

IN THE SENATE

SENATE BILL NO. 1126

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO PROPERTY; AMENDING SECTION 55-2301, IDAHO CODE, TO REVISE A DEF-  
2 INITION AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 55-2306,  
3 IDAHO CODE, TO REVISE PROVISIONS REGARDING ENFORCEMENT OF A LIEN AND TO  
4 MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 55-2308, IDAHO CODE, TO  
5 REVISE PROVISIONS REGARDING LESSEES IN DEFAULT AND REMOVAL OF VEHICLES  
6 OR TRAILERS AND TO MAKE A TECHNICAL CORRECTION; AND DECLARING AN EMER-  
7 GENCY AND PROVIDING AN EFFECTIVE DATE.  
8

9 Be It Enacted by the Legislature of the State of Idaho:

10 SECTION 1. That Section 55-2301, Idaho Code, be, and the same is hereby  
11 amended to read as follows:

12 55-2301. DEFINITIONS. As used in this chapter:

13 (1) "Default" means the failure by the lessee to perform, on time, any  
14 obligation or duty set forth in the rental agreement or the provisions of  
15 this chapter.

16 (2) "Last known address" means ~~that~~ the address provided by the lessee  
17 in the rental agreement or the address provided by the lessee to the operator  
18 in a subsequent written notice of a change of address.

19 (3) "Leased space" means the individual storage space at the self-ser-  
20 vice storage facility that is or may be rented to a lessee pursuant to a  
21 rental agreement. The leased space may be enclosed, covered, or open stor-  
22 age.

23 (4) "Lessee" means a person, sublessee, successor, or assignee enti-  
24 tled to the use of a leased space at a self-service storage facility under the  
25 terms of a rental agreement.

26 (5) "Operator" means the owner, operator, lessor, or sublessor of a  
27 self-service storage facility or an agent or another person authorized to  
28 manage the facility or to receive rent from a lessee under a rental agree-  
29 ment. The term does not include a warehouse operator if the warehouse  
30 operator issues a warehouse receipt, bill of lading, or other document of  
31 title for the personal property stored.

32 (6) "Personal property" means those items placed within the leased  
33 space and includes, ~~but~~ is not limited to, ~~goods, wares, merchandise, motor~~  
34 vehicles, watercraft, ~~and~~ household items and furnishings.

35 (7) "Rental agreement" means a signed, written agreement or contract  
36 that establishes or modifies conditions or rules concerning the use and oc-  
37 cupancy by a lessee of leased space at a self-service storage facility and  
38 includes any signed, written amendment to such an agreement. The rental  
39 agreement may be delivered and accepted electronically.

40 (8) "Self-service storage facility" means any real property used for  
41 renting or leasing individual storage space in which the lessees themselves  
42 store and remove their own personal property on a "self-service" basis.

1 (9) "Vehicle" is as defined in section 49-123, Idaho Code, and  
 2 "trailer" is as defined in section 49-121, Idaho Code. Should the operator  
 3 choose to proceed with a lien sale of a vehicle, the operator ~~must~~ shall com-  
 4 ply with the provisions of ~~chapter 17, title 49~~ section 45-805, Idaho Code.

5 SECTION 2. That Section 55-2306, Idaho Code, be, and the same is hereby  
 6 amended to read as follows:

7 55-2306. ENFORCEMENT OF LIEN. (1) A sale of personal property to en-  
 8 force a lienholder's claim that has become due against a lessee and that is  
 9 secured by the operator's lien may be conducted after the lessee has been in  
 10 default continuously for a period of sixty (60) days.

11 (2) The operator shall send notice by certified mail or as provided for  
 12 in the rental agreement to the lessee at his last known address and by mail  
 13 to all persons disclosed by the lessee as claiming a security interest in the  
 14 stored property. The notice shall include:

15 (a) The name, address, and telephone number of the person claiming the  
 16 lien;

17 (b) An itemized statement of the lienholder's claim showing the sum due  
 18 at the time of the notice and the date when the sum became due;

19 (c) A demand for payment within a time specified, not less than ten (10)  
 20 days after sending of the notice;

21 (d) A statement that unless the claim is paid within the time stated in  
 22 the notice, the personal property shall be ~~advertised for sale and sold~~  
 23 ~~at a specified time and place, but not sooner than ten (10) days after~~  
 24 ~~the first publication;~~

25 (e) A brief and general description of the goods subject to the lien;  
 26 and

27 (f) Notification that the operator has denied or may deny access by the  
 28 lessee to his personal property until the lien has been satisfied.

29 ~~(3) Upon expiration of the time specified in subsection (2) (c) of this~~  
 30 ~~section, an advertisement of the sale shall be published once in a newspaper~~  
 31 ~~of general circulation in the county where the self-service storage facility~~  
 32 ~~is located. The advertisement shall include:~~

33 ~~(a) The location, date, time, and manner of the sale of the property~~  
 34 ~~stored in the leased space at the self-service storage facility;~~

35 ~~(b) A brief and general description of the personal property; and~~

36 ~~(c) The name and last known address of the lessee.~~

37 ~~(4) (3)~~ At any time before the advertised sale of the personal property  
 38 has been conducted or the vehicle or trailer has been towed, the lessee or any  
 39 other person may pay the amount necessary to satisfy the lien, including all  
 40 documented and verifiable labor and expenses incurred in enforcing the lien,  
 41 and be permitted to remove the personal property, vehicle, or trailer from  
 42 the leased space.

43 ~~(5) (4)~~ In the event of a sale, the operator shall:

44 (a) Ensure that the sale is conducted in conformance with the terms of  
 45 the published notice;

46 (b) Identify the specific properties and disclose the names and ad-  
 47 dresses provided by the lessee of persons claiming a security interest  
 48 in the specified properties; and

1 (c) Comply with the provisions of ~~chapter 17, title 49~~ section 45-805,  
2 Idaho Code, when foreclosing on titled vehicles.

3 ~~(6)~~ (5) The proceeds of the sale ~~must~~ shall be applied to the discharge  
4 of the lien and costs. The remainder, if any, shall be paid over to the lessee  
5 or any other person authorized in writing by the lessee to claim the balance.

6 ~~(7)~~ (6) The operator may dispose of the personal property without lia-  
7 bility to any person if:

8 (a) The operator has complied with the provisions of subsections (1)  
9 through ~~(5)~~ (4) of this section and the personal property has not been  
10 purchased;

11 (b) The lessee fails to remove the personal property from the leased  
12 space after the end of the rental agreement and the rental agreement ad-  
13 vises the lessee that any property remaining after the rental agreement  
14 has ended will be disposed of in the operator's discretion; or

15 (c) When disposing of titled vehicles, the operator complies with ei-  
16 ther the provisions of ~~chapter 17, title 49~~ section 45-805, Idaho Code,  
17 or section 55-2308, Idaho Code.

18 ~~(8)~~ (7) The operator may conduct the lien sale without obtaining an auc-  
19 tioneer's license and may offer the personal property for sale as a unit or  
20 in parcels on a publicly accessible website that regularly offers personal  
21 property for auction or sale, at the self-service storage facility, or at an-  
22 other location determined by the operator.

23 ~~(9)~~ (8) A purchaser in good faith of any personal property sold pursuant  
24 to this section to satisfy the lien shall take the property free and clear of  
25 any rights of persons against whom the lien was valid, even if the operator  
26 has not complied with the provisions of this chapter or the rental agreement.

27 SECTION 3. That Section 55-2308, Idaho Code, be, and the same is hereby  
28 amended to read as follows:

29 55-2308. LESSEE IN DEFAULT -- VEHICLE OR TRAILER REMOVAL. (1) If a  
30 lessee is in default of the rental agreement for sixty (60) days or more and  
31 the personal property stored in the leased space is a vehicle or trailer, the  
32 operator may have the vehicle or trailer towed from the self-service storage  
33 facility by an independent towing company. Prior to having the vehicle or  
34 trailer towed, the operator shall send notice to the lessee as provided for  
35 in the rental agreement or by certified mail to the last known address stat-  
36 ing:

37 (a) That the lessee ~~must~~ shall cure the specified default no less than  
38 ten (10) days after sending of the notice;

39 (b) That unless the default is cured within the time stated in the no-  
40 tice, the vehicle or trailer may be towed; and

41 (c) The name, address, and telephone number of the towing company.

42 (2) The operator shall send a copy of the notice by United States mail  
43 with certificate of mailing to any lienholder of the vehicle or trailer that  
44 is listed in the rental agreement, no less than ten (10) days prior to having  
45 the vehicle or trailer towed.

46 (3) The operator has no liability to any person regarding the vehicle or  
47 trailer once the towing company takes possession of the vehicle or trailer.

48 (4) Should the operator choose to proceed with a lien sale of a vehicle,  
49 the operator must comply with the provisions of ~~chapter 17, title 49~~ section

1 45-805, Idaho Code. The towing company that tows the vehicle must comply  
2 with the provisions of either chapter 17 or 18, title 49, Idaho Code, as ap-  
3 plicable, prior to conducting a sale of the vehicle.

4 SECTION 4. An emergency existing therefor, which emergency is hereby  
5 declared to exist, this act shall be in full force and effect on and after  
6 July 1, 2025.