

HOUSE BILL NO. 776

INTRODUCED BY BERGSAGEL, LARSON, MERCER, STANG

IN THE HOUSE

FEBRUARY 12, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON BUSINESS & ECONOMIC DEVELOPMENT.  
  
FIRST READING.  
  
FEBRUARY 19, 1991                   COMMITTEE RECOMMEND BILL  
DO PASS. REPORT ADOPTED.  
  
FEBRUARY 20, 1991                   PRINTING REPORT.  
  
FEBRUARY 25, 1991                   SECOND READING, DO PASS.  
  
ENGROSSING REPORT.  
  
FEBRUARY 26, 1991                   THIRD READING, PASSED.  
AYES, 88; NOES, 11.  
  
TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 26, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON JUDICIARY.  
  
FIRST READING.  
  
APRIL 4, 1991                       COMMITTEE RECOMMEND BILL BE  
CONCURRED IN AS AMENDED. REPORT  
ADOPTED.  
  
APRIL 5, 1991                       SECOND READING, CONCURRED IN.  
  
APRIL 6, 1991                       THIRD READING, CONCURRED IN.  
AYES, 49; NOES, 0.  
  
RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 9, 1991                       RECEIVED FROM SENATE.  
  
SECOND READING, AMENDMENTS  
CONCURRED IN.  
  
APRIL 10, 1991                      THIRD READING, AMENDMENTS

CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 776  
2 INTRODUCED BY Benjamin Larson

3 MERCER Abbott

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE  
5 CONTENTS OF A STORAGE UNIT MAY BE SOLD WHEN THE OWNER OF THE  
6 CONTENTS DEFAULTS IN PAYING RENTAL FEES ON THE STORAGE  
7 UNIT."  
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 NEW SECTION. Section 1. Default in payment of storage  
11 space rental fees -- notice -- sale of contents. (1) A  
12 person who rents storage space to another may sell at public  
13 auction the contents of the storage space if the owner of  
14 the contents is more than 30 days in default in paying  
15 rental fees on the space.

16 (2) Prior to an auction provided for in subsection (1),  
17 the person renting the storage space shall send written  
18 notice by certified mail to the last-known address of the  
19 owner of the contents that he has 30 days from the date of  
20 the certified letter to pay the past due rental fees and to  
21 claim the contents of the storage space or the contents will  
22 be sold at public auction. The notice must contain the date,  
23 time, and place of the auction if the past due rental fees  
24 are not paid.

25 (3) Prior to an auction provided for in subsection (1),

1 notice of the date, time, place, terms, and description of  
2 the property must be published in a newspaper in the county  
3 in which the property to be sold is located. The notice must  
4 be published once a week for 2 weeks prior to the day of the  
5 sale. If there is no newspaper published in the county in  
6 which the property to be sold is located, then the notice  
7 may be published in a newspaper of an adjacent county of  
8 this state.

9 (4) (a) Proceeds of the auction must first be applied  
10 to the costs of the sale, then to the unpaid storage rental  
11 fees, and the excess, if any, must be paid to the person  
12 entitled to the proceeds.

13 (b) All sales under this section vest title to the  
14 property sold in the purchaser of the property.

15 NEW SECTION. Section 2. Codification instruction.  
16 [Section 1] is intended to be codified as an integral part  
17 of Title 70, chapter 6, and the provisions of Title 70,  
18 chapter 6, apply to [section 1].

-End-



-2- INTRODUCED BILL  
HB 776

APPROVED BY COMM. ON BUSINESS AND ECONOMIC DEVELOPMENT

1 INTRODUCED BY House BILL NO. 776  
2 Bryan Larson

3 MERCER

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE  
5 CONTENTS OF A STORAGE UNIT MAY BE SOLD WHEN THE OWNER OF THE  
6 CONTENTS DEFAULTS IN PAYING RENTAL FEES ON THE STORAGE  
7 UNIT."

8  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 NEW SECTION. **Section 1.** Default in payment of storage  
11 space rental fees -- notice -- sale of contents. (1) A  
12 person who rents storage space to another may sell at public  
13 auction the contents of the storage space if the owner of  
14 the contents is more than 30 days in default in paying  
15 rental fees on the space.

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20 the certified letter to pay the past due rental fees and to  
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22 be sold at public auction. The notice must contain the date,  
23 time, and place of the auction if the past due rental fees  
24 are not paid.

25 (3) Prior to an auction provided for in subsection (1),

1 notice of the date, time, place, terms, and description of  
2 the property must be published in a newspaper in the county  
3 in which the property to be sold is located. The notice must  
4 be published once a week for 2 weeks prior to the day of the  
5 sale. If there is no newspaper published in the county in  
6 which the property to be sold is located, then the notice  
7 may be published in a newspaper of an adjacent county of  
8 this state.

9 (4) (a) Proceeds of the auction must first be applied  
10 to the costs of the sale, then to the unpaid storage rental  
11 fees, and the excess, if any, must be paid to the person  
12 entitled to the proceeds.

13 (b) All sales under this section vest title to the  
14 property sold in the purchaser of the property.

15 NEW SECTION. **Section 2.** Codification instruction.  
16 [Section 1] is intended to be codified as an integral part  
17 of Title 70, chapter 6, and the provisions of Title 70,  
18 chapter 6, apply to [section 1].

-End-



SECOND READING  
HB 776

1 INTRODUCED BY House BILL NO. 776  
2 Bryan Larson

3 MERCER Adams

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE  
5 CONTENTS OF A STORAGE UNIT MAY BE SOLD WHEN THE OWNER OF THE  
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13 auction the contents of the storage space if the owner of  
14 the contents is more than 30 days in default in paying  
15 rental fees on the space.

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18 notice by certified mail to the last-known address of the  
19 owner of the contents that he has 30 days from the date of  
20 the certified letter to pay the past due rental fees and to  
21 claim the contents of the storage space or the contents will  
22 be sold at public auction. The notice must contain the date,  
23 time, and place of the auction if the past due rental fees  
24 are not paid.

25 (3) Prior to an auction provided for in subsection (1),

1 notice of the date, time, place, terms, and description of  
2 the property must be published in a newspaper in the county  
3 in which the property to be sold is located. The notice must  
4 be published once a week for 2 weeks prior to the day of the  
5 sale. If there is no newspaper published in the county in  
6 which the property to be sold is located, then the notice  
7 may be published in a newspaper of an adjacent county of  
8 this state.

9 (4) (a) Proceeds of the auction must first be applied  
10 to the costs of the sale, then to the unpaid storage rental  
11 fees, and the excess, if any, must be paid to the person  
12 entitled to the proceeds.

13 (b) All sales under this section vest title to the  
14 property sold in the purchaser of the property.

15 NEW SECTION. Section 2. Codification instruction.  
16 [Section 1] is intended to be codified as an integral part  
17 of Title 70, chapter 6, and the provisions of Title 70,  
18 chapter 6, apply to [section 1].

-End-



THIRD READING  
HB 776

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 4, 1991

MR. PRESIDENT:

We, your committee on Judiciary having had under consideration House Bill No. 776 (third reading copy -- blue), respectfully report that House Bill No. 776 be amended and as so amended be concurred in:

1. Page 1, line 16.

Following: "(2)"

Strike: "Prior to an auction"

Insert: "At the expiration of the period of default"

2. Page 1, line 24.

Following: "."

Insert: "If the certified notice is returned undelivered, notice must be given as provided in Rule 4 of the Montana Rules of Civil Procedure."

3. Page 2, lines 7 and 8.

Following: "newspaper of" on line 7

Strike: "an adjacent"

Insert: "general circulation in the"

Following: "county"

Strike: strike remainder of line 7 through "state" on line 8

4. Page 2, line 11.

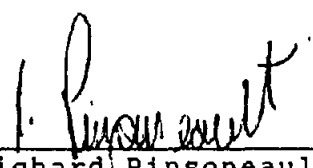
Following: "to the"

Insert: "owner. If the owner or the"

5. Page 2, line 12.

Following: "proceeds"

Insert: "cannot be located, the proceeds escheat to the state as provided in Title 72, chapter 14"

Signed: 

Richard Pinsoneault, Chairman

  
Ad. Coord.

SB 4-4 5:50  
Sec. of Senate

SENATE  
HB 776

## 1 HOUSE BILL NO. 776

2 INTRODUCED BY BERGSAGEL, LARSON, MERCER, STANG

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE  
5 CONTENTS OF A STORAGE UNIT MAY BE SOLD WHEN THE OWNER OF THE  
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12 person who rents storage space to another may sell at public  
13 auction the contents of the storage space if the owner of  
14 the contents is more than 30 days in default in paying  
15 rental fees on the space.

16 (2) Prior-to-an-auction AT THE EXPIRATION OF THE PERIOD  
17 OF DEFAULT provided for in subsection (1), the person  
18 renting the storage space shall send written notice by  
19 certified mail to the last-known address of the owner of the  
20 contents that he has 30 days from the date of the certified  
21 letter to pay the past due rental fees and to claim the  
22 contents of the storage space or the contents will be sold  
23 at public auction. The notice must contain the date, time,  
24 and place of the auction if the past due rental fees are not  
25 paid. IF THE CERTIFIED NOTICE IS RETURNED UNDELIVERED,

1 NOTICE MUST BE GIVEN AS PROVIDED IN RULE 4 OF THE MONTANA  
2 RULES OF CIVIL PROCEDURE.

3 (3) Prior to an auction provided for in subsection (1),  
4 notice of the date, time, place, terms, and description of  
5 the property must be published in a newspaper in the county  
6 in which the property to be sold is located. The notice must  
7 be published once a week for 2 weeks prior to the day of the  
8 sale. If there is no newspaper published in the county in  
9 which the property to be sold is located, then the notice  
10 may be published in a newspaper of an--adjacent GENERAL  
11 CIRCULATION IN THE county of--this--state.

12 (4) (a) Proceeds of the auction must first be applied  
13 to the costs of the sale, then to the unpaid storage rental  
14 fees, and the excess, if any, must be paid to the OWNER. IF  
15 THE OWNER OR THE person entitled to the proceeds CANNOT BE  
16 LOCATED, THE PROCEEDS ESCHEAT TO THE STATE AS PROVIDED IN  
17 TITLE 72, CHAPTER 14.

18 (b) All sales under this section vest title to the  
19 property sold in the purchaser of the property.

20 NEW SECTION. Section 2. Codification instruction.  
21 [Section 1] is intended to be codified as an integral part  
22 of Title 70, chapter 6, and the provisions of Title 70,  
23 chapter 6, apply to [section 1].

-End-