### **103RD GENERAL ASSEMBLY**

# State of Illinois

# 2023 and 2024

#### SB3460

Introduced 2/8/2024, by Sen. Michael W. Halpin

## SYNOPSIS AS INTRODUCED:

770 ILCS	95/2	from	Ch.	114,	par.	802
770 ILCS	95/4	from	Ch.	114,	par.	804
770 ILCS	95/7	from	Ch.	114,	par.	807

Amends the Self-Service Storage Facility Act. Provides that a rental agreement may be delivered and accepted by electronic mail. Provides that if the occupant does not sign a written rental agreement that the owner has tendered to the occupant, the occupant's continued use of the storage space shall constitute an acceptance of the rental agreement with the same effect as if it had been signed by the occupant. Defines "default" as the failure to perform any obligation or duty set forth in the rental agreement or the Act. Includes a trailer in the types of property for which specified towing remedies are available. Provides that an occupant may not use a self-service storage facility after the owner has delivered a written notice of termination or non-renewal of the occupant's rental agreement. Provides that notice must be in person, by verified mail, or by electronic mail. Allows the owner to place reasonable restrictions on the occupant's use of the self-service storage facility before removal of personal property, including denying access to the self-service storage facility, except for the occupant to remove personal property during the owner's normal business hours. Provides that the owner may dispose of any personal property remaining at the self-service storage facility after the date provided in the written notice.

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1 AN ACT concerning civil law.

# Be it enacted by the People of the State of Illinois, represented in the General Assembly:

4 Section 5. The Self-Service Storage Facility Act is 5 amended by changing Sections 2, 4, and 7 as follows:

6 (770 ILCS 95/2) (from Ch. 114, par. 802)

Sec. 2. Definitions. As used in this Act, unless the
context clearly requires otherwise:

9 "Self-service storage facility" means any real (A) property designed and used for the purpose of renting or 10 11 leasing individual storage space to occupants who are to have 12 access to such for the purpose of storing and removing 13 personal property. A self-service storage facility is not a 14 warehouse for purposes of Article 7 of the Uniform Commercial Code. If an owner issues any warehouse receipt, bill of 15 16 lading, or other document of title for the personal property 17 stored, the provisions of this Act do not apply.

(B) "Owner" means the owner, operator, lessor, or sublessor of a self-service storage facility, his agent, or any other person authorized by him to manage the facility, or to receive rent from an occupant under a rental agreement.

(C) "Occupant" means a person, his sublessee, successor,
or assign, entitled to the use of the storage space at a

self-service storage facility under a rental agreement, to the
 exclusion of others.

3 "Rental agreement" means any agreement or (D) lease, written or oral, that establishes or modifies the terms, 4 5 conditions, rules or any other provisions concerning the use 6 and occupancy of a self-service storage facility. The rental 7 agreement may be delivered and accepted by electronic mail. If 8 the occupant does not sign a written rental agreement that the 9 owner has tendered to the occupant, the occupant's continued 10 use of the storage space shall constitute an acceptance of the 11 rental agreement with the same effect as if it had been signed 12 by the occupant.

(E) "Personal property" means movable property not affixed
to land, and includes, but is not limited to goods,
merchandise, motor vehicles, watercraft, and household items.

16 (F) "Last known address" means that mailing address or 17 electronic mail address provided by the occupant in the latest 18 rental agreement, or the mailing address or electronic mail 19 address provided by the occupant in a subsequent written 20 notice of a change of address.

(G) "Late fee" means a charge assessed for an occupant's failure to pay rent when due. "Late fee" does not include interest on a debt, reasonable expenses incurred in the collection of unpaid rent, or costs associated with the enforcement of any other remedy provided by statute or contract.

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(H) "Verified mail" means any method of mailing that is
 offered by the United States Postal Service or private
 delivery service that provides evidence of mailing.

4 (I) "Electronic mail" means the transmission of 5 information or a communication by the use of a computer or 6 other electronic means sent to a person identified by a unique 7 address and that is received by that person.

8 <u>(J) "Default" means the failure to perform any obligation</u> 9 <u>or duty set forth in the rental agreement or this Act.</u>

10 (Source: P.A. 97-599, eff. 8-26-11; 98-1106, eff. 1-1-15.)

11 (770 ILCS 95/4) (from Ch. 114, par. 804)

12 Sec. 4. Enforcement of lien. An owner's lien as provided 13 for in Section 3 of this Act for a claim which has become due 14 may be satisfied as follows:

15 (A) The occupant shall be notified.

16 (B) The notice shall be delivered:

17 (1) in person; or

18 (2) by verified mail or by electronic mail to the last19 known address of the occupant.

20 (C) The notice shall include:

(1) An itemized statement of the owner's claim showing
the sum due at the time of the notice and the date when the
sum became due;

(2) The name of the facility, address, telephone
 number, date, time, location, and manner of the lien sale,

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and the occupant's name and unit number;

(3) A notice of denial of access to the personal
property, if such denial is permitted under the terms of
the rental agreement, which provides the name, street
address, and telephone number of the owner, or his
designated agent, whom the occupant may contact to respond
to this notice;

(3.5) Except as otherwise provided by a rental 8 9 agreement and until a lien sale, the exclusive care, 10 custody, and control of all personal property stored in 11 the leased self-service storage space remains vested in 12 the occupant. No bailment or higher level of liability is created if the owner over-locks the occupant's lock, 13 14 thereby denying the occupant access to the storage space. 15 Rent and other charges related to the lien continue to 16 accrue during the period of time when access is denied 17 because of non-payment;

18 (4) A demand for payment within a specified time not
19 less than 14 days after delivery of the notice;

20 (5) A conspicuous statement that unless the claim is 21 paid within the time stated in the notice, the personal 22 property will be advertised for sale or other disposition, 23 and will be sold or otherwise disposed of at a specified 24 time and place.

(D) Any notice made pursuant to this Section shall be
 presumed delivered when it is deposited with the United States

Postal Service, and properly addressed with postage prepaid or sent by electronic mail and the owner receives a receipt of delivery to the occupant's last known address, except if the owner does not receive a receipt of delivery for the notice sent by electronic mail, the notice is presumed delivered when it is sent to the occupant by verified mail to the occupant's last known mailing address.

8 (E) After the expiration of the time given in the notice, 9 an advertisement of the sale or other disposition shall be 10 published once a week for two consecutive weeks in a newspaper 11 of general circulation where the self-service storage facility 12 is located. The advertisement shall include:

13 (1) The name of the facility, address, telephone
14 number, date, time, location, and manner of lien sale and
15 the occupant's name and unit number.

16

(2) (Blank).

17 (3) The sale or other disposition shall take place not sooner than 15 days after the first publication. If there 18 19 newspaper of general circulation where is no the 20 self-service storage facility is located, the 21 advertisement shall be posted at least 10 days before the 22 date of the sale or other disposition in not less than 6 23 conspicuous places in the neighborhood where the 24 self-service storage facility is located.

(F) Any sale or other disposition of the personal propertyshall conform to the terms of the notification as provided for

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1 in this Section.

(G) Any sale or other disposition of the personal property shall be held at the self-service storage facility, or at the nearest suitable place to where the personal property is held or stored. A sale under this Section shall be deemed to be held at the self-service storage facility where the personal property is stored if the sale is held on a publicly accessible online website.

9 (G-5) If the property upon which the lien is claimed is a 10 motor vehicle, trailer, or watercraft and rent or other 11 charges related to the property remain unpaid or unsatisfied 12 for 60 days or the occupant is in default of the rental agreement for 60 days, the owner may have the property towed 13 14 from the self-service storage facility. If a motor vehicle, 15 trailer, or watercraft is towed, the owner shall not be liable 16 for any damage to the motor vehicle, trailer, or watercraft, 17 once the tower takes possession of the property. After the motor vehicle, trailer, or watercraft is towed, the owner may 18 19 pursue other collection options against the delinquent occupant for any outstanding debt. If the owner chooses to 20 motor vehicle, aircraft, mobile home, 21 sell а moped, 22 motorcycle, snowmobile, trailer, or watercraft, the owner 23 shall contact the Secretary of State and anv other 24 governmental agency as reasonably necessary to determine the 25 name and address of the title holder or lienholder of the item, 26 and the owner shall notify every identified title holder or

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lienholder of the time and place of the proposed sale. The owner is required to notify the holder of a security interest only if the security interest is filed under the name of the person signing the rental agreement or an occupant. An owner who fails to make the lien searches required by this Section is liable only to valid lienholders injured by that failure as provided in Section 3.

(H) Before any sale or other disposition of personal 8 9 property pursuant to this Section, the occupant may pay the 10 amount necessary to satisfy the lien, and the reasonable 11 expenses incurred under this Section, and thereby redeem the 12 personal property. Upon receipt of such payment, the owner 13 shall return the personal property, and thereafter the owner shall have no liability to any person with respect to such 14 15 personal property.

(I) A purchaser in good faith of the personal property sold to satisfy a lien, as provided for in Section 3 of this Act, takes the property free of any rights of persons against whom the lien was valid, despite noncompliance by the owner with the requirements of this Section.

(J) In the event of a sale under this Section, the owner may satisfy his lien from the proceeds of the sale, but shall hold the balance, if any, for delivery on demand to the occupant. If the occupant does not claim the balance of the proceeds within one year of the date of sale, it shall become the property of the owner without further recourse by the

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1 occupant.

2 (K) The lien on any personal property created by this Act 3 shall be terminated as to any such personal property which is 4 sold or otherwise disposed of pursuant to this Act and any such 5 personal property which is removed from the self-service 6 storage facility.

(L) If 3 or more bidders who are unrelated to the owner are
in attendance at a sale held under this Section, the sale and
its proceeds are deemed to be commercially reasonable.

10 (Source: P.A. 102-687, eff. 12-17-21.)

11 (770 ILCS 95/7) (from Ch. 114, par. 807)

12 Sec. 7. <u>Prohibited use</u>.

13 <u>(a)</u> No occupant may use a self-service storage facility 14 for residential purposes.

15 (b) An occupant may not use a self-service storage 16 facility after the owner has delivered written notice in person, by verified mail, or by electronic mail of the 17 18 termination or non-renewal of the occupant's rental agreement. (1) Notice shall provide the occupant with not less 19 20 than 14 days after delivery of the notice to remove all 21 personal property from the self-service storage facility. 22 (2) Prior to the occupant's removal of all personal 23 property, the owner may place reasonable restrictions on 24 the occupant's use of the self-service storage facility, including denying access to the self-service storage 25

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1	facility except for the occupant to remove personal
2	property during the owner's normal business hours.
3	(3) The owner may dispose of any personal property
4	remaining at the self-service storage facility after the
5	date provided in the written notice under this Section.
6	(Source: P.A. 83-800.)