

SB 433 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

Prepared By: Whitney Perez, LPRO Analyst

Meeting Dates: 2/27, 3/4

WHAT THE MEASURE DOES:

The measure specifies that the owner of a self-service storage facility who forecloses on a lien created by the occupant's default must advertise the sale of the personal property subject to the lien at least once in a newspaper of general circulation in the city or county that the self-service storage facility is located or on a publicly accessible website that regularly advertises or offers property for auction or sale, if the value of the personal property subject to the lien has a value of over \$300. Makes conforming amendments.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

- Role of public notice in foreclosure process
- Self-storage foreclosure process
- Other types of foreclosure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A self-service storage facility owner may place a lien on the personal property stored by an occupant until rent and other charges and expenses are paid. A facility owner is required to notify the occupant of a foreclosure and sale. Following foreclosure, the facility owner is allowed to dispose of the property in any manner if it is valued at less than \$300. If the property is valued higher than \$300, a foreclosure sale must be held, and current law requires that notice must be published twice in a newspaper of general circulation. After the sale, the facility owner may satisfy the lien and collect reasonable expenses from the proceeds of the sale. Any money remaining from the sale must be held by the facility owner for two years. If the money is not collected by the original owner of the personal property, the money is deemed abandoned and delivered to the State Treasurer in compliance with ORS 98.352.

Senate Bill 433 specifies that the owner of a self-service storage facility who forecloses on a lien created by the occupant's default must advertise the sale of the personal property subject to the lien at least once in a newspaper of general circulation in the city or county that the self-service storage facility is located or on a publicly accessible website that regularly advertises or offers property for auction or sale, if the value of the personal property subject to the lien has a value of over \$300.