CALIFORNIA CODES

CALIFORNIA BUSINESS AND PROFESSIONS CODE

Division 8. SPECIAL BUSINESS REGULATIONS

Chapter 10. SELF-SERVICE STORAGE FACILITIES

§ 21700.

This act shall be known as the "California Self-Service Storage Facility Act."

§ 21701.

For the purposes of this chapter, the following terms shall have the following meanings:

(a) "Self-service storage facility" means real property designed and used for the purpose of renting or leasing individual storage space to occupants who are to have access to the space for the purpose of storing and removing personal property or for storing individual storage containers provided to occupants who have exclusive use of the container for the purpose of storing and removing personal property, whether or not the individual storage containers are transported pursuant to Section 21701.1. Self-service storage facility does not include a garage or other storage area in a private residence. No occupant may use a self-service storage facility for residential purposes. A self-service storage facility is not a warehouse, nor a public utility, as defined in Section 216 of the Public Utilities Code. If an owner issues a warehouse receipt, bill of lading, or other document of title for the personal property stored, the owner and the occupant are subject to the provisions of Division 7 (commencing with Section 7101) of the Commercial Code, and the provisions of this chapter do not apply.

(b) "Owner" means the owner, operator, lessor, or sublessor of a self-service storage facility, his or her agent, or any other person authorized by him or her to manage the facility, or to receive rent from an occupant under a rental agreement, and no real estate license is required.

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

(d) "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.

(e) "Personal property" means movable property not affixed to land, and includes, but is not limited to, goods, merchandise, furniture, and household items.

(f) "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.

§ 21701.1.

(a) The owner or operator of a self-service storage facility or a household goods carrier, may, for a fee, transport individual storage containers to and from a self-service storage facility that he or she owns or operates. This transportation activity, whether performed by an owner, operator, or carrier, shall not be deemed transportation for compensation or hire as a business of used household goods and is not subject to regulation under Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code, provided that all of the following requirements are met:.

(1) The fee charged (A) to deliver an empty individual storage container to a customer and to transport the loaded container to a self-service storage facility or (B) to return a loaded individual storage container from a self-service storage facility to the customer does not exceed one hundred dollars ($100).

(2) The owner, operator, or carrier, or any affiliate of the owner, operator, or carrier, does not load, pack, or otherwise handle the contents of the container.

(3) The owner, operator, or carrier is registered under Chapter 2 (commencing with Section 34620) of Division 14.85 of the Vehicle Code or holds a permit under Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code.

(4) The owner, operator, or carrier has procured and maintained cargo insurance in the amount of at least twenty thousand dollars ($20,000) per shipment. Proof of cargo insurance coverage shall be maintained on file and presented to the Department of Motor Vehicles or Public Utilities Commission upon written request.

(5) The owner, operator, or carrier shall disclose to the customer in advance the following information regarding the container transfer service offered, in a written document separate from others furnished at the time of disclosure:.

(A) A detailed description of the transfer service, including a commitment to use its best efforts to place the container in an appropriate location designated by the customer.

(B) The dimensions and construction of the individual storage containers used.

(C) The unit charge, if any, for the container transfer service that is in addition to the storage charge or any other fees under the rental agreement.

(D) The availability of delivery or pickup by the customer of his or her goods at the self-service storage facility.

(E) The maximum allowable distance, measured from the self-service storage facility, for the initial pickup and final delivery of the loaded container.

(F) The precise terms of the company's right to move a container from the initial storage location at its own discretion and a statement that the customer will not be required to pay additional charges with respect to that transfer.

(G) Conspicuous disclosure in bold text of the allocation of responsibility for the risk of loss or damage to the customer's goods, including any disclaimer of the company's liability, and the procedure for presenting any claim regarding loss or damage to the company. .

The disclosure of terms and conditions required by this subdivision, and the rental agreement, shall be received by the customer a minimum of 72 hours prior to delivery of the empty individual storage container; however, the customer may, in writing, knowingly and voluntarily waive that receipt. The company shall record in writing, and retain for a period of at least six months after the end of the rental, the time and method of delivery of the information, any waiver made by the customer, and the times and dates of initial pickup and redelivery of the containerized goods.

(6) No later than the time the empty individual storage container is delivered to the customer, the company shall provide the customer with an informational brochure containing the following information about loading the container:

(A) Packing and loading tips to minimize damage in transit.

(B) A suggestion that the customer make an inventory of the items as they are loaded and keep any other record (for example, photographs or video recording) that may assist in any subsequent claims processing.

(C) A list of items that are impermissible to pack in the container (for example, flammable items).

(D) A list of items that are not recommended to be packed in light of foreseeable hazards inherent in the company's handling of the containers and in light of any limitation of liability contained in the rental agreement.

(b) Pickup and delivery of the individual storage containers shall be on a date agreed upon between the customer and the company. If the company requires the customer to be physically present at the time of pickup, the company shall in fact be at the customer's premises prepared to perform the service not more than four hours later than the scheduled time agreed to by the customer and company, and in the event of a preventable breach of that obligation by the company, the customer shall be entitled to receive a penalty of fifty dollars ($50) from the company and to elect rescission of the rental agreement without liability.

(c) No charge shall be assessed with respect to any movement of the container between self-service storage facilities by the company at its own discretion, nor for the delivery of a container to a customer's premises if the customer advises the company, at least 24 hours before the agreed time of container dropoff, orally or in writing, that he or she is rescinding the request for service.

(d) For purposes of this chapter, "individual storage container" means a container that meets all of the following requirements:.

(1) It shall be fully enclosed and locked.

(2) It contains not less than 100 cubic feet and not more than 1,100 cubic feet.

(3) It is constructed out of a durable material appropriate for repeated use. A box constructed out of cardboard or a similar material shall not constitute an individual storage container for purposes of this section.

(e) Nothing in this section shall be construed to limit the authority of the Public Utilities Commission to investigate and commence an appropriate enforcement action pursuant to Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code against any person transporting household goods in individual storage containers in a manner other than that described in this section.

§ 21702.

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 a self-service storage facility for rent, labor, late payment fees, or other charges, present or future, incurred pursuant to the rental agreement and for expenses necessary for the preservation, sale, or disposition of personal property subject to the provisions of this chapter. The lien may be enforced consistent with the provisions in this chapter

§ 21702.5. ***[Effective 1/1/2011]***

(a) Any lien on a vehicle or vessel subject to registration or identification under the Vehicle Code which has attached and is set forth in the documents of title to the vehicle or vessel shall have priority over any lien created pursuant to this chapter.

(b) Any lien created pursuant to this chapter on a vehicle or vessel subject to registration or identification under the Vehicle Code shall be enforced in accordance with the provisions of Section 3071 of the Civil Code, in the case of a vehicle, or Section 503 of the Harbors and Navigation Code, in the case of a vessel, and not as prescribed in Sections 21705 to 21711, inclusive.

(c) Any lien created pursuant to this chapter on a vehicle or vessel subject to registration or identification under the Vehicle Code shall not include any charges for rent, labor, or other services incurred pursuant to the rental agreement, accruing more than 60 days after the date the lien imposed pursuant to this chapter attaches, as set forth in Section 21705, and before application is made for authorization to conduct the lien sale pursuant to the requirements of Section 3071 of the Civil Code or Section 503 of the Harbors and Navigation Code.

(d) Any proceeds from a lien sale shall be disposed of pursuant to Section 3073 of the Civil Code, in the case of a vehicle, or Section 507.5 of the Harbors and Navigation Code, in the case of a vessel.

§ 21703.

If any part of the rent or other charges due from an occupant remain unpaid for 14 consecutive days, an owner may terminate the right of the occupant to the use of the storage space at a self-service storage facility by sending a notice to the occupant's last known address and to the alternative address specified in subdivision (b) of Section 21712. The notice shall be sent by certified mail, postage prepaid, or by regular first-class mail if the owner obtains a certificate of mailing indicating the date the notice was mailed. The notice shall contain all of the following:

(a) An itemized statement of the owner's claim showing the sums due at the time of the notice and the date when the sums became due.

(b) A statement that the occupant's right to use the storage space will terminate on a specified date (not less than 14 days after the mailing of the notice) unless all sums due are paid by the occupant prior to the specified date.

(c) A notice that the occupant may be denied access to the storage space after the termination date if the sums are not paid and that an owner's lien, as provided for in Section 21702, may be imposed thereafter.

(d) The name, street address, and telephone number of the owner or his or her designated agent whom the occupant may contact to respond to the notice.

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§ 21704.

A notice in substantially the following form shall satisfy the requirements of Section 21703:

PRELIMINARY LIEN NOTICE TO
_____ (occupant)
_____ (address)
_____ (state) You owe and have not paid rent and/or other charges for the use of storage
_____ (space number) at
_____.

(name and address of storage facility) These charges total
$_____ (amount) and have been due for more than 14 days. They are itemized as follows:

Due Date Description Amount TOTAL: $_____ If this sum is not paid in full before _____ (date at least 14 days from mailing) your right to use the storage space will terminate, you will be denied access, and an owner's lien on any stored property will be imposed.

You may pay this sum and may contact the owner at:

_____ (name)
_____ (address)
_____ (state)
_____ (telephone)
_____ (date) _____ (owner's signature)

§ 21705. ***[Effective 1/1/2011]***

(a) If the notice has been sent as required by Section 21703 and the total sum due has not been paid within 14 days of the termination date specified in the preliminary lien notice, the lien imposed by this chapter attaches as of that date and the owner may do all of the following:

(1) Deny an occupant access to the space.

(2) Enter the space.

(3) Remove any property found therein to a place of safekeeping.

(b) Upon taking the actions described in subdivision (a), the owner shall send to the occupant, addressed to the occupant's last known address, and to the alternative address specified in subdivision (b) of Section 21712, by certified mail or by first-class mail, if the owner obtains a certificate of mailing, postage prepaid, both of the following:

(1) A notice of lien sale that states all of the following:

(A) That the occupant's right to use the storage space has terminated and that the occupant no longer has access to the stored property.

(B) That the stored property is subject to a lien, the current amount of the lien, and that the lien will continue to increase if rent is not paid.

(C) That the property will be sold to satisfy the lien after a specified date that is not less than 14 days from the date of mailing the notice, unless the occupant executes and returns by certified mail a declaration in opposition to lien sale in the form set forth in paragraph (2).

(D) A statement that the occupant may regain full use of the space by paying the full lien amount prior to the date specified in subparagraph (C).

(E) That any excess proceeds of the sale over the lien amount and costs of sale will be retained by the owner and may be reclaimed by the occupant or claimed by another person at any time for a period of one year from the sale and that thereafter the proceeds will escheat to the county in which the sale is to take place.

(2) A blank declaration in opposition to lien sale that shall be in substantially the following form:

DECLARATION IN OPPOSITION TO LIEN SALE

You must complete all sections of this declaration. If the owner cannot contact or serve you at the address and telephone number that you provide below, this declaration shall be void and the owner may sell your stored property.

I,_____, have received the (occupant's name) notice of lien sale of the property stored at _____. (location and space #)

I oppose the lien sale of the property, because (provide a brief explanation of the reason the owner's lien may not be valid. For example, ""I have paid my rent and other charges in full"):

_____

_____

My address is:

(address)_____

(city)_____

(state)_____

(ZIP Code)_____

(telephone number)_____

I understand that the lienholder may file an action against me in any court of competent jurisdiction, including small claims court, at the address provided above, and if a judgment is given in his or her favor, I may be liable for the court costs. I also understand that this declaration is not valid if (a) the address provided in this declaration is not my current address or (b) I change my address at any time prior to service of an action on the lien and I do not provide the owner the address within 10 days of the change.

I declare under penalty of perjury that the foregoing is true and correct, and that this declaration was signed by me on_____ at (date) _____.

(place) _____.

(signature of occupant)

§ 21706. ***[Effective 1/1/2011]***

If a declaration in opposition to the lien sale, executed under penalty of perjury, is not received by the owner on or prior to the date specified in the notice of lien sale by certified mail, is not completed and signed by the occupant, if the occupant cannot be contacted or served at the address provided in the declaration, or if the occupant withdraws the declaration in opposition to the lien sale in writing, the owner may, subject to the provisions of Sections 21708 and 21709, sell the property upon complying with the requirements set forth in Section 21707

§ 21707. ***[Effective 1/1/2011]***

After the expiration of the time given in the notice of lien sale, pursuant to subdivision (b) of Section 21705, or following the failure of a claimant to pay rent or obtain a court order pursuant to Section 21709, an advertisement of the sale shall be published once a week for two weeks consecutively in a newspaper of general circulation published in the county where the sale is to be held. The advertisement shall include a general description of the goods, the name of the person on whose account they are being stored, and the name and location of the storage facility. If there is no newspaper of general circulation published in the county where the sale is to be held, the advertisement shall be posted at least 10 days before the sale in not less than six conspicuous places in the neighborhood of the proposed sale. The sale shall be conducted in a commercially reasonable manner. After deducting the amount of the lien and costs of sale, the owner shall retain any excess proceeds of the sale on the occupant's behalf. The occupant, or any other person having a court order or other judicial process against the property, may claim the excess proceeds, or a portion thereof sufficient to satisfy the particular claim, at any time within one year of the date of sale. Thereafter, the owner shall pay any remaining excess proceeds to the treasury of the county in which the sale was held.

§ 21708.

Any person who has a perfected security interest under Division 9 (commencing with Section 9101) of the Commercial Code may claim any personal property subject to the security interest and subject to a lien pursuant to this chapter by paying the total amount due, as specified in the preliminary lien notice, for the storage of the property, if no declaration of opposition to the lien sale is executed and returned by the occupant. Upon payment of the total amount due, the owner shall deliver possession of the particular property subject to the security interest to the person who paid the total amount due. The owner shall not be liable to any person for any action taken pursuant to this section if the owner has fully complied with the requirements of Sections 21704 and 21705.

§ 21709. ***[Effective 1/1/2011]***

Prior to any sale pursuant to Section 21707, any person claiming a right to the goods may pay the amount necessary to satisfy the lien together with one month's rent in advance. In that event, the goods shall not be sold, but shall be retained by the owner pending a court order directing the disposition of the property. If a court order is not obtained within 30 days following the date of the payment pursuant to this section, the claimant shall pay the owner the monthly rental charge for the space where the property is stored pursuant to the terms of the rental agreement. If the claimant does not pay this rent, the owner may sell or dispose of the personal property in accordance with Section 21707. The owner shall have no liability for the sale or other disposition of the personal property to any claimant who fails to secure a court order or pay the required rental charge as set forth in this section, provided the owner has fully complied with the requirements of this chapter.

§ 21710. ***[Effective 1/1/2011]***

(a) If a valid declaration in opposition to lien sale is received by the owner prior to the date set forth in the notice of lien sale, the owner may enforce the lien only as follows:

(1) File an action to enforce the lien in small claims court as provided in Chapter 5.5 (commencing with Section 116.110) of Title 1 of Part 1 of the Code of Civil Procedure, provided that the amount of the lien is within the monetary jurisdiction of the court. If the action is filed in small claims court, all of the procedures set forth in that chapter shall apply, including the procedures for service of the summons and complaint.

(2) File an action to enforce the lien in any other court of competent jurisdiction, in which case the summons and complaint may be served by certified mail, postage prepaid, addressed to the occupant at the address provided by the occupant in the declaration of lien sale, and service shall be deemed completed on the fifth day after the mailing, or in any other manner authorized by Chapter 4 (commencing with Section 413.10) of Title 5 of Part 2 of the Code of Civil Procedure.

(b) If the owner is granted a judgment in favor of the lien, the owner may advertise the goods for sale and sell the property as provided in Section 21707.

§ 21711.

A purchaser in good faith of goods sold to enforce a lien or a judgment entered on the lien in favor of the owner on goods stored at a self-service storage facility takes the goods free of any rights of persons against whom the lien was claimed, despite noncompliance by the owner of the storage facility with the requirements of this chapter.

§ 21712.

(a) Each contract for the rental or lease of individual storage space in a self-service storage facility shall be in writing and shall contain, in addition to the provisions otherwise required or permitted by law to be included, a statement that the occupant's property will be subject to a claim of lien and may even be sold to satisfy the lien if the rent or other charges due remain unpaid for 14 consecutive days and that such actions are authorized by this chapter.

(b) The provisions of this chapter shall not apply, and the lien authorized by this chapter shall not attach, unless the rental agreement requests, and provides space for, the occupant to give the name and address of another person to whom the preliminary lien notice and subsequent notices required to be given under this chapter may be sent. Notices sent pursuant to Section 21703 or Section 21705 shall be sent to the occupant's address and the alternative address, if both addresses are provided by the occupant. Failure of an occupant to provide an alternative address shall not affect an owner's remedies under this chapter or under any other provision of law.

§ 21713.

Nothing in this chapter shall be construed to impair or affect the right of the parties to create additional rights, duties, and obligations in and by virtue of the rental agreement. The rights provided by this chapter shall be in addition to all other rights provided by law to a creditor against his or her debtor.

§ 21713.5.

(a) The owner of a self-service storage facility may assess a reasonable late payment fee if an occupant does not pay the entire amount of the rental fee specified in the rental agreement, subject to the following requirements:

(1) No late payment fee shall be assessed unless the rental fee remains unpaid for at least 10 days after the date specified in the rental agreement for payment of the rental fee.

(2) The amount of the late payment fee shall be specified in the occupant's rental agreement.

(3) Only one late payment fee shall be assessed for each rental fee payment that is not paid on the date specified in the rental agreement.

(b) For purposes of this section, a "reasonable late payment fee" is one that does not exceed the following:

(1) Ten dollars ($10), if the rental agreement provides for monthly rent of sixty dollars ($60) or less.

(2) Fifteen dollars ($15), if the rental agreement provides for monthly rent greater than sixty dollars ($60), but less than one hundred dollars ($100).

(3) Twenty dollars ($20) or 15 percent of the monthly rental fee, whichever is greater, if the rental agreement provides for monthly rent of one hundred dollars ($100) or more.

§ 21714.

The provisions of this chapter shall only apply to rental agreements entered into, or extended, or renewed after the effective date of this chapter

§ 21715.

All rental agreements entered into before the effective date of this chapter, and not extended or renewed after that date, 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.

§ 21716.

If any provision of this chapter or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the chapter, which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are declared to be severable.