HOUSE BILL NO. 4711

July 01, 2025, Introduced by Rep. Hoadley and referred to Committee on Regulatory Reform.

A bill to amend 1985 PA 148, entitled "Self-service storage facility act,"

by amending section 3 (MCL 570.523), as amended by 2014 PA 61.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. (1) The owner of a self-service storage facility or a
- 2 self-contained storage unit and the heirs, personal
- ${f 3}$ representatives, successors, and assignees of the owner have a lien
- 4 upon on all personal property, whether or not owned by the tenant,
- 5 located at the self-service storage facility or self-contained
- 6 storage unit for rent or other lawful charges incurred relative to

- 1 the storage of the personal property, including expenses necessary
- 2 for its preservation, or reasonably incurred in its sale pursuant
- 3 to under this act. The lien attaches on the date the personal
- 4 property arrives at the self-service storage facility or self-
- 5 contained storage unit or the date a rental agreement for the
- 6 storage space is signed by the tenant, whichever is earlier.
- 7 (2) The priority of a lien under this act is as provided in $\mathbf{8}$ section 5(14).
- 9 (3) If a tenant defaults on a rental agreement, the owner 10 shall give notice to all holders of a perfected security interest 11 under the uniform commercial code, 1962 PA 174, MCL 440.1101 to 12 440.11102, 440.9994, in which the tenant is named as a debtor.
- 13 (4) At the commencement of a rental agreement for storage
 14 space at a self-service storage facility or in a self-contained
 15 storage unit, the owner shall provide the tenant with the following
 16 written notice:
 - "NOTICE: If you fail to make your required payments, you will have to vacate the unit or your property may later be sold at a public sale. Before the sale, you will be notified by first-class mail or by electronic mail of the amount due. The notice will be mailed to your last known address. In order to preserve your right to be notified, it is important that you notify us in writing of any change in your mailing address. Also, you should supply us with the name and address of another person who can reach you if you are not at your mailing address, and we will notify that person at the same time and in the same manner as we notify you.".
- (5) A rental agreement under this section may provide for a
 limit on the value of the property stored at the self-service
 storage facility or self-contained storage unit. The stated limit

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- 1 shall must be considered the maximum value of the stored property
 2 for all purposes.
- 3 (6) A rental agreement under this section may provide for a
 4 reasonable late charge fee for failure of the tenant to timely make
- 5 payments for the storage space when due. A monthly late fee of
- 6 \$20.00 or 20% of the monthly rental amount, whichever is greater,
- 7 shall be is considered reasonable and is not a penalty. The owner
- 8 of the self-service storage facility or self-contained storage unit
- 9 has the burden of justifying the reasonableness of any higher late
- **10** fee.
- 11 (7) A rental agreement under this section may be delivered and 12 accepted electronically.
- 13 (8) If a tenant does not sign a rental agreement under this 14 section, the tenant is considered to have accepted the rental 15 agreement only if both of the following apply:
- 16 (a) The owner delivered the rental agreement to the tenant by 17 hand delivery, first-class mail, or email.
- 18 (b) The tenant continues to use the self-service storage
 19 facility or self-contained storage unit for not less than 30 days
 20 after delivery of the notice described in subdivision (a).
- 21 (9) A tenant may not use a self-service storage facility or 22 self-contained storage unit after the owner has delivered a written 23 notice to the tenant by hand delivery, first-class mail, or email 24 of the termination or non-renewal of the tenant's rental agreement.
- 25 A notice delivered under this subsection must provide the tenant
- 26 with not less than 15 days after delivery of the notice to remove
- 27 all personal property from the self-service storage facility or
- 28 self-contained storage unit. An owner may place reasonable
- 29 restrictions on a tenant's use of a self-service storage facility

- 1 or self-contained storage unit after delivery of a notice under
- 2 this subsection, including, but not limited to, denying the tenant
- 3 access to the self-service storage facility or self-contained
- 4 storage unit except to allow the tenant to remove personal property
- 5 during the owner's normal business hours, as posted by the owner.
- 6 (10) An owner may dispose of any personal property remaining
- 7 in a self-service storage facility or self-contained storage unit
- 8 after the date provided in the notice described in subsection (9).