

Honolulu, Hawaii
March 24, 2016

RE: S.B. No. 3033
S.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 3033, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO SELF-STORAGE FACILITIES,"

begs leave to report as follows:

The purpose of this measure is to improve the regulation of self-storage facilities.

More specifically, this measure authorizes a self-storage facility owner to:

- (1) Provide notice to an occupant in default and tow a motor vehicle or boat from the facility after sixty days or more of an occupant's default on rent;
- (2) Provide notice by telephone or electronic mail, in addition to traditional mail, to an occupant of delinquent rent and charges, lien, or final demand and sale; provided that the facility owner uses at least two of those three methods;
- (3) Disseminate advertisements of sales in any commercially reasonable manner, including via a website that customarily conducts self-storage lien sales, not sooner than fifteen days after sending a final demand and notice of sale, provided that at least three independent bidders participate in the sale;



- (4) Specify in a rental agreement a limit on the monetary value of personal property that may be stored in an occupant's space, which shall be deemed the maximum value of that property for purposes of determining any liability of the facility owner; and
- (5) Impose a reasonable late fee for each month that an occupant does not pay rent when due, provided the fee is included in a written rental agreement or addendum.

Your Committee received written testimony in support of this measure from the National Self Storage Association.

Your Committee finds that this measure will update and clarify the State's self-storage lien law, which has remained virtually unchanged since 1984, and will provide important protections to self-storage facility owners and to occupants who rent space to store property.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3033, S.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



