

The Senate Committee on Judiciary offered the following substitute to HB 131:

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 revise the advertisement requirements  
3 before an owner of a self-service storage facility can enforce an owner's lien; to provide for  
4 related matters; to provide for an effective date and applicability; to repeal conflicting laws;  
5 and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

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

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

15 "This agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by  
16 and between \_\_\_\_\_, hereinafter called Owner, and \_\_\_\_\_,

17 hereinafter called Occupant, whose last known address is \_\_\_\_\_. For the  
18 consideration hereinafter stated, Owner agrees to let Occupant use and occupy a space  
19 in the self-service storage facility, known as \_\_\_\_\_, situated in the City  
20 of \_\_\_\_\_, County of \_\_\_\_\_, State of Georgia, and more particularly described  
21 as follows: Building #\_\_\_\_\_, Space #\_\_\_\_\_, Size \_\_\_\_\_. Said space is to be  
22 occupied and used for the purposes specified herein and subject to the conditions set forth  
23 for a period of \_\_\_\_\_, beginning on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and  
24 continuing month to month until terminated.

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

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

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

40 The space named herein is to be used by Occupant solely for the purpose of storing any  
41 personal property belonging to Occupant. Occupant agrees not to store any explosives  
42 or any highly inflammable goods or any other goods in the space which would cause  
43 danger to the space. Occupant agrees that the property will not be used for any unlawful

44 purposes and Occupant agrees not to commit waste, nor alter, nor affix signs on the  
45 space, and to keep the space in good condition during the term of this agreement.

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

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

65 \_\_\_\_\_ (hand delivery)

66 \_\_\_\_\_ (verified mail)

67 \_\_\_\_\_ (email).

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

70 \_\_\_\_\_ (hand delivery)

71 \_\_\_\_\_ (verified mail)  
72 \_\_\_\_\_ (email).

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

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

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

94 Occupant shall be notified of Owner's intent to enforce Owner's lien by written notice  
95 delivered in person, by verified mail, or by email. Owner also shall notify other parties  
96 with superior liens or security interests as defined in this rental agreement. A notice  
97 given pursuant to this rental agreement shall be presumed sent when it is deposited with

98 the United States Postal Service or the statutory overnight delivery service properly  
99 addressed with postage or delivery fees prepaid or sent by email. If Owner sends notice  
100 of a pending sale of property to Occupant's last known email address and does not  
101 receive a nonautomated response or a receipt of delivery to the email address, Owner  
102 shall send notice of the sale to Occupant by verified mail to Occupant's last known  
103 address or to the last known address of the designated agent of the Occupant before  
104 proceeding with the sale.

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

115 After the expiration of the time given in Owner's notice, Owner shall publish an  
116 advertisement of the public sale to the highest bidder, ~~once a week, for two consecutive~~  
117 ~~weeks,~~ in the legal organ for the county where the self-service storage facility is located;  
118 provided, however, that the advertisement of the sale may be done in any other  
119 commercially reasonable manner when the property being sold is anything other than a  
120 motor vehicle, motorcycle, trailer, any watercraft, or any recreational vehicle. The  
121 advertisement and sale shall be deemed commercially reasonable if at least three (3)  
122 independent bidders attend the sale at the time and place advertised. "'Independent bidder  
123 "' means a bidder who is not related to and who has no controlling interest in, or common  
124 pecuniary interest with, Owner or any other bidder. The advertisement shall include: a

125 brief and general description of the personal property, reasonably adequate to permit its  
126 identification; the address of the self-service storage facility, and the number, if any, of  
127 the space where the personal property is located, and the name of Occupant; and the time,  
128 place, and manner of the public sale. The public sale to the highest bidder shall take  
129 place not sooner than fifteen (15) days after ~~the first~~ publication. Regardless of whether  
130 a sale involves the property of more than one Occupant, a single advertisement may be  
131 used to advertise the disposal of property at the sale. A public sale includes offering the  
132 property on a publicly accessible website that regularly conducts online auctions of  
133 personal property. Such sale shall be considered incidental to the self-storage business  
134 and no license shall be required.

135 If no one purchases the property at the public sale and if Owner has complied with the  
136 foregoing procedures, Owner may otherwise dispose of the property and shall notify  
137 Occupant of the action taken. Any sale or disposition of the personal property shall be  
138 held at the self-service storage facility or at the nearest suitable place to where the  
139 personal property is held or stored.

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

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

147 In the event of a sale, Owner may satisfy his or her lien from the proceeds of the sale.  
148 Owner shall hold the balance of the proceeds, if any, for Occupant or any notified secured  
149 interest holder. If not claimed within two years of the date of sale, the balance of the  
150 proceeds shall be disposed of in accordance with Article 5 of Chapter 12 of Title 44, the

151 "Disposition of Unclaimed Property Act." In no event shall Owner's liability exceed the  
152 proceeds of the sale.

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

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

163 **SECTION 2.**

164 The Act shall become effective on July 1, 2025, and shall apply to any actions for lien  
165 enforcement without judicial intervention initiated on or after such date.

166 **SECTION 3.**

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