**CALIFORNIA ASSEMBLY BILL 1916**

**SECTION 1.**

 Section 21712.3 is added to the Business and Professions Code, to read:

**21712.3.**

 (a) (1) The owner shall give written notice to the occupant prior to the termination or nonrenewal of the rental agreement.

(2) The notice shall include a statement that the occupant may minimize the costs of storage by claiming any property remaining at the self-service storage facility within two days after the end of the rental agreement, and that the property may be sold, kept, destroyed, or disposed of if it is not claimed within the time period described in paragraph (2) of subdivision (b).

***Comment: This notice would be the “termination/non-renewal notice” that is sent in accordance with the termination provision of the tenant’s lease agreement for the rental of the storage space.***

(b) (1) Where personal property remains at the self-service storage facility after the rental agreement has ended, the owner shall give written notice to the former occupant.

(2) The notice shall describe the property in a manner reasonably adequate to permit the former occupant to identify it. The notice shall advise the former occupant that rent may be charged before the property is returned, where the property may be claimed, and the date before which the claim must be made. The date specified in the notice shall be a date not less than 15 days after the notice is personally delivered or emailed, or, if mailed, not less than 18 days after the notice is deposited in the mail.

(3) The notice shall be personally delivered to the former occupant or sent by first-class mail, postage prepaid, to the last known address of the former occupant and to the alternative address specified in subdivision (b) of Section 21712, or by email pursuant to subdivision (c) of Section 21712.

***Comment: The form of the “notice to reclaim” is provided in the statute under Section 21712.4***

**SEC. 2.**

 Section 21712.4 is added to the Business and Professions Code, to read:

**21712.4.**

 (a) A notice given to the former occupant that is in substantially the following form satisfies the requirements of Section 21712.3:

|  |  |
| --- | --- |
| Notice of Right to Reclaim Abandoned Property | |
|  | |
| To:  \_\_\_\_\_ (Name of former occupant) \_\_\_\_\_  \_\_\_\_\_ (Address of former occupant) \_\_\_\_\_ | |
| When the rental agreement ended for the storage space at  \_\_\_\_\_ (Address of self-service storage facility, including the space number, if any) \_\_\_\_\_ ,  the following personal property remained:  \_\_\_\_\_ (Insert description of the personal property) \_\_\_\_\_  You may claim this property at  \_\_\_\_\_ (Address where property may be claimed) \_\_\_\_\_ .  If you claim this property by \_\_\_\_ (insert date not less than 2 days after the end of the rental agreement), you may minimize the costs of storage.  If you fail to claim this property by \_\_\_\_ (insert date not less than 2 days after the end of the rental agreement), unless you pay the rent for all the above-described property, and take possession of the property which you claim, not later than \_\_\_\_\_\_\_ (insert date not less than 15 days after notice is personally delivered or, if mailed, not less than 18 days after notice is deposited in the mail) this property may be sold, kept, destroyed, or disposed of pursuant to Business and Professions Code Section 21712.8.  (Insert here the statement required by subdivision (b) of this section) | |
| Dated: \_\_\_\_\_\_\_ | (Signature of owner) \_\_\_\_\_  (Type or print name of owner) \_\_\_\_\_   (Telephone number) \_\_\_\_\_   (Address) \_\_\_\_\_ |

(b) The notice set forth in subdivision (a) shall also contain one of the following statements, as applicable:

(1) “If you fail to reclaim the property, it will be sold at a public sale after notice of the sale has been given by publication. You have the right to bid on the property at this sale. After the property is sold and the rent and costs of advertising and sale are deducted, the remaining money will be paid over to the county. You may claim the remaining money at any time within one year after the county receives the money.”

(2) “Because this property is believed to be worth less than $300, it may be kept, sold, destroyed, or otherwise disposed of without further notice if you fail to reclaim it within the time indicated above.”

***Comment: this notice is a “cut and paste” document, similar to the Preliminary Lien Notice and Lien Notice under the Statute for a lien sale.***

**SEC. 3.**

 Section 21712.6 is added to the Business and Professions Code, to read:

**21712.6.**

 The personal property described in the notice shall either be left at the self-service storage facility or be stored by the owner in a place of safekeeping until the owner either releases the property pursuant to Section 21712.7 or disposes of the property pursuant to Section 21712.8. The owner shall exercise reasonable care in storing the property, but the owner is not liable to the former occupant or any other person for any loss not caused by the owner’s deliberate or negligent act.

**SEC. 4.**

 Section 21712.7 is added to the Business and Professions Code, to read:

**21712.7.**

 (a) The personal property described in the notice shall be released by the owner to the former occupant if the former occupant pays the rent and takes possession of the property not later than the date specified in the notice for taking possession.

(b) Where personal property is not released pursuant to subdivision (a), the owner shall release the personal property to the former occupant if the former occupant claims it prior to the time it is sold, kept, destroyed, or otherwise disposed of and pays the rent and reasonable costs of advertising and sale incurred prior to the time the property is released to the former occupant.

(c) Notwithstanding subdivision (a), the owner shall release the personal property described in the notice to the former occupant and shall not require the former occupant to pay the cost of storage if the property remained in the storage facility and the former occupant reclaims the property within two days of termination of the rental agreement.

***Comment: Sections 21712.6 – 21712.7 address the right of the tenant to reclaim the property either within 2 days of the notice (at minimal cost) or within 18 days (at full cost) to avoid a sale of the property.***

**SEC. 5.**

 Section 21712.8 is added to the Business and Professions Code, to read:

**21712.8.**

 (a) If the personal property described in the notice is not released pursuant to Section 21712.7, it shall be sold at public sale by competitive bidding. However, if the owner reasonably believes that the total resale value of the property not released is less than three hundred dollars ($300), the owner may keep, sell, destroy, or otherwise dispose of the property in any manner. Nothing in this section shall be construed to preclude the owner or former occupant from bidding on the property at the public sale.

(b) An advertisement of the sale shall be published pursuant to Section 21707.

(c) After deduction of the rent and costs of advertising and sale, any balance of the proceeds of the sale which is not claimed by the former occupant shall be paid into the treasury of the county in which the sale took place not later than 30 days after the date of sale. The former occupant may claim the balance within one year from the date of payment to the county by making an application to the county treasurer or other official designated by the county. If the county pays the balance or any part thereof to a claimant, neither the county nor any officer or employee thereof shall be liable to any other claimant as to the amount paid.

***Comment: This Section addresses the right of the operator to sell the tenant’s goods after one (1) advertisement of sale if the tenant does not reclaim the goods and the value of the goods exceed $300.00. No other notices are required under the statute.***

**SEC. 6.**

 Section 21715.5 is added to the Business and Professions Code, to read:

**21715.5.**

 The owner may, upon the expiration of a period of at least 30 days from giving notice in writing to the occupant by personal delivery, by first-class mail, postage prepaid, to the last known address of the occupant, or by email pursuant to subdivision (c) of Section 21712, change the terms of the rental agreement. The notice, upon the expiration of a period of at least 30 days from the date of service, shall in and of itself operate and be effectual to create and establish, as a part of the rental agreement, the terms, rents, and conditions specified in the notice, if the occupant continues to store personal property at the self-service storage facility after the notice takes effect.

**SEC. 7.**

 Section 1980.5 of the Civil Code is amended to read:

**1980.5.**

 (a) Except as provided in Section 1993.01, the provisions of this chapter shall not apply to commercial real property, as defined in subdivision (d) of Section 1954.26. For purposes of this section, commercial real property shall not include self-storage units.

(b) This chapter shall apply to self-storage units only to the extent that it does not conflict with Chapter 10 (commencing with Section 21700) of Division 8 of the Business and Professions Code.

***Comment: Section 21715.5 addresses the right of the Operator to update the terms and conditions of its lease agreement by providing its tenants with 30 days advanced written notice of the change. If the tenant continues its occupancy of the space after that time, the change shall be deemed to be enforceable against that tenant.***