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FISCAL IMPACT REPORT

SPONSOR HBIC **ORIGINAL DATE** 02/06/13
LAST UPDATED 02/27/13 **HB** 390/HBICS
SHORT TITLE Self-Storage Lien Notice of Property Sales **SB** _____
ANALYST Cerny

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 256

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

The House Business and Industry Committee substitute for House Bill 390 (HB 390) provides that in the Self-Storage Lien Act in Section 1A(D) deletes language in the Act that stipulated the number of and frequency of newspaper ads that self-storage owners must place prior to selling property owned by an occupant who has defaulted on rental payments.

HB 390 also makes several technical amendments to the statute's language and grammar.

FISCAL IMPLICATIONS

No fiscal impact.

SIGNIFICANT ISSUES

In no longer requiring that self-storage owners must advertise the impending sale or disposition of personal property of occupants in a newspaper "at least once a week for two consecutive weeks," HB 390 now leaves the decision about frequency to the discretion of the self-storage owner. Should self-storage owners opt to save on advertising costs by placing fewer ads, the occupants may not have as great an opportunity to learn of the intended sale or disposition of property.

AMENDMENTS

The Self-Storage Lien Act in 48-11-3 requires the owner to include the address of the occupant in the rental agreement. Then, as part of the default notification process, the owner is required to send a Notice of Intent by mail to the occupant at his last known address (48-11-7) in order to inform the occupant about the impending lien enforcement and sale or disposition of property.

Since HB 390 would in practice likely provide relief for owners of self-storage units from some of the costs of advertising in a newspaper, perhaps it would be useful to amend the Act by:

- Stipulating that the rental agreement include the occupant's telephone and, if available, their electronic mail address;
- Requiring that the owner also attempt to contact the occupant by phone and/or email as part of the lien enforcement notification process.

CAC/blm:svb