STATE OF NEW YORK

9610

IN SENATE

May 16, 2024

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the lien law, in relation to enforcement of liens by online sale of goods that remain in a storage facility

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 7 of section 182 of the lien law, as amended by chapter 424 of the laws of 2019, is amended to read as follows:

7. Enforcement of lien. (a) An owner's lien may be enforced by public or private sale of the occupant's goods that remain in the self-storage facility, in block, or in parcel, at any time or place**, whether in person or through a public website,** and on any terms which are commercially reasonable after notice to all persons known to claim an interest in the goods. The notice shall include an itemized statement of the amount due, the description of the property subject to the lien, the nature of the proposed sale, a demand for payment within a specified time not less than thirty days from mailing of the notice and a conspicuous statement that unless the claimant pays within that time the goods will be advertised for sale and sold at public or private sale in a commercially reasonable manner. The notice shall further include the time and place**, or the web address,** of any public or private sale and it shall state that any person claiming an interest in the goods is entitled to bring a proceeding hereunder within ten days of the service of the notice if [~~he disputes~~] **they dispute** the validity of the lien, or the amount claimed. The notice shall be**: (i)** personally delivered to the occupant, or **(ii)** sent by registered or certified mail to the occupant's last known address, or **(iii)** sent by verified mail and electronic mail to the occupant's last known address. Any notice made pursuant to this section and sent by verified mail shall be sent to the last known address provided by the occupant, pursuant to the occupancy agreement.

(b) Any notice made pursuant to this section and sent by electronic mail shall only be effective if: (i) the occupancy agreement states that the occupant has consented to receive late or lien notices by electronic

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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mail; and (ii) the occupant has provided the occupant's electronic mail address in at least two locations within the occupancy agreement.

[~~(b)~~] **(c)** Any notice given pursuant to this section is deemed delivered when it is[~~: (i)~~] properly addressed to the last known address, and [~~(ii)~~] either sent by **(i)** registered, certified or verified mail and evidence of mailing is received, or **(ii)** sent by electronic mail and either a non-automated response to the electronic mail is received or a receipt of delivery to the electronic mail is received.

(d) Any sale is properly advertised pursuant to this subdivision when the advertisement is published: (i) in print in a newspaper of general circulation in the area where the self-storage facility is located, or (ii) on a publicly accessible website that regularly advertises such sales, at least ten days prior to the date of the sale. Any advertisement under this subdivision shall include the address of the self-storage facility, the name of the tenant, and the date, time, place and manner of sale.

(e) Notwithstanding any law, rule or regulation to the contrary, if the property upon which the lien is claimed is a motor vehicle or watercraft and rent and other charges related to the property are in default for sixty consecutive days, the owner may have the property towed. If a motor vehicle or watercraft is towed as authorized by this paragraph, the owner shall: (i) send, by verified or electronic mail to the occupant's last known address, the name, address, and telephone number of the towing company that will perform the towing and the street address of the storage facility where the towed property can be redeemed; and (ii) not be liable for the motor vehicle or watercraft or any damages to the motor vehicle or watercraft once the towing company takes possession of the property.

§ 2. This act shall take effect on the thirtieth day after it shall have become a law.