

Department of Finance and Administration

Legislative Impact Statement

Bill: HB2158

Amendment Number: H1

Bill Subtitle: TO AMEND THE LAW CONCERNING THE SALE OR REMOVAL OF CERTAIN PERSONAL PROPERTY ABANDONED IN A SELF-SERVICE STORAGE FACILITY; TO AUTHORIZE THE ISSUANCE OF NEW TITLE TO THE PURCHASER; AND TO DECLARE AN EMERGENCY.

Basic Change :

Sponsor: Rep. McNair

Amendment removes the language "removal" and is substituted with "sale". Also deletes section 1 of the bill entirely.

Under current law, a self-storage facility has a lien on all personal property stored within each leased space for rent, labor, or other charges, and for expenses reasonably incurred in its sale. HB2158 provides the operator of a storage facility the option to have the property removed or to sell it.

With reference to the sale and requirements of the sale of property in current law, several sections of the code are amended in HB2158 to provide that the requirements also apply if the operator of the facility chooses to remove the property or sell the property.

Revenue Impact :

None.

Taxpayer Impact :

Taxpayers, who default on an agreement with a self-storage facility, could have their property removed or sold by the operator of the facility.

Resources Required :

None.

Time Required :

Adequate time is provided for implementation.

Procedural Changes :

Update Motor Vehicle Manual and distribute to Revenue Offices.

Other Comments :

None.

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Legal Analysis :

House Amendment #1 to HB2158 concerning the ability of a self-storage facility to sell an abandoned motor vehicle. Current law provides that a self-storage facility has a lien in a vehicle for unpaid rent and expenses incurred to remove the vehicle from the self-storage facility. Current law also provides a process for the removal of the motor vehicle but does not provide for the sale of the vehicle by the self-storage facility. Instead, the self-storage facility must contact a towing company to dispose of the vehicle by sale.

HB2158 provides that a self-storage facility may sell a vehicle of a type subject to registration by following the procedure set out in current law for the sale of a vehicle by a towing company. That procedure allows sale of an abandoned vehicle, provides for notice to the vehicle owner of the impending sale, provides for notice to lienholders, disposal of proceeds from the vehicle sale, and issuance of a title to the motor vehicle purchaser by DFA. House Amendment #1 deleted references to "removal" of the abandoned vehicle and retained references to "sale" of that abandoned vehicle.