



Wisconsin State Representative • 64th Assembly District

October 24, 2017

Assembly Committee on Judiciary

Assembly Bill 469: Self Storage Law Modernization

Representative Peter Barca

Chairman Ott and members of the Assembly Committee on Judiciary, thank you for holding a public hearing on Assembly Bill 469, which attempts to modernize the laws governing the state's self storage industry. I am happy to be joined in this effort by a bipartisan group of legislators in both houses.

Self storage facilities offer an opportunity for individuals to safely house and protect their belongings when they need a location to store them. In addition to those who simply have a need to store excess items, people frequently rent units when they are moving into a new home, getting married or around other life events. The self storage operators themselves are often local, family-run small businesses.

I have worked with the state's Self Storage Association on this legislation, which is intended to keep up with changes in technology and modify our laws based on the experience of facilities in Wisconsin and other states.

The state's self storage regulations in large part govern the process of enforcing liens on items being stored when a renter fails to pay their rent or respond to notices. This proposal allows a facility operator to send late notices via e-mail rather than mail, provided that the e-mail confirms the receipt of the notice. The bill also expressly allows a lien sale to take place over the internet, provided it takes place on a website likely to produce bidders.

Rather than sending any proceeds resulting from a lien sale to Department of Revenue, this bill requires a facility operator to first attempt to return any funds to the former renter.

Based on similar laws in other states, the bill allows for a sale to be postponed due to inclement weather as long as appropriate notice has been provided. It also provides for a standardized process to tow vehicles of renters who fail to pay their rent and don't make arrangement for self-removal. Additionally, the bill allows a facility owner to impose late fees after five days rather than five business days, and clarifies that all rent and charges must be paid before a renter can redeem their property. The bill also provides for a process for facility operators to offer self storage insurance on items stored in these facilities.

I had authored the legislation to establish a lien law for Wisconsin self storage owners in my previous tenure in the legislature. That law developed the first structured process for these types



of facilities modeled after many of the same processes used by apartment owners. An earlier bipartisan amendment to these laws that I also authored passed both houses unanimously as 2009 Act 380.

Thank you for your time today and I hope, Mr. Chairman, you will hold an executive session in time for this to be considered in the fall session, and I would certainly be willing to work with the Committee on any reasonable amendments and I encourage each of you to support it when Assembly Bill 469 comes for a vote before this committee.

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SCOTT ALLEN

REPRESENTATIVE • 97TH ASSEMBLY DISTRICT

Testimony on AB 469

Relating to enforcing liens on personal property stored in self-service storage facilities and units, and towing a vehicle of a lessee in default

OCTOBER 26, 2017

Chairman Ott, members of the Assembly Committee on the Judiciary:

Thank you for the opportunity to offer written testimony on behalf of AB 469, regarding self-service storage facilities. This bill offers updates to better reflect reality, changing technology, and improves the business climate for this commercial venture while maintaining rigorous consumer protections.

Currently, leases for real property are treated similarly to storage units with some slight variation between leasing an apartment or a storage unit. However, there are significant differences and impacts to individuals and families who are evicted from their home as opposed to a storage facility. In other words, a storage unit is not a home. To put substantial burdens of eviction notices on self-storage unit landlords seems rather an unnecessary burden.

Notice requirements can be updated to reflect 21st century technology while still providing consumer protection. Providing notices of default via email with confirmation of receipt is a commonsense update. Often, as people change addresses, certified mail is returned. People generally keep their email addresses, so email therefore is a reliable, faster method of providing notice.

Regarding vehicles, interestingly, current law appears to fall short of reason concerning storage facilities. The provisions appear to tend towards a parking violation on private property, rather than failure to pay rent on a vehicle's space. This bill streamlines the process for law enforcement and tow truck drivers, while maintaining current laws surrounding illegally parked cars.

Finally, the bill addresses renters insurance, 1) in ensuring businesses may offer insurance under a master commercial policy, and 2) requiring that the cost to the consumer be clearly and conspicuously disclosed.

I'd like to thank Rep. Barca for his leadership on this bill. The legislation promotes commerce and business, updates law to reflect reality and technological advancements, and protects consumers. This is a good bill for Wisconsin, and I ask that you recommend AB 469 out of committee.

Provisions completed

