

CHAPTER 191--H.F.No. 3380

An act relating to civil law; amending the definitions of owner and rental agreement; clarifying property sale requirements for self-service storage facilities; amending Minnesota Statutes 2016, sections 514.971, subdivisions 3, 5; 514.973, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2016, section 514.971, subdivision 3, is amended to read:

Subd. 3. **Owner.** "Owner" means one or more persons, jointly or severally, who are either the owner, operator, lessor, or sublessor of a self-service storage facility, ~~or the lessor of an entire self-service storage facility, and who~~ or an agent, or any other person authorized by the owner to manage the facility or to receive rent from an occupant under a rental agreement entered into with the occupant.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2016, section 514.971, subdivision 5, is amended to read:

Subd. 5. **Rental agreement.** "Rental agreement" means a written agreement that is entered into by the owner and the occupant and that establishes or modifies the terms and conditions of the occupant's use of storage space at a self-service storage facility.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2016, section 514.973, subdivision 4, is amended to read:

Subd. 4. **Sale of property.** (a) A sale of personal property may take place no sooner than 45 days after default or, if the personal property is a motor vehicle or watercraft, no sooner than 60 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 15 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 under chapter 331A where the sale is to be held, the advertisement may be posted on an independent, publicly accessible Web site that advertises self-storage lien sales or public notices. The advertisement must include a 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:

(1) held via an online auction; or

(2) held at the storage facility, or at the nearest suitable place at which the personal property is held or stored. ~~Online sales are permitted.~~

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

(e) The sale must be conducted 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.

EFFECTIVE DATE. This section is effective the day following final enactment.

Presented to the governor May 19, 2018

Signed by the governor May 29, 2018, 1:04 p.m.