H-4325.2

HOUSE BILL 2661

60th Legislature

2008 Regular Session

By Representatives Green and Morrell

State of Washington

Read first time 01/15/08. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to self-service storage facilities; amending RCW
- 2 19.150.010, 19.150.020, and 19.150.902; and adding a new section to
- 3 chapter 19.150 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 19.150.010 and 2007 c 113 s 1 are each amended to read 6 as follows:
- 7 The definitions in this section apply throughout this chapter 8 unless the context clearly requires otherwise.
- 9 (1)"Self-service storage facility" means any real property 10 designed and used for the purpose of renting or leasing individual 11 storage space to occupants who are to have access to the space for the 12 purpose of storing and removing personal property on a self-service 13 basis, but does not include a garage or other storage area in a private 14 residence. No occupant may use a self-service storage facility for 15 residential purposes.
- 16 (2) "Owner" means the owner, operator, lessor, or sublessor of a 17 self-service storage facility, his or her agent, or any other person 18 authorized by him or her to manage the facility, or to receive rent
- 19 from an occupant under a rental agreement.

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1 (3) "Occupant" means a person, or his or her sublessee, successor, 2 or assign, who is entitled to the use of the storage space at a self-3 service storage facility under a rental agreement, to the exclusion of 4 others.

- (4) "Rental agreement" means any written agreement or lease which establishes or modifies the terms, conditions, rules or any other provision concerning the use and occupancy of a self-service storage facility.
- (5) "Personal property" means movable property not affixed to land, and includes, but is not limited to, goods, merchandise, furniture, and household items.
 - (6) "Last known address" means that address provided by the occupant in the latest rental agreement, or the address provided by the occupant in a subsequent written notice of a change of address.
 - (7) "Reasonable manner" means to dispose of personal property by donation to a not-for-profit charitable organization, removal of the personal property from the self-service storage facility by a trash hauler or recycler, or any other method that in the discretion of the owner is reasonable under the circumstances.
 - (8) "Commercially reasonable manner" means a public sale of the personal property in the self-storage space. The personal property may be sold in the owner's discretion on or off the self-service storage facility site as a single lot or in parcels. If five or more bidders are in attendance at a public sale of the personal property, the proceeds received are deemed to be commercially reasonable.
 - (9) "Costs of the sale" means reasonable costs directly incurred by the delivering or sending of notices, advertising, accessing, inventorying, auctioning, conducting a public sale, removing, and disposing of property stored in a self-service storage facility.
 - (10) "Late fee" means a fee or charge assessed by an owner of a self-service storage facility as an estimate of any loss incurred by an owner for an occupant's failure to pay rent when due. A late fee is not a penalty, interest on a debt, nor is a late fee a reasonable expense which the owner may incur in the course of collecting unpaid rent in enforcing the owner's lien rights pursuant to RCW 19.150.020 or enforcing any other remedy provided by statute or contract.

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NEW SECTION. Sec. 2. A new section is added to chapter 19.150 RCW to read as follows:

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- (1) Any late fee charged by the owner shall be stated in the rental agreement. No late fee may be charged or collected unless it is written in the rental agreement or an addendum to the agreement.
- (2) An owner may impose a reasonable late fee for each month an occupant does not pay rent when due. A late fee of twenty dollars or twenty percent of the monthly rental amount, whichever is greater, for each late rental payment shall be deemed reasonable, and shall not constitute a penalty.
- 11 (3) The owner may recover all reasonable rent collection and lien 12 enforcement expenses, including but not limited to costs of the sales 13 from the occupant, in addition to any late fees incurred.
- 14 **Sec. 3.** RCW 19.150.020 and 1988 c 240 s 3 are each amended to read 15 as follows:

16 The owner of a self-service storage facility and his or her heirs, 17 executors, administrators, successors, and assigns have a lien upon all personal property located at a self-service storage facility for rent, 18 labor, <u>late fee</u> or other charges, present or future, incurred pursuant 19 20 the rental agreement, and for expenses necessary for the 21 preservation, sale, or disposition of personal property subject to this The lien may be enforced consistent with this chapter. 22 23 However, any lien on a motor vehicle or boat which has attached and is 24 set forth in the documents of title to the motor vehicle or boat shall have priority over any lien created pursuant to this chapter. 25

26 **Sec. 4.** RCW 19.150.902 and 1988 c 240 s 17 are each amended to read as follows:

All rental agreements entered into before June ((9, 1988)) 12, 2008, and ((not)) automatically extended or automatically renewed after that date, or otherwise made subject to this chapter pursuant to RCW 19.150.901, and the rights, duties, and interests flowing from them, shall remain valid, and may be enforced or terminated in accordance with their terms or as permitted by any other statute or law of this state.

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