

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	9 - 0 - 1
Yeas:	Barton, Holvey, Kenemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	Fagan
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	3/6, 4/1, 4/3

WHAT THE MEASURE DOES: Allows self-service storage facility owner to charge fee for late payment or failure to pay. Allows owner to notify occupant about foreclosure sale by verified mail or electronic mail. Increases from \$100 to \$300 the value of property for which owner may choose disposition method. Allows owner to have certain personal property towed away if rent is unpaid for at least 60 days and owner send notice. Allows tower to place lien on property towed away to cover reasonable towing and storage charges.

ISSUES DISCUSSED:

- Create certainty by explicitly allowing late fee
- Whether persons email address changes less frequently than residence address
- Websites specific to self-storage foreclosure sales
- Declining number of newspapers delivered to households
- Federal government’s use of website for public foreclosure sale notices
- Appropriate dollar threshold for requiring disposition by foreclosure sale
- Amount recovered at auction relative to amount owed
- Cost of publishing notice in general circulation newspaper
- Availability of public notices in newsprint and on-line

EFFECT OF COMMITTEE AMENDMENT: Deletes language allowing notice of sale to be published in periodical or be advertised in other commercially reasonable manner. Restores requirement that notice appear in newspaper of general circulation.

BACKGROUND: A self-service storage facility owner may place a lien on the personal property being stored by an occupant until rent and other charges and expenses are paid. Current law requires the facility owner to send by certified or registered mail a notice of the foreclosure and sale to the occupant. The facility owner is allowed to dispose of the property in any manner if it is valued at less than \$100. If the value exceeds \$100, a foreclosure sale must be held and notice must be published twice in a newspaper of general circulation. After the sale, the facility owner may satisfy the lien and reasonable expenses from the proceeds of the sale. If there is money remaining, it must be held by the facility owner for two years. If not collected by the storage customer, the money is deemed abandoned and shall be delivered to the Department of State Lands as required by ORS 98.352.

House Bill 2706-A raises the threshold for foreclosure sale from \$100 to \$300 and allows the foreclosure notice to be sent to the property’s owner by electronic mail. House Bill 2706-A also expressly allows the rental agreement to include provisions for a monthly late fee not to exceed \$20 or 20 percent of the monthly rent.

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This summary has not been adopted or officially endorsed by action of the committee.