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COMMITTEE REPORT

March 29, 2022

**S. 1178**

Introduced by Senator Climer

S. Printed 3/29/22--S.

Read the first time March 17, 2022.

**THE COMMITTEE ON LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (S. 1178) to amend Section 39‑20‑40, Code of Laws of South Carolina, 1976, relating to self‑service storage facilities written rental agreements, so as to provide, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. Section 39‑20‑45(I) of the 1976 Code is amended to read:

“(I) If no one purchases the property at the public sale and if the owner has complied with the foregoing procedures, the owner may otherwise dispose of the property and shall notify the occupant of the action taken. Any sale or disposition of the personal property must be held at the self‑service storage facility, ~~or~~ at the nearest suitable place to where the personal property is held or stored, or online.”

SECTION 2. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

TOM C. DAVIS for Committee.

**A** **BILL**

TO AMEND SECTION 39‑20‑40, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SELF‑SERVICE STORAGE FACILITIES WRITTEN RENTAL AGREEMENTS, SO AS TO PROVIDE THAT A SELF‑SERVICE STORAGE FACILITY OCCUPANT MAY CHOOSE WHERE TO PUBLISH AN ADVERTISEMENT OF SALE INCLUDING CERTAIN PUBLICLY ACCESSIBLE WEBSITES; AND TO AMEND SECTION 39‑20‑45, RELATING TO THE ENFORCEMENT OF LIENS, SO AS TO PROVIDE FOR REQUIREMENTS FOR PUBLISHING AN ADVERTISEMENT OF A PUBLIC SALE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 39‑20‑40 of the 1976 Code is amended to read:

“Section 39‑20‑40. If an owner complies with the requirements of this code section and Section 39‑20‑45, he may enforce the lien without judicial intervention. An owner shall obtain from the occupant a written rental agreement and a copy of the completed agreement shall be given to the occupant upon execution. The rental agreement must include the following language with bold type where indicated:

‘This agreement, made and entered into this \_\_\_ day of\_\_\_\_\_\_\_\_\_\_, 20\_\_\_, by and between \_\_\_\_\_\_\_\_\_\_, the owner and \_\_\_\_\_\_\_\_\_\_, the occupant, whose last known address is \_\_\_\_\_\_\_\_\_\_. YOU HAVE THE RIGHT TO CHOOSE WHETHER YOU WANT TO RECEIVE ANY NOTICE OF DEFAULT BY MAIL OR ELECTRONIC MAIL. WHEN CHOOSING ELECTRONIC MAIL, YOU WAIVE ANY RIGHT TO RECEIVE NOTICE OF DEFAULT PROCEEDINGS THROUGH PERSONAL SERVICE OR MAIL.

TO CHOOSE NOTICE BY MAIL TO THE ADDRESS WRITTEN ABOVE, SIGN HERE:

\_\_\_\_\_\_\_\_\_ (Occupant signs on this line to receive notice by mail.)

TO CHOOSE NOTICE BY ELECTRONIC MAIL, SIGN HERE AND PRINT YOUR ELECTRONIC MAIL ADDRESS:

\_\_\_\_\_\_\_\_(Occupant signs on this line to receive notice by electronic mail.)

\_\_\_\_\_\_\_\_ (If Occupant selects to receive notice by electronic mail, on this line Occupant must print the electronic mail address for Owner to use in sending notice.)

CHANGES TO YOUR PREFERRED METHOD OF RECEIVING NOTICE MUST BE SUBMITTED IN WRITING AND SENT BY FIRST CLASS MAIL OR HAND DELIVERED TO THE OWNER.

YOU HAVE THE RIGHT TO CHOOSE WHERE YOU WANT THE ADVERTISEMENT OF SALE PUBLISHED. WHEN CHOOSING A PUBLICLY ACCESSIBLE WEBSITE, YOU WAIVE ANY RIGHT TO HAVE THE ADVERTISEMENT PUBLISHED IN THE NEWSPAPER.

TO CHOOSE AN ADVERTISEMENT PLACED ON A PUBLICLY ACCESSIBLE WEBSITE THAT CONDUCTS PERSONAL PROPERTY AUCTIONS UPON DEFAULT, SIGN HERE:

\_\_\_\_\_\_\_\_(Occupant signs on this line to have sale advertised on a publicly accessible website that conducts personal property auctions).

If no election is made, the owner shall publish an advertisement in a newspaper of general circulation.

For the consideration provided for in this agreement, the owner agrees to let the occupant use and occupy a space in the self service storage facility, known as \_\_\_\_\_\_\_\_\_\_, located in the City of \_\_\_\_\_\_\_\_\_\_, State of South Carolina, and more particularly described as follows: Space #\_\_\_. The space is to be occupied and used for the purposes specified in this agreement and subject to the conditions set forth beginning on the \_\_\_ day of \_\_\_\_\_\_\_\_\_\_, 20\_\_\_, and continuing month to month until terminated.

“Space”, as used in this agreement, means that part of the self service storage facility as described above. The occupant agrees to pay the owner, as payment for the use of the space and improvements on the space, the monthly sum of $\_\_\_\_\_\_\_\_\_\_. Monthly installments are payable in advance on or before \_\_\_\_\_day of each month, in the amount of $\_\_\_\_\_\_\_\_\_\_, and a like amount of each month after that, until the termination of this agreement.

When rent is seven calendar days past due, or if any check given in payment is dishonored, occupant is considered to be in default and the owner may deny access to the personal property located in the self storage facility. THIS IS THE OCCUPANT’S NOTICE THAT OCCUPANT MAY BE DENIED ACCESS UPON DEFAULT.

The space named in this agreement is to be used by the occupant solely for the purpose of storing any personal property belonging to the occupant. The occupant agrees not to store any explosives or any highly inflammable goods or any other goods in the space which would cause danger to the space. The occupant agrees that the property will not be used for any unlawful purposes and the occupant agrees not to commit waste, nor alter, nor affix signs on the space, and will keep the space in good condition during the term of this agreement.

UPON DEFAULT BY THE OCCUPANT THE OWNER HAS A LIEN ON ALL PERSONAL PROPERTY STORED IN OCCUPANT’S SPACE FOR RENT IN RELATION TO THE PERSONAL PROPERTY, AND FOR ITS PRESERVATION OR EXPENSES REASONABLY INCURRED IN ITS SALE OR OTHER DISPOSITION PURSUANT TO THIS AGREEMENT. PERSONAL PROPERTY STORED IN OCCUPANT’S SPACE WILL BE SOLD OR OTHERWISE DISPOSED OF IF NO PAYMENT HAS BEEN RECEIVED FOR A CONTINUOUS FIFTY DAY PERIOD AFTER DEFAULT. IF ANY RENT IS SEVEN CALENDAR DAYS PAST DUE, OR IF ANY CHECK GIVEN IN PAYMENT IS DISHONORED, THE OCCUPANT IS IN DEFAULT FROM DATE PAYMENT WAS DUE.

For purposes of owner’s lien: ‘personal property’ means movable property, not affixed to land and includes, but is not limited to, goods, merchandise, and household items; ‘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. The owner’s lien attaches as of the date the occupant is considered in default.

OWNER DOES NOT PROVIDE ANY TYPE OF INSURANCE WHICH WOULD PROTECT THE OCCUPANT’S PERSONAL PROPERTY FROM LOSS BY FIRE, THEFT, OR ANY OTHER TYPE CASUALTY LOSS. IT IS THE OCCUPANT’S RESPONSIBILITY TO PROVIDE SUCH INSURANCE’.”

SECTION 2. Section 39‑20‑45(E) and (I) of the 1976 Code is amended to read:

“(E) After the expiration of the fifty‑day default period, the owner shall publish an advertisement of the public sale to the highest bidder once ~~a week for two consecutive weeks~~ in a newspaper of general circulation where the self‑service storage facility is located unless the occupant has elected in the rental agreement to have the sale advertised on a publicly accessible website that conducts personal property auctions.

(I) If no one purchases the property at the public sale and if the owner has complied with the foregoing procedures, the owner may otherwise dispose of the property and shall notify the occupant of the action taken. Any sale or disposition of the personal property must be held at the self‑service storage facility, ~~or~~ at the nearest suitable place to where the personal property is held or stored, or online.”

SECTION 3. This act takes effect upon approval by the Governor.

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