STATE OF NEW YORK

6220--A

2025-2026 Regular Sessions

IN SENATE

March 6, 2025

Introduced by Sen. KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the lien law, in relation to the enforcement of liens on personal property at self-storage facilities

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

Section 1. Section 182 of the lien law, as added by chapter 975 of the laws of 1983, the section heading and subdivisions 1, 2, 6 and 7 as amended by chapter 424 of the laws of 2019, is amended to read as follows:

§ 182. Self-storage facilities; lien. 1. Definitions. As used in this article:

(a) "Self-storage facility" means any real property or a portion thereof that is designed and used for the purpose of occupying storage space by occupants who are to have access thereto for the purpose of storing and removing personal property. The owner of a self-storage facility shall not be deemed to be a warehouseman as defined in the uniform commercial code. Except as provided in paragraph (b) of this subdivision, if an owner issues any warehouse receipt, bill of lading, or other document of title for the personal property stored, the owner and the occupant are subject to the provisions of the uniform commercial code and the provisions of this section shall not be applicable.

(b) "Owner" means a person, partnership or corporation which operates a self-storage facility, an agent, or any other person authorized by the owner to manage the facility or to receive storage fees from an occupant under an occupancy agreement. A warehouseman may be an owner to the extent that any part of the building is operated as a self-storage facility.

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

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(c) "Occupant" means a person, entitled to the use of the storage space at a self-storage facility under a written occupancy agreement or [~~his~~] **such person's** successor or assignee, to the exclusion of others including the owner except as provided in this section or the occupancy agreement.

(d) "Occupancy agreement" means any written agreement, electronic or printed, that establishes or modifies the terms, conditions, rules or any other provisions concerning the use and occupancy of a self-storage facility and any one or more individual storage spaces therein.

(e) "Personal property" means movable property not affixed to land and includes, but is not limited to, goods, merchandise and household items.

(f) "Electronic mail" shall mean an electronic message or an executable program or computer file that contains an image of a message that is transmitted between two or more computers or electronic terminals. Such term shall include electronic messages that are transmitted within or between computer networks.

(g) "Last known address" shall mean the street address, post office box address or electronic mail address provided by the occupant in the occupancy agreement, or a subsequent address provided by the occupant pursuant to the occupancy agreement.

(h) "Verified mail" shall mean any method of mailing that is offered by the United States Postal Service or a private delivery service that provides evidence of mailing including, but not limited to, a first class mailing with certificate of mailing.

(i) "Service member" means a member of the armed forces, a reserve branch of the armed forces, or the New York national guard.

2. Required disclosures. (a) The owner shall be required to provide prior to allowing occupancy a written occupancy agreement which shall be dated and signed by the occupant and the owner or [~~his~~] **the owner's** duly authorized agent, and be written or printed in a size equal to at least ten-point bold type and which shall set forth the following information:

(i) name and address of owner and occupant and electronic mail address of owner and occupant should the occupant choose to be contacted via electronic mail;

(ii) street address of self-storage facility where goods will be stored;

(iii) the actual monthly occupancy charge for the particular goods to be stored expressed in dollars;

(iv) an itemization of other charges imposed or which may be imposed in connection with the occupancy, a description of each such charge, whether the charge is mandatory or optional, and the amount of each charge expressed in dollars;

(v) a statement of any limitation of damages limiting the amount of the owner's liability in case of loss or damage of the goods setting forth a specific liability per room size or dollar amount beyond which the owner will not be liable; provided that if damages are so limited, a statement shall be included that such liability may on the written request of the occupant and if accepted in writing by the owner at the time of signing such occupancy agreement or within a reasonable time thereafter be increased on part or all of the goods stored, in which event increased rates may be charged based on such increased valuation. The rates charged for an increased valuation shall be set forth and a pre-addressed request form to enable the occupant to request an increased valuation shall be provided**. No owner may exempt themselves from liability for damages for injury to person or property resulting from the negligence of such person, such person's agents or employees,**

except as hereinafter provided, any agreement so exempting such person shall be void. Damages for loss or injury to property may be limited by a provision in the storage agreement limiting the liability in case of loss or damage by theft, fire or explosion and setting forth a specific liability per unit, which shall in no event be less than twenty thousand dollars, beyond which the owner shall not be liable; provided, however, that such liability may on request of the occupant be increased, in which event increased rates may be charged based on such increased liability; and

(vi) any other material terms and conditions of the occupancy transaction.

(b) Every occupancy agreement as required by this section shall include the business address and telephone number to be used by the occupant in making inquiries concerning the occupancy transaction.

(c) Every occupancy agreement as required by this section shall contain the following conspicuous notices: (i) "Notice: The monthly occupancy charge and other charges stated in this agreement are the actual charges you must pay"; (ii) "Notice: You may choose to be contacted for legal matters related to late or lien notices, via electronic mail by providing your electronic mail address in at least two locations within the occupancy agreement".

3. Unlawful detention of goods. It shall constitute an unlawful detention of goods for an owner to refuse to surrender goods stored by [~~him~~] such owner for an occupant upon payment by the occupant of the occupancy fees permitted by this section.

4. Private right of action. (a) Any occupant damaged by an unlawful detention of [~~his~~] the occupant's goods or any other violation of this section may bring an action for recovery of damages and the return of [~~his~~] the occupant's goods. Judgment may be entered in an amount not to exceed three times the actual damages plus reasonable attorneys fees.

(b) Nothing in this section shall be construed so as to nullify or impair any right or rights which a buyer may have against a seller at common law, by statute or otherwise.

5. Violation and penalties. Whenever there shall be a violation of this section, an application may be made by the attorney general in the name of the people of the state to a court or justice having jurisdiction by a special proceeding to issue an injunction, and upon notice to the defendant of not less than five days, to enjoin and restrain the continuance of such violations; and if it shall appear to the satisfaction of the court or justice that the defendant has, in fact, violated this section an injunction may be issued by such court or justice, enjoining and restraining any further violation, without requiring proof that any person has, in fact, been injured or damaged thereby. In any such proceeding, the court may make allowances to the attorney general as provided in paragraph six of subdivision (a) of section eighty-three hundred three of the civil practice law and rules, and direct restitution. Whenever the court shall determine that a violation of this section has occurred, the court may impose a civil penalty of not more than one thousand dollars for each violation. In connection with any such proposed application, the attorney general is authorized to take proof and make a determination of the relevant facts and to issue subpoenas in accordance with the civil practice law and rules.

6. Lien. The owner of a self-storage facility has a lien upon all personal property stored at a self-storage facility for occupancy fees or other charges, present or future, in relation to the personal property and for expenses necessary for its preservation or expenses reason-

ably incurred in its sale or other disposition pursuant to law and any other charges pursuant to the occupancy agreement. The lien provided for in this section is superior to any other lien or security interest. The lien attaches as of the date the personal property is brought to the self-storage facility.

7. Enforcement of lien. (a) An owner's lien [~~may~~] **must** 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 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**, or if the personal property is a motor vehicle or watercraft, as defined by the vehicle and traffic law, sixty days after mailing 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. **A sale is commercially reasonable if the property is sold in conformity with the practices among dealers in the property sold or sellers of similar distressed property sales.** The notice shall further include the time and place 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~~] **such person** disputes the validity of the lien, or the amount claimed. The notice shall be personally delivered to the occupant, or sent by registered or certified mail to the occupant's last known address, or 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. 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 mail; and (ii) the occupant has provided the occupant's electronic mail address in at least two locations within the occupancy agreement.

(b) 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 registered, certified or verified mail and evidence of mailing is received, or 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.

(c) If an owner receives a notice with supporting evidence that a tenant is a service member and who is transferred or deployed on active duty for a period of one hundred eighty days or more, the owner shall not enforce an owner's lien until one hundred eighty days after the end of the tenant's active duty service.

(d) If an owner receives a notice with supporting evidence that a tenant has deceased, the owner shall not enforce a lien for one year or until the executor of the deceased is able to make payments, whichever shall be sooner.

8. **Sale of property. (a) A sale of personal property may take place no sooner than forty-five days after default or, if the personal property is a motor vehicle or watercraft, no sooner than sixty days after default.**

(b) After the expiration of the time given in the notice, the sale must be published once a week for two weeks consecutively in a newspaper of general circulation where the sale is to be held. The sale may take place no sooner than fifteen days after the first publication. If the lien is satisfied before the second publication occurs, the second publication is waived. If there is no qualified newspaper where the sale is to be held, the advertisement may be posted on an independent, publicly accessible website that advertises self-storage lien sales or public notices. The advertisement must include a general description of the goods, the name of the person on whose account the goods are being held, and the time and place of the sale.

(c) A sale of the personal property must conform to the terms of the notification.

(d) A sale of the personal property must be public and must be either:

(i) held via an online auction; or

(ii) held at the storage facility, or at the nearest suitable place at which the personal property is held or stored.

(e) Owners shall require all bidders, including online bidders, to register and agree to the rules of the sale.

9. Access to certain items. (a) Prior to the sale of property, any occupant may remove from the self-storage facility personal papers, and health aids upon demand made to the owner;

(b) An occupant who provides a written attestation that the person making such request is a victim of domestic violence, as defined in section four hundred fifty-nine-a of the social services law may remove, in addition to the items provided in paragraph (a) of this subdivision, personal clothing of the occupant and the occupant's dependents and tools of the trade that are necessary for the livelihood of the occupant that has a market value not to exceed one hundred twenty-five dollars per item. An owner shall not require an occupant to provide any information other than what is required by this subdivision.

(c) The occupant shall present a list of the items and may remove the items during the facility's ordinary business hours prior to the sale authorized by this section. If the owner unjustifiably denies the occupant access for the purpose of removing the items specified in this subdivision, the occupant is entitled to request relief from the court for an order allowing access to the storage space for removal of the specified items. The self-service storage facility is liable to the occupant for the costs, disbursements, and attorney fees expended by the occupant to obtain this order.

10. Pricing. The fact that a better price could have been obtained by a sale at a different time or in a different method from that selected by the owner is not of itself sufficient to establish that the sale was not made in a commercially reasonable manner. If the owner either sells the goods in the usual manner in any recognized market therefor, or if [~~he~~] the owner sells at the price current in such market at the time of [~~his~~] such sale, or if [~~he~~] the owner has otherwise sold in conformity with commercially reasonable practices among dealers in the type of goods sold, [~~he~~] the owner has sold in a commercially reasonable manner. A sale of more goods than apparently necessary to be offered to insure satisfaction of the obligation is not commercially reasonable except in cases covered by the preceding sentence.

[~~9.~~] 11. Surplus. A storage facility may satisfy its lien from the proceeds of any sale pursuant to this section, provided that the storage facility must hold any sum obtained from the sale that exceeds the amount sufficient to satisfy the lien and the reasonable expenses

incurred complying with this section for delivery on demand to the occupant and give notice to the occupant of the occupant's right to the funds. Any balance remaining unclaimed by the occupant for more than one year after the sale of the goods must be deposited into the state unclaimed property funds account.

12. Special proceeding. The special proceeding may be brought in any court which would have jurisdiction to render a judgment for a sum equal to the amount of the lien. If the person shall show that the owner is not entitled to claim a lien in the goods, or that all or part of the amount claimed by the owner has not been properly charged to the account of such person, or, as the case may be, that all or part of such amount exceeds the fair and reasonable value of the services performed by the owner, the court shall direct the entry of judgment cancelling the lien or reducing the amount claimed thereunder accordingly. If the owner shall establish the validity of the lien, in whole or in part, the judgment shall fix the amount thereof, and shall provide that the sale may proceed upon the expiration of five days after service of a copy of the judgment together with notice of entry thereof upon the person, unless the goods are redeemed prior thereto. If the lien is cancelled, the judgment shall provide that, upon service of a copy of the judgment together with notice of entry thereof upon the owner, the person shall be entitled to possession of the property.

§ 2. This act shall take effect on the first of January next succeeding the date upon which it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.