

Senate Bill 588

By: Senator Still of the 48th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 5 of Chapter 4 of Title 10 of the Official Code of Georgia Annotated,
2 relating to self-service storage facilities, so as to shorten the time between advertisement and
3 sale of abandoned property; to provide for related matters; to provide for an effective date
4 and applicability; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Article 5 of Chapter 4 of Title 10 of the Official Code of Georgia Annotated, relating to
8 self-service storage facilities, is amended by revising Code Section 10-4-213, relating to
9 enforcement of a lien without judicial intervention, as follows:

10 "10-4-213.

11 Provided that it complies with the requirements of this Code section, an owner may enforce
12 the lien without judicial intervention. The owner shall obtain from the occupant a written
13 rental agreement which includes the following language:

14 This agreement, made and entered into this _____ day of _____, _____, by
15 and between _____, hereinafter called Owner, and _____,
16 hereinafter called Occupant, whose last known address is _____. For the
17 consideration hereinafter stated, Owner agrees to let Occupant use and occupy a space

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18 in the self-service storage facility, known as _____, situated in the City
19 of _____, County of _____, State of Georgia, and more particularly described
20 as follows: Building #_____, Space #_____, Size _____. Said space is to be
21 occupied and used for the purposes specified herein and subject to the conditions set forth
22 for a period of _____, beginning on the _____ day of _____, _____, and
23 continuing month to month until terminated.

24 'Space,' as used in this agreement, will be that part of the self-service storage facility as
25 described above. Occupant agrees to pay Owner, as payment for the use of the space and
26 improvements thereon, the monthly sum of \$_____. Monthly installments are
27 payable in advance on or before the first of each month, in the amount of \$_____, and
28 a like amount for each month thereafter, until the termination of this agreement.

29 If any monthly installment is not paid by the seventh calendar day of the month due, or
30 if any check given in payment is dishonored by the financial institution on which it is
31 drawn, Occupant shall be deemed to be in default.

32 Occupant further agrees to pay the sum of one month's fees, which shall be used as a
33 clean-up and maintenance fund, and is to be used, if required, for the repair of any
34 damage done to the space and to clean up the space at the termination of the agreement.
35 In the event that the space is left in a good state of repair, and in a broom-swept
36 condition, then this amount shall be refunded to Occupant. However, it is agreed to
37 between the parties that Owner may set off any claims it may have against Occupant from
38 this fund.

39 The space named herein is to be used by Occupant solely for the purpose of storing any
40 personal property belonging to Occupant. Occupant agrees not to store any explosives
41 or any highly inflammable goods or any other goods in the space which would cause
42 danger to the space. Occupant agrees that the property will not be used for any unlawful
43 purposes and Occupant agrees not to commit waste, nor alter, nor affix signs on the
44 space, and to keep the space in good condition during the term of this agreement.

45 OWNER HAS A LIEN ON ALL PERSONAL PROPERTY STORED IN
 46 OCCUPANT'S SPACE FOR RENT, FEES FOR THE LATE PAYMENT OF
 47 RENT, LABOR, OR OTHER CHARGES, PRESENT OR FUTURE, IN
 48 RELATION TO THE PERSONAL PROPERTY, AND FOR ITS
 49 PRESERVATION OR EXPENSES REASONABLY INCURRED IN ITS SALE
 50 OR OTHER DISPOSITION PURSUANT TO THIS AGREEMENT.
 51 PERSONAL PROPERTY STORED IN OCCUPANT'S SPACE WILL BE SOLD
 52 OR OTHERWISE DISPOSED OF IF NO PAYMENT HAS BEEN RECEIVED
 53 FOR A CONTINUOUS THIRTY-DAY PERIOD AFTER DEFAULT. IN
 54 ADDITION, UPON OCCUPANT'S DEFAULT, OWNER MAY WITHOUT
 55 NOTICE DENY OCCUPANT ACCESS TO THE PERSONAL PROPERTY
 56 STORED IN OCCUPANT'S SPACE UNTIL SUCH TIME AS PAYMENT IS
 57 RECEIVED. IF ANY MONTHLY INSTALLMENT IS NOT MADE BY THE
 58 SEVENTH CALENDAR DAY OF THE MONTH DUE, OR IF ANY CHECK
 59 GIVEN IN PAYMENT IS DISHONORED BY THE FINANCIAL
 60 INSTITUTION ON WHICH IT IS DRAWN, OCCUPANT IS IN DEFAULT
 61 FROM DATE PAYMENT WAS DUE.

62 I hereby agree that all notices other than bills and invoices shall be given by hand
 63 delivery, verified mail, or email at the following addresses:

64 _____ (hand delivery)

65 _____ (verified mail)

66 _____ (email)-

67 and I further understand that I may designate to ~~owner~~ Owner an agent to receive such
 68 notice by providing:

69 _____ (hand delivery)

70 _____ (verified mail)

71 _____ (email).

72 For purposes of Owner's lien: 'personal property' means movable property, not affixed
73 to land, and includes, but is not limited to, goods, wares, merchandise, motor vehicles,
74 trailers, watercraft, household items, and furnishings; 'last known address' means the
75 street address or post office box address provided by Occupant in the latest rental
76 agreement or the address provided by Occupant in a subsequent written notice of a
77 change of address by hand delivery, verified mail, or email.

78 Owner's lien is superior to any other lien or security interest, except those which are
79 evidenced by a certificate of title or perfected and recorded prior to the date of this rental
80 agreement in Georgia, in the name of Occupant, either in the county of Occupant's 'last
81 known address' or in the county where the self-service storage facility is located, except
82 any tax lien as provided by law and except those liens or security interests of whom
83 Owner has knowledge through Occupant's disclosure in this rental agreement or through
84 other written notice. Occupant attests that the personal property in Occupant's space(s)
85 is free and clear of all liens and secured interests except for _____. Owner's lien
86 attaches as of the date the personal property is brought to the self-service storage facility.
87 Except as otherwise specifically provided in this rental agreement, the exclusive care,
88 custody, and control of any and all personal property stored in the leased space shall
89 remain vested in Occupant. Owner does not become a bailee of Occupant's personal
90 property by the enforcement of Owner's lien.

91 If Occupant has been in default continuously for thirty (30) days, Owner may enforce its
92 lien, provided Owner shall comply with the following procedure:

93 Occupant shall be notified of Owner's intent to enforce Owner's lien by written notice
94 delivered in person, by verified mail, or by email. Owner also shall notify other parties
95 with superior liens or security interests as defined in this rental agreement. A notice
96 given pursuant to this rental agreement shall be presumed sent when it is deposited with
97 the United States Postal Service or the statutory overnight delivery service properly
98 addressed with postage or delivery fees prepaid or sent by email. If Owner sends notice

99 of a pending sale of property to Occupant's last known email address and does not
100 receive a nonautomated response or a receipt of delivery to the email address, Owner
101 shall send notice of the sale to Occupant by verified mail to Occupant's last known
102 address or to the last known address of the designated agent of the Occupant before
103 proceeding with the sale.

104 Owner's notice to Occupant shall include an itemized statement of Owner's claim
105 showing the sum due at the time of the notice and the date when the sum became due.

106 Owner's notice shall notify Occupant of denial of access to the personal property and
107 provide the name, street address, email address, and telephone number of Owner or its
108 designated agent, whom Occupant may contact to respond to this notice. Owner's
109 notice shall demand payment within a specified time, not less than ~~fourteen (14)~~
110 twenty-one (21) days after delivery of the notice. It shall state that, unless the claim is
111 paid, within the time stated in the notice, the personal property will be advertised for
112 public sale to the highest bidder, and will be sold at a public sale to the highest bidder,
113 at a specified time and place.

114 After the expiration of the time given in Owner's notice, Owner shall publish an
115 advertisement of the public sale to the highest bidder; ~~once a week, for two consecutive~~
116 ~~weeks,~~ in the legal organ for the county where the self-service storage facility is located
117 or in any other commercially reasonable manner. The advertisement and sale shall be
118 deemed commercially reasonable if at least three (3) independent bidders attend the sale
119 at the time and place advertised. 'Independent bidder' means a bidder who is not related
120 to and who has no controlling interest in, or common pecuniary interest with, Owner or
121 any other bidder. The advertisement shall include: a brief and general description of the
122 personal property, reasonably adequate to permit its identification; the address of the
123 self-service storage facility, and the number, if any, of the space where the personal
124 property is located, and the name of Occupant; and the time, place, and manner of the
125 public sale. The public sale to the highest bidder shall take place not sooner than fifteen

126 (15) days after the first publication. Regardless of whether a sale involves the property
127 of more than one Occupant, a single advertisement may be used to advertise the disposal
128 of property at the sale. A public sale includes offering the property on a publicly
129 accessible website that regularly conducts online auctions of personal property. Such sale
130 shall be considered incidental to the self-storage business and no license shall be required.
131 If no one purchases the property at the public sale and if Owner has complied with the
132 foregoing procedures, Owner may otherwise dispose of the property and shall notify
133 Occupant of the action taken. Any sale or disposition of the personal property shall be
134 held at the self-service storage facility or at the nearest suitable place to where the
135 personal property is held or stored.

136 Before any sale or other disposition of personal property pursuant to this agreement,
137 Occupant may pay the amount necessary to satisfy the lien and the reasonable expenses
138 incurred and thereby redeem the personal property and thereafter Owner shall have no
139 liability to any person with respect to such personal property.

140 A Purchaser in good faith of the personal property sold to satisfy Owner's lien takes the
141 property free of any rights of persons against whom the lien was valid, despite
142 noncompliance by Owner with the requirements of this agreement.

143 In the event of a sale, Owner may satisfy his or her lien from the proceeds of the sale.
144 Owner shall hold the balance of the proceeds, if any, for Occupant or any notified secured
145 interest holder. If not claimed within two years of the date of sale, the balance of the
146 proceeds shall be disposed of in accordance with Article 5 of Chapter 12 of Title 44, the
147 'Disposition of Unclaimed Property Act.' In no event shall Owner's liability exceed the
148 proceeds of the sale.

149 If the rental agreement contains a limit on the value of property stored in Occupant's
150 storage space, the limit shall be deemed to be the maximum value of the property stored
151 in that space.

152 If the property upon which the lien is claimed is a motor vehicle, trailer, or watercraft and
153 rent and other charges related to the property remain unpaid or unsatisfied for 60 days
154 following the maturity of the obligation to pay rent, Owner may have the property towed
155 in lieu of foreclosing on the lien. If a motor vehicle, trailer, or watercraft is towed as
156 authorized in this section, Owner shall not be liable for the motor vehicle, trailer, or
157 watercraft or any damages to the motor vehicle, trailer, or watercraft once the tower takes
158 possession of the property."

159 **SECTION 2.**

160 This Act shall become effective on July 1, 2024, and shall be applicable to any sales initiated
161 on or after that date.

162 **SECTION 3.**

163 All laws and parts of laws in conflict with this Act are repealed.