy at a self-service storage facility. ~~and that contains a notice stating that all articles stored under the terms of such agreement will be sold or otherwise disposed of if no payment has been received for a continuous thirty-day period. The agreement must contain a provision directing the occupant to disclose any lienholders with an interest in property that is or will be stored in the self-service storage facility.~~

**SECTION 2.** In Colorado Revised Statutes, **add** 38-21.5-101.5 as follows:

**38-21.5-101.5. Rental agreements - required provisions.** (1) A RENTAL AGREEMENT MUST CONTAIN:

(a) A NOTICE STATING THAT ALL ARTICLES STORED UNDER THE TERMS OF SUCH AGREEMENT WILL BE SOLD OR OTHERWISE DISPOSED OF IF NO PAYMENT HAS BEEN RECEIVED FOR A CONTINUOUS THIRTY-DAY PERIOD; AND

(b) A PROVISION DIRECTING THE OCCUPANT TO DISCLOSE ANY LIENHOLDERS WITH AN INTEREST IN PROPERTY THAT IS OR WILL BE STORED IN THE SELF-SERVICE STORAGE FACILITY.

(2) IF A RENTAL AGREEMENT LIMITS THE AGGREGATE VALUE OF THE PROPERTY THAT MAY BE STORED IN THE OCCUPANT'S STORAGE SPACE, THAT LIMIT IS DEEMED TO BE THE MAXIMUM VALUE OF THE STORED PROPERTY.

(3) A RENTAL AGREEMENT MAY INCLUDE A REASONABLE LATE FEE FOR EACH MONTH AN OCCUPANT DOES NOT PAY RENT IN FULL WHEN DUE. A LATE FEE OF TWENTY DOLLARS OR TWENTY PERCENT OF THE MONTHLY RENTAL AMOUNT, WHICHEVER IS GREATER, FOR EACH LATE RENTAL PAYMENT IS REASONABLE AND DOES NOT CONSTITUTE A PENALTY. THE OWNER SHALL NOT COLLECT A LATE FEE AS PART OF THE LIEN UNLESS THE AMOUNT OF THE LATE FEE IS STATED IN THE RENTAL AGREEMENT OR IN AN ADDENDUM TO THE RENTAL AGREEMENT.

**SECTION 3.** In Colorado Revised Statutes, **amend** 38-21.5-102 as follows:

**38-21.5-102. Lien established.** Where a rental agreement ~~as defined in section 38-21.5-101 (6)~~, is entered into between the owner and the occupant, the owner ~~of a self-service storage facility~~ and his or her heirs, executors, administrators, successors, and assigns have a lien upon all personal property located at the self-service storage facility for rent, labor, or other charges, present or future, INCLUDING LATE FEES AS SPECIFIED IN SECTION 38-21.5-101.5 (3), in relation to the personal property and for expenses necessary for its preservation or expenses reasonably incurred in its sale or other disposition pursuant to this ~~article~~ ARTICLE 21.5. The lien attaches as of the date the personal property is brought to the self-service

storage facility and continues so long as the owner retains possession and until the default is corrected, ~~or~~ a sale is conducted, or the property is otherwise disposed of to satisfy the lien. ~~Prior to~~ BEFORE taking enforcement action pursuant to section 38-21.5-103 (1)(b), the owner shall determine if a financing statement concerning the property to be sold or otherwise disposed of has been filed with the secretary of state in accordance with part 5 of article 9 of title 4. ~~C.R.S.~~

**SECTION 4.** In Colorado Revised Statutes, 38-21.5-103, **amend** (1)(g)(I) as follows:

**38-21.5-103. Enforcement of lien.** (1) An owner's lien, as provided for a claim that has become due, may be satisfied as follows:

(g) (I) Any sale or other disposition of the personal property must be held:

(A) ON AN ONLINE AUCTION WEBSITE THAT CUSTOMARILY CONDUCTS PUBLIC AUCTIONS;

(B) At the self-service storage facility; or

(C) At the nearest suitable place to where the personal property is held or stored.

**SECTION 5. Act subject to petition - effective date - applicability.** (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to conduct occurring on or after the applicable effective date of this act.

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Crisanta Duran  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Kevin J. Grantham  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Effie Ameen  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

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John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO